

The Commercial and FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 158 Number 4204

New York, N. Y., Thursday, August 19, 1943

Price 60 Cents a Copy

The Financial Situation

Many months ago it began to be apparent that the calls of selective service and the beckoning of high wages in war plants had so denuded the farms of labor that the nation's food supply was in serious danger. As time passed the situation thus created became more and more critical, and the authorities sought first one remedy and then another, some of them little short of ludicrous in their impracticability. It is not even yet clear whether this state of affairs, which, of course, should never have been permitted to come into being, has really been adequately remedied. Our food supply is certainly far from over-abundant, and the prospect far from clear.

Shortages Real

For several months past key executives have been expressing the opinion that we were headed for a similar situation as respects production of war goods. The armed forces were taking so many of their men with badly needed skills, they warned, that production schedules were being met with the greatest difficulty. These quotas had been set upon an ascending scale, it was pointed out, and in consequence the pressure upon more and more limited skilled working forces was steadily growning. Many have for months been bluntly stating in private that war industry would, if policies and practices in drafting skilled men continued unchanged, presently be faced with impossible demands for production. These predictions appear to be finding strong support in recent reports of production.

In this type of labor market excessive turnover is usual, indeed almost inevitable, but in recent months, and particularly in recent weeks, the instability of working forces appears to have been seriously aggravated by the peculiarities of the workings of the draft system, by differentials in wage scales and other conditions of work, and by a number of abnormal conditions which are in part the product of the way in which civilian occupations in the service industries have been dealt with by the authorities. This situation is reported to have developed with peculiar intensity in certain sections of the aircraft industry, which with the possible

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Byrnes Declares Wage And Price Stabilization Act Must Prevail

Indicating that definite progress is being made "in a food price program with a view to stabilizing the cost of living as nearly as practicable at the level fixed by Congress," James F. Byrnes, Director of the Office of War Mobilization, declared on Aug. 16 that "there will be a substantial reduction in the cost of actual necessities—not of fancied wants." Mr. Byrnes, who made these statements in a radio address, broadcast from Wash-

ington, cautions that "wages as well as prices must be held." "The fight against inflation," he said, "can be won if we have the will to win it. It cannot be won if the will for higher wages and higher prices is stronger than the will to keep down the cost of living." In part, he also said:

"The first interest of every good citizen should be to see that there is no further rise in the cost of living. If, in some cases, increased production costs make further price adjustments unavoidable in order to obtain necessary war production, then we must, by more rigid price control, or subsidy, of other items see that there is no rise in the cost of living.

"It does not make sense to say that we can use subsidies to prevent numerous specific food prices from rising but that we cannot use subsidies to reduce a limited number of key items in the family food basket to offset rises permitted in other food items.

"Congress, by the act of Oct. 2, 1942, declared that prices and wages should be stabilized so far as practicable at the level of Sept. 15, 1942."

Likewise, he stated: "We cannot abandon the hold-the-line order on the price front without abandoning it on the wage front. And if we abandon it on both fronts, the 20 millions or more of our people receiving low wages, small salaries and small fixed incomes which have not been increased materially since the war started will be ground below the level of fair subsistence."

Mr. Byrnes made known in his address the approval by the President of a 48-hour week for mines, as to which he (Mr. Byrnes) said:

"Because of the threatened coal shortage, several days ago the President requested me to ask Secretary Ickes to consider the advisability of increasing the working hours in the mines. Sec-

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The News Behind The News

By PAUL MALLON

The German military situation is decaying rapidly.

Italy is defenseless, as we control the air and sea on both sides of the boot.

Wherever the Nazis elect to dig their defensive line in Italy, we can turn their positions by landing in their rear from the sea. Frontal attacks are not necessary.

Swiss rumors have suggested they are digging in on the Po River line, which would leave all the boot to the Italians and to us. It is too far north to be turned from the sea. A better line runs across the top of the Apennine Mountains, north of Florence, but it could be turned.

However, both positions can be fed from Germany only through the Brenner Pass (about 200 yards wide). Our bombers can close that pass and cut off any Nazi defense in Italy as soon as they get into Italian mainland airfields.

The only other possible German supply routes for defense on north Italian soil run through Switzerland, and the neutral Swiss

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Individual War Bond Purchases Seen Best Antidote For Inflation

The best antidote for inflation is the purchase by individuals of government war bonds, New York business leaders were told on Aug. 16 when W. Randolph Burgess, Chairman of the War Finance Committee for New York State, stressed this point at a luncheon in the Union League Club, where plans for the Third War Loan, beginning September 9, were outlined to a cross-section of business and industrial executives.

The purchase of war bonds by ordinary Americans to the limit of their resources will not only prove to be sound insurance for the future, but will prevent a spiraling inflation, Mr. Burgess pointed out. He emphasized that the forthcoming war bond campaign will be more than a money-raising effort. Mr. Burgess added:

"It will be a means of knitting the people of America closer together in a united group to finance the war and bring it to a victorious end for us. More than 50,000,000 citizens have already invested in war bonds. But it is up to business men to increase that number so we can continue to live in the American way."

He further said that "having as

many people as possible stockholders in the U. S. A. will prove a great force in post-war times." Mr. Burgess recalled that in the last war bond campaign the discovery was made that banks could be "induced to advise depositors to withdraw their money and invest it in government bonds." The payroll savings plan was another idea born during war loan drives, he said, and 46,000 firms have adopted the plan.

Life insurance agents and the Civilian Defense Corps are being recruited to help in the Third War Loan as part of a volunteer army of half a million, Mr. Burgess revealed. Nevil Ford, Executive Manager of the War Finance Committee for New York State, urged business leaders to lend the services of as many executives as they could spare to help direct and supervise the thousands of volunteer war bond salesmen. Former Mayor James J. Walker advised the campaign be carried into the homes of small income groups. He said "the little fellow is always ready to help his Uncle Sam." Other speakers were Walter S. Gifford, President of the American Telephone and Telegraph Co., and Bruce Barton.

From Washington Ahead Of The News

By CARLISLE BARGERON

That gentleman who has formed the Republican Post-War Association and the other people in our midst who are terribly worried that we aren't going to show the proper "concern" in post-war world affairs, had better quit trying to force a candidate on the Republicans whom they don't want, and concentrate on the reelection of Mr. Roosevelt. Even then there is a serious question whether they aren't sunk anyway.

We are going on the assumption that all the racket being stirred up about this "concern" is nothing more than an enterprise by a lot of pretty good propagandists in which a lot of well meaning people have been hooked. We mean to say that we have never known the time when this country wasn't "concerned" in and when it was not meddling in world affairs. Harding, Coolidge and Hoover seemed to be forever either holding international conferences or preparing for them. Had it not been for us and to a much lesser extent, Britain, the French would probably have still been in the Rhineland and the Ruhr. Mr. Roosevelt, as one of his first undertakings, scuttled the London Economic conference which Hoover had initiated; he also claimed considerable credit for the Munich Pact. As kids most of us used to give our pennies to the foreign missions by which the Chinese and other "heathens" were to be taught our Christian way of life.

Heretofore, our explanation for the belligerency of the dictators has been that things were going

bad on their home front and they had to do something to divert the minds of their subjects. This was the explanation we accepted, at the time, for Mussolini's move into Abyssinia, and it is difficult to understand just what other reason he could have had, though we are now told it was a piece of the general plan. Indeed, we have accepted the big excursions abroad of our own politicians as more or less warm weather diversion with which they were seeking to entertain us. But certainly they were showing a "concern" in world affairs at the time. We remember very well after Hoover had succeeded Coolidge, the latter came back to Washington to preside over the formal signing of the Kellogg pact. That instrument was a big showing of "concern" in world affairs, and Mr. Hoover's publicity man thought Coolidge was getting a little too much play in the newspapers that day, so in the late afternoon, after the morning ceremonies attendant upon signing the pact, Hoover came out with an announcement that this Government and Britain to show

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The Financial Situation

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exception of ship construction is now regarded as the most vital of all war industries. It is, however, by no means confined to this key industry, but, on the contrary, is proving quite troublesome in a number of other branches, some of them in turn essential to full scale plane production. All in all, this situation appears to be reaching, if indeed it has not already reached, a critical stage.

Controversy Over Fathers

Meanwhile the armed forces continue to insist upon large accretions to their ranks, additions so large that the War Manpower Commission is finding itself hard put to it to supply them. This organization has been taking the position that it had no alternative to the calling up of fathers. In some instances possibly it is a choice of calling out irreplaceable single men from war industry or drafting men with dependent children; in others apparently—due to the peculiarities of the methods employed in fixing the quotas of the local draft boards—no choice at all remains. The idea of drafting fathers is, however, anathema in certain Congressional circles, and it has appeared at times that were the Administration to proceed with plans for drafting them on any large scale, its difficulties on Capitol Hill, where there is trouble enough as it is, might well assume substantially greater proportions.

New Plans

To meet all these difficulties at least in part War Manpower Commissioner McNutt has evolved a new scheme, which was announced late last week. The plan has a number of characteristics of what is known as a clever political maneuver, but the real question is: In what degree the plan will contribute to the solution of the pressing problems confronting the nation? The War Manpower Commission ostensibly at least sticks to its guns as regards the drafting of fathers, but offers them an opportunity to get into war work, and if they are possessed of certain so-called critical skills they will for that reason receive special deferment if in war work. The list of non-deferrable occupations is lengthened considerably, and new and more stringent rules are promulgated designed to curtail labor turnover. The purpose announced is to place all able-bodied men, whether fathers or not, between the ages of 18 and 38 either in the armed services or in essential war work, and to keep men working where they are wanted most. What is likely to be the result of all this planning and ordering?

Asking The Impossible

The careful observer would like to know, first of all, whether the plan, if it worked out in actual practice as desired, would provide both the armed services and the war plants with the manpower required. The over-all objective as stated is to add 2,000,000 men to the armed services and 1,600,000 to the war labor force by July 1, 1944. That the procedures now announced will succeed in finding 3,600,000 men for the purposes during the period mentioned is seriously to be doubted. It will, of course, create no manpower which does not already exist, or which does not automatically come into being as time passes quite irrespective of what may be done in the matters here in question. That another 3,600,000 men can be drained off from the labor force now serving the civilian population without grave consequences may well be doubted. It is not proving easy to enlist more women to take the place of men either in war work or other occupations due to a number of causes, some of them quite natural and others products of the reductions already effected in services offered the civilian population. A spokesman for the War Manpower Commission only the other day asserted that from 1,500,000 to 2,000,000 more women must be drawn into war work before the end of the current calendar year.

The thoughtful observer is therefore obliged again to ask whether we are not in effect asking for better bread than can be made of wheat, or, perhaps better stated, more bread than can be made of the wheat at our command. In our anxiety to enlarge the size of our fighting forces to compare more favorably with those of some of the other countries engaged in this war, are we not endangering our capacity to remain in a very real sense the arsenal of democracy? It should never be lost to sight that our factories are expected to produce not only the armament required by our own forces, but a very large part of that needed by Russia, Great Britain, China, and many, many other smaller allies. It would be simply disastrous for us to fail in our undertaking to see that all these associates of ours have all the arms and munitions—not to say food, in many instances—they require. It is often said that it is better to have too large an army than too small an army. This, like so many catch phrases, half reveals and half conceals the truth within. Too large an army in the circumstances actually now exist-

ing could, if it were the cause of failure to equip them and those of our allies properly, be quite unfortunate enough.

Time For Reconsideration

This is a matter beyond the control of the War Manpower Commission. It rests with the President himself in the final analysis, and the Commander-in-Chief would, we believe, do well to reconsider this entire question in light of the facts as they are now developing. It may be taken for granted that the most recently announced program of the War Manpower Commission will not work perfectly, or even approach perfection. They are much more likely to fail to have any very important helpful effect—as many others have failed before them. To cling stubbornly to plans which have proved unsound may well be to court disaster if the war is greatly further prolonged.

Fear And Want

"Fear of a post-war depression and preparation for it appear to dominate the policies and attitudes of business management. Accordingly, profits are sought mainly as a means to security. One respondent, for example, states that 'Present taxes take so much of income that we will have to be very careful if we are to have enough to get through the next slump.' And another says: 'Our job from here out is to get in the strongest possible financial shape. It will be a struggle with present and possible future taxes. No more expansion with our money.'

"A specific example of post-war dangers is that of liquidating inventories-in-process and accounts receivable at the termination of hostilities. Borrowing to provide additional working capital is a normal procedure for many corporations when liquidation of inventories and accounts receivable is expected to provide the funds with which to repay loans. The present danger arises from the strong possibility that post-war liquidation of labor-and-materials-in-process and accounts receivable cannot be consummated without grave losses.

"Since taxes are not due until about a year after the profits upon which they are levied were earned, reserves are set up by corporations to meet the payments when they become due. Many corporations are making current use of the funds represented by these reserves and are depending upon future earnings or liquidation of assets for cash with which to pay taxes. Some corporations feel that this is such a hazardous practice that they refuse to do it; rather, they restrict current operations if necessary, to permit the setting aside of cash to meet these payments.

"Those who feel forced to use their tax reserves currently because of the urgency of war production are quite apprehensive as to the dangerous post-war situation they are creating for themselves."—The Conference Board.

If business is to be denied reasonable freedom from fear, how shall any of us attain freedom from want?

The State Of Trade

Reports from most of the heavy industries continue to show up well, with a new high again scored in electric production.

For the fourth consecutive week ended Aug. 7, electric distribution reached a new all-time high of 4,240,638,000 kilowatt hours, which compares with 4,226,705,000 kwh. in the preceding week and 3,637,070,000 for the like 1942 week, according to the Edison Electric Institute.

Production of electrical power for the latest week was 16.6% above a year ago, against a year to year gain of 15.8% in the July 31 week. Mid-Atlantic, Pacific Coast and Southern States divisions showed the largest gains over 1942.

Consolidated Edison Co. of New York announced that the system's output of electricity for the week ended Aug. 8 was 202,100,000 kilowatt hours, against 153,200,000 for the like 1942 week, an increase of 31.9%.

Steel operations this week are scheduled at 98.8% of capacity compared with 98.4% last week, an increase of 0.4%, according to the American Iron & Steel Institute.

A month ago the rate was 98.3% of ingot capacity, while operations stood at 97.2% in the corresponding week of 1942.

A gain of more than 1,000,000 tons of steel for use during the last half of this year has resulted from the steel-for-victory drive, it was announced by Donald M. Nelson, chairman of the War Production Board.

This figure, Mr. Nelson said, represents half of the drive's over-all quota of 2,000,000 tons of additional steel for the third and fourth quarters. The other parts of the drive—increased efforts to make more steel from existing facilities and the acceleration of the completion of selected new facilities—are being pushed, and "there is every expectation that the drive will be a complete success. Fourth-quarter steel requirements are still some 4,000,000 tons greater than supply. But the success of the share-the-steel

campaign is encouraging to us all."

Carloadings of revenue freight for the week ended Aug. 7th, totaled 872,077 cars, according to the Association of American Railroads. This was a decrease of 13,437 cars below the preceding week this year, 21,856 cars more than the corresponding week in 1942 and 6,428 cars under the same period two years ago.

This total was 124.01% of average loadings for the corresponding week of the ten preceding years.

Civil engineering construction volume in continental United States totals \$31,773,000 for the week. This, not including construction by military combat engineers, American contracts outside the country and shipbuilding, is 33% below the preceding week and 84% below the total for the corresponding 1942 week, according to "Engineering News-Record."

Private work is 47% below a week ago and 69% below a year ago. Public is off 31% from last week despite the 48% gain in state and municipal construction, as Federal work is down 37%. Both state and municipal and Federal volume are below last year and are responsible for the 85% decrease in public construction. Current volume brings 1943 construction to \$2,141,802,000, an average of \$66,931,000 for each of the 32 weeks.

Department store sales on a country-wide basis were up 6% for the week ended Aug. 7th, compared with the like week a year ago, according to the Federal Reserve System.

Store sales were up 14% for the four-week period ended Aug. 7th, compared with the like period last year.

Department store sales in New York City in the week ended Aug. 14th, were 2% smaller than in the corresponding week of last year, according to preliminary estimate issued by the Federal Reserve Bank of New York.

In the previous week ended Aug. 7th, sales of this group of stores were 3% less than in the like week a year ago.

Retail sales are well on the way to a new all-time high, observers state. The upturn thus far in 1943 indicates that the nation's stores this year, for the first time in history, will do a total volume of business in excess of \$60,000,000,000. This compares with \$56,400,000,000 in the record year of 1942 and with \$54,200,000,000 in 1941.

However, most economists close to the retail picture do not believe that this top figure can be realized. They admit that consumer income and consumer demand for goods are both sufficiently large enough to achieve such an end, but hold that the merchandise necessary to make the gain possible will not be available.

Although merchants will have to contend with more and more war-time merchandise shortages, as well as with man-power and delivery problems, the future of retailing remains bright, informed sources state. When peace comes stores should enjoy a good business. Of course, there will be some post-war readjustments to face first, but once American factories roll into production on now hard-to-get items of civilian goods, retail sales should rise substantially.

Wood Pulp Output In First Half Off 17.5%

Near-stability appears to have been achieved in the amount of wood pulp becoming available for consumption in the United States, Fred G. Stevenot, President of the Puget Sound Pulp & Timber Co., declared last week, but at a level considerably below the current rate of consumption. He warned that the national pulp stock pile is being depleted at a rate which cannot be long continued.

Total pulp production of 4,557,000 tons in the first half of 1943 came within 116,000 tons of equaling production in the last half of 1942, but fell 965,000 tons (or 17.5%) short of the record for the first half of that year, Mr. Stevenot said. Domestic production, augmented by slightly increased imports and a reduction in exports, provided approximately the same total amount of new supply for domestic consumption in each of the four quarterly periods ended June 30, 1943.

Some divergence in trends was pointed out by Mr. Stevenot, with slight gains in receipts of mechanical pulp, from which newsprint is made, while chemical pulp receipts showed minor declines in successive quarterly periods.

"For most of the past year pulp inventories have been drawn upon heavily to meet consumption demands," Mr. Stevenot stated. "Stocks at pulp producing mills were reduced 47%, from 192,000 tons in August, 1942, to 102,000 tons in June, 1943. Stocks of paper grades of pulp declined an estimated 37% between October, 1942, and June, 1943."

Crux of the situation is the low rate of production of logs and pulpwood for months past. Sharp inroads have been made in inventories of wood for pulping purposes, but even this expedient enabled pulp mills to operate at only about 78% of capacity in the first half of 1943, and at less than 75% of capacity in June, the statement added.

"Renewed efforts, all on a voluntary basis, are now being made to step up production of logs and pulpwood," Mr. Stevenot said.

Spahr Says Treasury Statement On Invasion Money Shows Clearly That It Is Fiat Money

Incident to the Treasury Department's explanation, Aug. 16 of its invasion money, Prof. Walter E. Spahr finds that the Treasury makes clear that the currency is "outright fiat money." The observation is also made by Prof. Spahr that the Treasury while planning for and printing this currency, apparently did not present this program to Congress—the only body, he points out, which has Constitutional power to authorize the issuance of our currency. The views of Mr. Spahr, who is Professor of Economics, New York University, and Secretary of the Economists National Committee on Monetary Policy, were contained in a statement issued by him as follows on Aug. 17:

"Perhaps the chief fact made clear by the Treasury in its explanation of its printing and issuance of invasion money is that this currency is outright fiat money.

"To the extent that the Treasury attempts to redeem it, this money constitutes a net addition to the paper money authorized by Congress and just that much additional load on our gold and silver monetary reserves. The effect is precisely the same as if a like amount of fiat money had been issued within the United States.

"The Treasury says that the Army's use of this money for normal military operations would be charged to War Department appropriations, thus making 'no change in the customary control by the Congress over the size and nature of Army appropriations.' It also says that that portion of this money used for local governmental operations, including such things as 'maintenance of public schools, water systems, salaries of local officials and the like' will not be charged against Army appropriations 'for obvious reasons.'

"When Congress appropriated money for the War Department, it provided that the Treasury should raise the funds by taxation and borrowing; it did not authorize the Treasury to pay War Department expenses by the printing of fiat money. To charge expenditures of such money against War Department appropriations does not change the fact that the Treasury has met these expenses by the use of fiat money not authorized by Congress.

"To the extent that the Treasury attempts to redeem this money in our gold and silver, these reserves can be depleted. Should the Treasury issue a sufficient amount of this fiat money and attempt to redeem it our supply of metallic reserves could be exhausted. And all this could be done without the consent or knowledge of Congress.

"War Department appropriations exceed many times the amount of this nation's metallic money reserves; therefore the fact that the Treasury proposes to charge part of this fiat money against War Department appropriations affords no protection whatever against endangering the monetary reserve systems of this country.

"As to that portion of this fiat money which the occupied countries are obliged to use and which will not be charged against War Department appropriations, the question arises as to what that money will be worth unless the Treasury redeems it in dollars at the rate specified on its face. If the Treasury does not redeem it, the specified rate of exchange means nothing. If it is to be redeemed, then it, too, becomes a liability of our Treasury and a burden on our metallic money reserves.

"The Treasury says that this money is issued under international rather than American law. Just what international 'law' authorizes, or could authorize, the Treasury to issue fiat money which could be used to impair or destroy our monetary and reserve structure without Congress having anything to say about the matter is certainly a question that Con-

gress should explore very quickly and very thoroughly.

"One arresting aspect of this matter is the fact that the Treasury, while planning for and printing this currency, apparently did not present this program to Congress which was then in session. Withholding from Congress, the only body which has Constitutional power to authorize the issuance of our currency, all knowledge of a Treasury program of printing and issuing a new and unauthorized paper money—if that was, in fact, the case—would seem to raise a question of the gravest import both to Congress and to the American people. It may have been necessary or desirable for the military forces to have some special currency but, if this was the case, it would seem quite clear that only Congress could authorize its issuance."

Group Named To Study Post-War Shipping

The U. S. Maritime Commission announced on Aug. 11 the formation of a post-war planning commission which will develop a long-range program for the American shipping industry.

The commission's action was undertaken "pursuant to its statutory responsibility under the Merchant Marine Act of 1936. The act requires the commission to make various surveys to determine shipping requirements of the United States and to assure maintenance of a merchant marine adequate to the needs of commerce and defense."

"The economic survey made in 1937 resulted in various measures for the upbuilding of the American fleet, notably a 10-year plan for the replacement of obsolescent vessels and a training program for the development of an efficient seagoing personnel. The current survey is expected to provide a broad background of information which will enable the Commission not only to plan for the immediate post-war period but to formulate a long-range program as well."

The Post-War Planning Committee is headed by Commissioner Howard L. Vickery, serving as Chairman, and Commissioner Thomas M. Woodward, serving as Co-Chairman. Other members of the committee are:

Representing the Maritime Commission: R. E. Anderson, Director, Division of Finance; James L. Bates, Director, Technical Division; Henry L. Deimel, Jr., Director, Division of Economics and Statistics; Ralph H. Hallett, Director, Division of Regulation; Gerald H. Helmbold, Director, Division of Operations and Traffic; Harvey Klemmer, Economic Adviser to the Commission; Donald E. Lawrence, Chief Examiner of the Examining Division; Huntington T. Morse, Assistant to the Chairman; Daniel S. Ring, Director, Division of Shipyard Labor Relations; S. Duvall Schell, Executive Director, and Wade H. Skinner, General Counsel.

Representing the War Shipping Administration: F. M. Darr, Director of Traffic; Telfair Knight, Assistant Deputy Administrator for Training; William Radner, General Counsel; David E. Scoll, Assistant to the Administrator.

Post-War Prosperity Depends On National Thrift Now, Hook Says

The need for thrift in American society to build up reserve for post-war purchasing was emphasized on Aug. 8 by Charles R. Hook, President of the American Rolling Mill Co., in a talk to the Ohio Department of the American Legion at Cincinnati.

"Planning for post-war production which would provide jobs for men now in military service is meaningless, unless there is built up at the same time a reserve for the purchase of peacetime articles," Mr. Hook asserted. "The formula for the conversion of post-war production plans from paper to pay rolls is expressed in two words—'Thrift Now.' For prosperous post-war conditions we must have individual thrift, corporate thrift and government thrift."

"Industry can plan production," he said, "determine what it can efficiently make, where it can make it and to whom it can sell it, but industry must have a demand for that production. And demand, very simply, is purchasing power. Future demand . . . is created by savings now."

"There is nothing mysterious about it," he continued. "You just simply must have the money to buy an item or you can't buy it, now or in the post-war period. Individuals must save their earnings, buy War Bonds, stay out of black markets, pay off their debts, and sacrifice now to be able to buy after the war."

