

# The Commercial and FINANCIAL CHRONICLE

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## The Financial Situation

With each advance of the armed forces of the United Nations toward victory during the past half year or more, "political" problems have arisen which have seemed at times to threaten the continued forward march of our armies, and always to arouse uneasiness in many breasts concerning post-war arrangements and settlements. The successes, in Africa soon exposed the weaknesses which underlay the collapse of France in 1940. The resulting situation has been "patched up" from time to time, and at long length Great Britain, Russia and the United States have apparently reached some sort of approximate agreement as to policy regarding these French factions for the duration of the war; but no one supposes that the basic factionalism of the French people has been eradicated, or that it has even been submerged sufficiently to be no longer of first rate importance.

### The Italian Mess

The position of Italy is no less one of difficulties which are in themselves not of a military nature, but which may very well prove of grave concern to those who must conduct military operations from this time forward. Mussolini and his organization, which for long were among the chief targets of British and American propaganda, have apparently more or less disappeared from the scene. But who can say what they have left behind them? At the moment the Germans appear to be holding the situation together in that troubled land, but if and when we actually have conquered the Italian mainland we may find nothing but chaos, and a people utterly unable to function as a nation at least for the time being. The Italians seem to have been quite ready to see Fascism go, but may well be without what is required to enable them to organize and operate an orderly government of any effective sort in its place.

### European Problems

As the Russians continue to punish the German armies within their border, and as the might of the air forces of Great Britain and the United States pound the German homeland unmercifully, hopes rise, notwithstanding official warnings, for a relatively early termination of hostilities in (Continued on page 926)

## Business Outlook

### Roger W. Babson Sees Opportunities Ahead

No one who has examined U. S. production records since Pearl Harbor needs to be sold on the business and managerial abilities of American men. This goes for the executive group, the workers, the farmers and the small-town businessman. For downright ability and a knowledge of business practice, learned the hard way, this latter group is "tops." Most heads of our leading corporations, industries and churches came from the smaller cities and towns.

Hartford, where I am today, is filled with them. I have been much interested in watching the trend of our crowds of all types as they leave their offices and factories at the end of the day. All are tied into the immediate outlook for business.

**Industrial Activity**  
Since our participation in the War the production of raw materials and manufactured goods has centered in armaments and food-stuffs. The latest available

monthly figures show \$1,069,000,000 in merchandise exported abroad. This is double the amount for the same month of last year. I should not be surprised to see even higher figures a year hence, although the character of goods to be shipped may change. When Germany is brought to her knees, the rehabilitation of Europe, patterned after what is now going on in North Africa, should mean continued industrial activity in the United States on a high level.

The outlook on steel, coal, oil and farm products may be well maintained. Gold production, now practically at a standstill, should rise sharply. The accumulated demand for civilian goods must be met. The general public is mostly out of debt and has at its command an extremely large volume of buying power. This is probably in excess of \$50,000,000,000. Thus, from foreign and domestic requirements, the outlook for general (Continued on page 931)

## The News Behind The News

By PAUL MALLON

Mentioned in dispatches from Quebec as a puzzling factor in our war and peace relations with Russia is the Moscow "National Committee for Free Germany."

The nub of our difficulties can be found in the not very widely publicized identity of that committee and its manifesto of four weeks ago.

A cabled report just received in official quarters here specifically identifies all the 30 members of the committee. Several are well-known German Communists who escaped Nazidom in the Red purges.

Others are German army lieutenants and majors (no colonels or generals), a man who says he is Bismark's grandson, a Berlin publisher, a postal inspector, school inspectors, workers in the lumber, mechanical, and building trades, two women Reichstag members, a youth leader, and—strangely enough—an Evangelical minister and a theology student.

Their manifesto urges a free Germany, but does not contain (Continued on page 931)



Paul Mallon

## Britain's Financial Victory

By DONALD TYERMAN\*

This week sees the end of the fourth year of war for Britain, and this time the anniversary has been heralded by victories. Unmistakable among the successes recorded, if far from the battlefields of the Mediterranean, has been the achievement of British war finance.

The function of finance in wartime is simply to facilitate the mobilization of all available physical resources for war purposes, and to do so with a minimum of needless hardship to individuals—that is in the main without inflation, which is the most unjust, inefficient and anti-social method of securing transfer of resources from the civilian to Government uses.

British war finance has fulfilled its function after a sluggish start in 1939-40. One measure is the total mobilization of British people and the absence of any symptom of cumulative inflation. Another more technical measure is the magnitude of Government spending, the proportion it represents of national income, and the sources from which it has been drawn.

Total Government expenditure in 1939-40 was £1,821,000,000; in 1940-41 it was £3,884,000,000; in 1941-42 it was £4,788,000,000; in 1942-43 it was £5,638,000,000; in the current year it is estimated to be £5,756,000,000. Expenditure practically reached its peak last year with completion in all but minutiae of total mobilization.

The problem now is not to expand production and with it Government expenditure, but to adjust it to suit the changing military requirements.

What does this mean? It means that since 1938 Government expenditure in real terms, that is, making allowance for price rise between 1938 and now, has increased by between four and five times.

How is this cost being borne? In money terms the answer is simple and remarkable. Half is being raised in taxes and half from borrowing; long-term borrowing costs 2½% to 3% and floating debts are financed at from ½% to 1%. These are the principles of British finance in this war; a fifty-fifty division between taxes and loans and 3% borrowing. In 1914-18 war taxes brought in little more than a quarter of expenditure, and that was a 5% war. The national debt rose tenfold and more. This time the na-

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## From Washington Ahead Of The News

By CARLISLE BARGERON

The retirement of Sumner Welles from the State Department is one of the most brutal experiences a man ever had in Washington and men have had some pretty brutal experiences. It is an amazing example of the extent to which conniving men will go and when you realize that these are the same men who before audiences and in the public prints speak sanctimoniously about the need of sacrifice

and the shedding of blood in order that goodness in the world will be preserved, it definitely takes the rag off the bush, as Snuffy Smith would say. There is the inescapable conclusion, too, from this episode and those episodes which have gone before, that not in all the history of Court intrigue, from back in the days when the boys used to poison each other's wine, on down, has any leader ever surrounded himself with such a ruthless group as Mr. Roosevelt gathers around him.

The story is too sordid to discuss fully but all Washington at cocktail parties and backstairs is discussing it fully, you can lay to that.

There were no matters of international policy involved, in spite of the insistence of some of our colleagues. It was simply a case of a gang moving in on Welles with a particularly dirty story and getting him. It is a fact that a seemingly impossible situation had existed in the State Department since a few months after Welles became Undersecretary. But it had lasted so long that it had become obviously possible.

The seemingly impossible situation turned on the fact that he was Mr. Roosevelt's personal appointment, that they were old aristocratic friends, boys at Gro-

ton together, and that Mr. Roosevelt thought nothing of calling him direct to the White House without consulting Hull. Journalistic and other friends of Welles were continually harping on this, continually seeking to play Welles against Hull and intimating that the former was the real Secretary of State. Probably the most embarrassing public manifestation of this was in the spring of 1941 when a nationally syndicated columnist, close to Welles, published a story that while Roosevelt had been away on a cruise, Hull had sought to give Franco a \$100,000,000 grain credit, and that Welles had tipped the President off and had it stopped. Manifestly, this was an intolerable situation if true. But Welles feelingly denied the story in a formal statement in which he, at the same time, paid a glowing tribute to his chief. Hull unquestionably got a lot of satisfaction from Welles' embarrassment. There is not the slightest question, indeed, that from an earlier close friendship, he had long come to regard Welles with suspicion and to resent him. But their outward deportment, particularly that of Welles in regard to Hull, was always so meticulous, that newspapermen seeking to (Continued on page 931)

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Roger W. Babson

## The Financial Situation

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Europe. As these hopes gain vigor, however, indications multiply that much spade work is yet to be done before the United States, Great Britain and Russia are ready to act in full accord in dealing with a Germany in a state of collapse, or even in defeat. The infinitude of problems which must come into sharp focus in Europe once Germany has been defeated would at this moment at least without much question leave the three major powers responsible for that defeat without solutions generally satisfactory to them all. Meanwhile a very considerable amount of "scheming" appears already to be under way, particularly as regards eastern and southeastern Europe.

### In The Far East

In the East, Indian problems reached a sort of climax months ago, and threatened for a time to cause trouble in British-American relations. Not so much is heard of them today, but they remain a difficulty for the future when both Germany and Japan are properly dealt with. China is scheduled for liberation at some later date. When that occurs it will be found, of course, that that country, too, presents many difficult problems. Her long history of exploitation, not by Japan but by western powers, will in all probability serve to render her more than a little suspicious of the plans and programs of the occidental nations. The Middle East, too, has its problems, some of them traditionally "delicate"—as concerns Russia and the British Empire. And throughout it all, with Fascism, Nazism, and the similar regime in Japan gone, will inevitably run the problem of communism—which indeed is latent in many areas even at the present time.

This situation and this prospect are now evidently giving the officials considerable anxiety, and are much in the minds of thoughtful observers everywhere. These underlying elements of difficulty have been inherent in the situation from the very first, and it was inevitable that they should come to the surface as soon as victory approached, or appeared to be drawing nearer. No serious student of international affairs can well be in the least surprised by the developments of late, or by the prospect which seems to grow more clearly marked with the passing of the days. The best thing the rest of the community can do is to come to a quick and full realization that, no matter what any one may do, nor how often vague "four freedom" phrases are annunciated or repeated, and no matter how eloquently grandiose plans for remaking the world after the war may be defended in high places, the post-war world will still have its troubles and its problems. National boundaries may be redrawn, altered fealties enforced by edicts backed by armed might, systems of governments overthrown and others established, and all sorts of international machinery established for curing the ills of the world, but human nature will remain essentially unchanged; and so long as age-old animosities, suspicions, jealousies, and antagonisms remain, and so long as peacetime "fifth columns," whether fascist, communist, or "democratic" turn brother against brother within the nations of the world, peace, real and enduring, will remain beyond our grasp—as will all the freedoms that might be listed.

### Vague Generalities Worthless

A second preventive for the shock that is sure otherwise to come when the war is over is a full realization that such vague generalities as those in the Atlantic Charter are much better propaganda to spur lagging spirits during a hard and gruelling war than they are formulae for the cure of the world's ills. The peoples who dwell upon this globe are infinitely diverse. Their ideas and ideals are as varied as the climate and topography of the lands they inhabit. To many of them what we think of as "democracy" means little or nothing. They all, even the Russians, doubtless want freedom from foreign domination, and even from foreign interference—a fact often lost to sight in these times—but in no other sense do many of them yearn for political freedom, as we know it. There are many parts of the world where democracy, as we know it, might very well end in chaos. We must not suppose that we can impose our ideas, our conceptions, and our ideologies upon the rest of the world—and have a prosperous globe upon which to live out our remaining years in peace. It would be much better for all of us to rid ourselves of such notions now.

### Nationalism Will Remain

It would be very wise, too, if we made certain that we are not more or less unconsciously harboring the hope that the spirit of nationalism will cease to exist in many parts of the world when the war is over. It will not. Russia is plainly concerning herself with her own interests as she sees them. So will Great Britain be found doing when the

peace table is reached. Yes, and so shall we—unless we have lost the last grain of common sense we ever possessed. There is no observable reason why our real interests and those of our allies should clash at the peace table. It is more than probable that the hard-headed British will be able to reach satisfactory arrangements with the Russians, so far as there may appear to be collisions of interests. We must, however, expect it to be a give and take affair. We must not expect to dictate, persuade or cajole these other nations in matters in which we can have no direct concern. Otherwise our disappointment will be great. It would, of course, be inexcusable should the victors in this war "against aggression" employ their victory to promote aggrandizement on their part, but we must not expect a new heaven and new earth as a result of the conflict.

### In The Sweat Of Their Own Brows

Finally, we must understand that under even the most benign and beneficent post-war arrangements, the various peoples of the world will in the long run enjoy the fruits only of their own labor. They will be and they will have only what they themselves create. And so shall we.

A better understanding of these basic truths now will save much disappointment and bitterness later.

## Proceed With The Revision!

"When this war is over the United States and the British Empire will control every square foot of the high seas and the air above those seas, and that is a frightful responsibility, because upon that power, never possessed before to such a degree, and upon the exercise of that power wisely will rest the security of the world.

"Your generation must not only be prepared to preserve security on a world-wide scale but also to revise its thinking about our own economic life. The bitter lessons of the last quarter century have proved that we have gone beyond the point where we can be indifferent to what happens beyond our own borders in carrying out our economy policy."—Secretary of the Navy Knox to students at Colgate University.

There is a good deal of "thinking" at the present time that is badly in need of revision, and much of it is taking place among the Secretary's own associates in government. Some of it concerns "our own economic life"; and a great deal of it relates to post-war international affairs. Not a little of it has to do with the relationship between the two.

The urgent need is to bring this "thinking" to bear upon the world as it actually is and will be when the war is over.

A good beginning would be made by pondering the suggestion made by Senator Taft the other day in these words:

"After the initial period of relief and reconstruction we must keep out of the internal affairs of other nations and learn to treat with tolerance conditions and ideologies which we may not understand."

## The State Of Trade

Business reports generally were favorable for the week, though electric power production showed a slight drop from peak levels for the first time in weeks.

Electric power output in the week ended Aug. 21st fell from the peak production of the preceding week, the figures being 4,264,825,000 kilowatt hours compared with 4,287,827,000 the preceding week, according to the Edison Electric Institute.

Production for the latest week was 16.1% above the similar 1942 week, however, when output stood at 3,673,717,000 kilowatt hours.

The Southern states led in regional percentage gains over 1942 with an increase of 20.5%. Other percentage increases over last year by regions were: New England, 5.1%; Mid-Atlantic, 15.9%; Central Industrial, 14%; West Central 14.5%; Rocky Mountain, 17.7%, and Pacific Coast 18.5%.

Electric energy produced for public use for July totaled 18,417,091,000 kilowatt hours, an increase of 16.8% over production in July, 1942, and the highest monthly rate on record; according to a report issued by the Federal Power Commission.

Carloadings of revenue freight for the week ended Aug. 21st, totaled 891,197 cars, according to the Association of American Railroads. This was an increase of 4,032 cars over the preceding week this year, 21,763 cars more than the corresponding week in 1942, and 8,591 cars below the same period two years ago.

This total was 123.05 per cent of average loadings for the corresponding week of the ten preceding years.

Steel operations this week are scheduled at 99.4% of capacity, unchanged from a week ago, according to the American Iron & Steel Institute. A month ago the steel mills operated at 97.7%,

closed last Saturday, whereas a year ago that store had remained open.

In the previous week ended Aug. 21st, sales of New York City department stores were 5% higher than in the like 1942 week.

Industrial production jumped to a new high in July following June's slightly decline, the Federal Reserve Board reported, ascribing both changes largely to fluctuations in coal output which was reduced during June by the nation-wide work stoppage.

In its monthly summary of general business and financial conditions, the board said production of crude petroleum also increased in July and iron ore shipments reached the highest monthly rate on record. The summary gave this additional picture for July:

The cost of living declined slightly, due to lower food prices. The value of construction contracts continued to decline, reflecting the drop in awards for publicly-financed industrial facilities and for public works and utilities. Retail sales fell less than seasonally and continued substantially larger than a year ago. The general level of wholesale commodity prices was little changed.

Lendable bank reserves declined from an average level of about \$1,500,000,000 in mid-July to \$1,200,000,000 at month's end and continued at that level during the first half of August.

## Bank Loans For War Production Increase

Nearly \$7,000,000,000 of war production loans and commitments by 428 of the nation's larger banks were outstanding on June 30, according to the semi-annual report of war lending activity prepared by the American Bankers Association. The survey shows that the total of bank loans and commitments for financing the manufacture of armaments and war supplies increased \$922,000,000 during the first half of 1943.

The association's announcement issued Aug. 30 further stated:

"Of the \$6,914,618,000 of war loans and commitments outstanding on June 30, \$678,000,000 were for construction of war plants and factories, and \$6,236,000,000 were for the purchase of raw materials and for other production expenses.

"The \$6,236,000,000 of outstanding loans and commitments for purchase of raw materials and for other production expenses, is an increase of \$1,228,000,000 over the total of such loans outstanding at the end of 1942. This increase in loans parallels an increase in physical production of nearly all categories of war supplies and equipment during the first half of this year over the preceding six-month period.

"On the other hand, the \$678,000,000 of loans for construction of war plants and factories outstanding on June 30 is a decrease of \$235,000,000 in such loans as compared with the total outstanding at the end of 1942. A downward trend in war factory construction and equipment loans began during the second half of 1942, by which time the conversion, construction, and equipping of war plants was nearly completed, and actual production of increasing amounts of war goods from these factories was begun. The decline in the outstanding total of these loans may be expected to continue because the plants and capital equipment of most war industries are now completed.

"The future trend of bank loans to war industries for purchase of raw material and for other production expenses will be in direct relation to the trend of the output of the war plants."

while the rate was 97.6% a year ago.

The current schedule is equal to production of 1,732,500 net tons of ingots and castings, as in the preceding week, and compares with output of 1,702,200 a month ago and 1,669,600 last year.

Retail trade improved slightly during last week, according to the weekly report by Dun & Bradstreet, Inc. The report said that consumers were prompted by promotional sales and clearances, but failed to have the same spark of buying observed in the earlier months of the year.

Back-to-school buying featured most departments, and apparel, as well as piece goods, benefited. There was some demand for holiday items, although most showings in wholesale markets will not take place until after Labor Day.

Department store sales on a country-wide basis were up 15% for the week ended Aug. 21st, compared with the like week a year ago, according to the Federal Reserve System. For the week ended Aug. 14th, the increase was 4%.

Store sales increased 9% for the four week period ended Aug. 21st.

Department store sales in New York City in the week ended Aug. 28th, were 11% smaller than in the corresponding week of last year, according to a preliminary estimate issued by the Federal Reserve Bank of New York. The bank reported that one store included in the compilation was

## Landon Says Nation's Foreign Food Commitments May Put U. S. On Cereal Diet

Former Gov. Alfred M. Landon, charging that the New Deal is "planning to change your diet" by putting cereals on American dinner tables while other foods are sent abroad, declared on Aug. 31 "it's time we bring our foreign policy down to earth." Mr. Landon added that if the nation lives up to its foreign food commitments it is likely to go on a cereal diet. His remarks were contained in a speech prepared for delivery before the Co-operative Club, in Kansas City, Mo.; United Press advices as given in the New York "World Telegram" further reported his as follows:

He quoted as authority for the statement Herbert H. Lehman, head of the United Nations Relief and Rehabilitation Administration, and Dr. F. W. Miller of the U. S. Department of Agriculture.

"So one of the elemental issues before the American people today," Mr. Landon continued, "is whether we are going to hand over our post-war diet to the New Deal—along with our pocketbook."

"The New Dealers are proposing to take our food, our money away from our own, and hand it over to someone on the other side of the world. And they think we should say 'thanky-sir' while they are doing it."

"Uneasiness is growing over our vacillating and incompetent foreign policy. Conjectures grow that we will either lose our shirt or our national prestige. The air is filled with enthusiastic plans for America to feed the world, to clothe the world, to educate the world, to finance the world. I fear that the American people will lose all interest in world collaboration in face of that program."

Pointing out that livestock production is a "biological industry," and that while shipbuilding has been speeded up, no one has ever "devised a method of speeding up the production of a heifer," Mr. Landon said the United States might attempt to feed the world on a grain basis but not on both a livestock and a grain basis.

"If we're going to provide meat, animal feed, a bottle of milk a day, for the people of Asia, Africa and Europe," he said, "it will mean material reduction in the quantities of meat, milk and eggs available for consumption in America."

"In preparation for that shock, we are being told by the planners in Washington that we will be more healthy if we adopt a vegetarian diet."

"The New Dealers changed Thanksgiving, killed the little pigs, and now they want to put us on the rice and fish diet of the Orientals."

"The New Deal food scheme," Mr. Landon said, would deplete the nation's livestock herds, promote one-crop farming and soil depletion, and, he added, "we would, when the international picnic is over, once again have the problem of building up a diversified American agriculture."

Asserting the administration "has decided this week what it thinks it will need next week in the way of food production," Mr. Landon called for a "realistic, continuous program."

"Therefore," Mr. Landon said, "we should demand an accounting of the vast quantities of food given away under lend-lease."

"We should demand that the Relief and Rehabilitation Administration live in a glass house."

"There is a growing fear that the administration is fooling foreign peoples with the same expansive iridescent promises that it has tried on the American people in the last 10 years."

industrial supplies and \$23,666,000 worth of foodstuffs. Lend-lease partially equipped the British Eighth and First Armies, and French units.

**China, India, Australia and New Zealand**—The report did not present a separate breakdown of lend-lease shipments to China—a frequent source of Congressional criticism in the past—but said "approximately 70% of lend-lease shipments to China and India have been munitions."

Approximately 61% of lend-lease shipments to Australia and New Zealand were munitions, the report said.

The text of the President's letter transmitting the report follows:

"I am transmitting herewith to the Seventy-eighth Congress a report of operations under the Lend-Lease Act for the period ended July 31, 1943.

"In the month of July alone, lend-lease aid exceeded a billion dollars. Lend-lease supplies are hastening the day of final victory."

"Sicily has fallen. The Fascist dictator has been thrown out of power. For the first time the United Nations forces occupy part of the homeland of the enemy."

"The subjugated peoples of Nazi Europe are now aware that the European fortress is not impregnable. The great offensives of the Soviet Army of the eastern Front, the continued heroic struggle of the Chinese, and the British offensives in other areas, aided by lend-lease munitions and supplies, are having their repercussions both on and behind the battle lines."

"Our might and that of our allies is being felt in the Axis satellite nations of the Balkans and middle Europe, and in Nazi Germany as well. From Hamburg on the North Sea to Ploesti in Rumania, the people know from first-hand experience with what crushing force the United Nations can strike."

"Except for the responsible Fascist leaders, the people of the Axis need not fear unconditional surrender to the United Nations, I have said that we shall bring food for the starving and medicine for the sick in the areas liberated by the United Nations. We have done so, under lend-lease, in North Africa. We are doing so in Sicily. We shall continue to do so in other areas, as they are liberated, to prevent economic breakdown and to aid the liberated peoples to produce and to help themselves. We shall provide these necessary civilian supplies in support of our military operations and as a matter of simple humanity."

"The people of Axis-controlled areas may be assured that when they agree to unconditional surrender they will not be trading Axis despotism for ruin under the United Nations. The goal of the United Nations is to permit liberated peoples to create a free political life of their own choosing and to attain economic security. These are two of the great objectives of the Atlantic Charter."

"But until the day of unconditional surrender the United Nations will continue with the force of all their power to hit the enemy. We are striking hard and ready to strike harder. Greatly increased United States forces and greatly increased lend-lease supplies are on the way to the battle fronts. The longer this war goes on, the stronger the United Nations will become."

"The United Nations are growing stronger because each of them is contributing to the common struggle in full measure—whether in men, weapons, or in materials. Each is contributing in accordance with its ability and its resources. Everything that all of us have is dedicated to victory over the Axis powers."

"The Congress in passing and extending the Lend-Lease Act

## Responsibility Of Post-War Planning Must Be Shared Equally By All, Sloan Declares

Asserting that emphasis on big industry's job in the post-war period has tended to obscure the "problems and opportunities of the little fellow and numerous other segments of our economy," George A. Sloan, New York City Commissioner of Commerce and Chairman of the Mayor's Business Advisory Committee, stated on Aug. 28 that one of the first responsibilities of the President's Coordinator of Post-War Planning "should be to make clear what is meant by 'industry' when we speak of post-war responsibility."

The New York "Times" of Aug. 29, in thus quoting Mr. Sloan, added that, in his statement Mr. Sloan observed that while the appointment of a coordinator for the plans of various Government agencies and departments on the reconversion of industry and agriculture to a peacetime basis has not yet been made, last week's disclosure that such a move is planned is very "timely."

The further views of Mr. Sloan were indicated as follows in the "Times":

"The promissory notes that have been issued in recent months by a host of unrelated post-war planners are dependent not only on the efforts of individual employers in many classifications but also upon realistic cooperation from the Government itself," he declared.