Pointing out that corporations should pay their debts to be in a position to readjust quickly to production of peace-time commodities, Mr. Hook urged that the Government allow industry to create a genuine post-war cushion through the setting up of reserves. He added:

"Government, too, must economize drastically. Individuals will not, and corporations cannot, put their financial houses in order if government does not. In this representative democracy, the government is a mirror of all the people. Therefore, the people of the United States must demand of their government that it set the pattern of thrift, or all the post-war production studies in the world won't do a bit of good when victory comes."

Johnson Leaves Army To Push Production Of Civilian Needs

Brig. Gen. Robert W. Johnson, Chairman of the Smaller War Plants Corporation, announced on Aug. 10 that he had obtained a discharge from the Army in order that he might be free to take a "strong position" in behalf of production of essential civilian needs.

In explaining his return to civilian status, Gen. Johnson said he wanted to become a "champion of civilian economy to a large degree" and that it would be inappropriate to carry out these responsibilities as head of the SWPC while still an officer in the Army. When Gen. Johnson was borrowed from the War Department last February to direct the SWPC, it was agreed that he would retain his military status as long as it proved beneficial in his post.

In announcing his resignation from the Army, Mr. Johnson made public a letter from Chairman Donald M. Nelson of the War Production Board to Secretary Stimson. This said Mr. Nelson shared General Johnson's belief that it would be "less embarrassing to himself and the Army" if he returned to civilian status.

"Invasion Money" Used By Allied Troops In Sicily Made Legal Tender There

That the so-called "invasion," or "occupation money" being used by the Allied troops in Sicily has been made legal tender there, exchangeable at par against local currency, was made known at Washington on Aug. 16, at which time, the War and Treasury Departments also disclosed, according to Washington advices to the New York "Times" that soldiers paid with "occupation money" might remit any portion of their pay to the United States. "Payment will be made here in dollars," said the advice, which added that "exchange at the decreed rate is available when the troops leave the area."

From the "Times" Washington account we also quote:

"On the other hand, for obvious reasons," it was said, "War Department appropriations will not be charged for expenditures in Sicily by the Allied Military Government for local governmental operations, whether financed from local taxes or revenue or through the use of Allied military currency. Thus, for example, the Allied Military Government will not charge Army appropriations in connection with the maintenance of public schools, water systems, salaries of local officials and the like."

Following the example set in connection with the Sicilian occupation, the Allied forces are making elaborate preparations for the distribution of currency in other conquered territories. These plans are designed, in part, to counteract steps that the fleeing enemy may take to disrupt conditions.

"The enemy," it was explained, "might, for example, adopt a scorched-earth policy, which, on the monetary side, may evidence itself in the withdrawal or destruction of currency stocks and the resulting depletion of the circulating medium of exchange of the area. On the other hand, the enemy might, in its efforts to cause maximum difficulties to the occupying forces, flood the area to be occupied with local currency to such a point that it becomes practically worthless as a satisfactory medium of exchange; and may even resort to the use of counterfeit local currency."

Advices that the Treasury and War Departments had announced that Allied military currency now in use in Sicily and held in readiness for future offensive operations was issued under international rather than American law were contained in Associated Press dispatches from Washington Aug. 16, which said:

"An explanatory statement said that the Army's use of the distinctive money for normal military operations would be charged to War Department appropriations, thus making 'no change in the customary control by the Congress over the size and nature of Army appropriations.'

"It should be noted that, in contrast with Axis procedure, which is governed by a policy of exploitation or of outright destruction of the existing economy of a conquered area, Allied military policy and procedure is governed by a spirit of liberation and a policy of rehabilitation and fair dealing with the liberated peoples."

"The announcement had been promised by Secretary of the Treasury Henry Morgenthau, Jr., as a reply to Walter E. Spahr, New York University Economics Professor and Secretary of the Economists' National Committee on Monetary Policy. Mr. Spahr had demanded to know the nature of the military currency, who was liable for its redemption, what the reserve was against it and under what authority it had been issued. No specific answers to the questions concerning redemption and reserves were given."

Dr. Spahr's queries on invasion money appeared in our issue of Aug. 5, page 516, and a further reference to the subject was made in these columns Aug. 12, page 604.

WMC States Policy On Reemployment Of War Veterans

With combat-disabled members of the armed forces returning home in steadily increasing numbers, and the list of those honorably discharged for other reasons rapidly lengthening, the War Manpower Commission issued on July 28 a statement of "Policy on Reemployment and Placement of Veterans." This policy, it was stated, was approved by the Management-Labor Policy Committee.

The policy statement says, in part:

"Effective prosecution of total war requires that every manpower resource of the Nation be utilized to the fullest extent possible. During the course of the war, large numbers of the Nation's veterans who suffer combat disabilities will be returned home; additional thousands will be returned to civil life, honorably discharged from the armed forces for other reasons. Full and effective utilization of returned veterans through reemployment, rehabilitation, training and selective placement is the Nation's responsibility and privilege.

"The War Manpower Commission fully recognized its obligations to veterans of the present war and to those of past wars and will continue to carry out these responsibilities through its Veterans' Employment Service Division of the Bureau of Placement and through its Regional, State and area offices, its local United States Employment Service offices, State and local Veterans' Employment Representatives and through its Bureau of Selective Service. The War Manpower Commission through these channels will place returned veterans in gainful and essential employment or refer them to the proper agencies for rehabilitation and training and thereafter accord them selective placement."

Non-Farm Foreclosures Down 39% In First Half

Continuing a decline which began in 1933, foreclosures on non-farm real estate in the first six months of 1943 were estimated at 14,179, a drop of 39% from the same period of 1942, and the lowest figure for any half year in the 16 years for which such information is available, the Federal Home Loan Bank Administration announced on Aug. 7.

All 12 Federal Home Loan Bank districts participated in the current downward movement, with decreases ranging from 56% in the Indianapolis region to 29% in the New York area.

The seasonally adjusted index of foreclosures for June was 16.1, as compared with the average level of the 1935-1939 base period (taken as 100).

To determine the effect of wartime population shifts on foreclosure activity, the Federal Home Loan Bank Administration recently made a study of foreclosure records in more than half of the nation's counties. It was revealed that foreclosures have increased in but 1% of those areas, a rise not attributable to the effect of losses in population on real estate values.

Capitalism or Communism or What?

Roger W. Babson Discusses Land Assessments

Letters continually come to me asking my idea as to what changes in the social and economic structure are ahead. These letters have increased since Vice-President Wallace made his recent Detroit address. As this is a nice cool day, I am making a guess as to what developments may take place or at least the route that such developments may follow. These comments, however, are merely forecasts and I am not arguing for them.

Begin with Fundamentals

Instead of Socialism, Fascism,

Communism or even Capitalism succeeding, I expect that all of these—as now set up—will change. The "Single Tax" theory of Henry George or the "Eliminate Poverty" theory of Mrs. John Martin of Winter Park, Florida, comes nearer the desired goal. In selecting this goal, I make two assumptions as follows:



Roger W. Babson

1. That soil, babies, education and religion are the four foundation stones of any permanent economic and social system.

2. That the coming economic system will be half-way between Capitalism and Communism. The free enterprise feature of Capitalism must be conserved; while a monopoly of the soil must be avoided. Home owners, who use the land, must be protected.

These four fundamentals—soil, babies, education and religion—must be met one at a time in order that we do not "bite off more than we can chew." My forecast, therefore, is that the first problem to be tackled will be the soil problem. By soil I include farms, home gardens, natural resources and improvements, all of which go to make up real estate. Due to high taxes farmers now have not the money to build up their soil and prevent its loss by erosion. As a result the nation is losing every day the soil equivalent of 200 Forty-Acre Farms.

Fair Assessments a Protection

Real estate values and real estate owners—as well as the public—should be protected by fair and equal tax assessment. This can be accomplished only by legislation whereby the taxable body—town, city, county or state—must, upon request of the owner, take over said property at said assessed value any time on proper notice. This is the only way to prevent unfair assessments although said assessments can be readjusted each year. Why more ambitious politicians have not tackled the problem of present ruinous assessments is beyond my understanding.

Fair assessments by themselves, however, may not be enough to equalize opportunities and protect those who are diligently using property to raise families or crops. I, therefore, forecast that the time may come when real estate can be purchased or sold only at the assessed values. This would prevent both unfair foreclosures by banks and greedy lenders, and it would enable young people to buy farms and other property at fair prices. Banks may at first object to this, but in the end it would protect their mortgages and enable buyers of property to more easily secure mortgage money.

"After-the-War" System

We hear much discussion regarding what is going to be put "behind the dollar" after the war. Some economists are urging a Commodity Dollar, the value to move up and down according to

the cost of living; others recommend a Production Dollar based more upon the nation's improvements; while others present still different plans. I hope that the world will return to a reasonable gold standard—at least until we straighten out present economic problems.

Without advocating any special money theory, my guess is that the ultimate dollar will be based upon the number of acres which a nation has, but rather that it correlate with the productivity of these acres. This in turn will depend on the quality of the soil, natural resources, and upon the number of children, including their education and religion. This "Land Value Dollar" is probably a long way off; but my guess is that all countries must finally come to it.

"Land Value Dollar"

The first step toward a "Land Value Dollar" must be fair assessments and the willingness of the government to redeem its dollars in land values or issue dollars for land value. In other words, to make the dollar good and assure equal opportunities to young people, it may become necessary for everyone to be able to get land for their dollars or dollars for their land at a fair assessed value. This may be fifty or more years hence. Certainly, I am not arguing for it at the time; but to statisticians it seems inevitable some day. Some accompanying restrictions must then be provided to avoid bootlegging in land. Perhaps only a return to religion will do this.

People will not always stand for Capitalism as it now relates to land holdings. On the other hand, the Russian system where all land and improvements are owned by the State crushes private initiative. Fascism is an attempt at a happy medium whereby the land is owned privately but the government tells its people what to do with it, how to use it, when to sell it, etc. This fantastic Russian system will not work in the long run.

June Steel Payrolls Set Record For 30-Day Month

Steel industry payrolls during June were the highest for any 30-day month on record, totaling \$136,217,000 for the month, according to a report released on August 5 by the American Iron and Steel Institute. In May, a longer month, steel payrolls amounted to \$137,404,000 while in June a year ago \$118,067,000 were distributed to steel company employees. The Institute's report further adds:

Employment in the industry again declined slightly during the month to a total of 631,000 as against 632,000 employees in May and 659,000 in June of last year.

Average hourly earnings of wage-earning employees amounted to 112.7 cents in the month of June, which compares with 113.4 cents per hour in May and 102.0 cents per hour in June 1942.

The average number of hours worked per week by all wage-earning employees, including those who may have been on the payrolls for only a day or so during the month, was 43.3 in June, compared with 41.9 hours per week in May and 38.7 hours per week in June a year ago.

Congress Will Not Reconvene For Action On Draft Of Fathers

The request of Senator Wheeler (Dem., Mont.) that Congress be reconvened before the end of the recess Sept. 14 in order to consider bills dealing with the drafting of fathers has been turned down by Senator Barkley (Dem., Ky.), majority leader, and by Speaker of the House Rayburn.

Senator Wheeler had asked that members of both houses be called back to Washington "to take up these bills to determine the policy of the nation on the subject."

Senator Barkley, in a telegram to Senator Wheeler on Aug. 11 said that "the recess will terminate two weeks prior to Oct. 1, the date on which the draft order under discussion is supposed to take effect, which will give Congress ample time to consider and dispose of any legislation on the subject if it desires to do so." Senator Barkley added that he had communicated with Representative McCormack (Dem., Mass.), House Majority Leader, and that Mr. McCormack concurs in Mr. Barkley's views.

Speaker Rayburn telegraphed on Aug. 12 that "as you know the House has already passed the Kilday Bill and from your telegram I understand that a Senate Committee has reported a bill for yourself."

"It would appear to me that if the Senate in its wisdom desires to pass either one of these bills it could be done between Sept. 14 and Oct. 1. Therefore I cannot see sufficient reason for calling 531 Senators and Representatives from their helpful visit among their home people back to Washington at this time."

Representative May (Dem., Ky.), Chairman of the House Military Affairs Committee, announced on Aug. 10 that he would introduce a bill as soon as Congress reconvenes to prohibit the drafting of all fathers and might even ask that fathers already in the Army be discharged.

The policy of the Selective Service Bureau of the War Manpower Commission on drafting of fathers was given in these columns on Aug. 12, page 610.

Sees Economic Gains In Post-War Period

Eric A. Johnston, President of the U. S. Chamber of Commerce, arrived in London on Aug. 12 to study closer post-war collaboration between Great Britain and the United States. Mr. Johnston predicted that the United States would embark on a period of widespread economic development after the war under a system of free enterprise, according to Associated Press London advices of Aug. 12. This account further stated:

He declared the standard of living would be even higher than in pre-war years.

Technological advances, development of synthetics, the demand for goods in a war ravaged world and the technical skill of American labor will combine to produce post-war prosperity, he told a press conference.

Mr. Johnston foresaw the gradual abandonment of many Government restrictions in peace years because Americans will weary of priorities and artificial controls.

He said the American people will want to maintain a strong Army and Navy and Air Force after the war for defense.

Asked by a Stars and Stripes Army reporter where members of the armed forces would fit into post-war industry, Mr. Johnston replied that opportunities should be unlimited and that many should start their own businesses.

McNutt Declares Social Security System Has Proved Utility In Last Eight Years

On the eighth anniversary of the signing of the Social Security Act, Paul McNutt, Federal Security Administrator, said on Aug. 14 that "the program has proved its utility both in continuing and emergency circumstances."

"On the basis of eight years' experience, we should now prepare for post-war readjustments as well as for the permanent economic security of all the American people," he added.

Citing current reports made to him by the Social Security Board, which is a part of the Federal Security Agency, Administrator McNutt said that these programs have "brought us nearer the victory we all strive for on the home front—freedom from want."

He recalled it was also on an Aug. 14—in 1941—that President Roosevelt and Prime Minister Churchill announced the Atlantic Charter, the fifth plank of which calls for "collaboration between all nations in the economic field with the object of securing for all improved labor standards, economic advancement and social security."

As evidence that "social security now has an accepted place in our democratic system and has helped millions of Americans to build a substantial foundation for freedom from want," Mr. McNutt outlined progress under each of the major programs.

"More than 60,000,000 workers in industry and commerce have earned wage credits which count toward payments under the Federal old-age and survivors insurance program," he said. "Total payments amounted to \$359,000,000 from 1937 to June 30 of this year, although only small lump-sum benefits were payable prior to 1940. Insurance benefits are based on the worker's own wages in jobs covered by the law and are related, therefore, to the contributions he and his employer have paid. The system is financially sound, is paying its way now and is building up reserves against the heavy drains of the future when millions of persons will be drawing regular monthly payments."

"Payments made to 686,346 beneficiaries totaled \$13,600,000 dollars in June of this year. Beneficiaries include retired workers, their wives and young children, and the widows, children or aged parents of deceased workers. About 600,000 workers eligible for retirement benefits are still working, and thus have postponed drawing their benefits until later."

"To tide workers over periods of temporary unemployment, Federal-State unemployment insurance systems are now in operation in every State, the District of Columbia, Alaska, and Hawaii. Payments have radically declined since the peak month of June 1940, when more than 1,200,000 workers drew unemployment benefits totaling over \$53,600,000. In contrast with these figures, a weekly average of only 100,000 workers received benefits in June of this year with payments totaling less than \$6,000,000 for the month. Some 40,000,000 workers are now covered by unemployment insurance. More than \$2,000,000,000 has been paid to unemployed workers June 30, although benefits were not payable in all States until 1939."

Mr. McNutt emphasized that old-age and survivors insurance and unemployment insurance protect workers who earn rights to benefits by employment in jobs covered by the systems. Benefit payments under both systems are considerably less than regular wages, he said, but they furnish a floor of security upon which workers can build through savings and private insurance to attain a more adequate standard of living.

The public assistance programs, the Administrator explained, supplement the social insurances by providing aid for the needy aged,

the needy blind, and dependent children.

More than 2,000,000 needy old people are receiving cash payments through State public assistance programs under the Social Security Act, Mr. McNutt said. All States and Territories have old-age assistance programs, with the Federal Government paying approximately half the cost.

All but three jurisdictions—Alaska, Iowa, and Nevada—are receiving Federal funds to help pay the cost of assistance for a total of nearly 800,000 children, more than two and a half times as many as were cared for under the State Mothers' Aid Laws in effect in the spring of 1935.

Aid to needy blind people, with the Federal Government sharing the cost, is provided in all but 6 jurisdictions. About 54,000 persons are receiving this type of assistance under Federal-State programs.

Federal grants to States from February, 1936, through June of this year, for all three types of public assistance, amounted to nearly \$2,000,000,000, Mr. McNutt said. Total payments of \$4,100,000,000 for the same period, in States with plans approved by the Social Security Board, were as follows: \$3,200,000,000 to the needy aged; \$800,000,000 to dependent children, and \$100,000,000 to the needy blind.

"Chief gaps and inequities in the present program are," Administrator McNutt said, "(1) lack of insurance protection against sickness and disability and against the cost of hospital care; (2) exclusion of some 20,000,000 persons from coverage under old-age and survivors insurance and unemployment insurance; (3) absence of a uniform unemployment compensation system in place of the present 51 separate systems with varying benefit rates, contribution rates, and size of reserves which result in disadvantages and inequities to both workers and employers; (4) lack of coverage of needy persons other than the aged, the blind, and dependent children under the assistance programs; and (5) variations in the amounts of assistance provided to individuals within a State and among the States."

N. Y. Bankers Ass'n Appoints Chairmen

Appointments to seven standing committees of the New York State Bankers Association were announced on Aug. 16 by E. Chester Gersten, President. Mr. Gersten is President of the Public National Bank and Trust Company, New York City. The Chairmen of the Committees follow:

Agriculture: Walter Wightman, Cashier, Bank of North Collins, North Collins.

Bank Management and Research: Stanley A. Neilson, President, Bank of Gowanda, Gowanda.

County Organization: Charles Hawkins, President, First National Bank, Spring Valley.

Convention: George Brooks, Vice President, National Bank and Trust Co., Norwich.

Legislation: Frederic E. Worden, President, National Bank of Auburn, Auburn.

Trust Functions: John W. Remington, Vice President and Trust Officer, Lincoln-Alliance Bank and Trust Co., Rochester.

Public Relations: Samuel F. Joor, Jr., Public Relations Department, First Trust and Deposit Co., Syracuse.

New Rules For Inducting Men Into Armed Forces Issued By WMC

Lists Critical Occupations And Non-Deferable Activities

A series of changes in the rules for inducting men into the armed forces under the Selective Service System was announced by the War Manpower Commission on Aug. 14, and at the same time action was taken to control the transfer of workers to war industry and hold necessary workers in war production. With respect to the establishment of new standards for permitting the transfer of civilian workers from job to job, the Commission said that these standards "are intended to stimulate transfer from less essential to more essential war jobs, and to reduce the unnecessary shifting of workers from job to job which has pyramided turnover and interfered with vital production in many plants."

Besides a new list of critical occupations "containing skills urgently needed in war industry and supporting civilian industry," a revised list of non-deferrable activities and occupations was announced; the extension of this list, said the advices from the Commission, "is intended (a) to encourage the transfer of fathers into jobs which will aid the war effort and (b) to insure that when fathers are drafted the fathers who contribute least to the war effort will be inducted first."

Chairman Paul V. McNutt outlined a three-point program planned:

(a) To hold essential workers on war-useful jobs if they are so employed now.

(b) To assure transfer of workers to jobs aiding in the war effort; and

(c) To supply men needed for the armed forces without cutting war production.

"We must increase war production and at the same time give our armed forces the men they need," Mr. McNutt said. He acted as the nation prepared to induct fathers. It was indicated that the new program will have a major effect in deciding which fathers and which workers will be inducted first.

It is made known that about 60,000 men of draft age in New York are engaged in the occupations which were classified as non-deferrable in the list released by Mr. McNutt, a statement to this effect being attributed to Mrs. Anna M. Rosenberg, regional director of the WMC at a press conference which she held jointly on Aug. 14 with Col. Arthur V. McDermott, New York City selective service director, at her New York offices. The New York "Herald Tribune" of Aug. 15 reporting this also said:

"Between 80,000 and 90,000 in New York State will be affected by the list, Mrs. Rosenberg said, explaining that the preponderance of residents of New York City was due to the character of New York business and industry. One of the largest single groups of non-deferrables will be composed of sales clerks in the New York stores, who are not affected by the earlier list released by Mr. McNutt.

"Urging that men in the non-deferrable occupations, regardless of whether they are fathers, apply as soon as possible to the local offices of the United States Employment Service for jobs in essential industries, Mrs. Rosenberg revealed that the New York offices of the USES have on hand more than 30,000 openings in essential industries for which no experience is required."

The War Manpower Commission made public as follows the steps which it is taking under the program announced by it on Aug. 14:

1. Establishment of a list of critical occupations covering skills urgently needed in the war effort. Workers possessing such skills must get into war industry or supporting civilian activities by October 1 or lose further claim to Selective Service occupational deferment. (Local Board Memorandum No. 115A.) In order to insure accurate channeling of

Commenting on the manner in which the program would be put into effect, Chairman McNutt said:

"Several points should be emphasized.

"First, the new critical list does not displace the existing essential lists of activities and occupations. The purpose of the new list is to search out particular skills and to see that they are so employed as to speed victory, whether their employment is in industry or the military services.

"Second, the non-deferrable list is a limited list. Read it carefully and, if your activity or occupation is not on it, it does not affect you. It represents types of employment which plainly are remote from the war effort and therefore cannot compete with the armed services or war production for necessary manpower.

"Third, the provisions governing the transfer of civilian workers as outlined in Regulation 7 are not greatly dissimilar to those applied in most local employment stabilization plans today. Moreover, they do not apply to any person until acted upon by the Area War Manpower Director and incorporated into the local stabilization plan. There is time for the local digestion of these provisions. Each individual should wait for the local announcements telling how these plans apply to him.

"Fourth, these actions are based upon the best practice of local boards and local employment stabilization agreements. They represent a codification of policies which it is known from experience will contribute most to maintaining maximum production and at the same time permit military calls to be filled on schedule.

"Fifth, it should be noted that between essential activities and non-deferrable activities are many activities which are not classified. Similarly, between the lists of critical and essential occupations and the non-deferrable occupations there are many occupations which have not been singled out either as directly supporting the war effort or as being non-deferrable. Thus, lawyers and bankers, taxi drivers, and many in other fields are not included in any of the lists. They are still subject to the rules as they apply in the ordinary change order of call."

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List of Critical Occupations

The new list of critical occupations contains skills urgently needed in war industry and supporting civilian activity. Men with those skills who are not in essential industry at present should register with their local employment offices and make themselves available to take essential jobs. If they do not agree to transfer when called, they will be subject to reclassification so that they will be available to the military forces which also need skilled men.

Local offices of the U. S. Employment Service of War Manpower Commission have been ordered to certify workers possessing such skills to the Selective Service local boards "when they are found not properly employing their skills," which means not using them to aid the war effort. Selective Service local boards have been advised to give men with such skills special consideration with reference to deferment if they are in war-useful jobs.

All the occupations on the critical list are among the essential occupations listed by the War Manpower Commission. For inclusion on the list of critical occupations (a) the shortage of the skill must be so acute "as to impede or threaten to impede war production;" (b) the occupation must be one requiring lengthy training and considerable experience; (c) the occupation must be of such type that replacements

cannot readily be made by upgrading; and (d) must be an occupation for which there is a definite need in industries in which current production schedules must be maintained or expanded for the successful prosecution of the war.

The list includes highly skilled production and services occupations; and professional and scientific occupations.

Persons qualified in these critical occupations if not engaged in essential activities will be asked by the U. S. Employment Service to fill needed jobs. They will be placed in such jobs and may be hired only "upon referral by or with the consent of the U. S. Employment Service."

The critical occupations will be included in area stabilization programs. War Manpower Commission officials emphasize that the announcement of the list of critical occupations does not modify or abrogate essential lists previously established.

Occupational Deferments

Under Local Board Memorandum No. 115 emphasis is placed upon the critical need for maintaining war production. Selective Service Boards are instructed to deal with occupational deferments with the greatest of care so as not to impair war production or vital civilian functions. Occupational deferment for necessary men has always been based on the judgment of the local Selective Service Boards, and will continue to be. But an additional yardstick was set up for measuring the "replaceability" of men in vital industry.

In judging replaceability, the boards are instructed to consider (a) the shortage of the registrant's skill in the total labor force; (b) the shortage of workers to replace the man even though he is an unskilled worker; (c) a shortage in the place of employment even when no national shortage exists.