"Such cooperation, he said, must take into account the fact that there are over 52,000,000 people residing in communities of less than 2,000 including the farmers. 'Obviously industry has no way of making itself responsible for these people unless the Government includes in its definition everybody engaged in working in and operating stores, blacksmith shops, gas filling stations and all other activities which provide service to the needs of these 52,000,000 people,' he declared.

"The concerns, individuals, and agencies that make up industry, commerce, agriculture—and government and which will be called upon to play a major part in providing jobs after the war 'can only employ 46,000,000 people of the proposed 56,000,000 which is so often mentioned as the post-war goal.' The remaining 10,000,000 will have to come from education, private homes, finance, the professions and self-employed proprietors, Mr. Sloan said.

"I am sure that the proposed coordinator will consider all such vital factors of employment and not refer merely to big industry for fear of offending those whose philosophy makes them allergic to essentials," he continued.

"Explaining that 'there is no such thing as 'industry' in the sense of any coordinated unit,' Mr. Sloan cited the example of New York City which possesses a mass of 26,000 distintegrated and highly individualistic manufacturing enterprises. "Unless this fact is recognized in the planning, small manufacturers and small stores who in the aggregate represent the major part of the local economy, will not be able to play their part."

"With all the good-will in the world it is utterly impossible for the thousands of small concerns in this country, or even larger corporations, to assume any collective responsibility," he asserted. "The best the planners can do is to encourage these individual enterprises to get ready to meet the pressure of natural forces after

made it plain that the United States wants no new war debts to jeopardize the coming peace. Victory and a secure peace are the only coin in which we can be repaid."

"This report on lend-lease and on reverse lend-lease activities should be both an assurance and a warning to our enemies. The power of the United Nations is great. The will of the United Nations is fixed. In this common war we fight as one man, for one victory—and we shall have it."

the war.' "Such concerns should be urged to study new uses and scientific methods with a view to adjusting their production and distribution accordingly. The ability of those engaged in war work to do this will depend largely upon their being able to accumulate adequate reserves to meet post-war funding requirements, and the promptness with which the Government settles its war contract obligations, he warned.

"Pre-war employment statistics showed 36,000,000 people engaged in non-agricultural employment, divided among big industry, retail and wholesale trade, local, county, State and Federal Government, education, private homes and in service industries, he pointed out. Such statistics, he added, emphasize the interdependence of all these segments of the nation's economy and the fact that responsibility for post-war planning must be shared by everyone and not alone by industry.

"The responsibility of manufacturers, construction industries, mining, transportation and public utilities is to plan for approximately 20,000,000 jobs in the post-war period as against the 15,000,000 that were provided by industry in 1940," Mr. Sloan declared.

"Recalling the efforts of large corporations to buck the tide of unemployment in the depression following 1929 he declared there was 'too much emphasis in those days upon the responsibility of big industry alone. We must not make that mistake again.'"

## World Bank Publishes Foreign Exch. Rules Of Various Countries

The Monetary and Economic Department of the Bank for International Settlements, Basle, Switzerland, has published a compilation of "Foreign Exchange Regulations in the Various Countries." The announcement in the matter says:

"This work (in three volumes) contains a complete verbatim text of the foreign exchange laws and the most important executive provisions in force in the various European countries and in the United States of America.

"The loose-leaf system has been adopted for these volumes in order to allow for the insertion of the additional pages which will be published from time to time in the form of supplements. This will enable the work to be kept constantly up to date. Progressively completed with the latest material, the collection thus forms a useful reference book for business circles of all kinds.

"For each country the legislation is given in the original text—French, English or German, as the case may be—or, if the original language is not one of these three, in an English, French or German translation.

"For certain countries the regulations regarding foreign payments are also included.

"Foreign Exchange Regulations in the various countries" (three loose-leaf volumes) can be obtained from the Monetary and Economic Department of the Bank for International Settlements, Basle, at the price of 120 Swiss francs. The annual subscription for the supplements to be published during the year is 50 Swiss francs.

## President Says Axis Peoples Need Not Fear Surrender—Reports Lend-Lease Near \$14 Billion

President Roosevelt, in a letter transmitting his quarterly lend-lease report to Congress, asserted on Aug. 25 that "except for the responsible Fascist leaders, the people of the Axis need not fear unconditional surrender to the United Nations," assuring them that when they agree to unconditional surrender they will not be trading Axis despotism for ruin under the United Nations.

The report on lend-lease, which the President said "should be both an assurance and a warning to our enemies" showed that for the period from March, 1941, through July, 1943, total aid extended amounted to \$13,973,339,000. The report showed that of a total of \$9,882,000,000 of lend-lease exports through June this year, the United Kingdom received \$4,458,000,000; Russia, \$2,444,000,000; Africa, the Middle East and the Mediterranean area, \$1,663,000,000; China, India, Australia and New Zealand, \$1,133,000,000 and other nations, \$484,000,000.

The President's report also revealed that American civilians have been allocated 75% of the nation's food production for the fiscal year ending June 30, 1944. Other allocations made by the War Food Administration are: armed forces 13%, lend-lease 10%, and U. S. territories and special needs 2%. The report noted that "while these allocations mean that civilians will receive less in the current year than they had in 1942-43 they will on the average get as much food as was available annually in the years 1935-39."

Regarding other phases of the report United Press Washington advices as given in the "Wall Street Journal" stated:

The report showed significant percentages of American-produced planes and tanks went to our Allies in the fiscal year ended June 30. Of every 100 bombers produced, our Allies received 17.

They received 25% of all fighter planes turned out, 22% of all light tanks and 36% of our medium tank production.

Briefly, the report broke down various lend-lease accounts as follows:

**The United Kingdom**—In addition to the export total cited above, the United Kingdom bought for cash "munitions and other goods" valued at \$1,450,000,000. The United Kingdom received 45% of all lend-lease exports, but only 33% of lend-lease munitions. About 34% of exports to Great Britain have consisted of foodstuffs; 42% of lend-lease exports to the United Kingdom were shipped in the first six months of 1943.

**Soviet Russia**—Approximately 57% of exports to the U. S. S. R. have been munitions. And more lend-lease planes have been sent to Russia "than to any other country," the report said. Food shipments totaled 1,300,000 tons. The report stressed important shipments of industrial machinery and transportation and communication supplies to Russia.

**Africa, Middle East and Mediterranean**—The report stressed that these exports have been principally for use in the North African and Sicilian areas. During the first six months of 1943, this area received more than \$500,000,000 lend-lease exports, of which munitions and war supplies were by far the largest items. The area also received \$83,702,000 worth of

## Outlook For Adjusting Post-War Currency Stabilization Plans Called Optimistic

While nothing of an official nature has been divulged regarding the deliberations at the conference in Chicago on Aug. 26 to consider the post-war currency stabilization plans of the United States, Great Britain and Canada, Dr. Harry D. White, Director of the Division of Monetary Research of the United States Treasury, was reported as stating at Chicago on the day of the conference that the representatives of the three countries

were in complete agreement on the objectives and desirability of some new international monetary arrangement and that technical differences among the three suggested programs were minor in nature. In Chicago advices to the New York "Herald Tribune" he was quoted as saying at a press conference during a recess in the closed conference:

"We all feel optimistic that we will be able to find a meeting of minds at the technical level. After a plan is agreed upon, of course, it will enter the official stage. Then it will have to be approved by our respective governments."

The conference, to which earlier reference was made in our issue of Aug. 19, page 707, was called by Simeon E. Leland, Chairman of the Federal Reserve Bank of Chicago; four other Federal Reserve Banks joined in the conference, viz.: Cleveland, St. Louis, Kansas City and Minneapolis, and representatives of other Reserve Banks were in attendance. The scheduled speakers besides Dr. White, to whom is attributed the drafting of the Treasury Plan were E. A. Goldenweiser, Economist of the Federal Reserve System; D. H. Robertson and Redvers Opie of the British Embassy in Washington; G. F. Towers, Governor of the Bank of Canada, and various others participated in the discussions. As to criticisms by some of the Mid-Western bankers who attended the conference, an account from Chicago to the New York "Herald Tribune" said:

Most of the criticism centered about the asserted vagueness of all the plans, uncertainty as to how they would be applied to definite developments in world trade when it is restored after the war and questions regarding the relation of monetary stabilization to the larger pattern of post-war social and economic relationships among these three and other nations.

Several of the conferees said their first and deepest impression of the conference was the fact that the monetary-stabilization plans had apparently been devised in an "economic vacuum," without adequate consideration being given to the economic conditions that may exist or develop in the three nations after the war.

This criticism followed the general lines of that expressed by Beardsley Ruml, Chairman of the Board of the Federal Reserve Bank of New York, in an informal speech last night following a dinner for the 150 officials of Mid-Western Reserve banks who attended the session.

Mr. Ruml compared the proposals to the work of an architect who designed the roof of a house without bothering about the floors and foundations. His implication was that world monetary stabilization would be of little value as an instrument standing by itself.

He declared flatly that monetary stabilization must be secondary to planning for the economic prosperity of each nation individually, noting that the first concern of the United States, for example, should be how to maintain its national income of a \$170,000,000,000-a-year level after the war.

"Our first problem is not international - currency stabilization, but a consistent fiscal and tax policy that will give us prosperity in this country," he said.

Some of the men attending the conference also said that, despite the denials of the authors, the British and American proposals seemed to them little more than

pressed an interest in the subject. Russia possibly will play a less important role in the monetary phases of post-war readjustment than some other nations, but undoubtedly will have an important part in other economic and trade affairs, Mr. White declared, and added:

"One would hope that Russia would participate in the program.

"To the extent that the program is a success in raising the level of international trade and discouraging competitive practices that cause friction, it will contribute to peace."

Dr. Jacob Viner, Professor of Economics at the University of Chicago, speaking at a dinner meeting of the Conference, was quoted in the Chicago "Journal of Commerce" as saying:

"I am convinced that all these plans in intent and in the manner in which they would work in practice if put into operation are based on the principle of mutual aid rather than on the principle of benefactor and beneficiary."

These plans, he said, offer a model which "all other proposals for enduring international institutions should follow, for there is no other principle which is at the same time equitable and practicable."

But differences in the three plans as they exist at present, he emphasized, are not wholly of a purely technical nature which only bankers and economists can legitimately be interested in.

Prof. Viner was also indicated as saying that more progress had been made in the monetary field toward post-war international agreement than in any other field. The New York "Herald Tribune" further reported him as stating:

"He observed, however, that monetary plans would ultimately prove secondary to political and serial agreements."

"Dr. Viner declared that unless a practical stabilization plan was formulated, nations would go slow after the war in removing trade barriers and in making commitments for economic collaboration.

"He warned also that no stabilization plan would work if its object was an international dole and unless each participating country felt that 'what it may hope to gain in return is worth paying the price asked for it.'"

## Canadian Business Expansion Continues

Business expansion in Canada has been practically uninterrupted since the commencement of the year, despite some signs of leveling off toward the end of the first half year, the Bank of Montreal states in its Aug. 23 "Business Summary."

The bank's review further says: "Wholesale prices of industrial materials were higher in the six months. Railway freight loadings for the first six months rose from 43,740,000 tons to 46,932,000. The combined gross railway earnings in this period increased from \$290,448,000 to \$346,715,000, a gain of 19.4% and an all-time high. Compared with 1929, the advance was 36.3%. The trend of economic conditions was higher in these six months than ever before. War demands continued to be a stimulating factor and productive enterprises operated at a new high plane. At no other time in Canadian history was the average of industrial employment as high. The physical-volume-of-business index mounted from 196 to 231. Mineral production gained 14.4%. Manufacturing was at a new high point, 26.1% above the same period last year. Retail sales averaged a gain of 4.6%. The cost-of-living index gained 1.4%, having risen steadily since February."

"Congress has a right to enter into such an agreement, and can always withdraw the nation from participation," Mr. Goldenweiser said.

Mr. White said that the United States has been making commitments of a somewhat similar type for the last nine years under a tripartite arrangement with Britain and France. He cited reciprocal trade treaties as evidence that America can make agreements along monetary and trade lines without surrendering its sovereignty.

He said that Russia has been invited to participate in the stabilization discussions and has ex-

## Factory Wages Rise Over Living Costs, Survey By NAM Reveals

Wages paid by manufacturers continue to rise faster than living costs and the average 82.4% increase in the weekly pay envelope since the war started four years ago, represents a gain of more than 44% in "real wages" of factory workers, according to a study released Aug. 30 by the National Association of Manufacturers.

The study, "Wages, Prices and Inflation," is reported in the Aug. 30 issue of the Association's publication, "Industry's View."

Pointing out that the main agitation for pay boosts comes from organized groups concentrated in manufacturing industries, the study emphasizes the fact that wage figures for factory workers do not tell the story of employes in other lines of work.

"Although nearly 14,000,000 persons are working in factories, this number represents less than 40% of the persons engaged in non-agricultural pursuits," the study said. "Wages of several large groups of workers other than manufacturing workers have increased only slightly in recent years, and real earnings of these groups have dropped."

Explaining that "real wages" were "wages which have been adjusted to allow for changes in living costs," "Industry's View" commented:

"While price increases have been given much publicity, the sharp gains in wages usually have been ignored in published reports. Failure to consider wage increases along with increases in living costs has distorted the truth, has created confusion, and has led to erroneous conclusions and to unreasonable demands. The purpose of this report is to present essential figures from reliable sources.

"An impartial examination of figures compiled by the Bureau of Labor Statistics shows that since Aug., 1939, average weekly wages of workers in manufacturing establishments throughout the country have gone up 82.4%. Living costs in this period (Aug. 1939 to June 1943) have increased less than 27%. In other words, the rate of increase in wages has been three times as great as the rate of increase in the cost of living.

"In the past two years, average weekly earnings of manufacturing employes have increased nearly 54%—from \$28.08 in April 1941 to \$43.35 in June 1943. Only about half of this gain was due to overtime payments. While average weekly earnings increased 54%, hours worked per week increased only 11.5%, the number of hours for these two periods being 40.0 and 45.2, respectively.

"Real wages of manufacturing wage earners—that is, the wages which have been adjusted to allow for changes in living costs—increased 44.1% from Aug., 1939 to June, 1943. . . . This situation is to be contrasted with that during World War I, when, although money wages rose, they did not quite keep pace with rising prices, so that real wages declined 1% from 1914 to 1918.

"Because of goods shortages and rationing, higher money incomes cannot be fully translated into higher income in real commodities, even though price levels are kept down. Much of the current high wages constitute simply an addition to the inflationary gap."

A month-by-month table of average hours worked per week, average hourly earnings, average weekly earnings, cost-of-living and real weekly earnings from Aug. 1939 to May 1943, based on Bureau of Labor Statistics figures, offers conclusive evidence to the steady gains enjoyed by workers in manufacturing industries since the outbreak of the world conflict.

The report summarizes its conclusions as follows:

"1. Weekly wages of manufacturing workers have gone up more than 81% since Aug. 1939. Living costs in this period (Aug. 1939-June 1943) have increased only 27%.

"2. The appearance of a cost-of-

living increase of more than 27% arises from the fact that the prices of certain foods have advanced much more sharply than this. These increases, however, have been offset by comparatively small gains in other cost-of-living items, such as rent and utilities, which are overlooked entirely by those who insist that the government figures do not reflect the true rise in living costs.

"3. If there are present wage injustices, they are to be found in the white collar groups; certainly not among the manufacturing workers.

"4. Average annual earnings of workers in manufacturing industries are now 40% above the standard 'maintenance' level.

"5. The increase in income from salaries and wages in 1942 as compared with 1939 was twice as great as the increase in all other types of income.

"6. Manufacturers' profit expressed as a percentage of gross receipts in 1942 was 34% smaller than in 1929 and 24% smaller than in 1941.

"7. The supply of goods for consumers is beginning to diminish and the effect of shortages will assume increasing importance in the near future.

"8. Conditions which essentially constitute inflation—larger incomes, scarcity of consumer goods, and a vast increase in money instruments resulting from government borrowing from commercial banks—are here now, even though price ceilings may partially conceal the existing inflation.

"9. Any further increase in salaries and wages will boost the inflationary spiral by increasing prices, which in turn will be used as the basis for demanding still larger wage raises."

## U. S. & Canada Create Joint War Aid Group

The creation of a Joint War Aid Committee by the United States and Canada was announced in Quebec on Aug. 22 by President Roosevelt and Prime Minister W. L. Mackenzie King of Canada.

The committee was named "to study problems that arise out of operations of the United States lend-lease and the Canadian mutual aid program, and where necessary to make recommendations concerning them to the proper authorities." Press advices from Quebec Aug. 22 stated:

The initial membership of the committee is as follows:

### United States Members

Chairman—J. H. Burns, Major General, Executive, Munitions Assignment Board, United States, and Great Britain.

Vice Chairman—William L. Batt, War Production Board.

J. D. Hickerson, Assistant Chief, European Division, Department of State; Arthur B. Van Buskirk, Deputy Administrator in the Office of Lease-Lend Administration; Boykin C. Wright, Brigadier General, Director International Aid Division, Army Service Forces.

### Canadian Members

Chairman—E. P. Taylor, Deputy Member, Canadian Section, Combined Production and Resources Board.

L. B. Pearson, Minister Counselor, Canadian Legation; J. B. Carswell, Director General, Washington Office, Department of Munitions and Supply of Canada; Maurice Pope, Major General, Chairman, Canadian Joint Staff.

## Absolute Victory Will Give More Opportunities To World, Says Roosevelt At Quebec Conference

President Roosevelt declared on Aug. 25 that if Hitler and his generals had known the decisions reached at the Quebec conference they would have realized that "surrender would pay them better now than later."

The President, in an address at Ottawa before the entrance to the Canadian Parliament buildings, promised that "gangsterism will be eliminated from the community of nations once and for all" and stated that "absolute victory in this war will give greater opportunities to the world."

Mr. Roosevelt, making the first visit of an American President to the Canadian capital, said that the Quebec war conference between himself and Prime Minister Churchill of Great Britain, in addition to plotting new methods of military destruction of the Axis, also went into post-war world problems.

Not disclosing any of the "definite conclusions" reached at the Quebec conference, the President said that "in due time we shall communicate the secret information of the Quebec conference to Germany, Italy and Japan. We shall communicate this information to our enemies in the only language their twisted minds seem capable of understanding."

Mr. Roosevelt also stated that he was "everlastingly angry" at those who say the Four Freedoms and the Atlantic Charter are nonsense because they are unobtainable, pointing out that if these same critics had lived a century and a half ago, they would have attacked the Declaration of Independence, and before that, the Magna Charta.

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

"Your Excellency, members of the Parliament, my good friends and neighbors of the Dominion of Canada:

"It was exactly five years ago last Wednesday that I came to Canada to receive the high honor of a degree at Queen's University. On that occasion—one year before the invasion of Poland, three years before Pearl Harbor—I said: "We in the Americas are no longer a far-away continent to which the eddies of controversies beyond the seas could bring no interest or no harm. Instead, we in the Americas have become a consideration to every propaganda office and to every general staff beyond the seas. The vast amount of our resources, the vigor of our commerce, and the strength of our men have made us vital factors in world peace whether we choose it or not."

"We did not choose this war—and that 'we' includes each and every one of the United Nations."

"War was violently forced upon us by criminal aggressors, who measure their standards of morality by the extent of the death and the destruction that they can inflict upon their neighbors."

"In this war, Canadians and Americans have fought shoulder to shoulder—as our men and our women and our children have worked together and played together in happier times of peace."

"Today in devout gratitude, we are celebrating a brilliant victory won by British, Canadian and American fighting men in Sicily."

"Today, we rejoice also in another event for which we need not apologize. A year ago Japan occupied several of the Aleutian islands and made a great 'to-do' about the invasion of the continent of North America. I regret to say that some Americans and some Canadians—for political purposes chiefly—wished our governments to withdraw from the Atlantic and the Mediterranean campaigns and divert all our vast strength to the removal of the Japs from a few rocky specks in the Aleutians."

"Today our wiser counsels have maintained our efforts in the Atlantic area and the Southwest Pacific with evergrowing contributions; and in the Northwest

Pacific a relatively small campaign has been assisted by the Japs themselves in the elimination of the last Jap from Attu and Kiska. We have been told that Japs never surrender; their headlong retreat satisfies us just as well."

"Great councils are being held here on the free and honored soil of Canada—councils which look to the future conduct of this war and to the years of building a new progress for mankind."

"To these councils, Canadians and Americans alike again welcome that wise and good and gallant gentleman, the Prime Minister of Great Britain."

"Mr. King, my old friend, may I through you thank the people of Canada for their hospitality to all of us. Your course and mine have run so closely and affectionately during these many long years that this meeting adds another link to that chain. I have always felt at home in Canada and you, I think, have always felt at home in the United States."

"During the past days in Quebec, the combined staffs have been sitting around a table talking things over, discussing ways and means, in the manner of friends, in the manner of partners, I may even say in the manner of members of the same family."

"We have talked constructively of our own common purposes in this war—of our determination to achieve victory in the shortest possible time—of our essential cooperation with our great and brave fighting allies."

"And we have arrived, harmoniously, at certain definite conclusions. Of course, I am not at liberty to disclose just what these conclusions are. But, in due time, we shall communicate the secret information of the Quebec Conference to Germany, Italy and Japan. We shall communicate this information to our enemies in the only language their twisted minds seem capable of understanding."

"Sometimes I wish that that great master of intuition, the Nazi leader, could have been present in spirit at the Quebec Conference—I am thoroughly glad he was not there in person. If he and his generals had known our plans they would have realized that discretion is still the better part of valor and that surrender would pay them better now than later."

"The evil characteristic that makes a Nazi a Nazi is his utter inability to understand and therefore to respect the qualities or the rights of his fellow men. His only method of dealing with his neighbor is first to delude him with lies; then to attack him treacherously, then beat him down and step on him, and then either kill him or enslave him. The same thing is true of the fanatical militarists of Japan."

"Because their own instincts and impulses are essentially inhuman our enemies simply cannot comprehend how it is that decent, sensible individual human beings manage to get along together and live together as good neighbors."

"That is why our enemies are doing their desperate best to misrepresent the purposes and the results of this Quebec Conference. They still seek to divide and conquer Allies who refuse to be divided just as cheerfully as they refuse to be conquered."

"We spend our energies and our resources and the very lives of our sons and daughters because a band of gangsters in the community of nations declines to recognize the

fundamentals of decent, human conduct."

"We have been forced to call out the sheriff's posse to break up the gang in order that gangsterism may be eliminated in the community of nations."

"We are making sure—absolutely, irrevocably sure—that this time the lesson is driven home to them once and for all. We are going to be rid of out-laws this time."

"Every one of the United Nations believes that only a real and lasting peace can justify the sacrifices we are making, and our unanimity gives us confidence in seeking that goal."

"It is no secret that at Quebec there was much talk of the post-war world. That discussion was doubtless duplicated simultaneously in dozens of nations and hundreds of cities and among millions of people."

"There is a longing in the air. It is not a longing to go back to what they call 'the good old days.' I have distinct reservations as to how good 'the good old days' were. I would rather believe that we can achieve new and better days."

"Absolute victory in this war will give greater opportunities to the world because the winning of the war in itself is proving that concerted action can accomplish things."

"Surely we can make strides toward a greater freedom from want than the world has yet enjoyed. Surely by unanimous action in driving out the out-laws and keeping them under heel forever, we can attain a freedom from fear of violence."

"I am everlastingly angry only at those who assert vociferously that the Four Freedoms and the Atlantic Charter are nonsense because they are unattainable. If they had lived a century-and-a-half ago they would have sneered and said that the Declaration of Independence was utter piffle. If they had lived nearly a thousand years ago they would have laughed uproariously at the ideals of Magna Charta. And if they had lived several thousand years ago they would have derided Moses when he came from the mountain with the Ten Commandments."

"We concede that these great teachings are not perfectly lived up to today, and we concede that the good old world cannot arrive at utopia overnight. But I would rather be a builder than a wrecker, hoping always that the structure of life is growing—not dying."

"May the destroyers who still persist in our midst decrease. They, like some of our enemies, have a long road to travel before they accept the ethics of humanity."

"Some day, in the distant future perhaps—but some day with certainty—all of them will remember with the Master—'thou shalt love thy neighbor as thyself.'"