Thus the boards will study the question of the actual immediate effect upon war production and essential supporting activity of workers who are subject to induction. Provision is made for close collaboration between the Selective Service Boards and the U. S. Employment Service offices for the exchange of manpower information. The responsibility of the Selective Service Board for filling military calls in such a way as to permit the maintenance of production was emphasized by General Hershey in his memorandum to the local boards.

Transfers in Civilian Jobs

In line with the War Manpower Commission policy of delegating as much authority as possible to regional and local officials, transfers from one job to another are regulated by local employment stabilization plans. (Regulation 4.) These plans have been established in every part of the country after consultation with local management and labor. Regulation No. 7 sets forth minimum standards to be incorporated in local employment stabilization plans, which will govern the transfer of workers. These standards are uniform in that they apply to all transfers, whether at a higher rate of pay, lower rate of pay, or at the same pay. "The measure of a transfer," Mr. McNutt pointed out, "is whether it serves the war effort."

Regulation No. 4, as originally issued on April 17, 1943, was promulgated to implement the President's "hold-the-line" Executive Order 9328. The nation-wide development of employment stabilization plans since the original issuance of Regulation No. 4 has now made it possible to provide uniform control over transfers of all types.

The minimum standards do not, however, become effective in any community until they have been acted upon locally by the WMC

area director who must consult with his management-labor committee before making the required changes. Provision is made for their incorporation into existing employment stabilization plans by October 15. The standards were approved by the national Management-Labor Policy Committee and are minimums which leave broad scope for supplemental local action.

The standards under which transfers will be allowed and statements of availability issued by employers are as follows:

"(b) Issuance of Statements of Availability by Employers: An individual whose last employment is or was in an essential or locally needed activity shall receive a statement of availability from his employer if:

"(1) He has been discharged, or his employment has been otherwise terminated by his employer, or

"(2) He has been laid off for an indefinite period, or for a period of seven or more days, or

"(3) Continuance of his employment would involve undue personal hardship, or

"(4) Such employment is or was at a wage or salary or under working conditions below standards established by State or Federal law or regulation, or

"(5) Such employment is or was at a wage or salary below a level established or approved by the National War Labor Board (or other agency authorized to adjust wages or approve adjustments thereof) as warranting adjustment, and the employer has failed to adjust the wage in accordance with such level or to apply to the appropriate agency for such adjustment or approval thereof."

In a move designed to insure the accurate channeling of critical skills to the most urgent jobs the regulation provides that workers in the newly announced group of 149 critical occupations may not be hired merely on the presentation of a statement of availability. "Referral by" or the "consent of" the United States Employment Service is required to employ them.

In order to control migration United States Employment Service referral is necessary, also, in the case of workers who have not lived or worked in the locality during the preceding thirty-day period. "Workers who wish to leave a community to seek employment elsewhere should consult with their local employment office before leaving or they may find themselves ineligible for employment when they arrive in the new locality," Mr. McNutt said.

USES referral is necessary also in the case of a worker whose "last regular employment was in agriculture and he is to be hired for non-agricultural work."

In order to permit maximum adjustment to the needs of particular labor market areas a series of optional controls is outlined, permitting the extension of USES referral to new groups of occupations and activities. These afford an opportunity for flexibility and for meeting needs which may develop locally.

Non-Deferable List

Extension of the non-deferrable list is intended (a) to encourage the transfer of fathers into jobs which will aid the war effort and (b) to insure that when fathers are drafted, the fathers who contribute least to the war effort will be inducted first.

This will serve to make more men currently available to war-useful activities and will enable the military calls to be filled with a minimum of disruption to production.

The new list also states that "the status of idleness is to be treated as a non-deferrable activity." The new list of non-defer-

(Continued on page 714)

New Rules For Inducting Men Into Armed Forces Issued By WMC

(Continued from page 713)

rable occupations and activities follows:

List of Critical Occupations

Part I—Production and Services Occupations:

Aircraft-Engine Mechanic, All Around; Aircraft-Engine Tester, All Around; Aircraft-Instrument Mechanic, Aircraft Mechanic, All Around; Airplane Navigator, Airplane Pilot, Commercial; Airship Mechanic, All Around; Ballistician, Bessemer Converter Blower, Blacksmith, All Around; Blast Furnace Blower, Blaster, Mining; Boatbuilder, Steel or Wood, All Around; Boilermaker, All Around; Boring-Mill Operator, All Around; Bricklayer, Refractory Brick; Cabinetmaker, All Around; Cable Splicer, Telephone, Telegraph or Submarine Cable; Cable Transmitter and Receiver, Cam-Lay-Out Man, Car Inspector, Railroad Transportation; Catalytic-Converter Engineer, Synthetic Rubber; Cementer, Oil Well; Chainmaker, All Around; Chamberman, Acid; Coke Burner, Computer, Electric, Seismic, or Gravity; Conductor, Railroad Transportation; Converter Operator, Nonferrous Smelting & Refining; Continuous-Still Engineer, Synthetic Rubber; Copersmith, Marine, All Around; Coremaker, All Around; Cutting Machine Runner, Mining; Diamond Driller, Mining; Die Maker, All Around; Die Setter, Die Sinker, Diesel Mechanic, All Around; Dispatcher, Radio Communications, Telegraph, or Submarine Cable; Diver, Driller, Fine Diamond Dies; Driller, Oil Well, Cable or Rotary.

Electrical Tester, Power Equipment; Electrician, Installation and Maintenance, All Around; Electrician, Aircraft, Marine, Power House, or Submarine Cable, All Around; Engineer, Chief, First, Second, or Third Assistant, Ship; Engineer, Locomotive, Railroad Transportation; Engineer, Turbine or Diesel; Engineering Draftsman, Design; Finisher, Fine Diamond Dies; First Helper, Open Hearth or Electric Furnace; Flight Dispatcher.

Foreman. Included under this designation are only those individuals who are (1) utilizing in their supervisory jobs the knowledge and skills of one or more of the occupations included in the List of Critical Occupations, and (2) those who supervise directly or through subordinate foremen and supervisors production, technical, or scientific work in essential activities, although the occupations of the workers supervised may not be listed. The second category includes only individuals who must be in jobs requiring an extensive knowledge of the production, technical, or scientific work they are supervising, the exercise of independent judgment and responsibility for the products made or services rendered, and a training period of two or more years. In some plants, the supervisory personnel may be designated by other than supervisory titles, and where they meet the requirements outlined above they are included.

Form Builder, Aircraft; Glass Blower, Scientific Laboratory Apparatus; Heat Treater, All Around; Heater, Steel Mill, All Around; Hoisting Engineer, Mining.

Inspector. Included under this designation are only those workers who are qualified to perform in one or more of the critical occupations appearing in this list, and who utilize the knowledge and skill of such occupations in inspecting work in order to insure uniformity and accuracy of products or services.

Installer, Telephone or Telegraph Equipment.

Instructor. Included under this designation are only those work-

ers who are qualified to perform in one or more of the critical occupations listed and because of their aptitude and experience have been assigned as instructors in training programs either in plant or vocational.

Instrument Maker and Repairer, Electrical, Mechanical, or Scientific; Jewel Bearing Baker, All Around; Joiner, Submarine Cable; Lay-Out Man, Boilermaking, Foundry, Machinery, or Shipbuilding; Lead Burner, All Around; Lineman, Telephone, Telegraph, or Power, All Around; Load Dispatcher, Power or Gas; Locomotive Engine Repairman; Loftman, Aircraft or Shipbuilding; Loom Fixer.

Machine Driller Mining; Machine Tool Set-Up Man, Machinist, All Around; Machinists, Marine, All Around; Mate, First, Second, or Third.

Mechanician, Communications Equipment. This title includes individuals who maintain and repair telephone and telegraph equipment and circuits; technical broadcast equipment; radio-telephone and radio-telegraph equipment; or submarine cable apparatus.

Miller, Grain products, All Around; Millwright.

Miner, Underground, All Around. Included under this title are only those individuals whose job assignment requires them to perform the duties involved in driving underground openings including drilling, blasting, timbering. Due to standardizations of mining methods these functions may be performed by separate individuals whose occupational titles also appear in this list because the jobs meet the criterion of critical occupations. Since the term "Miner" is generally used in the industry to identify underground workers, it should be clearly understood that it does not cover such workers as muckers, trammers, and helpers.

Molder, Bench or Floor, All Around; Model Maker, All Around; Observer, Seismic; Oil Well Gun Perforator, Oil Well Treater, Acidizing; Optical Mechanic, All Around; Paper Making Machine Engineer; Patternmaker, Metal or Wood; Pipe Fitter, Marine; Powershovel Engineer, Mining; Precision Lens Grinder, All Around; Pulpit Operator, Steel Mill; Pump-er, Refinery, in Charge; Purification Engineer, Synthetic Rubber; Radio Communications Technician, Radio Telegrapher, Radio-photo Technician, Reactor Engineer, Synthetic Rubber; Receiver Tester, Radio or Radar; Refrigerator Equipment Repairman, Gas or Electric, All Around; Refrigerator Engineer, Sheetmetal Worker, Marine, All Around; Shipfitter, All Around; Shipwright, All Around; Ship Rigger, All Around; Ship Captain, Ship Pilot, Signal Maintainer, Still Operator, Chemical, All Around; Stillman, Petroleum Processing; Supervisor, see Foreman; Switchboard Operator, Power; Tanner, All Around; Testing and Regulating Technician, Telephone or Telegraph; Timberman, Mining, All Around; Tool Designer, Tool Maker, Train Dispatcher, Transmission Engineer, Tugboat Captain, Tugboat Engineer, Wood Seasoner Kiln; X-Ray Equipment Serviceman.

Part II—Professional and Scientific Occupations:

The titles appearing in this critical list of Professional, Technical, and Scientific Occupations are also intended to cover those persons who are engaged in full-time teaching of these professions. In addition, these titles are also intended to cover persons engaged in full-time inspecting duties which require the utilization of

the knowledge of the critical occupations.

Accountant. Included under this title are Certified Public Accountants and those who have comparable training, experience, or responsibilities.

Agronomist, Anatomist, Architect, Naval; Astronomer, Bacteriologist, Chemist.

Engineer, Professional or Technical. This title covers persons who are actually engaged as engineers in the operating, research, or teaching phases of these professions, who are qualified either by having met the educational requirements or because of long experience. In addition, this title is intended to include those individuals who may specialize in certain phases of the professions listed, below, such as Mechanical Engineers who specialize in the automotive, heating, or refrigerating engineering field but whose special designations have not been mentioned: Aeronautical, Agricultural, Ceramic, Chemical, Civil, Communications, Electrical, Marine, Mechanical, Metallurgical, Mining, Petroleum, Radio, Safety.

Entomologist, Forester, Geologist, Geophysicist, Horticulturist, Mathematician (including Cryptanalyst), Metallurgist, Meteorologist, Nematologist, Oceanographer, Parasitologist, Pathologist, Medical; Pharmacologist, Physiologist, Physiologist, Medical; Plant Physiologist or Pathologist, Seismologist.

List of Nondeferrable Activities and Occupations

All occupations in the following activities are nondeferrable:

Manufacturing of the following products: Alcoholic beverages; amusement machines and equipment, such as juke boxes, slot machines, games of chance, and pinball machines (does not include athletic and sport equipment); art goods—stamped and otherwise, artists' materials, decorative materials; book gilding, bronzing and edging; costume jewelry; costumes; lodge, masquerade, theatrical, academic caps and gowns; curtains, draperies, and bedspreads; cut, beveled and edged glass; cutware; decorative feathers, plumes, and artificial flowers; fancy fabrics such as brocades, chiffons, damasks, laces and lace goods, velvet, etc.; frames, mirror and picture; furniture: garden, beach, porch, toy; games and toys; greeting, souvenir, visiting, and picture post-cards; jewelers' fixings and materials; jewelry, jewelry cases, lapidary work (non-industrial); merchandising display equipment such as cabinets and showcases (excluding refrigerated display equipment); mosaic glass musical instruments, except for the armed forces; novelties, manufactured from materials of any kind, such as fancy boxes and containers, souvenirs, figures, models, carvings, ornamental shoe buckles, albums, costume novelties, etc.; ornamental gold and silver leaf and foil (non-industrial); pleating, stitching, tucking, and embroidery; signs and advertising displays; silverware and plated ware (non-industrial); smoking accessories, such as cigarette and cigar holders, boxes, cases, lighters, smoking stands and tobacco jars; soft drinks; stained, leaded, ornamented, and decorative glass; trimming and art needlework.

Services: Amusement arcades, amusement ticket agencies, automobile-rental service clubs; social, fraternal, business, and political; dance, music, theatrical and art studios and schools; gambling, interior decorating, night clubs, parking lots, photographic studios, pool and billiard halls, race tracks and courses, travel agencies, Turkish baths, massage parlors, clothing rental, porter service, and social-escort services.

Wholesale and retail trade: Antiques, artists' supplies, beer, wines and liquors, candy, confectionery and nuts, custom furriers; flor-

Progress Of Anti U-Boat War Cited By Roosevelt, Churchill In Joint Statements

Ninety U-Boats Sunk In Three Months

In a joint statement bearing on the progress of the anti U-boat war, issued at Washington Aug. 14, President Roosevelt and Prime Minister Winston Churchill of Great Britain stated that "very poor results were obtained (during July) by the U-boats from their widespread effort against the shipping of the Allies." "In fact," said the statement, "July is probably our most successful month because the

imports have been high, shipping losses moderate, and U-boat sinkings heavy." The statement, signed by the President and Mr. Churchill, who arrived in Canada on Aug. 10 and who has since spent several days in the United States, returning to Quebec on Aug. 15, was made available at the White House as follows:

"The President of the United States and the Prime Minister of Great Britain, after consultation with the British Admiralty, the United States Navy Department and the Canadian Department of National Defense for Naval Services, have issued the following monthly statement on the progress of the anti-U-boat war:

"During the month of July very poor results were obtained by the U-boats from their widespread effort against the shipping of the Allies. The steady flow of transatlantic supplies on the greatest scale has continued unmolested, and such sinkings as have taken place in distant areas have had but an insignificant effect on the conduct of the war by the Allies. In fact, July is probably our most successful month, because the imports have been high, shipping losses moderate and U-boat sinkings heavy.

"Before the descent upon Sicily an armada of warships, troop transports, supply ships and landing craft proceeded through Atlantic and Mediterranean waters with scarcely any interference from U-boats. Large reinforcements have also been landed in that island. Over 2,500 vessels were involved in these operations and the losses are only about 80,000 tons. On the other hand

ists, games and toys, jewelry, musical instruments, novelties, pet shops, soft drinks, tobacco.

All the following occupations are nondeferrable regardless of the activity in which they may be found: advance-advertisement agent, amusement-device operator, bar boy, bar cashier, bartender, Bath-house attendant, Beauty operator, Bellboy, Billposter, Book and periodical agent, Booking agent, Bootblack, Bus boy, Butler, Caller, Station; Cavanaugh, Car hop, curb services; Car polisher, Car washer, Caterer, social; Charman and cleaner, Cosmetician, Custom furrier, Dancing teacher, Desk clerk; Hotel, apartment, club, etc.; Dishwasher, Doorman and starter.

Elevator operator (passenger and freight—excluding industrial freight elevators used in connection with warehousing and production); Elevator starter (passenger and freight); Errand boy (including messenger and office boy); Floorwalker, Fortuneteller, (including astrologer, clairvoyant, medium, mind reader, palmist, etc.); Gardener, Greenskeeper, Groundkeeper, Guide, sightseeing; Guide, hunting and fishing; Hair dresser, Houseman, Lavatory attendant, Literary and actor agent, Managing agent (theatrical and film); Marker (in wholesale and retail trade); Model, Newsboy, Night club manager and employees, Porter (other than in railroad-train service); Private chauffeur, Receptionist, Sales clerk, Sign painter, Sign writer, Soda dispenser, Taxidermist, Ticket taker, Usher, Valet, Waiter (other than in railroad-train service); Window trimmer and display man.

In addition to the activities and occupations set forth above, the status of idleness is to be treated as a nondeferrable activity.

the U-boats which attempted to interfere with these operations suffered severe losses.

"Our offensive operations against Axis submarines continue to progress most favorably in all areas, and during May, June and July we have sunk at sea a total of over 90 U-boats, which represents an average loss of nearly one U-boat a day over the period.

"The decline in the effectiveness of the U-boats is illustrated by the following figures:

"In the first six months of 1943 the number of ships sunk per U-boat operating was only half that in the last six months of 1942 and only a quarter that in the first half of 1942.

"The tonnage of shipping in the service of the United Nations continues to show a considerable net increase. During 1943 new ships completed by the Allies exceed all sinkings from all causes by upward of 3,000,000 tons.

"In spite of this very favorable progress in the battle against the U-boat, it must be remembered that the enemy still have large U-boat reserves, completed and under construction. It is necessary, therefore, to prepare for intensification of the battle both at sea and in the shipyards and to use our shipping with utmost economy to strengthen and speed the general offensive of the United Nations. But we can expect continued success only if we do not relax our efforts in any way.

"ROOSEVELT,
"CHURCHILL."

It was observed in Associated Press advices from Washington Aug. 14 that the joint statement by President Roosevelt and Prime Minister Churchill on anti-submarine activities was signed simply: "Roosevelt, Churchill."

The advices from which we quote further observes this usage departed from prior custom. For example, the joint statement signed by them two years ago today announcing the 8-point Atlantic Charter was signed with the full names "Franklin D. Roosevelt" and "Winston S. Churchill."

Govt. Spent For War \$6.746 Billion In July

Expenditures for war purposes by the United States Government amounted to \$6,746,000,000 during the month of July, a decrease of \$942,000,000 from expenditures in June, or 12%, according to advices from the War Production Board, Aug. 13, which added:

"This is the first time since February of this year that monthly war expenditures have decreased from the previous month.

"The average daily rate of war expenditures in July amounted to \$249,900,000 compared to a daily rate of \$295,700,000 in June, a decrease of 15%. The daily rate is based on the 27 days in July and the 26 days in June upon which checks were cleared by the Treasury. This is the first decrease in the average daily rate since December of 1942 and the lowest daily rate since January of this year.

"From July 1, 1940, through July 31, 1943, the United States Government expended \$116,800,000,000 for war purposes.

"These figures include checks cleared by the Treasury and payable from war appropriations and net outlays of the Reconstruction Finance Corporation and its subsidiaries.

Reduction In Living Costs Promised By Byrnes; Declares Wages And Prices Must Be Held

(Continued from first page)

retary Ickes, in accordance with the law, applied to the War Labor Board for authority to change from a 7-hour day to an 8-hour day, so as to permit a 48-hour week. Today the Board issued an order permitting an 8-hour day in conjunction with a 48-hour week at mines designated by Secretary Ickes. The order has been formally approved by the President.

Mr. Byrnes also dealt with the need for the draining off by taxation, or freezing by enforced taxation of "spending money which," he said, "is flooding our markets," assaying that too much time has been spent in arguing how much of past taxes should be forgiven, "instead of getting down to the grim business of imposing the higher taxes which total war requires." From his remarks we quote:

"Work as hard as we may, we will not preserve a stable economy if we do not have the courage to control the surplus of spending money which is flooding our markets. While a sizable minority of our people have less purchasing power than before the war, rising prices and rising wages have given the majority of our people a vastly greater purchasing power than they have ever before enjoyed and at a time when we have not the man power to produce the goods which they would like to buy.

"Allowing for the present higher taxes and for normal savings, our people have nearly 20 billion more to spend a year for goods and services than there are goods and services available for them to buy. It is hard to control prices, enforce rationing and to stamp out 'black markets' when people have so much surplus spending money.

"For our own protection we must drain off by taxation or freeze by enforced savings that excess purchasing power. If we do not, we will probably try to outbid one another to get the goods and services we want. If that happens we will not get more but we will pay more, and we will find that the money we have put into insurance policies and into savings accounts is worthless and the dollars we have earned will buy less.

"We have spent too much time arguing how much of our past taxes should be forgiven in order to get on a pay-as-you-go basis, instead of getting down to the grim business of imposing the higher taxes which total war requires. We cannot ask our soldiers to do our fighting and also to pay our taxes when they return from the battlefields. War taxation should not become a pawn in a political game. It is a stern duty to be met by every citizen in accordance with his capacity to pay."

In the early portion of his address, Mr. Byrnes said:

"There is nothing to justify the hope of unconditional surrender by the Axis powers in the near future. It is by no means clear that we are today as near winning the war as the Axis was in the summer of 1940. No full-scale offensive against Japan has yet commenced. The heroes of Bataan are still prisoners of the Japs. No Allied army has crossed the borders of Germany. Before that is done thousands of American soldiers will make the supreme sacrifice. The roads to Berlin and Tokio are still long, hard and bloody.

"Our overconfidence is based in a great measure upon the belief that the Italians no longer possess the will to fight. That cannot be said of either the Germans or the Japanese. And as the Nazis and Japs read of our reduced produc-

tion and our absenteeism they may think that the American people no longer have the will to make war. We must realize that the war will be won by those who win the last battle. And the last battle has not been fought.

"We have every reason for confidence in an ultimate overwhelming victory over both Germany and Japan, but I am authorized by the President to say that in his judgment as of today the major battles lie ahead of us, not behind us."

From Washington

(Continued from first page)

their good faith were sinking a couple of battleships apiece. A year or so later an enterprising reporter dug up the fact that it was blue prints that were destroyed. But there can be no gainsaying the fact that this was all showing a "concern" in world affairs.

History will show that Mr. Roosevelt showed less "concern" in world affairs than any of his three predecessors up until the time his domestic program went clean to pot; that is to say, when a second depression or the "recession" as it was called, came out of his spending and then Congress turned thumbs down on further spending. Cordell Hull used to complain bitterly about his chief's lack of concern in international affairs and when he began to show a "concern" his New Deal lieutenants hit the ceiling.

But he was showing an increasing "concern" as his third term got underway, notwithstanding; he would not come out for the draft until Willkie did, and the propaganda worked up about that "concern" reelected him and is now being used effectively to elect him again.

So, we say that those who have fallen for the propaganda, those Republicans who have become a party to it by apologizing for their party and insisting upon its reforming and nominating a man who has made a couple of trips to Europe, had better turn outright to Mr. Roosevelt because their Republican candidate, Mr. Willkie, will not be able to show the "concern" in world affairs which they expect. We can't imagine just what "concern" it is they expect, but we are convinced Mr. Willkie is not their man.

We have no doubt that if elected he would always be trying to do something by way of showing his international mind and expressing his concern. But it so happens that in this respect he would turn out to be the most negative world affair concern we ever had in the White House. It is not generally thought of, but the fact is that regardless of who wins the Presidency in 1944, the Senate remains Democratic and this means the Southern Democrats will remain in control. Well, those gentlemen are now world affair concerners, but they are also politicians. Let a "Wall Street" Republican get in the White House and start any world shenanigans. What those Southern Democrats with their gift of demagogic harangue would do to him would be nobody's business. In addition, he would have about half of the Senate Republicans against him. When a Democratic President shows "concern" in world affairs, in the eyes of the Southern Democrats, it's the people's concern. If a Republican should try it to the extent that Wilson and Roosevelt did, you can rest assured, it would be some of Wall Street's devilishness.

And as we said before, there is a serious question whether the world concerners aren't in for unhappiness even under Mr. Roose-

President Assures Philippines Of Independence After Defeat Of Japan

President Roosevelt reiterated on Aug. 12 his promise to the people of the Philippine Island that their Republic "will be established the moment the power of our Japanese enemies is destroyed" and said they "will soon be redeemed from the Japanese yoke."

In a radio broadcast marking the 45th anniversary of American occupation of the islands, the President pledged a fight of ever-increasing strength until the Philippines are free, adding that Japan's taste of defeat in the islands of the Southwest Pacific is "only the beginning."

Mr. Roosevelt called on the Filipino people "to stand firm against the false promises of the Japanese."

The text of the President's speech follows, according to the Associated Press:

"To the people of the Philippines: "On Dec. 28, 1941, three weeks after the armies of the Japanese launched their attack on Philippine soil, I sent a proclamation to you, the gallant people of the Philippines, I said then:

"I give to the people of the Philippines my solemn pledge that their freedom will be redeemed and their independence established and protected. The entire resources in men and materials of the United States stand behind that pledge."

"We shall keep this promise, just as we have kept every promise which America has made to the Filipino people.

"The story of the fighting on Bataan and Corregidor—and, indeed, everywhere in the Philippines—will be remembered so long as men continue to respect bravery, and devotion, and determination. When the Filipino people resisted the Japanese invaders with their very lives, they gave final proof that here was a nation fit to be respected as the equal to any on earth, not in size or wealth, but in the stout heart and national dignity which are the true measures of a people.