Mr. Roosevelt spoke the following paragraph in French:

"My visit to the old city of Quebec has recalled visibly to my mind that Canada is a nation founded on a union of two great races. The harmony of their equal partnership is an example to all mankind—an example everywhere in the world."

## Carroll Director Of OPA Food Price Div.

Jean F. Carroll has been appointed Director of the Food Price Division of the Office of Price Administration. Mr. Carroll was formerly Assistant Director of the Division and prior to that was manager of the St. Louis branch of the Kroger Grocery and Baking Co.

According to Chester Bowles, General Manager of the OPA, Mr. Carroll will direct the OPA efforts to bring food prices down. He will work under the Deputy Administrator for Price, James F. Brownlee.

## Gov. Bricker Of Ohio Urges Farm Program Freed Of Impractical Directives

Governor John W. Bricker of Ohio, Republican, proposed on Aug. 27 a farm program freed of "impractical directives hanging as a millstone around the neck of the producing of farm products."

In a public address at Rapid City, S. D., Governor Bricker said that bureaucracies are hindering American initiative and enterprise, particularly in the field of agriculture. He proposed a five-point farm program as follows, according to Associated Press advices from Rapid City:

(1) "That the food problem can be solved by a complete change of procedure on the part of the centralized bureaucratic administration in Washington responsible for the confusion of impractical directives hanging as a millstone around the neck of the producers and distributors of products."

(2) "That Government restrictions that interfere with the laws of supply and demand, so as to discourage all-out production, be removed."

(3) "All necessary Federal directives should be formulated by

individuals familiar with agriculture and should be administered locally by individuals capable of an intelligent interpretation of their application."

(4) "That price ceilings on all perishable food products should be removed to avoid a continuation of heavy losses which have resulted from spoilage on a sluggish market."

(5) "That the most helpful procedure that can be taken is to encourage ever-adequate prices for farm products and make available an adequate supply of farm labor and machinery."

## U. S. and Britain Recognize French Committee Administering French Overseas Territories

Recognition of the French Committee of National Liberation at Algiers as "administering those French overseas territories which acknowledge its authority" was announced on Aug. 26 by the United States and Great Britain in statements issued simultaneously in Washington and London.

The statement by President Roosevelt declared that it "does not constitute recognition of a govern-

ment of France or of the French Empire" but "does constitute recognition of the French Committee of National Liberation as functioning within specific limitations during the war."

The British statement, although substantially like the American, contained some points of difference, notably recognizing the Committee as having also assumed functions of the former French National Committee in respect of French territories in the Levant.

The Canadian Government issued a similar statement in Ottawa recognizing the Committee.

The Moscow radio announced on Aug. 27 that the Soviet Government recognized the Liberation Committee "as the representative of the State interests of the French Republic."

Announcement was made in Algiers on Aug. 29 that Gen. Henri Honore Giraud and Gen. Charles de Gaulle, co-leaders of the French Committee, have cabled joint messages of appreciation to President Roosevelt, Prime Minister Churchill and Premier Stalin for their action in according recognition to the committee.

The United Press reported on Aug. 27 that the number of nations that have granted either outright or limited recognition to the Committee is twenty.

The text of President Roosevelt's statement on United States recognition follows:

"The Government of the United States desires again to make clear its purpose of cooperating with all patriotic Frenchmen, looking to the liberation of the French people and French territories from the oppressions of the enemy."

"The Government of the United States, accordingly, welcomes the establishment of the French Committee of National Liberation. It is our expectation that the committee will function on the principle of collective responsibility of all its members for the active prosecution of the war."

"In view of the paramount importance of the common war effort, the relationship with the French Committee of National Liberation must continue to be subject to the military requirements of the Allied commanders."

"The Government of the United States takes note, with sympathy, of the desire of the committee to be regarded as the body qualified to ensure the administration and defense of French interests. The extent to which it may be possible

to give effect to this desire must, however, be reserved for consideration in each case as it arises."

"On these understandings the Government of the United States recognizes the French Committee of National Liberation as administering those French overseas territories which acknowledge its authority."

"This statement does not constitute recognition of a government of France or of the French Empire by the Government of the United States. It does constitute recognition of the French Committee of National Liberation as functioning within specific limitations during the war. Later on the people of France, in a free and untrammelled manner, will proceed in due course to select their own government and their own officials to administer it."

"The Government of the United States welcomes the committee's expressed determination to continue the common struggle in close cooperation with all the Allies until French soil is freed from its invaders and until victory is complete over all enemy powers."

"May the restoration of France come with the utmost speed."

## Silver Shipments To U. S. To Be Resumed By Mexico

Mexican silver shipments to the United States will be resumed April 29, 1944, Eduardo Suarez, Minister of Finance, announced. Remelting of coins for industrial purposes and hoarding had placed such a heavy call on the mint that it was forced to suspend the shipments here and use the metal for coining purposes.

In Mexico City advices to the "Wall Street Journal" of Aug. 17, the following was reported:

The Finance Minister added that on the basis of the first six months of the current year Mexico's 1943 silver production would be only 72,000,000 ounces, but predicted the "traditional 80,000,000 ounce figure" will be reached by the end of the year. Increased production by American Smelting & Refining Co., he said is boosting the yield.

The Mexican decree authorizing the Bank of Mexico to use all of its silver production and not export any was referred to in these columns Aug. 19, page 694.

## NAM Appeals To Amer. Management For Wider Acceptance Of Good Industrial Relations

The National Association of Manufacturers on Aug. 23 called upon American industrial management for a top-to-bottom review of employer-employee relationship policies as a basis for maximum war production and post-war prosperity.

The Association's appeal went out to its nearly 10,000 members in the form of a booklet, "Good Industrial Relations," prepared by a committee headed by C. Donald Dallas, President of the Revere Copper & Brass, Inc., and including 33 of the country's best known industrialists.

In announcing distribution of the booklet, Mr. Dallas emphasized that the great majority of employers had long since recognized the benefits of sound industrial relations policies and that the Association's prime objective is an even wider acceptance of the fundamental principles outlined by the committee, Mr. Dallas said. "The occasional employers who practice slipshod industrial relations policies have, it is true, contributed to labor difficulties. But management is moving heaven and earth to impress upon all employers the advantages of sound industrial relations.

"Good industrial relations are good business. No business succeeds as well with unsatisfactory industrial relations as it does with relations that are harmonious and stimulating.

"Our objectives in industrial relations are high morale and good team work. Too little emphasis has been laid on the question of morale. It is everything to any army—so why shouldn't it be just as important to business?"

"For example, it is too frequently assumed, in connection with work stoppages, that employe morale had been good up to the moment that the work stoppage occurs, and that immediately work is resumed the employes again become normal producers.

"However, a work stoppage may be only the outward manifestation of a long-smouldering situation, and the scars of that stoppage may linger long afterwards to the detriment of the business."

Members of Mr. Dallas' Committee on Industrial Relations Policy spent nearly a year, according to Mr. Dallas, in intensive study before undertaking preparation of the booklet designed to:

1. Express the philosophy and spirit that should characterize the body of industrial relations policies and practices that govern the employment relationship.

2. Emphasize the fact that intelligent and conscientious adherence to these concepts in the formulation and administration of industrial relations will provide an environment in which all the individuals associated in an enterprise may work together in harmony and contentment.

The result of the study, as set out in the booklet, is an 8-point program of definite employment policies which would establish "the principles and practices that govern pay, securities, rights and privileges and other features of employment" as follows:

1. A considerate and orderly hiring procedure providing for courteous and understanding reception, interview, and induction.

2. A wage schedule in harmony with the general wage levels for similar work in the community and industry, giving due regard to skill, responsibility, experience and physical demands.

3. Definite procedures for promotions, lay-offs, and dismissals.

4. Specific rules and regulations pertaining to hours, overtime, vacations, discipline, etc., clearly defined and impartially enforced.

5. An orderly step-by-step procedure for the prompt and impartial consideration and adjustment of misunderstandings and grievances.

6. A specific program and a definite policy for the selection and training of supervisory personnel.

7. Keeping employes informed on company policies and problems

affecting employment relationships and the continuity of employment, to the maximum extent consistent with practical and sensible managerial responsibility.

8. A written statement of company policies and practices, clearly stated and defined, so that all individuals in the organization may fully understand the terms and conditions that relate to the employment relationship.

These eight points it is pointed out represent only the guide posts—or the steel skeleton—on which the industrial relations structure of good policies and practices is built.

## House Group Studies Newsprint Problems

The Special House Sub-Committee investigating the newsprint scarcity conferred with Canadian officials in Ottawa on Aug. 23 after concluding a week's inspection tour of mills of Quebec Province.

The Committee, headed by Representative Boren (Dem., Okla.), and including Representative Wolverton (Rep., N. J.), Beckworth (Dem., Tex.), and Harless (Dem., Ariz.), discussed steps to relieve the manpower problems of the newsprint industry and efforts to keep production at a high level. After a short tour of West Coast pulpwood cutting operations the group will return to Washington to report direct to Congress and make representations to special war agencies concerned.

Rep. Boren declared on Aug. 23 that newspapers are "a vital part of our national life" and if further curtailments are to be dealt with "it will greatly affect morale in the United States."

Before going to Canada, the Committee held hearings in New York City at which it recommended the use of prisoners of war to help pad out the labor supply, urged recognition of the essentiality of the entire paper industry, and approved generally the terms under which paper consumption has been restricted in the United States.

## NAM Survey Reveals Products Of Future Planned By Industry

Evidence that the practical men of science and industry are carrying out the mandate of public opinion in planning now for the coming of the peace is presented by the National Association of Manufacturers in a booklet, "Testimony to the Future." The work of the NAM Research Advisory Group, headed by Dr. A. R. Olpin, the booklet reports the results of a survey in response to a request for a "realistic picture of the prospects for new post-war products and the part production of them will play in raising the American standard of living."

Dr. Olpin, Director of the Research Foundation of Ohio State University, recalling that a recent NAM public opinion survey showed 75% of the people thought that American industry should now be working to develop new and better products, explained that while research for war comes first now, management already is studying how to transform war developments to peacetime use.

"While the men who respond to the NAM questions live by imagination," he said, "they are extremely cautious as prophets

and they warn against fanciful, misleading pictures of the post-war world. They recognize that industry has a heavy responsibility to do everything within its power to prevent widespread unemployment in the transition period between armament production and the resumption of peacetime pursuits." He points out:

"It must be borne in mind constantly, however, that realization of our hopes for steady employment and prosperity in post-war America is dependent upon an economic climate in which research and industrial expansion can attain maximum growth. There must be a revision in tax policies which are preventing industry from accumulating adequate reserves for re-conversion and increased peacetime production facilities. New investment capital must be encouraged into industry if we are to enjoy the full harvest of our ingenuity and productive capacity.

"To get peacetime industry under way rapidly, models perfected before the war must be the first ones produced, with such minor improvements as can be made without delay. The results of new research, however, then will be added as rapidly as possible in the form of new products and improvements. Marked improvements in living will come from this research and every American will benefit from the creative and productive efforts of science and industry working as a team to build a better post-war world."

The NAM Research Advisory Group, made up of 26 scientists and leaders in industrial research, emphasized that the booklet, "Testimony to the Future" was intended only as a random sampling of new products and processes and did not purport to be an exhaustive survey. More than 200 replies to the NAM questionnaire were received from industries running through the alphabet—from aviation to zinc—embracing some of the largest corporations in the world as well as many companies with fewer than 400 employes.

## Proposes Post-War Military Training

Representative May (Dem., Ky.), Chairman of the House Military Affairs Committee, announced on Aug. 31 that he would press for immediate enactment of a universal postwar military training law designed to train 1,000,000 men a year for active military service.

This was reported in a Washington dispatch by United Press staff correspondent Tony Smith, which further stated:

"In addition to one year of compulsory military training for all youths between 17 and 21 years, Mr. May's bill will propose a one-month refresher course each year for the succeeding generations of American youths.

"He said the United States must carry a big stick after this war and renounce any proposals for disarmament.

"Mr. May also is working on a bill to exempt all fathers from the draft. It will be introduced as soon as Congress returns Sept. 14.

"He described his postwar conscription plan as a 'cheap method' of maintaining a secure peace."

## Calif. Business Advances

California business activity in July, continuing at a high level, was 250.4% of the 1935-39 average as compared with a revised figure of 249.1% in June and 206.7% in July, 1942, according to the index and monthly "Business Outlook" published by the Wells Fargo Bank & Union Trust Co., San Francisco.

## Treasury Tightens Regulations On Safe Deposit Boxes Leased To Aliens

The Treasury Department on Aug. 20 amended its regulations relating to safe deposit boxes leased to nationals of blocked countries or containing property in which nationals of blocked countries have an interest, as follows:

1. Except as hereinafter authorized or as specifically licensed or authorized by the Secretary of the Treasury, no person shall be granted access to any safe deposit box within the United States leased to any blocked country or national thereof or containing any property in which any blocked country or national thereof has any interest or which there is reasonable cause to believe contains property in which any blocked country or national thereof has an interest.

2. (a) Access to any safe deposit box leased to a blocked country or national thereof or containing property in which any blocked country or national thereof has an interest, and the deposit therein or removal therefrom of any property, is hereby authorized provided all the following conditions are complied with:

(i) Access shall be permitted only in the presence of an authorized representative of the lessor of such box;

(ii) In the event that any property in which any blocked country or national thereof has any interest is to be removed from such box, access shall be permitted only in the presence of an authorized representative of a banking institution within the United States, which may be the lessor of such box, which (subject to any applicable rules, regulations, and orders of the Office of the Alien Property Custodian) shall receive such property into its custody immediately upon removal from such box and which shall hold the same in a blocked account under an appropriate designation indicating the interests therein of blocked countries or nationals thereof;

(iii) In the event that there is to be removed from any such box any property in which a designated enemy country or a national of a designated enemy country has an interest, access shall not be permitted except in the presence of, or with the consent of, a duly authorized agent or representative of the Office of the Alien Property Custodian;

(iv) Access to any safe deposit box leased to a designated enemy or a national of a designated enemy country shall not be permitted except in the presence of, or with the consent of, a duly authorized agent or representative of the Office of the Alien Property Custodian.

The above conditions (i) through (iv) shall not apply to access granted to a representative of the Office of the Alien Property Custodian pursuant to any rule, regulation or order of such Office.

(b) The lessee or other persons granted access to any safe deposit box under this general ruling (except an agent or representative of the Office of the Alien Property Custodian) shall furnish to the lessor a certificate in triplicate that he has filed or will promptly file a report on Form TFR-300 with respect to such box, if leased to a national of a foreign country, and with respect to all property contained in the box to which access is had in which any foreign country or national thereof has an interest. The lessor shall deliver two copies of such certificate to the Federal Reserve Bank of the District in which the box is located. The certificate is required only on the first access to the box and need not be furnished if a certificate had been filed pursuant to General License No. 12 prior to the revocation thereof. In case a report on Form TFR-300 has not been made before Aug. 20, 1943, a report is hereby required to be filed on Series L in accordance with the provisions of Public Circular No. 4C, excluding Sec-

tion II-D thereof, which shall be inapplicable, but any reports required under Public Circular No. 4 and not already rendered, shall also be filed. When no other date is applicable the effective date of reporting for Series L shall be the date of access. If none of the entries specified by Section IV-5-(c) is applicable, the phrase "General Ruling No. 16, access to box on 194," shall be entered in Part A.

3. As used in this general ruling, the term "designated enemy country" and the term "national of a designated enemy country" shall have the meaning prescribed in Executive Order No. 9193 of July 6, 1942.

## NYSE Members Asked For All-Out Effort In 3rd War Loan Drive

Emil Schram, President of the New York Stock Exchange, on Aug. 25 called on members and member firms to give their fullest cooperation in behalf of the Third War Loan, to begin Sept. 9. Pointing out in his letter that the total sales of war bonds by members and member firms of the Stock Exchange during the Second War Loan drive in April approximated \$500,000,000, Mr. Schram went on to say:

"This impressive figure, which has just been computed by the War Finance Committee, is an eloquent measure of the splendid patriotic service of our community in one of the most vital phases of the war effort. It is a respectful tribute to 13 of our associates who have made the supreme sacrifice in this war to date and to 5,300 other of our representatives who are serving in the armed forces. You are to be congratulated and, on behalf of the New York Stock Exchange, I wish to express grateful appreciation.

"We have been requested by the War Finance Committee to contribute in the same outstanding manner to the success of the Third War Loan. The Committee also asks that our members and member firms again advertise the features of the securities to be offered and the facilities which this industry provides for the selection of issues best suited to investors' individual requirements.

"For your consideration in this respect, appropriate advertisements, adaptable to group use by our firms, are being prepared by Albert Frank-Guenther Law, and Doremus & Co., of New York City. These advertising firms have offices also in Boston, Chicago, Philadelphia and San Francisco. Samples of the advertising will be submitted to you shortly, together with a schedule of costs, and other details.

"In preparation for such a campaign and as a means of coordinating and simplifying firms' advertising and other War Bond activities, it is suggested that, in each city where there are member firm offices, a Stock Exchange Committee, if one does not already exist, be formed to discuss its advertising program with the State War Finance Committee.

"The success of the Third War Loan is essential to the winning of the war and the preservation of our way of life. Our industry, I know, will give its fullest cooperation to that end, as it has in the past."

## Kettering Says Industry Will Do Utmost To Provide Post-War Employment

Every manufacturer and every industry in the country is going to do everything possible to get into civilian production after the close of the war and thereby provide employment, Charles F. Kettering, Vice-President of General Motors in charge of research, declared on Aug. 22 in a radio address presented by the World Wide Broadcasting Foundation of Boston, in collaboration with the Carnegie Endowment for International Peace. "It is just as important to industry to have people employed as it is to the people themselves," Mr. Kettering assured his listeners.

"Once the war is over, how long do you think it's going to take American industry to change back again to peacetime production for civilian needs?" Mr. Kettering was asked on the "Beyond Victory" program, a series that is being short-waved throughout the world and broadcast each week over 160 stations in the United States. He replied: "It depends on when and how the war is going to close. I think that if it's evident five or six months in advance of the close of the war that it's going to close, then you'll have time to readjust, and the military people can advise you when to start reconverting. But if it should stop very suddenly, you won't have that advantage."

"We have two kinds of people who talk about a post-war world," Mr. Kettering declared. "There are those who look into a crystal ball and see a world entirely different from what we now have, and those who look down into the great cold places where worlds go when they are finished. I don't believe either one of them is right. I don't believe we will have a new world, or a much different world, and I don't believe that our present world is going all to pot. The main factor we will all have to deal with after the war is the rate in which human beings can be trained to change."

"About the time of the beginning of the railroads, a man resigned from our Patent Office because he thought all the great inventions were made. Yet, when we look back and see what has happened in the last 50 years, we are surprised. We have the telephone, the radio, the petroleum industry, the automobile and the many other things, including the airplane—all of them unthought of even 50 years ago. Now nobody could perceive 50 years ago that these were going to develop, so we still have to have some kind of faith that new things will develop as we go along, and not say that the world is finished."

"Before the war, people used to think that we had reached the saturation point in invention. We were so far behind, however, that I am ashamed of our engineers and scientists. We had excesses in those days—excesses of men, money and materials. The only thing we were shy of, however, was projects. And, of course, the war has now given us so many projects that we have taken up all of these excesses and many more, besides."

"Whatever we do we will have to do against great resistance, because people don't like to change their minds. This will come from the people who know so much about the difficulties of doing anything that they are going to be afraid of the new thing because they think it won't work. But when you get down to finding out what you know and what you don't know, there is so much more on the don't-know side that we hesitate to call it to people's attention. The real difference between those who do things and those who don't is that the ones who do things try, and fail, and try again."

## Business Outlook

(Continued from first page) eral industrial activity seems favorable.

### Employment

President Roosevelt has already announced the Administration's plans for the care and employment of returning service men. These are in rough form now and must finally be approved by Congress. However, the intent is plain. Through jobs, subsidies, or schools, these men will have an opportunity to reorient themselves to civilian life and work. Employment has now reached a peak of 62,400,000 persons. This is 6,500,000 more than the nation's peacetime labor force.

Employment of able-bodied men in one form or another should continue for some years. It is obvious that a temporary slump may occur immediately after the War; but following this short post-war readjustment period, some kind of employment should be available for all men who want to work. Considering foreign competition in manufacturing after the War, we simply cannot afford to maintain an unemployed male group of any size. What will happen to the women I do not know.

### Agriculture

What with victory gardens and chicken raising, more people than ever before are getting a taste of farm problems if in only the simplest of terms. Many city and suburban folks have raised too many vegetables this Summer. Hence, they have become acquainted with surpluses. Those with chickens in the backyard are having a little difficulty in getting feed. Grain is both high and scarce. Thus, those amateurs acquire a knowledge of scarcities. Incidentally, on farms alone, chicken production is up 16% over a year ago.

We shall have continued need for sometime for all that can be produced from the soil. This goes for poultry, beef, produce and grain. Total food production for 1943 will be only about 4½% above the record high for 1942. Output of livestock and allied products is high, but these are being offset by smaller crop yields. The Administration has underway a definite program to increase food production next year. We are harvesting 54,000,000 acres of wheat this year. Next year Washington wants to see 68,000,000 acres under cultivation.

### Retail Trade

Retail trade has been excellent. The last six months of the year may show a decline in volume compared with a year ago. This could amount to as much as 20%. Considering the over-all picture, it is nothing for retailers to worry about. In terms of dollar volume, retail trade has been advancing for the past three years. There is such a backlog of funds in the pockets of individuals that as new and additional consumers' goods become available most efficient retailers should have a favorable outlook.

As examples of what people are waiting to buy, I believe there is an immediate market for the following: Automobiles, 5,000,000. The company manufacturing one low-priced car alone is said to have production plans for half this number in the first year after Germany collapses. Refrigerators, 1,725,000. Washing machines, 1,275,000. Stoves, 1,450,000. Radios, 1,350,000. Sewing machines, 530,000. Electric irons, 1,000,000.

Household furniture, 2,150,000 pieces or sets. Rugs and carpets, 1,625,000 items. And, of course, there are vacuum cleaners, kitchen utensils, linoleums and thousands of other products.

### Conclusion

Yes, I am bullish on the business outlook and bullish on the stock market. But in both situations watchfulness is the keynote. I recognize the evils of further inflation. I still recommend that saving—saving or character, of health, of money—is the best insurance for individuals. The solidarity of family life with children and grandchildren should play the most important part in our national economy. True, both now and in the post-war era, we shall undoubtedly build up for another collapse. But of this possibility I will have something to say later on.

## From Washington

(Continued from first page)

write about the "State Department feud" could never get their teeth in anything.

As I said before, their relationship, whatever it was, was no better or no worse than it has been for a good five years, at least.

What happened at this late date, in a crucial stage of world relations, was that that master intriguer, Bill Bullitt, went after Sumner. Apparently he wants full credit for it, too. He worked up the case, so to speak, convinced Hull that it was the time once and for all, to get rid of Sumner and on this case Hull went to the President.

Bill is another of the President's close socialist friends, and History is plenty indebted to him. Before Pearl Harbor and since Bill has been pleading to audiences that we not let Hitler "harm yonder Liberty Bell" while his hands either actually or figuratively caressed it protectively. With others he has bemoaned the fact that we struck down the policies of Woodrow Wilson and permitted this second holocaust to happen. But Bill is given credit for doing as much as any one man to scuttle the League of Nations. It was he, in concert with Lansing, who went before the Senate Foreign Relations Committee after the last war and gave the anti-league forces the ammunition they wanted as to what went on at the peace conference.

Of a wealthy, aristocratic Philadelphia background, Bill was generally considered a bull in the china shop as a journalist and as a diplomat. After the league went down, he retired from the public eye and married the widow of John Reed, whose ashes are buried in the Kremlin walls.

Mr. Roosevelt brought him back and sent him to Europe as a personal roving emissary before he was inaugurated in 1933. Newspapers, particularly the Hearst press, set up an awful howl, and Mr. Roosevelt denied Bullitt was representing him. It turned out he was.

After being our first Ambassador to the Soviets, Bill was sent to Paris where he was when the war broke out. The Polish Ambassador in Washington at the time said Bullitt had promised that country U. S. aid if attacked. Bullitt has denied this. But history will show that in those turbulent days of '39 and early '40 Bill was not a calming influence, that he was up to his neck in intrigue. Clare Booth wrote in her "Paris in the Spring" that he dominated the French government.