"That is why the United States, in practice, regards your lawful government as having the same status as the governments of other independent nations. That is why I have looked upon President Quezon and Vice President Osmena, not only as old friends, but also as trusted collaborators in our united task of destroying our common enemies in the east as well as in the west.

"The Philippine government is a signatory of the declaration by the United Nations, along with thirty-one other nations. President Quezon and Vice President Osmena attend the meetings of the Pacific War Council, where the war in the Pacific is charted and planned. Your government has participated fully and equally in the United Nations Conference on Food and Agriculture, and a Philippine representative is a member of the interim commission created by that conference. And, of course, the Philippine government will have its rightful place in the conference which will follow the defeat of Japan.

"These are the attributes of complete and respected nationhood for the Philippines, not a promise but a fact.

"As President Quezon himself has told you, 'the only thing lacking is the formal establishment of the Philippine Republic.' These words of your President were uttered to you with my prior knowledge and approval. I now repeat them to you myself. I give the Filipino people my word that the Republic of the Philippines will be established the moment the power of our Japanese enemies is destroyed. The Congress of the United States has acted to set up the independence of the Philip-

self. With the war not yet over he is running into the stormy weather both at home and abroad which shattered Wilson's dream, and it appears not to be a circumstance of what is to come.

Urges U. S. To Abandon Full Surrender Demand

An appeal to President Roosevelt to abandon the principle of unconditional surrender because it is an "expression of the spirit of vengeance" was made on Aug. 9 by Emin Yalman, editor of the pro-Allied newspaper "Vatan" and one of five Turkish newspaper editors who toured the United States last year.

A United Press dispatch from Istanbul, Aug. 9, said:

In an open letter to the President, Yalman, who said he is a great admirer of Mr. Roosevelt, whom he met on his visit to Washington, said the world after the war should be governed by reason and not by vengeance.

"You are victorious. Therefore it is very difficult for you to understand the state of mind of the vanquished," Yalman wrote. "On the other hand, we Turks, who were in the camp of the vanquished after the last war, have only to remember to understand. . . . that the principle of unconditional surrender is not propitious for the creation of a new world. . . . It's for you to decide whether, for the first time in history, we are to abandon the way of evil and find the way of reason."

Business Failures In July Again Lower

July business failures are lower, in both number and the amount of liabilities involved, than in June, 1943, and July, 1942. Business insolvencies in July, according to Dun & Bradstreet, Inc., totaled 203 and involved \$3,595,000 liabilities, as compared with 265 involving \$6,076,000 in June, 1943, and with 764 involving \$8,548,000 in July, 1942.

The decrease in the number of failures in July from June took place in all the groups into which the report is divided with the exceptions of the manufacturing and wholesale groups. When the amount of liabilities involved is considered only the retail and commercial service groups recorded smaller totals.

Manufacturing failures last month amounted to 43, involving \$2,017,000 liabilities, compared with 39 in June with \$1,441,000 liabilities. Wholesale failures increased to 19 from 15 and liabilities involved from \$124,000 to \$202,000 in June. In the retail trade section insolvencies declined to 98 from 147 in June and liabilities also fell from \$2,334,000 in June to \$429,000 in July. Construction failures numbered 23 with \$647,000 liabilities compared with 33 with \$577,000 liabilities in June. Commercial service failures dropped to 20 in July from 31 in June and liabilities involved from \$1,600,000 in June to \$300,000 in July.

When the country is divided into Federal Reserve districts it is seen that the Cleveland, Atlanta, St. Louis and Minneapolis Reserve districts had more failures and the Boston Reserve district the same number, while all the remaining districts had fewer failures in July than in June. When the amount of liabilities is considered all districts, except the Boston, Cleveland, Atlanta and Minneapolis Reserve districts, had smaller amount of liabilities involved in July than in June.

of this war has not been adequately reported or popularly understood. Hitler apparently placed great hopes—far more than we knew at the time—upon unrestricted submarine warfare. Like the Kaiser, he staked all on stopping the flow of our munitions and men to the battle fronts of North Africa, Russia and Britain.

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The News Behind The News

(Continued from first page)

have promised to blow up the tunnels at the first move. The Balkans, weakened by withdrawals of the Italian garrisons, shortly will become subject to feasible dual-invasion. Our troops can land in Albania faced only by Italians. If such an attack is accompanied by a simultaneous declaration of war by Turkey and an invasion of Salonika from the east, all Greece can be cut from Nazi communications without the hazards of a frontal assault through Crete.

The German homeland itself is becoming practically defenseless from the air. The futility of her efforts was shown by the British attacks Wednesday on Nuremberg and Mannheim.

For four or five days previously, our air forces had been relatively quiet, obviously cooking up a heavy new campaign. (We generally lay off a week between bombing campaigns.) During this inactivity we circulated rumors that Berlin was about to be attacked, causing the Germans to call in their planes and anti-aircraft for defense of their capital. To do this, they had to uncover most of the rest of the country, including Nuremberg and Mannheim. They cannot defend everything, therefore they cannot defend anything.

Their defense in Russia is likewise weakening. Their communiques feebly claim their current withdrawals are voluntary. But they cannot conceal the fact that they fought their best possible battle for the defense of Orel, and upon losing it, had to retire.

At Belgorod, they put up less of a fight. But you may be sure the Germans are not now yielding a foot of Russian territory voluntarily. Everything they held was vital militarily.

Nazi loss of Kharkov will lengthen this road behind the whole Russian front. Loss of Bryansk will be equally disastrous from a Nazi military standpoint, as it was a strongly defended rail junction. Yet the greatest German defeat

Agricultural Department General Crop Report As Of August 1, 1943

Crop prospects improved about 3% during July chiefly because of the exceptionally favorable start given to the cotton crop, the rapid growth of the late-planted corn in northern States and a continuation of favorable conditions in the Wheat Belt from Nebraska northward said the U. S. Crop Reporting Board on the basis of August 1 conditions.

With only light abandonment in prospect the acreage of crops harvested will probably be larger than in other years since 1932, and with yields per acre as high as now indicated the volume of crop production would be nearly 18% above the 1923-32 or pre-drought average. Last year, due chiefly to exceptionally favorable weather, aggregate crop production was 25% above predrought average but in the previous five seasons production ranged from 103 to a little over 112%. Conditions on the first of August were therefore for aggregate crop production about 6% lower than last year but 5% higher than in any previous year. Further improvement in prospects appear to have occurred during the first week of August.

The forecast for corn is 2,875,000,000 bushels which is 168,000,000 above expectations a month ago and indicates prospects for the second-largest corn crop in 10 years. The forecast for wheat is 835,000,000 bushels, which is 6% above expectations a month ago and indicates that a fairly large wheat crop is being produced on an unusually small acreage. Prospects for flaxseed, peas, potatoes, beans, sugar beets, pears, grapes and tobacco improved during July but prospects for oats, barley, rye, hay, sweet potatoes, sugarcane and peaches declined from 1 to 5%. Many sharp local changes took place, for temperatures were above normal in nearly all States and growth was rapid when rainfall was adequate and deterioration was even more rapid in areas that were dry. Prospects declined seriously in an area which covered most of Arkansas and Oklahoma and extended into adjoining States. Another dry area centered in Maryland and there were extensive areas in need of rain in the central and southern parts of the Great Plains. July rains were also lighter than usual in most areas west of the Rockies.

While few important crops except cotton are expected to show yields per acre equal to the very high yields obtained last year, few crops seem likely to show yields as low as the average during the previous ten years. The chief exceptions are rice and peanuts, which have been planted on greatly increased acreages, and some fruits and vegetables which were damaged by the late frosts last spring.

On the whole the crop situation seems materially better than it was a month ago. The danger that the large acreage of late planted corn will fail to mature before frost has been materially relieved. The danger of loss from drought is still to be considered but most parts of the Corn Belt have adequate moisture for the present. Farmers now have increased assurances of a full crop and are in better position to market some of the grain on hand. There has been an extensive shift from sorghum for forage to kinds that can be harvested for grain and a large crop is to be expected in the Southwest if rains come in time. Oats and barley suffered from hot weather during July and yields were far below expectations in eastern Corn Belt States, but good yields are still expected from Iowa and Nebraska northward. The combined production of the four feed grains is now expected to total more than 111 million tons, a total which has been exceeded only twice but which would be 10% below production last year.

As the number of units of livestock and poultry to be fed is

about 10% above the number a year ago, farmers will be compelled to make some adjustments, presumably including closer utilization of feed reserves on hand, small adjustments in feeding rates, marketing hogs at more nearly usual weights, and possibly some adjustments in numbers of hogs and poultry in feed deficit areas.

Allowing for cuttings still to be made, the hay crop should be 99,000,000 tons. This would be above the production in any season prior to last year and would provide about a normal supply per unit for the increased number of livestock on hand. Pastures are not as good as at this time last year and not quite as good as in 1933, but they have held up better than in other recent years. Western ranges are in about average condition for this season of the year.

Aggregate production of major fruits other than citrus is expected to be about 17% smaller than in 1942 and 12% below the 10-year (1932-41) average production. Citrus crops from the bloom of 1943 are making good progress and barring damage from unusual weather conditions the combined production of oranges, grapefruit and lemons should be close to the large production during the 1942-43 season and much above the production levels of a few years ago. Present conditions point to a total supply of all fruits (including citrus) for the 1943-44 marketing season about 11% smaller than in 1942-43 but 7% larger than the 10-year average. Production of tree nuts (walnuts, pecans, almonds, and filberts) in 1943 is indicated to be 8% more than in 1942 and 19% larger than average.

Commercial Truck Crops

Commercial truck crops continued to make good progress in sections during the last half of July, but temperatures were above normal and as the month closed lack of moisture was becoming serious in some areas, particularly in the Middle Atlantic States. The estimated production of commercial truck crops in areas from which most of the fresh market supplies will come during the next few weeks is 5% less than in 1942 but 3% above the 1932-41 average. Compared with a year ago, substantial to moderate increases are indicated for carrots, beets, tomatoes, snap beans, cabbage, eggplant, and green peas, but there will be much lighter supplies of cantaloupes, celery, watermelons, and cucumbers, with moderate reductions in spinach, cauliflower, lettuce, onions, lima beans, sweet corn, and green peppers.

August 1 indications point to a total tonnage of truck crops for processing in 1943 not greatly different from that of 1942. Three of the four principal processing crops show indicated production above that of 1942—snap beans, 11%; green peas, 7%; and sweet corn, 4% greater. Production of tomatoes for processing is expected to be about 2% below that of last year. Of the less important crops an increase is indicated for beets and no change for spinach, with smaller crops of cabbage or kraut, cucumbers for pickles, lima beans, and pimientos in prospect.

Milk production has been holding close to production at this same time last year. The lower condition of pastures, the tighter feed situation and the hot weather have tended to reduce production per cow but the recent survey of numbers, made with the cooperation of rural carriers, indicated

that there are about 2½% more milk cows on the farms. The number of heifer calves being raised for milk cows is also unusually large, apparently 8 or 9% above the large number on hand a year ago.

July egg production was at peak levels in all parts of the country except in the West where it was the largest since 1931. The rate of egg production per layer during July was 13.7 eggs, compared with 13.9 last year, but with 12% more layers on farms total egg production on farms was 11% higher than in July last year.

Corn

August 1 prospects point to a production of 2,874,711,000 bushels, a gain of 168 million bushels over the July 1 forecast. A crop this size would fall short of the record 1942 crop of 3,175,154,000 bushels by 300 million bushels but would be larger than any other crop produced since 1932. It would be 525 million bushels, or 22% above the 10-year (1932-41) average of 2,349,267,000 bushels. This average, however, includes the two drought years, 1934 and 1936, when production was only 1,448,920,000 bushels and 1,505,689,000 bushels, respectively. The indicated yield per acre on Aug. 1 is 30.5 bushels, compared with 35.5 bushels in 1942 and 24.9 bushels, the 10-year (1932-41) average.

Above normal July temperatures were favorable for the development of the crop except in the South Central States and in a few scattered areas, where lack of rainfall together with high temperatures caused moderate to serious deterioration. By Aug. 1, however, corn was still somewhat behind schedule owing to a material delay in planting and a slow early season growth. Although the crop is promising, the stage of growth is unusually varied for this date. In many important corn growing sections, moisture reserves in corn fields were depleted as a result of below normal July precipitation and by Aug. 1 many sections of the nation were in need of rain. Since Aug. 1, beneficial rains have brought temporary relief in many areas although the extreme western part of the Corn Belt and parts of the South Central States are in need of moisture to check further deterioration. In general, corn will need generous rains, and a late killing frost date to insure a mature corn crop of good quality. Some damage from corn borer is evident in Eastern States and as far west as eastern Iowa.

In the Corn Belt States, yield prospects were much improved over those of July 1 although the crop is somewhat spotted. Progress during July was good but not sufficient to fully offset early setbacks caused by late plantings, excessive rains and floods. Corn showed marked improvement in the southern parts of Ohio and Indiana, but made only poor to fair progress in the northern third of these two States, particularly in northwestern Ohio, where too much rain has been detrimental. Progress was slow in Michigan, and the Illinois crop, varying widely in development but of generally good color, heavily taxed soil moisture reserves during July to register a 2-bushel improvement in yield per acre. In Iowa, corn showed a gain of 6 bushels in yield per acre over July 1. The crop made rapid development during the month and was almost on schedule, with late corn making exceptionally good gains. In Wisconsin, southern Minnesota, eastern Nebraska and South Dakota, and central Kansas, corn is in good to excellent condition and progress has been very satisfactory. In the more western parts of the latter three States, hot dry July weather cut prospects and some corn is firing. Some improvement was registered in northern Missouri, while in the southern part the crop was

injured by drought and high temperatures, but good rains since Aug. 1 have brought relief there.

July weather was generally favorable for corn in the North Atlantic States and the crop made good growth. Yield prospects are higher than a month ago but production is the smallest since 1940. For the South Atlantic States, prospects are better than a month ago and for the largest crop since 1940. Corn is suffering from drought in northern Virginia and in Maryland, but in most other states of this region yields are higher than a month ago and better than average.

In the South Central States, August prospects were sharply lower than a month ago with declines in yield per acre ranging from .5 to as much as 5.0 bushels. Prospects are for the smallest crop since 1939 in these States. In an area centering in Arkansas and Oklahoma, and extending into surrounding States, corn suffered severe damage from high temperatures and drought. In Texas and Oklahoma, early planted corn escaped the heat and yields are promising, but late corn was badly injured. Rains since Aug. 1 have brought relief to parts of Texas and Oklahoma.

In the Western States, warmer weather was favorable for corn. Irrigated corn is in good condition but most corn is late and in danger of frost. There was a general need for rains in areas east of the Rockies, particularly in New Mexico.

All Wheat

Both winter and spring wheat improved during July and the 1943 wheat crop is now indicated at 834,984,000 bushels compared with 790,823,000 bushels a month earlier. Last year, 981,327,000 bushels were produced and the 10-year (1932-41) average production is 738,412,000 bushels. The expected yield per acre for 1943 of 16.7 bushels is 3.1 bushels below the relatively high yield of 19.8 bushels in 1942 but well above the 10-year average of 13.5 bushels.

Winter Wheat

The Aug. 1 indicated winter wheat production of 533,857,000 bushels is about 2.8% higher than the July 1 estimate of 519,190,000 bushels and compares with 703,253,000 bushels produced in 1942 and the 10-year average production of 550,181,000 bushels.

The smaller production than last year is owing to the somewhat smaller acreage for harvest and to yield per acre less favorable than the record high of 1942. The indicated yield of the 1943 crop of 15.8 bushels compared with 19.7 bushels in 1942 and the 10-year average of 14.3 bushels.

July weather was generally favorable for maturing and harvesting the crop and for combine threshing in the dryland western areas. Wet weather, however, delayed harvesting operations in some eastern Corn Belt States.

Yields reported at harvest were in line with the July 1 prospects in southern Great Plains States. They were higher as a rule in the Pacific northwest and Mountain States, and were more spotted than expected and in some cases disappointing in the eastern Corn Belt States.

Spring Wheat

The 17.4% increase in all spring wheat plantings in 1943 laid the basis for offsetting much of the decrease in winter wheat production compared with 1942. The Aug. 1 indicated yield per acre of all spring wheat of 18.8 bushels now promises a total spring wheat crop of 301,037,000 bushels compared with 278,074,000 bushels in 1942 and the 10-year (1932-41) average production of 188,231,000 bushels. In 1942 the crop yielded 20.2 bushels per acre compared with the 10-year average yield per acre of 11.4 bushels.

With good soil moisture reserves in the main spring wheat States the crop more than held its own

during July, even though rainfall was somewhat below normal and temperatures were high enough to cause some premature ripening in the Dakotas. Conditions were favorable for the crop in Montana where yields closely approaching the good 1942 yields are now indicated. In Minnesota, rainfall was likewise favorable for improving yield prospects. On the other hand, hot weather reduced yield prospects somewhat in Washington.

Durum wheat production on Aug. 1 was indicated at 37,203,000 bushels compared with 44,660,000 bushels in 1942 and the 10-year average production of 26,992,000 bushels. The acreage of durum wheat is about 3.5% below that of 1942 and 20.5% smaller than the 10-year average. The indicated 1943 yield per acre of 18.3 bushels compares with 21.2 bushels in 1942 and the 1932-41 average of 10.1 bushels.

Production of other spring wheat was indicated on Aug. 1 at 263,834,000 bushels compared with 233,414,000 bushels in 1942 and the 1932-41 average production of 161,240,000. The indicated yield per acre for other spring wheat is now 18.9 bushels compared with 20.0 bushels in 1942 and the 10-year average of 11.7 bushels.

Oats

A sharp decline in oats prospects occurred during July. Production now is estimated at 1,189,546,000 bushels, which is about 12.5% below the excellent 1942 crop, but 17% above the 10-year average. The decline since July 1 amounted to about 53,000,000 bushels and was largely due to sharply lower yield prospects in the East North Central States. Declines in yields also occurred in Minnesota, Iowa, Missouri and Kansas, nearly offsetting improvement in northern Great Plains and most Western States. Drought conditions caused yield reductions in the Central Atlantic area.

Conditions have been favorable for harvesting and harvesting operations were under way to the northern border. Wet weather has made Ohio a notable exception to this general favorable situation. Hot, dry weather when the heads were filling appears to have been the chief cause for declining yield prospects in the Corn Belt. The average yield per acre is 31.4 bushels compared with 35.9 in 1942 and the 10-year average of 28.1 bushels.

Barley

The indicated production of 348,848,000 bushels of barley is about 18% below the 1942 production but about 43% above the 10-year average. The indicated yield per acre on Aug. 1 is 2.3 bushels below last year but 1.7 bushels above the 10-year (1932-41) average. The progress of the crop during July varied greatly but the net change for the United States generally was a slight decrease of three-tenths of a bushel per acre below the July 1 indication.

Hot weather for much of the country forced the early ripening of barley and this tended to reduce the yield. Also rust, blight and scab damage resulted in some reductions in the important areas of the northwestern Corn Belt. Precipitation in California was too light during May to allow for proper filling and consequently the yield will be light in that section.

The crop progressed generally according to earlier expectations however and relatively good yields were indicated on Aug. 1 for most barley areas, including such important States as North Dakota, South Dakota, Kansas, Nebraska, Colorado and Montana.

Rye

Rye production prospects on Aug. 1 show little change from July 1 and the crop is now estimated to be 33,314,000 bushels compared with the July estimate

of 33,562,000 bushels. This is 42% smaller than the 57,341,000 bushel crop of 1942 and 14% smaller than the 10-year (1932-41) average production of 38,589,000 bushels.

The yield per acre of 11.6 bushels is one-tenth of a bushel below the July forecast yield, due to a decline in prospects of 1/2 bushel in both South Dakota and Minnesota, two of the important rye producing States. This decline was partially offset by a one bushel increase in yield in North Dakota and a 1.5 bushel increase in Colorado, where the 1943 acreage for harvest is almost three times the 10-year average acreage.

Harvest is completed or partially completed in Nebraska, Kansas, South Dakota and southern Minnesota, but has little more than started in North Dakota and the northern part of Minnesota. A heavy ergot infection is reported in fields in North Dakota and northwestern Minnesota.

Buckwheat

Indicated production of 8,294,000 bushels is substantially larger than the 1942 crop of 6,687,000 bushels and nearly one-fifth above the 10-year (1932-41) average. This production if realized, would be the largest since 1935, with the acreage harvested nearly equal and the indicated yield the same as in that year. The acreage for harvest of 493,000 acres is 30% larger than the 378,000 acres harvested last year and above the 10-year average of 424,000 acres. Buckwheat played the usual role of a "catch crop" on ground intended for other spring-planted crops which were planted because of delayed spring work and flooded bottom lands. Difficulty in obtaining seed for the expanded acreage limited plantings in some cases.

The indicated yield of 16.8 bushels per acre is about a bushel under last year's yield, but is fully up to the 10-year average. An appraisal of the yield prospects on Aug. 1 is more difficult this year than in others because planting continued until a later date than usual, with variations on Aug. 1 ranging from early fields in bloom to latest plantings just coming in.

Potatoes

July weather was favorable for the development of the potato crop in most of the important late States and the Aug. 1 estimate is 2% larger than indicated on July 1. Total production in the United States is now placed at 443,067,000 bushels, compared with 371,150,000 bushels in 1942, and the 10-year (1932-41) average of 363,332,000 bushels. The indicated yield per acre on the large acreage of 1943 is 131.7 bushels, compared with 136.9 bushels in 1942, and the 10-year average of 116.9 bushels.

In the three eastern late surplus States, as a group, Aug. 1 condition points to an excellent yield per acre although hot, dry weather in Pennsylvania caused some damage through tin burn and wilting. The five Central surplus States show prospects for a good yield per acre but, with plantings made at a later average date than usual, much acreage will run the hazard of damage from fall frosts. Apparently late blight is less prevalent than usual in both the Eastern and Central States. Most of the improvement in yield prospects between July 1 and Aug. 1 occurred in these groups of States.

The 10 Western surplus States show evidence of a slightly smaller crop than was indicated on July 1. Prospects in Idaho are moderately below those of July 1 because of some damage from low temperatures in the Upper Snake River Valley on July 12 and the general lateness of the crop. Nebraska's crop prospects also declined some in July due to high temperatures. Other States of the Western group show as good or better prospects than on July 1.

'Gas' Coupon Value Cut In Middle West And Southwest—May Lift Non-Essential Ban

Reduction in the value of "A," "B" and "C" gasoline ration coupons from four gallons to three gallons in the Middle West and Southwest, effective 12.01 a.m., Monday, Aug. 16, was ordered on Aug. 13 by Chester Bowles, Acting Price Administrator, to reduce gasoline consumption in those areas as directed by the Petroleum Administrator for War, Harold L. Ickes.

At the same time Mr. Bowles announced that if the ban on non-essential driving in the 12 Northeastern States is observed during the balance of August, the ban can be lifted on Sept. 1.

"It is our further hope," Mr. Bowles said, "that if sufficient supplies can be built up in the East, some increase in the value of coupons in the 17 Atlantic Coast states and the District of Columbia, may be made later in Sept. At present "A" rations are now set at 1 1/2 gallons a week, and "B" and "C" coupons at 2 1/2 gallons in the 12 Northeastern states.

The States affected by the reduction are those lying between the Rocky Mountains and the 17 Atlantic Coast states.

As PAW made no curtailment in gasoline in the Rocky Mountain and Pacific Coast states, coupon values in these States remain unchanged.

"Curtailments in the Midwest and Southwest are based on new gasoline allocations assigned to this area by the Petroleum Administrator for War," Mr. Bowles said. "With these reductions in the supplies allotted to us, no course was possible but to cut the "A," "B," and "C" coupons as we have done.

"The PAW allocations are 480,000 barrels a day for District II (Middle West) and 140,000 barrels a day in District III (Southwest and Gulf Coast). These represent a 15% reduction from the civilian gasoline consumption in June, as shown by the flow-back of gasoline coupons.

Emphasizing that the removal of the ban on non-essential driving in September depends on continued improvement in the supply situation, Mr. Bowles stated:

"Failure to respect the ban between now and Sept. 1 must inevitably prevent us from removing it on that date. We must have supplies on hand before restrictions can be relaxed and we can accumulate those supplies only by means of the various restrictions now in effect. Black market operations, too, could readily destroy our plans and postpone the date for relief."

In addition to the cuts in "A," "B," and "C" coupons the curtailment in PAW Districts II and III will include:

1. The maximum allotment of gasoline for in-course-of-work driving, except for those entitled to preferred mileage ("C" books), will be reduced immediately from 720 miles a month to 480 miles a month.