Illustrative of what Hull thought of his diplomatic poise and judiciousness in those turbulent days was his answer to a friend who dropped into the State Department and asked:

"What is Bill Bullitt doing these days?"  
"... \$!%XX," Hull exploded. "He's over there with a machine gun in his lap."

## The News Behind The News

(Continued from first page)

the specifications as to what kind of freedom the Moscow Committee wants—our democratic freedom or what the Russians call freedom, whether a Russian democracy of socialism, or democratic freedom of enterprise.

It does say the committee wants "emancipation of all strata of German people" (presumably not just peasants and unionists, but also middle classes), it wants "opportunity for Germany to express its will."

But nothing as specific as a free two party election, or even a nearly unanimous Russian election.

The only anti-democratic phrase in the document is an expression against a return to the Weimar Republic regime (a single parliament system, with a responsible Prime Minister, which developed some defects when tried after the last war).

Now this proposal is made to us, not as an authentic or official proposition, but as a front-paged idea in the sponsored Moscow newspaper Pravda, it offers nothing that can be cooperated with or even rejected. It only has a propaganda standing. Some say the Russians put it out to confuse the Germans, but it naturally also confuses us.

Yet our liberals are running around now shouting with increasing ferocity that our State Department should have cooperated more with Stalin, and they should cooperate more now. How are you going to cooperate with a propaganda shadow?

They point to the vacant chair Stalin should have occupied in Quebec. But how many vacant chairs are there in Moscow which we do not occupy?

They publicly flail Americans for daring to criticize Russia, but they never say anything about Russia criticizing us for second front or lend-lease failures.

Their thinking is only one-sided. They blame on us Stalin's recall of an Ambassador, but if Roosevelt recalls a man from Moscow, it is also our fault.

"Appeasement" is a dirty word to liberals since Munich, and justly so. They hate its policy knowing it never solves anything. But what they are advocating is nothing but appeasement of Stalin.

Their line of agitation is only confusing a situation which already is confused enough, in view of the opposite meanings of such words as "democracy," "republic" and "freedom" in Moscow and Washington.

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## New Edition Of American Bank Reporter

The July, 1943 issue of the "American Bank Reporter," published by the Charles Steurer Press, Inc., New York City, has recently been made available. The publication contains an alphabetical list of all banks in the United States and Canada, including National, State, savings and private banks, arranged in States, showing the names of officers, the correspondents in New York, Philadelphia, Chicago, Boston or other large cities, with charter number of each National bank, capital, loans, deposits, undivided profits, surplus and securities and cash on hand and due from banks. Also included in the new edition are the principal loan, trust and investment companies, a reliable attorney list and a selected list of banking institutions in the principal cities of foreign countries.

## Britain's Financial Victory

(Continued from first page) tional debt has not quite doubled in four years, and the cost of interest on the debt and of management has increased by under 50%. In 1938-39 the cost of the national debt was 2.66% of the net nominal total; currently it is only 1.8%.

But what matters most is how the burden of war has been borne in real terms—in terms of production increased, consumption curtailed, and investment diminished. Two-thirds of the real burden of the war is being currently met by harder work and lower consumption of contemporary Britons, and about one-third is being derived from our inherited capital or left for the future to make up.

All this has been secured financially without appreciable inflation. That is a triumph, and the reason is twofold—first and foremost, the high proportion of expenditure raised from taxes, and secondly, effective and comprehensive rationing and price control.

In four years of the 1914-18 war, wholesale prices went up by 125%. This time they have risen by no more than 70%. Last time the official cost of living index rose nearly 100% in four years. This time the increase is less than 30%. Prices have risen; wages rates have risen (33%) and earnings, because of longer hours and higher productivity, have risen still more. But there has been no "vicious spiral," no inflation in a runaway sense—in spite of a modicum of borrowing from banks that in wartime finance seems technically inevitable.

## Study Neighborhood Building Plan Incident To Wagner Bill

Official planning agencies of a number of cities and States throughout the nation are studying application of the proposed neighborhood development plan to their communities, reports reaching the Urban Land Institute indicate. The plan, which provides for the redevelopment of American cities and the halting of urban blight and deterioration, was recently incorporated in a bill introduced in the United States Senate by Senator Robert F. Wagner (Dem., N. Y.). It calls for rebuilding of blighted areas by private enterprise and by public improvement conforming to official city plans. After blighted areas have been demolished, the land would be sold or leased for redevelopment by private enterprise in accordance with municipal regulations. Under the proposal, sponsored by the Urban Land Institute, attractive neighborhoods with superior environment would be built in place of the former deteriorated or slum areas. Urban blight would be halted, and property values restored. Good housing would be created in close-in areas, tapering off the necessity of constant suburban expansion of cities.

"The wide-spread interest in the Wagner neighborhood development bill indicates that a large number of our cities are in considerable need of this type of redevelopment," Charles T. Stewart, Director of the Urban Land Institute said. He added: "The plan offers an opportunity for public and private enterprise to join together to work on the enormous problem of municipal deterioration. The linking of public sponsorship and private incentive creates a powerful combination for attacking America's No. 1 municipal problem. The plan incorporated in the Wagner Bill offers a promising opportunity to American cities to halt the physical and financial attrition that is wearing them out at an alarming rate."

## President Sees Right Of Self-Determination Again Becoming Living Reality

### Issues Statement Commemorating Anniversary Of Atlantic Charter

"As the forces of liberation march on the right of self-determination is becoming once more a living reality," said President Roosevelt in a statement issued by him on Aug. 14—the second anniversary of the signing of the Atlantic Charter. Besides reaffirming his belief in the Charter to effect world freedom the President at the same time signalized the eighth anniversary of the enactment of the Social Security Law by citing it as another of the principles "on which we base our hopes for a better future for the world." Stating that that law "made a real beginning toward the abolition of want in this country," the President declared that "in all fairness \* \* \* we should extend these benefits to farmers, farm laborers, small business men and others working for themselves or in occupations specifically excluded by law." The President's statement issued at the White House follows:

"Today, on the second anniversary of the signing of the Atlantic Charter, I would cite particularly two of its purposes and principles on which we base our hopes for a better future for the world.

"First, respect for the right of all peoples to choose the form of government under which they will live. When the Atlantic Charter was first signed, there were those who said that this was impossible of achievement. And yet, today, as the forces of liberation march on, the right of self-determination is becoming once more a living reality.

"Second, world-wide collaboration with the object of security for all; of improved labor standards, economic adjustment and social security.

"It happens that today is also the anniversary of the day in 1935

when our own American Social Security Act became law.

"That humanitarian law made a real beginning toward the abolition of want in this country. More than 60 million workers with their own contributions are building security for their old age and for their families in case of death. Several million are already enjoying benefits.

"However, in all fairness and in all equity we should extend these benefits to farmers, farm laborers, small business men and others working for themselves or in occupations specifically excluded by law. We should extend social security to provide protection against the serious economic hazard of ill health.

"We are now fighting a great war. We fight on the side of the United Nations, each and every one of whom subscribed to the purposes and principles of the Atlantic Charter.

"Today, we stand upon the threshold of major developments in this war. We are determined that we shall gain total victory over our enemies, and we recognize the fact that our enemies are not only Germany, Italy and Japan: they are all the forces of oppression, intolerance, insecurity and injustice which have impeded the forward march of civilization."

## Labor Department Reports On Factory Workers' Hours And Earnings In June

Due to expansion in employment, total hours worked per week in June in all manufacturing were more than 5,000,000 greater than in May, Secretary of Labor Perkins reported Aug. 16. The increase in employment was more than sufficient to offset a decline of one-tenth of an hour in the work week, due in part to vacations, which brought the available hours per week to 45.2.

"Each of four durable groups which had a shorter work-week in June than May reported longer total hours," Secretary Perkins said. "The increases in total hours for these groups that had lower average hours in June than May were as follows: Transportation, 1,364,000; machinery, 183,000; non-ferrous, 176,000; and electrical machinery, 118,000."

Secretary Perkins further stated "In the non-durable groups, however, the opposite situation prevailed. The three groups which had a shorter work-week in June than in May, also had drops in employment. The combined effect was a reduction in total hours of 1% for the textile mill products group, 2% for leather, and a little more than 2% for apparel. June is always a slack month for the industries comprising these groups.

"The effect of the general coal strike from June 1-5 is reflected in the 22.2% drop in average hours per week in the anthracite industry and in the 20.4% drop in the bituminous coal mining industry between May and June. The workweek in each of the mining industries averaged only slightly more than 28 hours.

"Hourly earnings in all manufacturing industries averaged 95.9 cents, an increase of more than 13% above the level of a year ago, and reflected the shift in employment to the higher-paying war industries as well as wage-rate increases and overtime premiums.

"Increases in hourly earnings over the month were reported by eight of the nine durable-goods groups. Earnings in the non-ferrous metals group declined from 161.4 cents to 161.0 cents primar-

ily because of a 1½-cent decline in the smelting and refining industry. This industry, which accounts for 11% of the employment in the group, experienced a large increase in lower-paid employment over the month.

"With the exception of the miscellaneous group, all of the non-durable groups had higher hourly earnings than in May. Increases ranged from ½ of 1% in the paper and allied products group to 2.3% in the tobacco group. In spite of the increase of more than 1½ cents per hour, earnings in the tobacco group were only 64.5 cents, lower than in any other group.

"Weekly earnings in all manufacturing industries averaged \$43.35 in June, 1943, as compared with \$43.22 in May. Weekly earnings in the durable-goods group were 17% above June of last year while the earnings in the non-durable group were 21% higher than a year ago. Wage earners in the durable-goods group earned an average of \$49.37 per week while those in the non-durable group averaged \$34.41."

### Sir Fred'k Phillips Dies

Sir Frederick Phillips, Joint Second Secretary of the British Treasury and head of two British Treasury missions to Washington, died Aug. 14 in London. He was 58 years old.

Sir Frederick had been associated with the Treasury since 1907. He was Chairman of the Financial Committee of the League of Nations for a time.

Sir Frederick visited Washing-

ton on special missions concerning American-British financial relations in September, 1937, and in July and December, 1940.

Secretary of the Treasury Morgenthau expressed his deep regret when informed of the death of Sir Frederick. "I feel the death of Sir Frederick as a deep personal loss," Mr. Morgenthau said. Observing that since 1940 Sir Frederick had been the British Treasury representative in Washington, Secretary Morgenthau recalled that during these difficult years Sir Frederick worked in close and harmonious cooperation with him and with other officials of the Treasury staff.

"His long experience and excellent judgment were of great help in the solution of many of the difficult war-time problems of finance," Mr. Morgenthau said. "His death will deprive Britain and the United Nations of an able advisor.

"Sir Frederick will be remembered by his colleagues and innumerable friends in the United States as a man who represented the best traditions of the British Treasury and the British Civil Service."

Both the Washington "Post" and the London "Times" carried editorials in tribute to the memory of Sir Frederick.

## ABA Forms Group To Study Postal Savings

A Committee on the Postal Savings System whose function will be the study of the system has been formed by the American Bankers Association, it is announced by W. L. Hemingway, ABA President, who is President of the Mercantile-Commerce Bank and Trust Co., St. Louis. The committee consists of the following five bankers:

Eugene Abegg, President, Illinois National Bank & Trust Co., Rockford, Ill.; Chairman; William H. Fawcett, Vice-President, First National Bank, Pittsburg; Arthur W. Sands, President, Western State Bank, St. Paul, Minn.; P. C. Cullom, Vice-President and Trust Officer, Farmers Bank, Frankfort, Ind.; and Samuel N. Pickard, President, The National Manufacturers Bank, Neenah, Wis.

## Property Owners Are Warned Of Post-War Danger Of High Taxes

The few property owners who realize that their real estate taxes are responsible for 65 to 75% of the cost of their local government and the much larger number who do not, were warned on Aug. 28 that they face an economic shock in the post-war period unless they act now and do something about the archaic tax assessment methods which help keep taxes high.

The warning came from Charles A. Mullenix, President of the Mortgage Bankers Association of America, who declared that anyone with the slightest vision can see that real estate cannot continue to carry this heavy local tax burden after the war when Federal taxes are sure to continue high. Mr. Mullenix added:

"The crisis is approaching. Property owners, despite some commendable activity on their part, still remain a complacent group. They aren't going to be complacent in the post-war period because they will realize all too well then how much of the cost of local government they have been paying for."