This will reduce substantially the occupational driving of persons, such as salesmen, who use their cars in connection with their work. However, it does not affect the home-to-work mileage of drivers who may continue to get up to 720 miles a month to drive to work, if they need it.

2. Motorcyclists will have their "D" rations cut in proportion to the cuts in passenger car rations. This will be done by extending the valid period of the basic "D" ration through Nov. 11, 1944. These books were previously scheduled to last only through next July 21.

In reducing the value of "A" coupons in the Midwest and Southwest, OPA is also reducing somewhat the amount of occupational driving in the "A" book from 150 miles to 60 miles, while increasing the amount of family, or non-occupational, driving from 90 miles to 120 miles.

This increase in non-occupational driving is made to provide somewhat more adequate family mileage for car owners who use their cars in connection with their

work. This means that two gallons in each three-gallon "A" coupon may be reserved for family, or nonoccupational, driving. The remaining one gallon must be held available for occupational use in the case of car owners who drive to work, or use their cars in work.

"A" bookholders who require more than 60 miles a month of occupational driving will be eligible for necessary supplemental mileage through "B" or "C" rations. "B" and "C" bookholders who are unable to meet their occupational driving needs with the reduced coupons may apply to their War Price and Rationing Boards for a restoration of mileage lost.

Such applications, however, cannot be accepted by Boards before Aug. 23, by which time instructions and mileage tables needed for issuing the "further" rations will be in Board hands. In reviewing these applications, Boards will be urged to be both critical and thorough in determining the exact amount of mileage which the applicant needs. A great part of the necessary reduction in gasoline consumption must be made from bringing all supplemental rations down to minimum requirements, it was pointed out.

In addition, OPA on Aug. 16 restored to Boards in the 12 Northeastern States the authority to grant drivers more gasoline than is provided by the maximum "B" book (360 miles) for home-to-work driving in hardship cases. The provision for breaking the "B" ceiling for home-to-work driving in the East, has been, and continues to be, in effect in all other sections of the country. The provision had to be revoked in 12 Northeastern States last June as one means of reducing mileage during a gasoline supply crisis. This restriction worked extreme hardship on thousands of workers living long distances from their jobs. For this reason it is one of the first of the emergency measures to be removed with prospective easing of the East Coast gasoline supply crisis.

20% Bus-Taxi Mileage Cut Restored

The new gasoline rationing program will not affect necessary commercial motor vehicle operations in the Middle West, Joseph B. Eastman, Director of the Office of Defense Transportation, declared on Aug. 13.

At the same time Mr. Eastman announced that a supplementary allotment of 14,000 barrels of gasoline per day has been granted by the Petroleum Administration for War to the ODT for transportation facilities and services under its jurisdiction in the East Coast shortage area. The allotment, which is now effective, will make possible the orderly restoration of necessary commercial motor vehicle operations along the Eastern Seaboard.

As claimant agency for gasoline for all highway transportation, the ODT on Aug. 10 received the following allotments for PAW for the areas newly included in the gasoline rationing program:

District 2—390,787 barrels per day; District 3—125,757 barrels per day. Both allotments became effective Aug. 15.

Within the quotas established for the districts, ODT will determine the amount of gasoline to be distributed among passenger automobiles, trucks, buses, taxicabs and other classes of transportation.

The supplementary gasoline allotment of 14,000 barrels per day

Government-Financed War Facilities Program More Than 80% Completed At Mid-Year, Nelson

The nation's gigantic government-financed war facilities program was more than four-fifths completed at the year's midpoint, Donald M. Nelson, Chairman of the War Production Board reported on Aug. 6.

At the end of June, the completion of \$12,038,000,000 out of a current \$14,582,000,000 Government-financed war facilities program had been accomplished, Mr. Nelson said. That compares with 61% at the beginning of the year and only 24% a year ago.

The mid-year mark saw the greatest accomplishment in the construction of plants to produce finished munitions such as guns, combat vehicles, aircraft, ships and ammunition. Facilities for production of ammunition and explosives were 95% completed.

This remarkable record, Mr. Nelson declared, means that the arsenal which America is building to defeat the Axis is rapidly nearing completion, and as facilities construction moves along a planned decline, more and more of the nation's resources can be thrown into the direct production of munitions.

The construction and equipment of plants to produce raw materials, such as synthetic rubber and steel, was fast catching up after earlier tendencies to lag. The extent of the advance which has been gained in this category this year is illustrated by the synthetic rubber program. Only 3% finished a year ago, the synthetic rubber facilities program was 15% in place at the beginning of 1943, and had risen to 61% by the end of June.

It is only since the beginning of this year that raw materials facilities passed the half-way mark, Mr. Nelson pointed out. For example, while only 15% of the federally financed synthetic rubber program was in place on Jan. 1, construction and equipment deliveries moved rapidly ahead to the favorable position they occupied at the end of June after receiving preferential treatment for components.

The largest percentage gain of the first half was registered for plants to produce 100-octane gasoline. At the beginning of the year, less than 1% of the Government-financed program was in place, but by July 1 the program was about 39% complete. High-octane gasoline plants have been granted high preference ratings, and steady increases in the program may be expected over the remaining months of the year. Even greater progress has been made in the privately financed high-octane program where, by July 1, around 63% of the expansion had been completed.

An encouraging picture is reflected in the iron and steel program, which is now more than 75% in place. Seven of the plants that are the furthest advanced are being rushed to completion this year, and these alone will make up about one-third of the entire program.

In the field of chemistry, the rate of expansion has been extremely favorable. Only 31% complete a year ago, the chemical program had risen to 66% at the

for the East Coast area will be used primarily to grant relief to bus and truck operators who can establish that reduction in their mileage, required by ODT to reduce gasoline consumption in the East, has resulted in the curtailment of necessary services, Mr. Eastman explained. Under General Order No. 39, the ODT on May 27 ordered a 20% reduction in bus mileage throughout the East Coast area.

"Since the general reduction in mileage is not now necessary as a result of the supplementary allotment, the ODT will promptly rescind its General Order 39," Mr. Eastman stated.

beginning of 1943 and is more than 90% completed today.

An analysis of the Government's war facilities program this year clearly indicates that the end of the munitions facilities program is the beginning of the end of the raw materials program. Of the facilities completed in 1942, the largest proportion—70%—went into ordnance, aircraft, and shipway facilities, while only 21% went into raw materials. This year, on the other hand, 40% of the facilities scheduled for completion is destined for raw materials and 50% for end munitions.

New Dwellings Decrease

Construction was started on 200,000 new non-farm family dwelling units during the first six months of 1943, less than two-thirds as many as were started during the same period of 1942, Secretary of Labor Perkins reported on Aug. 7. "Almost 60% of these new family dwelling units will be located in publicly financed war housing projects," she said. "Private builders started construction during the first six months of 1943 on 85,747 family dwelling units, 73,500 of which are being constructed under the private war housing program of the National Housing Agency."

Secretary Perkins further stated: "Federally financed housing projects put under construction during the first half of 1943 will provide homes for 114,053 war workers' families, slightly more than the 111,747 units in projects started during the corresponding period in 1942. Slum-clearance projects transferred to the war housing program during the first six months of 1943 will provide accommodations for another 1,359 families. Conversions of other types of structures to family dwelling units by the Federal Public Housing Authority will provide 290 units, making a total of 115,702 additional family units of public war housing in the first half of 1943. In addition, Federal construction contracts were awarded during the first six months of 1943 for dormitories to accommodate 31,004 persons and trailer projects to contain 16,736 trailers. Contracts were also awarded during the first half of 1943 by the Home Owners Loan Corporation for the conversion of 2,117 structures to provide 8,949 additional family units.

"The Bureau of Labor Statistics estimates the valuation of the new non-farm family dwellings put under construction during the first six months of 1943 to aggregate approximately \$486,000,000. The nonfarm area of the United States, as defined by the Bureau of the Census, includes all urban places and all rural places except farms.

"One-family dwellings comprised about 82% of all units started during the first six months of 1943, 2-family dwellings accounted for 4%, and multi-family units for 14%. During the same period in 1942, 84% of the new units were of the 1-family type, 4% were of the 2-family type, and 12% in multifamily buildings. Wartime restrictions on building materials were largely responsible for a shift from single-family to 2-family and multifamily units in privately financed structures. The number of 1-family units started by private builders during the first half of 1943 was 60% less than in the same period last year. Privately financed units in 2-family houses declined 24% and in multifamily units, 36%."

Market Value Of Bonds On N. Y. Stock Exchange

The New York Stock Exchange announced on Aug. 11 that as of the close of business July 31, there were 1,117 bond issues, aggregating \$80,878,879,937 par value listed on the Stock Exchange with a total market value of \$80,352,221,151. This compares with 1,124 bond issues, aggregating \$80,999,206,037 par value, listed on the Exchange as of June 30 with a total market value of \$80,704,321,646.

In the following table listed bonds are classified by governmental and industrial groups with the aggregate market value and average price for each:

The following table, compiled by us, gives a two-year comparison of the total market value and the total average price of bonds listed on the Exchange:

Group—	July 31, 1943		June 30, 1943	
	Market Value \$	Average Price	Market Value \$	Average Price
U. S. Government (incl. N. Y. State, Cities, etc.)	63,777,827,657	104.30	63,915,414,612	104.52
U. S. companies:			35,118,011	102.25
Amusements			10,781,617	102.16
Automobile	10,334,280	102.66	13,809,881	100.73
Building	13,819,604	100.80	15,712,500	104.75
Business and office equipment	15,768,750	105.13	76,399,888	104.29
Chemical	76,477,450	104.40	36,775,000	105.07
Electrical equipment	36,237,500	103.54	56,638,288	102.87
Financial	56,574,328	102.75	234,513,238	105.40
Food	233,708,845	105.04	10,835,551	80.64
Land and realty	10,693,763	79.59	37,328,902	101.30
Machinery and metals	37,384,362	101.45	98,528,703	64.54
Mining (excluding iron)	96,357,637	63.52	40,486,946	102.20
Paper and publishing	40,366,617	102.14	612,102,207	104.63
Petroleum	608,125,497	104.87	7,540,242,205	74.71
Railroad	7,362,116,232	73.37	12,258,568	87.65
Retail merchandising	12,951,623	92.61	76,095,865	104.72
Rubber	76,289,994	104.98	11,959,560	104.25
Ship building and operating	11,844,840	103.25	21,481,377	78.07
Shipping services	21,660,496	78.96	494,319,333	101.50
Steel, iron and coke	495,146,927	101.77	38,236,380	105.36
Textiles	38,062,995	104.88	155,238,588	106.80
Tobacco	155,614,751	107.22		
Utilities:				
Gas and electric (operating)	3,367,447,911	109.35	3,382,366,279	109.28
Gas and electric (holding)	95,618,140	105.67	96,288,610	104.68
Communications	1,235,569,210	110.72	1,238,529,222	110.85
Miscellaneous utilities	94,922,752	65.32	34,816,086	65.20
U. S. companies oper. abroad	138,923,744	77.24	137,706,305	76.56
Miscellaneous businesses	31,398,640	105.71	31,298,003	105.37
Total U. S. companies	14,374,516,888	86.00	14,609,867,105	86.79
Foreign government	1,429,652,248	66.03	1,417,833,281	65.41
Foreign companies	770,224,358	90.84	761,206,648	89.78
All listed bonds	80,352,221,151	99.35	80,704,321,646	99.64

*The two issues under this group—Warner Brothers 6s of 1943 and Paramount Pictures 4s of 1936—have been retired.

The following table, compiled by us, gives a two-year comparison of the total market value and the total average price of bonds listed on the Exchange:

1941—	Market Value \$	Average Price	1942—	Market Value \$	Average Price
July 31	53,259,696,637	95.04	Aug. 31	62,720,371,752	96.08
Aug. 30	53,216,867,646	94.86	Sept. 30	62,765,776,218	96.18
Sept. 30	53,418,055,935	94.74	Oct. 31	64,843,877,284	96.48
Oct. 31	55,106,635,894	95.25	Nov. 30	64,543,971,229	96.11
Nov. 31	54,812,793,945	94.80	Dec. 31	70,583,644,622	96.70
Dec. 31	55,033,616,312	94.50	1943—		
Jan. 31	56,261,398,371	95.24	Jan. 31	71,038,674,932	97.47
Feb. 28	57,584,410,504	95.13	Feb. 27	71,346,452,852	97.79
Mar. 31	58,140,382,211	95.97	Mar. 31	71,575,183,604	98.24
Apr. 30	57,923,553,616	95.63	Apr. 30	71,857,596,488	98.69
May 29	59,257,509,674	95.64	May 29	81,048,543,830	99.47
June 29	59,112,072,945	95.50	June 30	80,704,321,646	99.64
			July 31	80,352,221,151	99.35

Cottonseed Receipts In July

On Aug. 12, the Bureau of Census issued the following statement showing cottonseed received, crushed, and on hand, and cottonseed products manufactured, shipped out, on hand, and exported for the twelve months ended with July, 1943 and 1942.

State—	Received at mills		Crushed		On hand at mills	
	Aug. 1 to July 31 1943	1942	Aug. 1 to July 31 1943	1942	1943	1942
United States	4,514,728	3,959,835	4,496,942	4,008,436	89,817	81,928
Alabama	257,846	222,405	259,004	230,245	2,175	3,333
Arizona	82,864	78,234	83,252	78,060	3	391
Arkansas	473,207	476,267	475,928	489,322	9,100	11,875
California	158,430	158,887	152,709	164,207	6,896	1,175
Georgia	343,224	269,435	343,320	284,294	3,961	4,057
Louisiana	166,321	86,111	166,518	85,893	547	744
Mississippi	750,766	569,146	745,605	566,931	11,402	6,241
North Carolina	272,033	215,399	272,667	222,024	1,023	3,111
Oklahoma	219,522	240,151	222,194	236,219	1,792	4,464
South Carolina	207,789	122,232	205,145	124,540	2,591	700
Tennessee	383,041	398,328	388,962	409,809	3,266	9,187
Texas	1,054,627	982,979	1,042,924	974,814	44,658	35,359
All other States	145,058	140,261	138,714	142,078	2,403	1,291

*Does not include 81,928 and 130,529 tons on hand Aug. 1 nor 63,559 and 68,845 tons reshipped for 1943 and 1942 respectively. Does include 9,897 tons destroyed for 1943.

Item—	Season	On hand		Produced		Shipped out		On hand
		Aug. 1	July 31	Aug. 1	July 31	Aug. 1	July 31	
Crude oil	1942-43	34,460	1,400,259	1,401,677	21,825			21,825
Refined oil	1941-42	29,708	1,249,872	1,250,671	34,460			34,460
(thousand pounds)	1942-43	1310,191	1,297,034			1,207,081		1,207,081
Cake and meal	1941-42	294,005	1,157,917			310,191		310,191
(tons)	1942-43	190,100	1,994,053	2,165,560	18,593			18,593
Hulls	1941-42	164,444	1,782,610	1,726,954	190,100			190,100
(tons)	1942-43	44,118	1,084,755	1,116,887	11,986			11,986
Linters	1941-42	151,439	991,521	1,098,842	44,118			44,118
(running bales)	1942-43	43,295	1,355,221	1,263,400	135,116			135,116
Hull fiber	1941-42	123,154	1,183,963	1,263,822	43,295			43,295
(500-lb. bales)	1942-43	229	36,417	36,015	631			631
Grabbots, notes, etc.	1941-42	1,834	31,353	32,958	229			229
(thousand pounds)	1942-43	23,644	63,615	72,978	14,281			14,281
(500-lb. bales)	1941-42	6,183	55,300	37,839	23,644			23,644

*Includes 24,484,000 and 12,863,000 pounds held by refining and manufacturing establishments and 2,118,000 and 2,522,000 pounds in transit to refiners and consumers Aug. 1, 1942, and July 31, 1943, respectively.

†Includes 3,620,000 and 3,203,000 pounds held by refiners, brokers, agents, and warehousemen at places other than refineries and manufacturing establishments and 1,389,000 and 5,135,000 pounds in transit to manufacturers of shortening, soap, etc. Aug. 1, 1942, and July 31, 1943, respectively. Does not include winterized oil.

‡Produced from 1,393,806,000 pounds of crude oil.

§Total linters produced includes 29,661 bales first cut, 138,086 bales second cut and 1,187,474 bales mill run. Total held includes 8,289 bales first cut, 13,959 bales second cut and 112,868 bales mill run.

Exports and Imports of Cottonseed Products

In the interest of national defense, the Department of Commerce has discontinued until further notice the publication of statistics concerning imports and exports.

July Retail Prices Continue Unchanged, According To Fairchild Publications Index

For the second consecutive month the Fairchild Publications retail price index remain unchanged, at 113.0 (Jan. 1, 1931=100). The index is still 0.1% under Aug. 1, 1942. At that time the index was at 113.1 the level at which it remained unchanged for eight consecutive months. Compared with the pre-war period of 1939 it is still 27.1% higher.

The Fairchild announcement of Aug. 13 further said: "The five major groups comprising the index remained unchanged during July. They showed only slight changes over the previous year, with men's apparel increasing the most, 0.2%. This was undoubtedly caused by the issuance of the price regulation at that time which permitted a certain percentage markup in determining the ceiling prices of men's outer coats. Piece goods rose the most and infants' wear the least in the comparison with the period just before the outbreak of the European war.

"For the third consecutive month women's hose and furs are the only individual commodities to show any change during the month. However, the rate of change has been narrowing, with hose showing a decline of 0.7% during July, as compared with one of 1.3% for June. And furs increased 0.5% as compared with an advance of 1.0% for June. Women's hose declined 5.1% under Aug. 1, 1942, the largest decrease shown by any of the individual commodities. Furs increased the most over 1942.

"With the index at the same level that it has been for the past three months, the indications are that it will remain comparatively stable in the near future, according to A. W. Zelomek, economist under whose supervision the index is compiled. Any fluctuation that occurs will be minor."

THE FAIRCHILD PUBLICATIONS RETAIL PRICE INDEX

JAN. 3, 1931=100

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	May 1, 1933	Aug. 1, 1942	May 1, 1943	June 1, 1943	July 1, 1943	Aug. 1, 1943
Composite Index	69.4	113.1	113.2	113.0	113.0	113.0
Piece Goods	65.1	112.3	112.2	112.2	112.2	112.2
Men's Apparel	70.7	105.1	105.3	105.3	105.3	105.3
Women's Apparel	71.8	112.8	112.7	112.6	112.7	112.7
Infants' Wear	76.4	108.0	108.1	108.1	108.1	108.1
Home Furnishings	70.2	115.6	115.5	115.5	115.5	115.5
Piece Goods						
Silks	57.4	85.0	84.7	84.7	84.7	84.7
Woolens	69.2	108.1	108.0	108.0	108.0	108.0
Cotton Wash Goods	68.6	143.9	143.8	143.8	143.8	143.8
Domestics						
Sheets	65.0	127.0	126.8	126.8	126.8	126.8
Blankets & Comfortables	72.9	135.0	135.0	135.0	135.0	135.0
Women's Apparel						
Hostery	59.2	94.1	94.1	91.1	89.9	89.3
Aprons & House Dresses	75.5	140.5	140.5	140.5	140.5	140.5
Corsets & Brassieres	83.6	111.3	111.2	111.2	111.2	111.2
Furs	66.8	136.0	135.5	137.9	139.3	140.0
Underwear	69.2	102.7	102.7	102.7	102.7	102.7
Shoes	76.5	92.4	92.4	92.4	92.4	92.4
Men's Apparel						
Hostery	64.9	108.0	108.1	108.1	108.1	108.1
Underwear	69.6	114.6	114.8	114.8	114.8	114.8
Shirts & Neckwear	74.3	99.0	99.1	99.1	99.1	99.1
Hats & Caps	69.7	94.3	94.3	94.3	94.3	94.3
Clothing incl. Overalls	70.1	105.1	106.0	106.0	106.0	106.0
Shoes	76.3	109.6	109.6	109.6	109.6	109.6
Infant's Wear						
Socks	74.0	114.5	114.6	114.6	114.6	114.6
Underwear	74.3	103.6	103.7	103.7	103.7	103.7
Shoes	80.9	105.9	106.0	106.0	106.0	106.0
Furniture	69.4	129.2	129.2	129.2	129.2	129.2
Floor Coverings	79.9	146.8	146.9	146.9	146.9	146.9
Radios	50.6	66.8	66.8	66.8	66.8	66.8
Luggage	60.1	94.7	94.7	94.7	95.7	95.7
Electrical Household Appliances	72.5	93.5	93.5	93.5	93.5	93.5
China	81.5	110.6	110.6	110.6	110.6	110.6

NOTE—Composite Index is a weighted aggregate. Major group indexes are arithmetic average of subgroups. † Revised.

Steel Operations Increased—Supply And Demand Better Balanced—Buying Slackens

"... Despite the avalanche of steel orders during the first half of August which with some companies almost reached previous peaks, steel observers this week saw a better balance between supply and demand than has been the case since the war began," says the "Iron Age" in its issue of today (Aug. 19), further adding in part: "Major credit for such a situation can be laid at the door of the Controlled Materials Plan which is now functioning in far better shape than was the case a few months ago.

This success on the home steel front has been made possible because

Exchange Stabilization Fund As Of Mar. 31, '43

The Exchange Stabilization Fund earned a total of \$32,100,859 from its inception Jan. 31, 1934, through March 31, 1943, according to tabulations appearing in the current issue of the "Bulletin" of the Treasury Department. The chief source of earnings has been "profits on gold bullion," which accounted for \$20,860,425 of the total.

The balance sheet of the Fund as of March 31, 1943, shows total assets of \$2,030,266,098 with cash aggregating \$1,994,419,412, of which \$1,800,000,000 is gold. Additional gold of \$14,182,611 is listed in a special account of the Secretary of the Treasury.

Following are the balance sheet, earnings and expense accounts for June 30, 1942, and March 31, 1943:

Assets—	June 30, 1942	March 31, 1943
Cash:		
Treasurer of the United States, gold	\$1,800,000,000	\$1,800,000,000
Treasurer of the United States, checking account	1,581,259	151,531,135
Federal Reserve Bank of New York, special account	177,908,989	42,862,284
Disbursing officers' balances and advance accounts	10,965	5,992
Total cash	\$1,979,501,213	\$1,994,419,412
Gold purchased from Union of Soviet Socialist Republics (agreement Oct. 10, 1941 and Jan. 3, 1942)*	14,358,449	
Special accounts of Secretary of the Treasury in Federal Reserve Bank of New York:		
Special account No. 1, gold	7,936,045	14,182,611
Due from foreign banks (foreign exchange):		
Swiss francs	\$ 232,630	\$ 836,263
French francs	18	18
Belgas	505	505
Sterling	2,980	2,980
Central Bank of China	119,121,925	110,036,986
Foreign depositories		266,640
Total due from foreign banks	19,358,058	11,143,392
Investments in United States Government securities	10,448,723	10,448,723
Accrued interest receivable	9,731	69,142
Other accounts (deferred charges)	985	182
Commodity sales contracts (deferred charges)	2,636	2,636
Total assets	\$2,031,615,840	\$2,030,266,098
Liabilities and Capital—		
Accounts payable:		
Victory tax withheld from salaries of employees, Treasury Department		\$ 2,651
Employees' pay-roll allotment account, U. S. savings bonds	\$ 377	821
Vouchers payable	219	145
Due to foreign banks		113,405
Due to Union of Soviet Socialist Republics (agreement Oct. 10, 1941 and Jan. 3, 1942)	2,471,717	
Miscellaneous	1,500	3,256
Total accounts payable	\$ 2,473,813	\$ 119,678
Capital account	2,000,000,000	2,000,000,000
Earnings less administrative expenses	29,142,028	30,146,420
Total liabilities and capital	\$2,031,615,840	\$2,030,266,098

*Consisted of 941,053,554 ounces on June 30, 1942. †Consisted of secured deposits amounting to 65,032,054.79 yuan as of June 30, 1942. Gold held as collateral amounted to \$19,379,015.65. ‡Consisted of 200,739,726.03 yuan as of March 31, 1943.

Earnings of the Exchange Stabilization Fund

Source—	Jan. 31, 1934 through June 30, 1942	Jan. 31, 1934 through March 31, 1943
Profits on British sterling transactions		\$310,638
Profits on French franc transactions		351,538
Profits on gold bullion (including profits from handling charges on gold)	19,948,590	20,860,424
Profits on silver transactions	105,371	105,371
Profits on sale of silver bullion to Treasury (nationalized)	3,473,362	3,473,362
Profits on investments	1,019,326	1,019,326
Interest on investments	3,711,009	3,889,135
Miscellaneous profits	474	488
Interest earned on foreign balances	123,889	123,889
Interest earned on Chinese yuan	1,841,337	1,966,687
Total earnings	\$30,885,535	\$32,100,859

Administrative Expenses of the Exchange Stabilization Fund

Classification—	Jan. 31, 1934 through June 30, 1942	Jan. 31, 1934 through March 31, 1943
Salaries	\$1,151,157	\$1,328,950
Travel	61,554	66,656
Subsistence	45,910	53,576
Telephone and telegraph	335,666	351,683
Stationery, etc.	17,765	18,521
All other	131,455	135,054
Total administrative expenses	\$1,743,507	\$1,954,439

Movements In Supply Of Money And Prices In Two World War Periods

The July number of the League of Nations Monthly Bulletin of Statistics, published by the League Mission at Princeton, N. J., contains in addition to the regular tables a set of graphs showing for some 20 countries the movements in the supply of money and in prices during the two war periods, 1914-1919 and 1939-1943. Advices from the League at Princeton State:

"The graphs indicate that, in general, the degree of inflation reached so far in the countries covered is distinctly less than in the corresponding period of World War I, a result due mainly to the early introduction of comprehensive rationing and price controls, as

well as to heavier taxation. Note circulation has risen less, except in Denmark, Norway and the Netherlands, neutrals in the last war, and also than in Greece and Portugal. Sight deposits in commercial banks have also expanded less in most countries. The increases in wholesale prices and the cost of living appear in general to have not only kept well below the levels reached in 1917 but also to have lagged further behind the increases in the supply of money. It must be remembered, however, that these indices are generally based on official prices and take no account of the black market which in certain Axis controlled countries is important.

"The extent to which these series had risen above the respective pre-war levels by the end of 1917 (1918 for cost of living) and 1942 is brought out by the following indices. (Pre-war levels=100):

End of—	Note Circulation—		Sight Deposits—		Wholesale Prices—		Cost of Living—	
	1917	1942	1917	1942	1917	1942	1917	1942
United Kingdom	769	184	163	193	204	162	230	129
Germany	629	298	304	---	179	108	---	107
France	391	345	150	††255	†273	*199	248	*153
Italy	369	---	347	---	306	---	260	---
Bulgaria	790	676	343	††190	---	200	---	205
Finland	676	461	941	341	---	230	588	182
Greece	353	4,250	201	---	---	---	---	---
Roumania	940	336	---	198	---	---	---	---
Denmark	222	223	269	221	250	195	196	157
Netherlands	293	306	376	136	276	---	184	---
Norway	302	425	764	†695	341	179	264	150
Turkey	---	373	---	†184	---	430	---	340
Portugal	222	232	254	424	---	188	---	146
Sweden	245	190	370	185	239	179	238	149
Switzerland	226	151	202	119	---	302	211	146
Palestine	---	434	---	216	---	†276	---	264
Egypt	---	369	---	---	---	†221	---	†199
Iran	---	*372	---	---	---	†243	---	††347
Iraq	---	††473	---	*308	---	*468	---	---
India	---	316	---	267	---	241	---	181

*March. †May. ‡July. §Aug. ¶Sept. **Oct. ††Nov.

"The regular Bulletin tables show inter alia that:

"The cost of living indices for Canada and the United States changed little or not at all in June. The cost of living in Europe appears to have been more or less stable so far in 1943 but in Latin America it was still rising. Compared with the pre-war average, January-June 1939, the cost of living in the first or second quarter of 1943 was up 274% in Turkey, 237% in Palestine, 203% in Iran (X-1942), 206% in Bolivia, 145% in Iceland, 95% in India, 86% in Finland, 84% in Chile, 67% in Costa Rica, 66% in Spain, 59% in Ireland, 50% in Norway and Sweden, 49% in Mexico and Switzerland, 43% in Peru, 33% in Japan, 28% in the United Kingdom, 24% in the United States, 21% in the Argentine, 19% in South Rhodesia, 18% in Canada, 14% in Colombia, Uruguay and Venezuela, and 11% in Germany. In China (Chung King) the cost of living by August 1942 was 2149% over the 1939 level.

"Government expenditure in the belligerent, occupied and even neutral countries is now many times higher than in the last pre-war year, the extent of the rise depending, of course, not only on the war or defense effort, but also on the pre-war level of expenditure and the scope of the national budgets. War or defense expenditure in 1942 or 1942-43 accounted for over 90% of total expenditure in the United States and the United Kingdom, for about 85% in Canada, 83% in Australia and nearly 80% in New Zealand, for 72% in neutral Switzerland and about 50% in the Union of South Africa; 'costs of occupation' were estimated to have amounted in 1942 to some 46% (or 56% if the financing of exports to Germany is included) of total expenditure in France, and in 1941 to 45% and 36% respectively in Belgium and the Netherlands.

"Although taxation has greatly increased, the proportion of total expenditure covered of receipts in 1942 or 1942-43 was approximately 60% in the Union of South Africa, 52% in Canada, 51% in the United Kingdom, 47% in New Zealand, 40% in Australia and Switzerland, 36% in France and somewhat less than 30% in the United States."

Continental U. S. Civil Engineering Construction \$296,288,000 In July

Civil engineering construction volume in continental United States for July totals \$296,288,000, an average of \$59,258,000 for each of the five weeks of the month as reported by "Engineering News-Record" on Aug. 12. This weekly average volume, not including the construction by military combat engineers, American contracts outside the country, and shipbuilding, is 14% lower than the average for the four weeks of June, 1943, and 75% below the five-week average for July, 1942. The report continued in part as follows:

On the weekly average basis, public construction is 5% above the preceding month. Federal volume, with a 7% increase, is responsible for the public gain over a month ago, as State and municipal work is down 15%. Private construction declines 64% from last month.

Private construction for July, 1943, is 47% lower than in the corresponding month last year, and public work is 77% lower. State and municipal work and Federal volume are 54 and 78% lower, respectively, than a year ago.

Continental U. S. civil engineering construction volumes for the 1942 month, last month, and the current month are:

	July, 1942 (5 Weeks)	June, 1943 (4 Weeks)	July, 1943 (5 Weeks)
Total U. S. Construction	\$1,201,526,000	\$274,493,000	\$296,288,000
Private Construction	62,040,000	72,718,000	32,704,000
Public Construction	1,139,486,000	201,775,000	263,584,000
State and Municipal	50,899,000	21,956,000	23,200,000
Federal	1,088,587,000	179,819,000	240,384,000

The July volume brings 1943 construction to \$2,062,540,000 for the seven months, an average of \$68,751,000 for each of the 30 weeks in the period. On the weekly average basis, 1943 construction is 65% below the \$6,106,820,000 for the seven-month, 31-week period in 1942. Private construction, \$255,188,000, is 35% lower, and public work, \$1,807,352,000, is down 67% when adjusted for the difference in the number of weeks reported.

New Capital

New capital for construction purposes for July totals \$2,424,122,000, a volume 7% below the new construction financing reported for the month last year. The month's total is made up of \$22,634,000 in private investment; \$148,000,000 in Federal funds for non-Federal work; and \$2,253,488,000 in Federal appropriations for war construction and regular departmental building.

The month's new financing brings 1943 volume to \$2,921,188,000 for the 30-week period, a total 68% below the \$9,500,250,000 reported for the 31-week period in 1942.

Sweden Ending Nazi Transit Rights

The Swedish government announced on Aug. 5 that traffic of German soldiers and war materials across Sweden to and from Norway and Finland would cease within a few days, ending a transit agreement that had aided Germany's military operations for more than three years, according to a United Press Stockholm dispatch. The advices further stated:

The Foreign Office announced that termination of the transit arrangement was by "agreement," but informed quarters said there was no doubt that Sweden had decided to close the doors to the Nazi military machine in view of recent war developments.

For many months, it was estimated, more than 1,000 German troops and much war equipment passed through neutral Sweden daily.

A Foreign Office communique said that transport of war materials to and from Norway and Finland through Sweden would cease on Aug. 15, that so-called "leave" traffic of soldiers to and from Norway and "horseshoe" traffic between Trondheim and Narvic would cease on Aug. 20.

Urges Spread Of War Orders To Less Critical Labor Supply Areas

Because of the increasing shortage of manpower in certain critical areas, approximately 1,000 prime contractors who have backlogs of orders totaling \$5,000,000 or more each were requested on Aug. 11 to place future subcontracts for fabrication of products in the less critical labor supply areas of the nation.

The request to observe this policy, which was called "vital to the war effort," was contained in copies of a letter signed by Chairman Nelson of the War Production Board, Chairman Land of the Maritime Commission, Under Secretary of War Patterson, Under Secretary of Navy Forrest and Clifton Mack, Director of the Procurement Division of the Treasury Department.

The latter, in effect, urged prime contractors to follow the same policy in placing subcontracts which the Federal Government observes in placing prime contracts. For many months the War Department, Navy Department, Maritime Commission and Treasury Department have been making every effort to place contracts in noncritical areas wherever production facilities and the required speed of delivery can be secured in such areas. In the allocation of war work, the procurement agencies rely on the War Manpower Commission's monthly list of more than 300 labor market areas, classified in four groups according to the adequacy or shortage of labor supply.

Authorize Flood Area Loan

Secretary of Agriculture Wickard has announced authorization of flood restoration loans in 314 counties in twelve mid-Western and Southern States. The loans, to be made from a special \$15,000,000 fund provided by Congress, are to be available in Arkansas, Indiana, Illinois, Kansas, Michigan, Minnesota, Mississippi, Missouri, Ohio, Oklahoma, Wisconsin and Texas. Under the program, it is stated eligible farmers will be able to get real estate restoration loans and production restoration loans. The real estate loans may be made for a period of up to 20 years and will bear interest at 3½%, while the production loans will be mostly short-term but may run as long as 10 years, bearing interest at 5%.

Wholesale Commodity Index Advanced 0.2% During Week Ended Aug. 7, Says Labor Dept.

The U. S. Department of Labor announced on Aug. 19 that following their downward tendency of the past several weeks, commodity prices in primary markets reacted during the first week of August and advanced 0.2%. Higher prices for domestic agricultural commodities, together with Office of Price Administration action in raising ceiling prices on southern pine lumber, largely accounted for the rise. The increase brought the Bureau of Labor Statistics' comprehensive all-commodity index to 103.0% of the 1926 average, 4½% higher than at this time last year.

The Labor Department's announcement further explained: "Farm products and foods. Sharp seasonal advances in prices for eggs under Office of Price Administration regulations and for potatoes at Chicago and New York brought average prices for farm products in primary markets up 0.6% during the week. Smaller increases were reported in prices for oats, wheat and cotton, for hogs and steers, and for citrus fruits. Quotations for corn and rye were off slightly from the preceding week and prices were also lower for sheep, onions, potatoes at Boston and Portland (Oregon), and wool. Notwithstanding the recent advance farm product prices are 0.8% lower than at this time last month.

"Led by an increase of 0.7% in fruits and vegetables, average prices for foods rose 0.2% during the week ended Aug. 7. Quotations were lower for flour.

"Cattle feed advanced 0.5% as a result of higher prices for linseed meal.

"Industrial commodities. Except for an advance of 1% in prices for building materials, brought about by an upward adjustment in ceiling prices on southern pine lumber and an increase in prices for rosin, industrial commodity prices remained steady."

The following notation is made: During the period of rapid changes caused by price control, materials allocation, and rationing the Bureau of Labor Statistics will attempt promptly to report changing prices. Indexes marked (*), however, must be considered as preliminary and subject to such adjustment and revision as required by later and more complete reports.

The following table shows index numbers for the principal groups of commodities for the past 3 weeks, for July 10, 1943 and Aug. 8, 1942 and the percentage changes from a week ago, a month ago, and a year ago:

Commodity groups—	(1926=100)													
	8-7			7-31			7-24			7-10			8-8	
	1943	1943	1943	1943	1943	1943	1943	1943	1943	1943	1943	1943	1943	
All commodities	*103.0	*102.8	*102.9	*103.0	98.6	+0.2	0	+4.5						
Farm products	*125.0	*124.3	*124.8	*126.0	105.4	+0.6	-0.8	+18.6						
Foodstuffs	106.6	106.4	107.0	107.3	99.7	+0.2	-0.7	+6.9						
Hides and leather products	118.4	118.4	118.4	118.4	118.8	0	0	+0.4						
Textile products	96.9	96.9	96.9	96.9	96.5	0	0	+0.3						
Fuel and lighting materials	81.6	81.6	81.8	81.5	79.6	0	+0.1	+2.5						
Metals and metal products	*103.8	*103.8	*103.8	*103.8	103.9	C	0	-0.1						
Building materials	111.9	110.8	110.6	110.5	110.2	+1.0	+1.3	+1.5						
Chemicals and allied products	100.1	100.1	100.1	100.1	96.3	C	0	+3.9						
Housefurnishing goods	104.2	104.2	104.4	104.3	104.4	0	-0.1	-0.2						
Miscellaneous commodities	92.2	92.1	92.1	91.6	88.9	+0.1	+0.7	+3.7						
Raw materials	*113.5	*113.0	*113.3	*114.0	109.4	+0.4	-0.4	+13.0						
Semimanufactured articles	92.7	92.7	92.7	92.7	92.6	0	0	+0.1						
Manufactured products	*99.9	*99.8	*99.8	*99.6	98.9	+0.1	+0.3	+1.0						
All commodities other than farm products	*98.3	*98.2	*98.3	*98.1	97.2	+0.1	+0.2	+1.1						
All commodities other than farm products and foods	*97.2	*97.1	*97.1	*96.9	95.7	+0.1	+0.3	+1.6						

Commercial Paper Outstanding

Reports received by the Federal Reserve Bank of New York from commercial paper dealers show a total of \$149,800,000 of open market paper outstanding on July 31, the Bank announced on Aug. 11. This was an advance of \$6,500,000 from the June 30th total but a decline of \$155,500,000 from July 31, 1942. This is the first monthly rise in seventeen months and is attributed to the seasonal financing of crops.

Following are the totals for the last two years:

1943—	\$	1942—	\$
July 31	149,800,000	July 31	305,300,000
June 30	143,300,000	June 30	315,200,000
May 29	159,600,000	May 29	354,200,000
Apr 30	178,900,000	Apr 30	373,100,000
Mar 31	200,600,000	Mar 31	384,300,000
Feb 27	209,100,000	Feb 28	388,400,000
Jan 30	220,400,000	Jan 31	380,600,000
Dec 31	229,900,000	Dec 31	374,500,000
Nov 30	260,600,000	Nov 29	387,100,000
Oct 31	271,400,000	Oct 31	377,700,000
Sep 30	281,800,000	Sep 30	370,500,000
Aug 31	297,200,000	Aug 30	353,900,000

Civil Engineering Construction \$31,773,000 For Week

Civil engineering construction volume in continental United States totals \$31,773,000 for the week. This volume, not including the construction by military combat engineers, American contracts outside the country, and shipbuilding, is 33% lower than in the preceding week, and 84% below the total for the corresponding 1942 week as reported by "Engineering News-Record" on Aug. 12. Private construction is 47% lower than a week ago, and 69% below a year ago. Public work declines 31% from last week despite the 48% gain in state and municipal construction, as Federal work is down 37%. Both state and municipal volume and Federal construction are under last year, and are responsible for the 85% decrease in public construction. The report went on to say:

The current week's volume brings 1943 construction to \$2,141,802,000, an average of \$66,931,000 for each of the 32 weeks. On the weekly average basis, 1943 volume is 66% lower than the \$6,471,393,000 for the 33-week period last year. Private construction, \$264,897,000, is 35% lower than in 1942, and public work, \$1,876,905,000,

is down 68% when adjusted for the difference in the number of weeks reported.

Civil engineering construction volumes for the 1942 week, last week, and the current week are:

	Aug. 13, '42	Aug. 5, '43	Aug. 12, '43
Total U. S. Construction	\$200,600,000	\$47,489,000	\$31,773,000
Private Construction	10,889,000	6,330,000	3,379,000
Public Construction	189,711,000	41,159,000	28,394,000
State and Municipal	6,744,000	3,110,000	4,613,000
Federal	182,967,000	38,049,000	23,781,000

In the classified construction groups, gains over last week are in waterworks, bridges, industrial buildings, earthwork and drainage, and streets and roads. All classes of work are below their respective totals of a year ago. Subtotals for the week in each class of construction are: waterworks, \$623,000; sewerage, \$767,000; bridges, \$654,000; industrial buildings, \$1,025,000; commercial building and large-scale private housing, \$2,067,000; public buildings, \$11,492,000; earthwork and drainage, \$1,509,000; streets and roads, \$5,165,000; and unclassified construction, \$3,471,000.

New capital for construction purposes for the week totals \$3,185,000, an increase of 212% over the total for the corresponding week in 1942. The current total is made up entirely of state and municipal bond sales.

New construction financing for the 32 weeks of 1943, \$2,924,770,000, is 68% below the \$9,509,648,000 for the 33-week period in 1942.

Electric Output For Week Ended Aug. 14, 1943, Shows 17.3% Gain Over Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Aug. 14, 1943, was approximately 4,287,827,000 kwh., compared with 3,654,795,000 kwh. in the corresponding week last year, an increase of 17.3%. The output for the week ended Aug. 7, 1943, was 16.6% in excess of the similar period of 1942.

Major Geographical Divisions—	PERCENTAGE INCREASE OVER PREVIOUS YEAR			
	Week Ended			
	Aug. 14	Aug. 7	July 31	July 24
New England	5.8	8.7	6.70	9.3
Central Atlantic	18.3	19.6	17.6	17.5
Central Industrial	16.3	15.8	14.1	13.6
West Central	17.1	14.3	14.2	12.3
Southern States	19.1	16.6	16.0	17.6
Rocky Mountain	20.5	15.4	16.5	10.2
Pacific Coast	19.1	18.6	21.1	20.6
Total United States	17.3	16.6	15.8	15.7

Week Ended—	DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)					
	1943	1942	% Change over 1942	1941	1932	1928
May 1	3,866,721	3,304,602	+17.0	2,944,906	1,429,032	1,688,434
May 8	3,903,723	3,365,208	+16.0	3,003,921	1,436,928	1,698,941
May 15	3,969,161	3,356,921	+18.2	3,011,345	1,435,731	1,704,426
May 22	3,992,250	3,379,985	+18.1	3,040,029	1,425,151	1,705,460
May 29	3,990,040	3,322,551	+20.1	2,954,647	1,381,452	1,615,085
Jun 5	3,925,893	3,323,374	+16.4	3,076,323	1,435,471	1,689,927
Jun 12	4,040,376	3,463,528	+16.7	3,101,291	1,441,532	1,699,227
Jun 19	4,098,401	3,433,711	+19.4	3,091,672	1,440,541	1,702,501
Jun 26	4,120,038	3,457,024	+19.2	3,156,825	1,456,961	1,723,428
July 3	4,110,793	3,424,188	+20.1	3,193,727	1,341,730	1,592,075
July 10	3,919,398	3,428,916	+14.3	3,178,054	1,415,704	1,711,625
July 17	4,184,143	3,565,367	+17.4	3,199,105	1,433,993	1,727,225
July 24	4,196,357	3,625,645	+15.7	3,220,526	1,440,386	1,732,031
July 31	4,226,705	3,649,146	+15.8	3,263,082	1,426,986	1,724,728
Aug 7	4,240,638	3,637,070	+16.6	3,233,242	1,415,122	1,729,667
Aug 14	4,287,827	3,654,795	+17.3	3,238,160	1,431,910	1,733,110

Non-Ferrous Metals—Available Supplies Exceeded By Requests For Critical Materials

Editor's Note.—At the direction of the Office of Censorship certain production and shipment figures and other data have been omitted for the duration of the war.

"E. & M. J. Metal and Mineral Markets," in its issue of August 12 stated: "Requests for critical materials under CMP for the fourth quarter still outrun available supplies, Donald M. Nelson, head of WPB, said last week. He referred to copper as being particularly adversely affected, owing to manpower shortages. J. A. Krug, chairman of the Requirements Committee, pointed out that the over-all reduction in claimants, fourth-quarter requests amounted to only 13%, which compares with a reduction of 25% in third-quarter allotments to keep production schedules within available supplies. The publication further went on to say:

Copper
Interest in copper centers in the labor situation at the mines, smelters, and fabricating plants. Some mines have been notified by the Army that extra manpower will soon be available.

Copper allocations for September will be released about the middle of the current month. With brass scrap and ample supply, requests for copper by the brass mills may be reduced, the trade believes.

Canada produced 270,600 tons of refined copper in 1942, according to the Wartime Information Board, the equivalent of 12½% of the United Nations' supply. In 1939, Canada produced 232,000 tons.

Lead
Buying of lead increased appreciably during the last week, in line with expectations. Consumers responded to the request for earlier

consideration on their September needs. The question of allocating foreign lead for next month will be considered at a meeting to be held in New York with WPB officials on Aug. 16.

Sales of common lead for the last week were about 3½ times that of the week previous. The price situation was unchanged. Sellers of solder and babbitt have been authorized by OPA to add to their prices increased costs resulting from the use of Treasury silver.

Canada produced 243,800 tons of lead in 1942, against 191,000 tons in 1939, the Wartime Information Board stated.

Zinc
The labor situation in the mining areas is expected to show some improvement before the end of September, following action by the Army to release miners from the service. However, smelters also are confronted with a labor problem. So far, although mine production has been substantially less than capacity, the domestic mines plus imports have been able to furnish all the concentrates smelters could handle. Smelter production of slab zinc could be

increased if more labor could be obtained.

The American Zinc Institute last week came out for postwar stockpiling.

Production of zinc in Canada during 1942 was reported officially as 216,000 tons. This compares with an output of 175,600 tons in 1939.

Aluminum
Production of aluminum in government-owned plants operated by Aluminum Company of America exceeds the metal output of the company's own plants, and within a few months government-owned plants will account for an annual output of about 1,100,000,000 lb., according to C. C. Carr, of Alcoa. Capacity to produce aluminum in the United States will, within a few months, exceed 2,100,000,000 lb. a year. The Government according to Jesse Jones, has invested \$760,000,000 in aluminum facilities.

Tin
London Tin Corp., in its report for the year ended April 30, 1943, states that a high rate of output was maintained throughout the period at its Nigerian tin properties. This was accomplished in spite of moving the plant and a subsequent shortage of water and power. Another Nigerian producer reports an increase in output of approximately 9%. In 1939 and 1940, Nigerian production of tin contained in ore averaged around 10,500 long tons a year. Under the new agreement, Nigeria's quota is set at 15,367 tons a year.

Production of cold reduced tinplate during the first half of 1943 was 1,076,259 tons, according to the American Iron and Steel Institute. This was at the rate of 56.5% of capacity.

Straits quality tin for shipment was as follows:

	August	Sept.	Oct.
Aug. 5	52,000	52,000	52,000
Aug. 6	52,000	52,000	52,000
Aug. 7	52,000	52,000	52,000
Aug. 8	52,000	52,000	52,000
Aug. 9	52,000	52,000	52,000
Aug. 10	52,000	52,000	52,000
Aug. 11	52,000	52,000	52,000

Chinese, or 99% tin, continues at 51.125c. a pound.

Vanadium
The supply position of vanadium has eased moderately and WPB now permits limited use of the metal by tool steel producers in the manufacture of tool steel other than high speed steel.

Quicksilver
Some consumers are showing concern about world political developments in that they are not entering into any long-term contracts for the metal. It begins to look as if large consumers will lean more heavily on Metals Reserve for their quicksilver supplies. The price in New York continues unchanged at \$196@198 per flask.

Silver
Silver scrap produced by manufacturers of semi-fabricated items and sold as Treasury or domestic casting metal under Conservation Order M-199, as amended July 29, may be priced on a higher basis now specifically provided for those classifications. Previously, all silver scrap was priced as foreign silver. The revised ceiling for Treasury or domestic silver sold as casting metal is the seller's March 1942 price, plus 36.125c. an ounce troy of contained silver. This change is authorized in Amendment 14 to the price regulation, effective Aug. 14.

The London price during the last week continued at 23½d. The New York Official for foreign silver was unchanged at 44¼c.

Daily Prices
The daily prices of electrolytic copper (domestic and export, refinery), lead, zinc and Straits tin were unchanged from those appearing in the "Commercial and Financial Chronicle" of July 31, 1942, page 380.

Trading On New York Exchanges

The Securities and Exchange Commission made public on Aug. 13 figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended July 31, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended July 31 (in round-lot transaction) totaled 3,023,670 shares, which amount was 16.98% of the total transactions on the Exchange of 8,903,940 shares. This compares with member trading during the week ended July 24 of 1,598,833 shares, or 16.54% of total trading of 5,086,320 shares. On the New York Curb Exchange, member trading during the week ended July 31 amounted to 490,885 shares, or 16.20% of the total volume of that exchange of 1,515,140 shares; during the July 24 week trading for the account of Curb members of 353,340 shares was 13.13% of total trading of 1,364,460.

Total Round-Lot Stock Sales on the New York Stock Exchange and Stock Transactions for Account of Members* (Shares)

WEEK ENDED JULY 31, 1943		
A. Total Round-Lot Sales:	Total for week	†Per Cent
Short sales	88,820	
†Other sales	8,723,000	
Total sales	8,903,940	
B. Round-Lot Transactions for the Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	862,720	
Short sales	88,820	
†Other sales	766,750	
Total sales	855,570	9.65
2. Other transactions initiated on the floor—		
Total purchases	237,960	
Short sales	18,800	
†Other sales	373,400	
Total sales	392,200	4.10
3. Other transactions initiated off the floor—		
Total purchases	287,780	
Short sales	22,000	
†Other sales	265,440	
Total sales	287,440	3.23
4. Total—		
Total purchases	1,488,460	
Short sales	129,620	
†Other sales	1,405,590	
Total sales	1,535,210	16.98

Total Round-Lot Stock Sales on the New York Curb Exchange and Stock Transactions for Account of Members* (Shares)

WEEK ENDED JULY 31, 1943		
A. Total Round-Lot Sales:	Total for week	†Per Cent
Short sales	9,600	
†Other sales	1,505,540	
Total sales	1,515,140	
B. Round-Lot Transactions for the Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	157,680	
Short sales	6,540	
†Other sales	151,215	
Total sales	157,755	10.41
2. Other transactions initiated on the floor—		
Total purchases	37,175	
Short sales	300	
†Other sales	41,995	
Total sales	42,295	2.62
3. Other transactions initiated off the floor—		
Total purchases	41,170	
Short sales	200	
†Other sales	54,610	
Total sales	54,810	3.17
4. Total—		
Total purchases	236,025	
Short sales	7,040	
†Other sales	247,820	
Total sales	254,860	16.20
C. Odd-Lot Transactions for the Account of Specialists—		
Customers' short sales	25	
†Customers' other sales	54,181	
Total purchases	54,206	
Total sales	53,090	

*The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners.
 †In calculating these percentages the total of members' purchases and sales is compared with twice the total round-lot volume on the Exchange for the reason that the Exchange volume includes only sales.
 ‡Round-lot short sales which are exempted from restriction by the Commission rules are included with "other sales."
 §Sales marked "short exempt" are included with "other sales."

National Fertilizer Association Commodity Price Average Again Advances

Wholesale commodity prices again advance fractionally, according to the price index compiled by The National Fertilizer Association and made public on Aug. 16. In the week ended August 14 this index advanced to 135.0 from 134.8 in the preceding week. It was 134.7 a month ago, and 128.6 a year ago, based on the 1935-1939 average as 100. The Associations report continued as follows:

The advance in the all-commodity index was due principally to advances in the farm products and food groups. The farm product price index continued its upward trend as four items advanced and eight declined. The rise in cotton, hogs, and eggs, however, more than offset the eight declines in the grains group. The foods group continued upward with a rise in eggs and potatoes. There was a slight advance in linseed meal, which was sufficient to cause a slight change in the index number for the miscellaneous commodities group. The advance in cotton did not effect a change in the price index for

the textiles group. The fact that there were more declines than advances did not prevent the total average from rising.

Although the index advanced, six of the price series advanced and eight declined; in the preceding week there were 11 advances and three declines; and in the second preceding week there were six advances and six declines.

WEEKLY WHOLESALE COMMODITY PRICE INDEX Compiled by The National Fertilizer Association 1935-1939=100*

% Each Group Bears to the Total Index	Group	Latest Preceding Week		Month Ago, July 17, 1943	Year Ago, Aug. 15, 1942
		Aug. 14, 1943	Aug. 7, 1943		
25.3	Foods	138.6	138.0	138.0	128.5
	Fats and Oils	145.6	145.6	145.1	140.3
	Cottonseed Oil	160.7	160.7	159.0	158.4
23.0	Farm Products	154.4	154.0	152.3	139.4
	Cotton	195.9	195.5	199.8	174.6
	Grains	145.0	146.5	145.7	112.5
	Livestock	150.3	149.0	145.6	140.1
17.3	Fuels	122.8	122.8	122.8	118.8
10.8	Miscellaneous commodities	130.2	130.1	130.1	127.0
8.2	Textiles	150.6	150.6	151.2	146.9
7.1	Metals	104.4	104.4	104.4	104.4
6.1	Building materials	152.5	152.5	152.6	151.5
1.3	Chemicals and drugs	126.6	126.6	126.6	120.7
.3	Fertilizer materials	117.7	117.7	117.7	117.8
.3	Fertilizers	119.8	119.8	119.8	115.3
.3	Farm machinery	104.1	104.1	104.1	104.1
100.0	All groups combined	135.0	134.8	134.6	128.6

*Indexes on 1926-1928 base were Aug. 14, 1943, 105.1; Aug. 7, 105.0; and Aug. 15, 1942, 100.1.

Moody's Bond Prices And Bond Yield Averages

Moody's computed bond prices and bond yield averages are given in the following table:

MOODY'S BOND PRICES† (Based on Average Yields)												
1943— Daily Averages	U. S. Govt. Bonds	Avg. Corporate rate*	Corporate by Ratings*				Corporate by Groups*					
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.			
Aug 17	120.24	111.25	119.20	117.00	111.62	99.04	103.20	113.89	117.20	117.20	117.20	117.20
16	120.29	111.25	119.20	117.00	111.62	99.04	103.30	113.89	117.20	117.20	117.20	117.20
14	120.29	111.25	119.20	117.00	111.62	99.04	103.30	113.89	117.20	117.20	117.20	117.20
13	120.32	111.25	119.20	116.80	111.62	99.04	103.30	113.89	117.20	117.20	117.20	117.20
12	120.40	111.25	119.20	116.80	111.81	99.04	103.30	114.08	117.20	117.20	117.20	117.20
11	120.38	111.44	119.20	117.00	111.81	99.04	103.30	114.08	117.20	117.20	117.20	117.20
10	120.27	111.25	119.20	116.80	111.62	99.04	103.30	114.08	117.20	117.20	117.20	117.20
9	120.19	111.25	119.20	117.00	111.62	99.04	103.13	114.08	117.40	117.40	117.40	117.40
7	120.19	111.25	119.20	117.00	111.62	99.04	103.13	114.08	117.40	117.40	117.40	117.40
6	120.19	111.25	119.20	117.00	111.62	99.04	103.13	114.08	117.40	117.40	117.40	117.40
5	120.19	111.25	119.20	117.00	111.62	99.04	103.13	114.08	117.40	117.40	117.40	117.40
4	120.19	111.44	119.41	117.00	111.44	99.04	103.30	114.08	117.40	117.40	117.40	117.40
3	120.19	111.25	119.20	117.00	111.44	99.04	103.13	114.08	117.40	117.40	117.40	117.40
2	120.19	111.25	119.20	117.00	111.44	99.04	103.13	114.08	117.40	117.40	117.40	117.40
July 30	120.18	111.44	119.41	117.00	111.62	99.04	103.30	114.08	117.20	117.20	117.20	117.20
23	120.51	111.25	119.20	116.80	111.44	99.20	103.30	114.08	117.00	117.00	117.00	117.00
16	120.46	111.25	119.20	116.80	111.44	99.20	103.13	114.08	117.20	117.20	117.20	117.20
9	120.73	111.07	119.20	116.61	111.25	98.88	102.80	114.08	117.00	117.00	117.00	117.00
2	120.75	110.70	118.80	116.22	111.25	98.25	102.46	113.70	116.61	116.61	116.61	116.61
Jun 25	120.41	110.70	118.80	116.22	111.07	98.09	102.46	113.70	116.61	116.61	116.61	116.61
18	120.15	110.52	118.60	116.02	111.07	97.94	102.30	113.50	116.41	116.41	116.41	116.41
11	119.99	110.52	118.60	116.02	111.07	97.94	102.30	113.50	116.41	116.41	116.41	116.41
4	119.92	110.34	118.40	115.82	111.07	97.78	102.30	113.50	116.02	116.02	116.02	116.02
May 28	119.82	110.34	118.20	115.82	110.88	97.78	102.30	113.31	115.82	115.82	115.82	115.82
21	119.44	110.15	118.20	115.82	110.70	97.47	101.97	113.12	115.82	115.82	115.82	115.82
14	119.27	109.97	118.00	115.63	110.70	97.47	101.80	113.12	115.82	115.82	115.82	115.82
7	119.03	109.79	118.00	115.43	110.52	97.16	101.47	112.93	115.82	115.82	115.82	115.82
Apr. 30	118.36	109.79	118.00	115.43	110.34	97.00	101.31	113.12	115.63	115.63	115.63	115.63
Mar. 26	116.93	109.60	117.80	115.43	110.52	96.23	100.65	113.12	115.63	115.63	115.63	115.63
Feb 26	117.11	109.24	117.60	115.43	110.15	95.47	100.00	112.93	115.43	115.43	115.43	115.43
Jan. 29	117.04	108.70	117.60	115.04	109.79	94.56	99.04	112.56	115.43	115.43	115.43	115.43
High 1943	120.87	111.44	119.41	117.00	111.81	99.36	103.47	114.27	117.40	117.40	117.40	117.40
Low 1943	116.85	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46	114.46	114.46	114.46
High 1942	118.41	107.62	117.20	114.27	108.88	92.64	97.47	112.19	114.66	114.66	114.66	114.66
Low 1942	115.90	108.04	115.43	112.75	107.09	90.63	95.32	109.60	112.75	112.75	112.75	112.75
1 Year ago												
Aug. 17, 1942	117.88	106.92	116.80	113.31	108.16	91.91	96.23	111.44	114.08	114.08	114.08	114.08
2 Years ago												
Aug. 16, 1941	118.88	107.62	118.00	115.04	108.70	91.77	97.16	112.00	115.04	115.04	115.04	115.04

MOODY'S BOND YIELD AVERAGES† (Based on Individual Closing Prices)												
1943— Daily Averages	U. S. Govt. Bonds	Avg. Corporate rate*	Corporate by Ratings*				Corporate by Groups*					
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.			
Aug 17	1.83	3.10	2.69	2.80	3.08	3.81	3.55	2.96	2.79	2.79	2.79	2.79
16	1.83	3.10	2.69	2.80	3.08	3.81	3.55	2.96	2.79	2.79	2.79	2.79
14	1.83	3.10	2.69	2.80	3.08	3.81	3.55	2.96	2.79	2.79	2.79	2.79
13	1.83	3.10	2.69	2.81	3.08	3.81	3.55	2.96	2.79	2.79	2.79	2.79
12	1.83	3.10	2.69	2.81	3.08	3.81	3.55	2.96	2.79	2.79	2.79	2.79
11	1.83	3.10	2.69	2.81	3.07	3.81	3.55	2.95	2.79	2.79	2.79	2.79
10	1.83	3.09	2.69	2.80	3.07	3.81	3.55	2.95	2			

Daily Average Crude Oil Production For Week Ended August 7, 1943 Up 69,300 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended August 7, 1943 was 4,202,600 barrels, a gain of 69,300 barrels over the preceding week and 232,150 barrels per day more than produced in the week ended August 8, 1942. The current figure, however, is 222,000 barrels less than the daily average figure recommended by the Petroleum Administration for War for the month of August, 1943. Daily output for the four weeks ended August 7, 1943 averaged 4,139,450 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 3,776,000 barrels of crude oil daily and produced 10,791,000 barrels of gasoline; 1,021,000 barrels of kerosene; 3,677,000 barrels of distillate fuel oil, and 7,850,000 barrels of residual fuel oil during the week ended Aug. 7, 1943; and had in storage at the end of that week 73,368,000 barrels of gasoline; 9,485,000 barrels of kerosene; 36,344,000 barrels of distillate fuel, and 66,714,000 barrels of residual fuel oils. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*P. A. W. Recommendations August	*State Allowables Begin. Aug. 1	Actual Production Week Ended Aug. 7, 1943	Change from Previous Week	4 Weeks Ended Aug. 7, 1943	Week Ended Aug. 8, 1942
Oklahoma	347,000	358,000	329,900	- 3,600	331,000	389,200
Kansas	300,000	290,000	127,700	-28,450	295,900	256,250
Nebraska	2,100		12,000	- 200	2,150	3,550
Panhandle Texas			90,300	- 100	90,350	100,000
North Texas			140,400	+ 2,700	138,400	139,100
West Texas			258,400	+12,800	248,800	247,850
East Central Texas			129,800	+ 1,800	128,450	91,550
East Texas			371,000		371,000	420,000
Southwest Texas			238,600	+ 8,600	232,150	184,650
Coastal Texas			474,250	+61,350	428,250	300,950
Total Texas	1,917,000	1,817,937	1,702,750	+37,150	1,637,400	1,484,100
North Louisiana			83,600	- 900	84,600	97,200
Coastal Louisiana			268,500	+ 4,500	265,100	234,700
Total Louisiana	356,300	380,300	352,100	+ 3,600	349,700	331,900
Arkansas	75,500	80,052	76,850	- 550	77,200	72,550
Mississippi	50,000		48,400	- 4,850	51,650	75,200
Illinois	222,800		227,000	+ 8,150	217,800	281,650
Indiana	14,000		14,700	+ 850	13,750	19,050
Eastern						
Not incl. Ill., Ind. Ky.)	86,500		74,200	- 8,850	77,350	81,500
Kentucky	25,000		23,700	- 1,350	23,350	10,900
Michigan	60,100		55,400	- 2,500	56,250	62,400
Wyoming	98,000		101,350	+ 1,350	97,900	91,900
Montana	23,300		21,450	- 2,150	21,500	23,250
Colorado	7,000		6,900	- 400	7,250	6,600
New Mexico	110,000	110,000	104,000	+ 50	104,000	70,650
Total East of Calif.	3,594,600		3,418,400	+52,400	3,363,800	3,260,650
California	830,000	830,000	784,200	+16,900	775,650	709,800
Total United States	4,424,600		4,202,600	+69,300	4,139,450	3,970,450

*P.A.W. recommendations and state allowables represent the production of all petroleum liquids, including crude oil, condensate and natural gas derivatives recovered from oil, condensate and gas fields. Past records of production indicate, however, that certain wells may be incapable of producing the allowables granted, or may be limited by pipeline production. Actual state production would, under such conditions, prove to be less than the allowables. The Bureau of Mines reported the daily average production of natural gasoline and allied products in May, 1943, as follows: Oklahoma, 26,600; Kansas, 5,100; Texas, 107,400; Louisiana, 18,400; Arkansas, 3,800; Illinois, 11,100; Eastern (not including Illinois, Indiana or Kentucky), 7,300; Kentucky, 2,600; Michigan, 100; Wyoming, 2,100; Montana, 300; New Mexico, 5,100; California, 45,300.

*Oklahoma, Kansas, Nebraska figures are for week ended 7 a.m. Aug. 5, 1943. †This is the net basic allowable as of Aug. 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 3 to 15 days, the entire state was ordered shut down for 9 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 9 days shut-down time during the calendar month. ‡Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED AUG. 7, 1943

(Figures in Thousands of Barrels of 42 Gallons Each)

Figures in this section include reported totals plus an estimate of unreported amounts and are therefore on a Bureau of Mines basis—

District—	Daily Refining Capacity	Crude Runs to Still	Production of Gasoline	at Re- fineries	Stocks Finished	Stocks of Gas	Stocks of Re- sidual	District—	Daily Re- porting	Average	Operated	Natural Gasoline	Distillate Fuels	Oil
*Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas...	2,444	88.7	1,766	72.3	4,649	30,185	15,161	14,392						
Appalachian—														
District No. 1	130	83.9	90	69.2	267	1,218	937	393						
District No. 2	47	87.2	46	97.9	123	681	130	165						
Ind., Ill., Ky.	824	85.2	713	86.5	2,588	14,607	5,643	3,297						
Okl., Kans., Mo.	416	80.1	320	76.9	1,117	6,004	2,111	1,696						
Rocky Mountain—														
District No. 3	8	26.9	8	100.0	29	51	6	31						
District No. 4	139	57.7	82	59.0	262	1,472	354	645						
California	817	89.9	751	91.9	1,756	19,150	12,002	46,095						
Tot. U. S. B. of M. basis Aug. 7, 1943	4,825	86.4	3,776	78.3	10,791	173,368	36,344	66,714						
Tot. U. S. B. of M. basis July 31, 1943	4,825	86.4	3,788	78.5	11,127	74,977	36,363	66,877						
U. S. Bur. of Mines basis Aug. 8, 1942			3,574		11,125	79,559	39,372	78,316						

*At the request of the Petroleum Administration for War. †Finished, 63,216,000 barrels; unfinished, 10,152,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,021,000 barrels of kerosene, 3,677,000 barrels of gas oil and distillate fuel oil and 7,850,000 barrels of residual fuel oil produced during the week ended Aug. 7, 1943, which compares with 1,187,000 barrels, 3,765,000 barrels and 8,478,000 barrels, respectively, in the preceding week and 1,206,000 barrels, 3,850,000 barrels and 6,875,000 barrels, respectively, in the week ended Aug. 8, 1942.

Note—Stocks of kerosene amounted to 9,485,000 barrels at Aug. 7, 1943, against 9,296,000 barrels a week earlier and 11,214,000 barrels a year before.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Aug. 13 a summary for the week ended Aug. 7 of complete figures showing the daily volume of stock transactions for the odd-lot account of all odd-lot dealers and specialists who handle odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

STOCK TRANSACTIONS FOR THE ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON THE N. Y. STOCK EXCHANGE

	Week Ended Aug. 7, 1943	Total for Week
Odd-Lot Sales by Dealers: (Customers' purchases)		
Number of Orders	22,043	
Number of Shares	604,197	
Dollar Value	21,384,315	
Odd-Lot Purchases by Dealers: (Customers' Sales)		
Number of Orders	286	
Customers' short sales	17,829	
*Customers' other sales		
Customers' total sales	18,115	
Number of Shares:		
Customers' short sales	8,261	
*Customers' other sales	491,402	
Customers' total sales	499,663	
Dollar value	16,420,671	
Round-lot Sales by Dealers—		
Number of Shares:		
Short sales	40	
†Other sales	94,060	
Total sales	94,100	
Round-Lot Purchases by Dealers—		
Number of shares	187,660	

*Sales marked "short exempt" are reported with "other sales." †Sales to offset customers' odd-lot orders, and sales to liquidate a long position which is less than a round lot are reported with "other sales."

Revenue Freight Car Loadings During Week Ended August 7, 1943, Decreased 13,437 Cars

Loading of revenue freight for the week ended Aug. 7, 1943 totaled 872,077 cars, the Association of American Railroads announced on August 2. This was an increase above the corresponding week of 1942 of 21,856 cars, or 2.6%, but a decrease below the same week in 1941, of 6,428 cars or 0.7%.

Loading of revenue freight for the week of Aug. 7, decreased 13,437 cars, or 1.5% below the preceding week.

Miscellaneous freight loading totaled 377,945 cars, a decrease of 8,094 cars below the preceding week, and a decrease of 9,597 cars below the corresponding week in 1942.

Loading of merchandise less than carload lot freight totaled 98,974 cars, an increase of 268 cars above the preceding week, and an increase of 9,792 cars above the corresponding week in 1942.

Coal loading amounted to 173,134 cars, a decrease of 4,983 cars below the preceding week, but an increase of 9,656 cars above the corresponding week in 1942.

Grain and grain products loading totaled 57,910 cars, a decrease of 643 cars below the preceding week, but an increase of 15,955 cars above the corresponding week in 1942. In the Western Districts alone, grain and grain products loading for the week of Aug. 7, totaled 42,191 cars, a decrease of 462 cars below the preceding week but an increase of 14,712 cars above the corresponding week in 1942.

Live stock loading amounted to 14,149 cars, a decrease of 121 cars below the preceding week, but an increase of 2,026 cars above the corresponding week in 1942. In the Western District alone, loading of live stock for the week of Aug. 7, totaled 10,141 cars, an increase of 38 cars above the preceding week, and an increase of 1,271 cars above the corresponding week in 1942.

Forest products loading totaled 47,590 cars, a decrease of 598 cars below the preceding week and a decrease of 5,437 cars below the corresponding week in 1942.

Ore loading amounted to 88,048 cars, an increase of 1,344 cars above the preceding week but a decrease of 988 cars below the corresponding week in 1942.

Coke loading amounted to 14,327 cars, a decrease of 610 cars below the preceding week, but an increase of 449 cars above the corresponding week in 1942.

All districts reported increases compared with the corresponding week in 1942, except the Southern but all districts reported decreases compared with 1941 except the Centralwestern & Southwestern.

	1943	1942	1941
5 weeks of January	3,530,849	3,858,479	3,454,409
4 weeks of February	3,055,640	3,122,942	2,866,565
4 weeks of March	3,073,426	3,174,781	3,066,011
4 weeks of April	3,136,253	3,350,996	2,793,630
5 weeks of May	4,149,708	4,170,548	4,160,060
4 weeks of June	3,151,146	3,385,655	3,510,057
5 weeks of July	4,307,406	4,185,135	4,295,457
Week of Aug. 7	872,077	850,221	878,505
Total	25,276,505	26,098,757	25,024,694

The following table is a summary of the freight carloadings for the separate railroads and systems for the weeks ended July 31, 1943, and Aug. 7, 1943. During the first period 63 roads showed increases when compared with the corresponding week in 1942, while during the second period 65 roads reported gains over the week ended Aug. 8, 1942.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS

(NUMBER OF CARS—WEEKS ENDED JULY 31 AND AUG. 7)

Railroads	Week Ended July 31			Week Ended Aug. 7		
	Total Revenue Freight Loaded	Total Loads Received from Connections	Total Revenue Freight Loaded	Total Revenue Freight Loaded	Total Loads Received from Connections	Total Revenue Received from Connections
Eastern District—	1943	1942	1941	1943	1942	1941
Ann Arbor	235	397	614	1,560	1,306	255
Bangor & Aroostook	939	1,045	1,081	423	174	954
Boston & Maine	6,394	6,010	9,000	14,789	13,410	6,348
Chicago, Indianapolis & Louisville	1,432	1,441	1,684	2,106	1,881	1,404
Central Indiana	29	27	28	50	59	22
Central Vermont	1,078	943	1,573	2,623	2,701	725
Delaware & Hudson	6,717	6,635	7,272	12,105	11,352	6,582
Delaware, Lackawanna & Western	7,909	7,628	10,189	13,183	10,273	7,693
Detroit & Mackinac	190	233	344	122	111	182
Detroit, Toledo & Ironton	2,112	1,547	2,399	1,438	1,172	2,025
Detroit & Toledo Shore Line	290	327	275	2,463	2,926	329
Erie	14,448	13,186	15,904	17,608	16,687	13,247
Grand Trunk Western	3,743	3,676	5,005	7,753	7,672	3,627
Lehigh & Hudson River	158	141	176	2,607	3,450	151
Lehigh & New England	2,090	2,178	2,335	1,854	1,973	2,103
Lehigh Valley	9,052	8,788	10,520	15,733	13,080	8,451
Maine Central	2,284	2,292	3,135	2,651	2,431	2,370
Monongahela	6,388	6,449	5,909	381	333	6,377
Montour	2,245	2,403	2,431	82	29	6,385
New York Central Lines	56,789	46,323	51,034	58,162	56,653	56,148
N. Y., N. H. & Hartford	9,903	9,226	12,162	19,520	19,340	16,782
New York, Ontario & Western	1,280	1,025	1,212	2,542	2,588	9,355
New York, Chicago & St. Louis	7,561	7,285	7,541	16,957	15,995	12,65
N. Y., Susquehanna & Western	460	408	510	2,713	1,349	1,265
Pittsburgh & Lake Erie	7,686	8,029	8,701	9,041	8,452	7,018
Pere Marquette	5,017	5,211	6,044	8,102	6,482	4,916
Pittsburgh & Shawmut	906	750	857	25	25	901
Pittsburgh, Shawmut & North	426	349	459	309	305	406
Pittsburgh & West Virginia	998	1,232	1,148	3,597	3,489	1,036
Rutland	350	338	553	1,071	1,086	319
Wabash	5,404	5,651	6,062	13,075	13,220	5,721
Wheeling & Lake Erie	5,293	5,507	5,628	4,906	4,906	5,211
Total	169,806	156,760	181,785	239,048	224,908	165,689
Allegheny District—						
Akron, Canton & Youngstown	798	643	766	1,136	984	764
Baltimore & Ohio	43,718	43,431	41,780	30,957	26,038	

Railroads	Week Ended July 31				Week Ended Aug. 7			
	Total Revenue Freight Loaded		Total Loads Received from Connections		Total Revenue Freight Loaded		Total Loads Received from Connections	
Southern District—	1943	1942	1941	1943	1942	1941	1943	1942
Alabama, Tennessee & Northern	271	389	359	399	320	331	352	391
Atl. & W. P.—W. R. R. of Ala.	631	914	1,066	2,840	3,195	715	808	930
Atlanta, Birmingham & Coast	848	1,057	1,227	1,226	1,044	943	969	944
Atlantic Coast Line	11,368	10,266	9,521	9,728	9,786	10,903	10,511	9,760
Central of Georgia	3,784	3,872	5,209	4,120	3,820	3,778	3,768	4,635
Charleston & Western Carolina	372	597	647	1,668	1,377	447	490	623
Chilchick	1,793	1,728	1,704	2,805	2,764	1,823	1,784	1,788
Columbus & Greenville	311	402	284	166	333	285	383	230
Durham & Southern	113	134	186	400	10,092	103	126	190
Florida East Coast	1,483	815	432	1,923	1,427	1,393	915	498
Gainesville Midland	48	36	36	74	109	46	46	33
Georgia	1,074	1,261	1,262	3,261	2,991	1,195	1,257	1,261
Georgia & Florida	491	639	432	557	483	698	675	604
Gulf, Mobile & Ohio	3,846	4,253	4,069	4,326	5,200	3,796	4,223	3,986
Illinois Central System	28,498	27,060	25,280	17,485	18,615	27,480	26,118	25,119
Louisville & Nashville	25,885	26,336	25,838	11,171	11,868	25,083	25,332	25,727
Macon, Dublin & Savannah	258	220	236	701	542	282	210	199
Mississippi Central	267	304	178	491	481	294	171	240
Nashville, Chattanooga & St. L.	3,284	3,061	3,443	4,749	4,762	3,176	2,841	3,352
Norfolk Southern	1,591	1,729	1,305	1,307	1,919	1,048	1,185	1,510
Piedmont Northern	350	335	494	1,015	1,155	385	416	492
Richmond, Fred. & Potomac	434	485	438	9,442	9,551	423	428	428
Seaboard Air Line	9,629	10,044	10,792	8,156	9,117	9,541	10,134	10,510
Southern System	22,076	24,665	25,609	23,615	23,067	22,170	24,400	25,968
Tennessee Central	520	670	517	895	848	538	529	537
Winston-Salem Southbound	100	100	148	829	873	101	116	144
Total	119,325	121,272	120,762	113,349	116,739	116,977	117,790	120,099
Northwestern District—								
Chicago & North Western	22,313	21,132	22,453	14,401	13,763	22,262	21,057	23,038
Chicago Great Western	2,849	2,160	2,705	2,820	3,195	3,210	2,246	2,812
Chicago, Milw., St. P. & Pac.	21,171	19,254	22,802	10,601	10,027	20,734	19,185	23,005
Chicago, St. Paul, Minn. & Omaha	4,191	3,333	3,997	3,933	3,525	4,213	3,344	4,087
Duluth, Missabe & Iron Range	27,336	30,239	25,709	481	523	29,108	30,432	25,800
Duluth, South Shore & Atlantic	1,024	1,161	1,234	631	775	973	757	1,112
Elgin, Joliet & Eastern	8,610	9,097	10,401	11,864	10,292	7,959	10,013	11,087
Ft. Dodge, Des Moines & South	448	555	530	102	163	441	521	524
Great Northern	26,935	27,126	25,257	5,712	5,729	26,185	27,515	26,700
Green Bay & Western	422	493	878	1,012	750	390	472	588
Lake Superior & Ishpeming	2,679	2,291	2,675	41	51	3,671	2,586	2,583
Minneapolis & St. Louis	2,027	2,156	1,997	2,477	2,243	2,001	2,268	1,936
Minn., St. Paul & S. S. M.	7,106	7,371	7,062	2,639	2,263	7,966	7,153	7,889
Spokane International	11,647	11,665	11,600	5,113	5,333	11,638	11,349	11,423
Northern Pacific	704	196	811	440	688	144	204	253
Spokane, Portland & Seattle	2,881	2,897	2,859	3,341	3,528	2,795	2,694	2,866
Total	141,843	141,096	142,161	65,667	63,850	143,690	141,867	145,709
Central Western District—								
Atch., Top. & Santa Fe System	21,339	23,955	22,547	12,054	12,062	21,355	22,680	22,525
Alton	5,367	3,380	3,680	4,454	4,406	3,367	3,329	3,500
Bingham & Garfield	462	698	711	108	123	569	698	645
Chicago, Burlington & Quincy	22,208	18,650	19,001	12,160	11,206	21,164	18,716	17,882
Chicago & Illinois Midland	3,000	2,616	2,765	850	948	3,089	2,480	2,760
Chicago, Rock Island & Pacific	13,064	12,772	13,678	11,952	11,965	11,796	12,210	13,657
Chicago & Eastern Illinois	2,520	2,251	2,899	5,372	4,250	2,678	2,146	2,801
Colorado & Southern	899	749	824	1,950	1,833	1,018	794	830
Denver & Rio Grande Western	3,990	3,743	3,449	6,513	5,873	4,146	3,710	3,398
Denver & Salt Lake	709	646	706	13	27	792	689	655
Fort Worth & Denver City	988	932	1,240	1,498	1,086	941	1,310	1,235
Illinois Terminal	1,856	1,518	2,008	2,389	2,617	1,829	1,452	2,092
Missouri-Illinois	1,207	1,313	1,136	462	369	1,202	1,355	1,073
Nevada Northern	1,962	2,105	1,911	114	134	1,785	2,126	1,847
North Western Pacific	959	1,245	1,193	902	668	1,209	1,217	1,263
Peoria & Pekin Union	11	6	12	0	0	10	12	16
Southern Pacific (Pacific)	33,399	32,409	31,496	13,303	10,029	32,521	31,030	31,124
Toledo, Peoria & Western	269	278	379	1,827	1,552	267	277	440
Union Pacific System	16,806	14,800	16,512	18,967	15,281	16,633	14,787	17,303
Utah	602	572	397	3	5	529	592	498
Western Pacific	2,604	2,271	1,771	4,723	4,058	2,197	2,429	2,089
Total	131,821	126,409	128,315	99,614	88,493	128,097	124,039	127,534
Southwestern District—								
Burlington-Rock Island	386	969	182	183	151	434	648	156
Gulf Coast Lines	4,504	4,242	3,361	3,124	2,347	5,299	4,206	3,069
International-Great Northern	1,840	2,737	2,077	3,316	2,613	2,290	2,782	3,344
Kansas, Oklahoma & Gulf	325	246	202	1,139	1,157	254	396	184
Kansas City Southern	4,876	4,054	2,771	3,238	5,021	4,874	2,532	3,075
Louisiana & Arkansas	3,206	4,456	2,173	2,469	3,401	4,169	2,240	3,403
Litchfield & Madison	349	291	322	1,516	1,243	391	285	357
Midland Valley	769	848	894	236	211	758	681	868
Missouri & Arkansas	207	147	153	430	337	162	171	153
Missouri-Kansas-Texas Lines	5,415	5,526	4,801	5,920	4,630	5,571	5,338	4,621
Missouri Pacific	17,325	17,303	17,568	18,758	19,415	16,813	16,519	18,892
Quanaah Acme & Pacific	63	78	116	270	169	61	70	139
St. Louis-San Francisco	9,224	9,570	8,705	9,305	8,524	8,889	8,372	10,245
St. Louis Southwestern	2,703	3,064	2,694	7,319	6,064	2,735	2,597	2,609
Texas & New Orleans	11,762	13,559	7,458	5,766	4,991	13,598	12,166	7,626
Texas & Pacific	5,321	5,584	3,908	6,975	8,188	4,983	5,133	3,724
Wichita Falls & Southern	145	129	133	47	20	70	120	140
Weatherford M. W. & N. W.	18	54	15	31	20	16	55	17
Total	68,378	72,987	57,490	69,934	66,595	70,387	69,099	55,119

Note—Previous year's figures revised. *Previous week's figures.

Weekly Coal And Coke Production Statistics

The Bituminous Coal Division, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended August 7, 1943 is estimated at 11,800,000 net tons, indicating a decrease of 370,000 tons, or 3.0% from the preceding week. Output in the corresponding week of 1942 amounted to 11,090,000 tons. For the present year to August 7, soft coal production was 1.2% in excess of that for the same period in 1942.

The U. S. Bureau of Mines estimated that the total production of Pennsylvania anthracite for the week ended August 7, 1943 was 1,302,000 tons, a decrease of 75,000 tons (5.4%) from the preceding week. When compared with the output in the corresponding week of 1942 there was, however, an increase of 68,000 tons, or 5.5%. The calendar year to date shows a decrease of 0.5% when compared with the same period last year.

The Bureau of Mines also reported that the estimated production of byproduct coke in the United States for the week ended August 7, 1943, showed an increase of 15,100 tons when compared with the output for the week ended July 31, 1943. The quantity of coke from beehive ovens decreased 4,100 tons during the same period.

ESTIMATED UNITED STATES PRODUCTION OF COAL WITH COMPARABLE DATA ON PRODUCTION OF CRUDE PETROLEUM

	January 1 to Date					
	Aug. 7, 1943	July 31, 1943	Aug. 8, 1942	Aug. 7, 1942	Aug. 8, 1941	Aug. 7, 1941
Bituminous coal and lignite—	11,800	12,170	11,090	349,408	345,433	264,168
Total incl. mine fuel—	1,967	2,028	1,848	1,879	1,872	1,433
*Crude petroleum—	6,732	6,621	6,360	199,233	169,537	172,007

*Total barrels produced during the week converted into equivalent coal assuming 6,000,000 B.t.u. per barrel of oil and 13,100 B.t.u. per pound of coal. Note that most of the supply of petroleum products is not directly competitive with coal. (Minerals Yearbook, Review of 1940, page 775.) †Revised. ‡Subject to current adjustment.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

	Week Ended			Cal. Year to Date		
	Aug. 7, 1943	July 31, 1943	Aug. 8, 1942	Aug. 7, 1943	Aug. 8, 1942	Aug. 10, 1929
Penn. anthracite—	1,302,000	1,377,000	1,234,000	36,141,000	36,390,000	41,886,000
*Total incl. coll. fuel—	1,250,000	1,322,000	1,185,000	34,695,000	34,885,000	38,870,000
†Commercial production—	1,250,000	1,322,000	1,185,000	34,695,000	34,885,000	38,870,000
‡By-product coke—	1,234,400	1,219,300	1,206,600	37,898,300	37,143,300	†
United States total—	163,800	167,900	157,300	4,652,600	4,989,300	4,211,300

*Includes washery and dredge coal, and coal shipped by truck from authorized operations. †Excludes colliery fuel. ‡Comparable data not available. §Subject to revision. ¶Revised.

ESTIMATED WEEKLY PRODUCTION OF COAL, BY STATES

State	Week Ended					
	July 31, 1943	July 24, 1943	Aug. 1, 1942	Aug. 2, 1941	July 31, 1941	July, ave. 1923
Alabama	390	396	367	352	264	389
Alaska	5	6	6	5	2	2
Arkansas and Oklahoma	88	88	89	79	58	74
Colorado	145	147	120	116	88	165
Georgia and North Carolina	1	††	1	1	††	††
Illinois	1,532	1,516	1,123	1,120	710	1,268
Indiana	427	490	473	430	234	415
Iowa	42	41	44	37	33	87
Kansas and Missouri	160	146	155	129	92	134
Kentucky—Eastern	1,008	1,010	9			

Items About Banks, Trust Companies

Eugene W. Stetson, President of the Guaranty Trust Co. of New York, announced on Aug. 13 the appointment of J. Brougham Wallace, Jr., and William C. Lang as Second Vice Presidents. Both were formerly Assistant Treasurers and with their new appointments continue to be identified with the Company's Banking Department. Mr. Wallace has been with the Guaranty since 1928 and the Banking Department district with which he is associated handles the Company's relationships in the States of New York, New Jersey, Maryland, Delaware, and the District of Columbia. Mr. Lang, who is with the Banking Department's Personal Division, has been associated with the bank for many years, having served with the National Bank of Commerce prior to its merger with the Guaranty in 1929.

The Treasury Department has designated the Manufacturers Trust Company of New York City as a Depository and Financial Agent of the United States Government, to perform the following functions at the Brooklyn Navy Yard for the duration of the emergency.

1. Provide paying and receiving facilities for Navy personnel.
2. Furnish cash to disbursing officers of the Navy.
3. Accept deposits from disbursing officers of the Navy for credit to the account of the Treasury of the United States.
4. Sell cashier's checks and bank money orders.

The trust company's announcement also said:

"Manufacturers Trust Company will establish an office in the Brooklyn Navy Yard to carry out these functions. This office, which will be located near the Sands Street gate, will open for business on Wednesday, Aug. 18. In addition to rendering the services described here, this office will cash pay checks for Navy Yard employees without charge.

"It is expected the Manufacturers Trust Company will establish additional offices in the Brooklyn Navy Yard in the near future.

"Manufacturers Trust Company, through its 68 offices in Greater New York, serves over 600,000 customers. Resources of the bank are over one and one-half billion dollars."

George P. Kennedy, President of the Lafayette National Bank of Brooklyn in New York, announced on Aug. 13 that he has appointed Charles Suesens Manager of the Bay Parkway Branch at 6614 Bay Parkway, Brooklyn.

Francis B. Sears, former President of the Waltham (Mass.) National Bank, died on Aug. 11 in the Waltham Hospital. He was 61 years old. Mr. Sears headed the bank from 1924 to 1939, when he retired. He was a director of the institution at the time of his death.

William D. Post, Chairman of the Executive Committee of the Central Penn National Bank of Philadelphia, died on Aug. 10 at his summer home at Thousand Island Park, Alexander Bay, N. Y. He was 89.

Mr. Post formerly was President of the old Central National Bank of Philadelphia, which was merged into the Central Penn National Bank in 1930. He began his career with the Central National in 1871 as a clerk and became President in 1917, resigning in 1920 to become Chairman.

According to the Washington "Post" Robert V. Fleming, President and Chairman of the Board of the Riggs National Bank, of Washington, announced on Aug. 12 that due to the resignation of Robert V. Mellefont, Assistant Manager of the Park Road Branch

of the bank, to accept the position of Vice President and Cashier of the National Capital Bank, of Washington. Peyton B. Fletcher, Jr., who has been Assistant Manager of the 7th and I Sts. Branch since Dec., 1939, has been transferred to the Park Road Branch as Assistant Manager.

Announcement was made Aug. 13 by M. J. Fleming, President of Federal Reserve Bank of Cleveland that The Rossford Savings Bank, of Rossford, Ohio, had been admitted to membership in the Federal Reserve System. With the admission of this bank approximately 60% of all banks in the State of Ohio, representing 90% of the bank deposits in the State, are member banks. The Rossford Savings Bank was incorporated in 1917 with a paid-in capital of \$50,000. Total deposits at the present time are approximately \$2,750,000.

George R. Ford, Jr., President of the bank, is now serving with the Navy at the Philadelphia Navy Yard. Prior to his entrance into the Navy he served as Assistant General Superintendent of the Libbey-Owens-Ford Glass Co., of which he also was a Director. He succeeded his father as President of the bank in October of 1938. Edwin C. Bowers, Vice President of the bank, is now Assistant General Superintendent of the glass company's Rossford plant. Henry Werner, Jr., Cashier, Secretary and Director, was elected to his present position in July of 1920. He was formerly associated with The First National Bank of Toledo. C. Donald Kemp, Assistant Cashier, has been with the institution for ten years.

The Directors of the bank in addition to Messrs. Ford, Bowers and Werner, are William H. Burns, Arnold Frautschi, and George P. MacNichol.

The Directors of Westminster Bank Limited, London, have declared an Interim Dividend of 9% for the half year ended June 30, 1943 on the £4 shares, and the maximum dividend of 6¼% on the stock for the same period. The dividends (less income tax) were payable on Aug. 2 to those shareholders and stockholders whose names were registered in the books of the company on June 30.

In its statement of accounts as of June 30, 1943, the Westminster Bank, Ltd., showed total resources of \$524,266,212 (as compared with total assets of \$490,816,898 on the same date last year), of which the principal items are: investments, \$163,949,764 (compared with £153,153,513); advances to customers, and other accounts, £103,613,831 (against £116,645,433); Treasury deposit receipts, £105,000,000 (compared with £66,000,000); coin, Bank of England notes, and balances with the Bank of England, £49,967,688 (against \$50,610,311); bills discounted, £35,415,576 (contrasting with £35,072,749). Current deposit, and other accounts, are shown at £493,668,648 (comparing with £455,374,641) and liabilities for acceptances, endorsements, etc., as per contra £11,940,919 (against £16,785,826 a year ago). The bank's paid-up capital and reserve remain the same as a year ago, both at £9,320,157.

Buying New So. Wales 5s

The Chase National Bank of the City of New York is inviting tenders for the sale to it of an amount of State of New South Wales, Australia, external 30-year 5% sinking fund gold bonds due Feb. 1, 1957, sufficient to exhaust the sum of \$235,147.42. Tenders will be accepted at prices not exceeding par and accrued interest and will be opened at 12 o'clock noon on Aug. 9, 1943 at the corporate trust department of the bank, 11 Broad Street, New York.

Treasury Urges Care In Handling Of New Form Of Card Checks

The Treasury Department announced on Aug. 13 that in order to facilitate payments to dependents of our armed forces, workers in Navy yards and other industrial plants of the Government, as well as to other claimants and beneficiaries, the Government has extended the use of a comparatively new form of check known as a "tabulating card check."

When delivered to payees, these checks contain punched holes which are essential not only to their prompt issuance but also to their subsequent handling by the Treasurer of the United States when presented for payment.

Since these checks have been adopted in the interest of the payees, as well as in the interest of economy, the Treasury urgently requested all persons receiving or handling the new card checks to avoid punching holes in them, spindling, pinning them together, folding, or creasing.

The Treasury pointed out that the card checks are sorted through automatic electrical accounting machines which are actuated by electrical contacts through the punched holes appearing in the checks. The highly sensitive accounting machines are liable to jam or cause incorrect distribution if even a stray pinpoint is made in the surface of the check. One crease or wrinkle can clog a machine during a lengthy operation and require tedious manual sorting and rechecking.

The announcement also stated:

"The Treasury is particularly concerned over the practice, in many banks and business establishments, of thrusting checks taken in from customers onto steel spindles; and of the habit of many persons of folding checks into wallets or to fit into pockets or purses.

"Card check sorting and tabulating equipment employed at the Federal Reserve Banks and the Office of the Treasurer of the United States, where the checks are paid, process the checks from perforations made at the time of issuing. If a check has been spindled, pinned, or stapled, the tabulating machine registers the hole made by mutilation as well as the properly punched holes, thus introducing an error.

"Folding or creasing thickens the edges and causes clogging, while folding also shortens the check appreciably so as to disturb the alignment of the holes and thus causes the machine to make erroneous recordings.

"It is intended to increase greatly the use of card checks for various classes of disbursements as rapidly as arrangements can be made and equipment procured."

Stimson Back From Tour; Calls Troops Finest

Secretary of War Henry L. Stimson returned to Washington on July 31 from a three-week inspection tour of American troops and establishments in Iceland, Great Britain and North Africa. The Secretary said that "there are no finer soldiers" and commented on their determined will-to-win.

Mr. Stimson's views were set forth in the following statement issued by the War Department:

"I have just returned from an aerial trip to our military establishment in Iceland, Britain and North Africa. I have had talks with Lieut. Gen. Jacob L. Devers, commander of the European theatre, and General Dwight D. Eisenhower, Commander in Chief in North Africa.

"I have seen our men in training and ready for action and others who have been in action. They are well equipped, well trained

Urges President Roosevelt to Impress Workers With Need Of Accepting 20% Withholding Tax

President Roosevelt was urged on July 27 by the American Business Congress to stress the need of the acceptance by every worker of the deduction of the new 20% withholding tax, thus assuming his share of this tax burden. The action of the Business Congress was prompted by recent publicity given to reports that in some cases employees of small companies are

seeking to have the employer assume the tax, on the threat of giving up their jobs—the Association fearing that such publicity would aggravate a new condition, which it is stated, is causing grave concern to small business men throughout the country. In its announcement in the matter the American Business Congress—the small business man's organization—said:

"This new problem can strike the death blow for small businesses employing less than eight and therefore not coming under the wage freeze orders," said a representative of the Congress, an organization of small and intermediate sized businessmen. While the Congress is wholeheartedly in favor of the principle of the withholding tax, some method must be devised to prevent workers from resorting to what might almost be called business blackmail by threatening to quit their jobs unless the employer pays their taxes for them. Many small businessmen are now being forced to disregard the law in the interest of self preservation because of the shortage of labor. The American Business Congress will undoubtedly call upon the Small Business Committees of both House and Senate within the next few days in an attempt to find a means of solving this serious problem which no one foresaw when the tax was enacted."

The request to President Roosevelt that he discuss the matter in his talk to the Nation on July 28 was made by the American Business Congress, in a wire, by President Seedman as follows:

"We respectfully urge that in your talk tonight you emphasize that employees demanding or allowing employers to pay 20% withholding tax without deducting from salary are defeating attempts to avoid inflation as well as breaking the law by accepting salary increases. Thousands of small businessmen are suffering in silence as they must either pay this tax for their employees quietly and illegally or lose their irreplaceable workers who refuse to have it deducted from salary. In doing this they automatically give illegal salary increases and defraud Government of full tax since they pay on employees base salary which is lower than base salary including tax. Unless Government gives wide publicity to this recently developed condition so that every worker fully understands complete object and meaning of the deduction, small business will be further endangered since it cannot survive a general 20% salary increase which, because it is paid surreptitiously, cannot even be deducted as a business expense. Big business is not affected as its employees are frozen. The only alternative will be to freeze every worker in every job and refuse certification for job change if requested because of lawful tax deductions. This is a most serious problem and we cannot too strongly urge your full cooperation in giving it wide publicity tonight."

GEORGE J. SEEDMAN,
National President, American Business Congress.

men.

"There are no finer soldiers. "Everywhere there was demonstrated a sober, determined will-to-win, fortified by our successful operations in Sicily and Tunisia, and in the air over Germany and occupied Europe."

An item regarding his trip appeared in our issue of July 22, page 328.

Johnson To Direct N. Y. War Loan Division

Walter H. Johnson, Vice President of the Marine Midland Trust Co., New York City, has been appointed Director of the Community Sales Division for the Third War Loan, it was announced Aug. 12 by W. Randolph Burgess, Chairman of the War Finance Committee for New York State.

The Community Sales Division will organize and coordinate the work of 30,000 volunteers, many of them already enlisted in insurance companies, sales staffs of retail stores, women's organizations, churches and fraternal societies, Negro groups and those of foreign origin.

In the foreign-born field, represented by 24 nationalities, 5,000 volunteer salesmen for Uncle Sam are being recruited to carry the message of the Third War Loan—"Back the Attack"—into every home in the native tongue of prospective investors.

The campaign, starting Sept. 9, is the third war loan drive in which Mr. Johnson has volunteered his services.

"The point I wish to stress is the closeness to home and community in this appeal," he said. "An average of 20 to 40 boys from every block in New York City is serving in the armed forces now. Their neighbors must see that they get the guns and ammunition to carry on to victory.

"Although this is a national appeal, I see it as a neighbor's responsibility to the lads in his own block who are risking their lives for us at home."

Urges OPA Abandon Food Price Fixing

Abandonment of food price fixing was called for on July 26 by C. Chester Du Mond, New York State Agriculture Commissioner. In an address at a meeting of the Oneida-Herkimer County members of the Dairymen's League Co-operative Association, at New Hartford, N. Y., Mr. Du Mond declared that "the future of farming and the future of the nation as a democracy is entirely dependent upon the removal of controls and restrictions to production that have been placed upon us as farmers."

In Associated Press accounts from New Hartford it was also stated:

The Commissioner contended that OPA price-fixing programs and policies "have thrown a monkey-wrench in the machinery of food production and distribution over the entire country and particularly in our own New York State. The fact is that no Federal program of price-fixing, when applied as a pattern over the entire country could be effective when we take into account marketing and distribution problems as found around local marketing areas in this State."

He said local producers, processors and distributors, "in intimate contact with those who consume their product," are the only ones qualified to set price ceilings, and "I question whether even they could improvise ceilings which would work in actual practice."