This and other tax problems will be under review at the Association's 30th annual business meeting and Conference on Post-War Planning in Chicago, Sept. 23 to 25. Conferences on post-war mortgage planning, post-war city planning and post-war construction are scheduled.

## War Time Experience Of Builders Drawing Them From Small Scale Operations: Mullenix

Evidence that the wartime experience of builders has been at least partially successful in drawing them away from the traditional small-scale character of their operations is seen by Charles A. Mullenix, Cleveland, President of the Mortgage Bankers Association of America, who declared on Aug. 14 that this development is certain to prove of the greatest value in post-war residential construction.

Few realize, he said, that as late as 1941 about three-fourths of all builders constructed only one house a year and that the average of all builders was around 3½ houses a year. A year previously it was less than three houses. The wartime program, he says, has been a great stimulus in showing builders how they can utilize their earnings and experience in a large number of units with little additional effort. He points out that with plenty of financing assured for the post-war period, the building industry undoubtedly faces an almost revolutionary change in that the builder—still the most important cog in the construction

industry—can no longer fail to see the advantages of larger operations than he has ever attempted before. This angle of post-war building will be reviewed at a special conference on post-war construction sponsored by the Mortgage Bankers Association of America at their 30th annual business meeting and Conference on Post-war Planning in Chicago, September 23, 24 and 25. Principal speakers will be Howard Meyers, editor, "Architectural Forum," and Dr. Hilton Ira Jones, noted scientist and authority on new developments in chemistry.

## Industrial Production Reached New High Level In July, Federal Reserve Board Reports

The Board of Governors of the Federal Reserve System announced on Aug. 25 that industrial production advanced to a new high level in July following a slight decline in June, both of the changes reflecting chiefly fluctuations in coal production. Maximum food prices were reduced recently with a consequent slight decline in cost of living in July. Retail sales continued in large volume.

The Board's summary of general business and financial conditions further says:

### Industrial production

"Industrial activity increased in July, reflecting a large rise in mineral production. Output at coal mines advanced sharply from the reduced level in June, production of crude petroleum increased, and iron ore shipments reached the highest monthly rate on record.

"In manufacturing industries, output of most durable products and chemicals continued to increase in July, reflecting chiefly a further rise in production of munitions. At meat packing plants and cigarette factories production was also larger in July. Output of leather and textile products had shown small decreases in June and further declines occurred in July. Activity in most other non-durable goods industries showed little change from June to July.

"The decline in the value of construction contracts awarded continued during July, according to reports of the F. W. Dodge Corp. Most of the decline is accounted for by a drop in awards for publicly-financed industrial facilities and for public works and utilities.

### Distribution

"Value of retail sales declined less than seasonally in July and continued substantially larger than a year ago. During the first six months of this year sales had averaged about 12% larger than in the corresponding period of 1942 and in July the increase was somewhat greater. The higher level of sales this year as compared with last year reflects for the most part price increases. In the first half of August sales at department stores increased by about the usual seasonal amount.

"Freight carloadings rose sharply in July and were maintained at a high level during the first half of August. Total loadings were 10% higher than the previous month owing to the largest volume of coal transported in many years and shipments of grain and livestock showed a considerable increase over June.

### Commodity prices

"The general level of wholesale commodity prices showed little change in July and the early part of August.

"The cost of living declined somewhat from June 15 to July 15, according to Bureau of Labor

Statistics data. Food prices declined by 2% as a result of reductions in maximum prices for meats and seasonal declines in prices of fresh vegetables from earlier high levels.

### Agriculture

"General crop prospects improved somewhat during July according to Department of Agriculture reports. Forecasts for the corn and wheat crops were raised 6%. Production expected for corn and other feed grains, however, is 10% less than last year and for wheat is 15% less than the large crop of 1942. Milk production in July was as large as the same period a year ago, while output of most other livestock products was greater.

### Bank credit

"The average level of excess reserves of all member banks, which had been about \$1,500,000,000 in mid-July, declined to \$1,200,000,000 in the latter part of the month and continued at that level during the first two weeks of August. There was some further decrease of excess reserves at reserve city banks, but most of the decline occurred at country banks, where there had previously been little change. Two factors were principally responsible for the decline in excess reserves: an increase in deposits subject to reserve requirements, as funds expended by the Treasury from war loan accounts returned to the banks in other accounts; and a growth of over \$500,000,000 in money in circulation. During the four weeks ending Aug. 18 additional reserve funds were supplied to member banks by an increase of \$580,000,000 in Reserve Bank holdings of Government securities, principally Treasury bills bought with option to repurchase.

"During the four weeks ending Aug. 11, member banks in 101 leading cities increased their holdings of Government securities other than Treasury bills by almost \$800,000,000. Of this amount, \$570,000,000 represented allotments to banks of new certificates of indebtedness issued in early August. Bill holdings declined as member banks made sales to adjust their reserve positions. Commercial loans increased somewhat over the four week period, but other loans declined."

## National Chamber Appoints Group To Study Post-War Plan For International Transport

A special committee of authorities in the field of international transportation has been appointed by the United States Chamber of Commerce to study the problems in converting the country's worldwide transport networks into permanent systems, it is announced by Eric A. Johnston, President of the Chamber.

This committee was delegated to bring forth an early report to be used as a basis for consideration of measures that will be needed. The group includes representatives of steamship lines, shipbuilders, international and domestic air lines, aircraft manufacturers, exporters, importers and others interested in international trade, under the chairmanship of William K. Jackson, of the United Fruit Co., of Boston. In describing the objectives of the inquiry, Mr. Johnston was quoted, in Washington advices of Aug. 7 to the New York "Times," as saying:

"This committee, bringing to bear the viewpoints of the using public as well as suppliers of international sea and air transport, can render real assistance to the administrative branches of the Government which exercise supervisory authority in these fields and to Congress, which has the all-important task of finally approving the national policies to be adopted.

"The disposition and use to be made of the shipping which our Government will have in its possession at the end of this war will have far-reaching effects upon the future of our merchant marine and international relations.

"A newer but somewhat similar problem lies before us in the field of aviation. To serve war necessities we now have a far-flung system of international air services reaching to virtually every part of the non-Axis world. Many thousands of war-built cargo planes and transports are engaged in these services.

"We have also constructed a great number of air bases, partly on the soil of other nations. What is to be done with all these? And under what conditions is international air transport to operate?"

"Adequate communications by sea and air with all parts of the

world will in the future be more than ever essential to our national well-being.

"By the end of this year or early in 1944 the United States should have more than 30,000,000 dead-weight tons of ocean-going cargo vessels, which is more than the total of the British merchant marine.

"However, a large majority of our ships will be the slow-going Liberty type. These probably, for the most part, will be held in reserve, but we shall have a nucleus of three to four million tons of modern, high-class, competitive cargo vessels and a varied assortment of older ships.

"Anyone who has used our airlines, which span the continent in all directions, or who has seen what air transportation has accomplished in connecting up the countries of the Americas will readily agree as to the great future that lies before world-wide aviation.

"The United States, with its technical and other resources, measured by our production of more than 100,000 planes a year, will naturally take a leading part in its development.

"It is of course essential that what we do shall be consistent with the rights and interests of other countries, but we do want to have our proper part in international transport.

"From a broader viewpoint, I feel it to be of primary importance that the policies adopted in this very significant field be such as will promote the fullest development of competitive enterprise within and among all peoples.

"Free flow and progressive development of international transport by whatever means will be a most potent factor in its development."

## Half Production-Credit Ass'ns Lost Money In 1942 And Required Govt. Subsidy, Says ABA

Data on the operations of the Production Credit Associations which the American Bankers Association has developed and used in its fight against socialized and subsidized credit has been broken down on a state-by-state basis and sent to the Association's members throughout the country for their use in their own areas to help the banks to fight this competition on their home grounds, it was made known by the Association on Aug. 18, which further reports:

"A separate study has been prepared for each State. It lists the PCAs in the State together with the dollar volume of loans each one had outstanding on July 1, 1942. It shows the loan interest rate advertised, the average effective rate to the borrower, the rate the PCA would have had to charge if it paid its operation expenses out of earnings and the rate it would have had to charge if it paid interest on its Government subscribed capital in addition to earning its expenses; the ratio of Government capital to total capital and reserves, and the total subsidies received by the PCAs during the year. The data is based on the published reports of the PCAs.

"The analysis for the entire nation shows that nearly half of the PCAs in the country lost money in 1942 and could not have continued in operation without Government subsidy. It further shows that if operating on their own feet the average PCA would have to charge a higher rate than the current effective rate and a still higher rate if in addition, they were to pay a moderate interest charge for the use of their Government capital."

It is likewise indicated by the Association that the situation, as

it exists in the various states, is given in the studies sent to the banks by the ABA. While the data contained has already been used by the Association's Committee on Federal Legislation, it has been sent to the banks in line with the policy of the Association to provide its members with material they can use at home in meeting the competition of subsidized agencies. Last month, A. L. M. Wiggins, Chairman of the Association's Committee on Federal Legislation, urged all members of the ABA to contact their representatives while at home during the recess of Congress and discuss the problem of Government subsidized credit agencies with them. It is expected that the data sent on PCA operations will help them.

### WPB Changes

The appointment of William B. Murphy as Deputy Vice-Chairman for production of the War Production Board has been announced by Hiland G. Batcheller, Operations Vice-Chairman. Mr. Murphy has been Chairman of the Industrial Facilities Committee since the committee was formed last May.

Mr. Batcheller also announces the resignation of Hugh Hughes as Director of the WPB Commodities Bureau.

## Teamwork In War-Time Imports Is Praised

The successful way in which industry and Government are working together on the war-time import job is a record of which we can all be proud, according to Morris S. Rosenthal, Assistant Director of the Office of Economic Warfare.

In a recent address before the Commerce and Industry Association of New York, Mr. Rosenthal stated that the "import team is winning on one of the most important of all war fronts." He revealed that total dollar imports into the United States during the past fiscal year amounted to about \$2,750,000,000, of which more than half was imported privately, while \$1,300,000,000 of these imports came under the jurisdiction of the OEW through its so-called "public purchase" programs. However, in the latter instance, Mr. Rosenthal explained that OEW utilized the cooperative services of the private importers, with the exception of only \$117,000,000 worth of imports. This is definite evidence of the extent to which importers still participate in imports, in spite of the war, he added.

In giving the reasons that underlie the institution of "public purchases" programs, Mr. Rosenthal asserted that the shortage of shipping space is probably the most basic factor. He also listed: stockpiling of raw materials in some foreign areas; increased freight rates, war risk insurance and cost of goods; the financial risk involved in development abroad of producing property; buying foreign commodities to protect a friendly nation's economy and buying goods in competition with the foreign powers.

Mr. Rosenthal described the four general import operation types as "wash sale" arrangement, "straight import" program, development program, and preclusive buying program.

As to the most frequently expressed fear of importers, relating to the disposition of Government stockpiles when the war is over, Mr. Rosenthal said that OEW is just as anxious as importers to see that this problem "is handled in a sensible and practical way." "But," he said, "it is not a problem that we can solve today; it is not a matter which now falls within the province of the OEW." He added:

"The Congress will determine the general plan and the mechanism for the disposition of stockpiles, both raw and manufactured. All I can do today is to say that those in charge of purchasing and stockpiling are fully aware of the problems of liquidation. And I can also assure you that those who do finally direct this liquidation will want to work with you, to secure your advice and assistance, and to do the job in the ways which will be for the best interests of all concerned—especially the legitimate interests of American foreign trade."

## Milwaukee 'Journal' Limits Saturday Issue to 8 Pages; Drops Display Ads

Associated Press advices from Milwaukee stated that the Milwaukee "Journal" announced on Aug. 13 that because of governmental regulations restricting the use of news-print, it would reduce its Saturday edition to eight pages. The advices added:

"The Saturday paper will be known as the 'Victory edition.' It will contain no display advertising, only 17 columns of classified, and a limited amount of theatre and church advertisements.

"The green sheet, four-page feature section, will be dropped from the edition. A few of the comics, usually found in the green sheet, will be carried inside."

## Federal Revenue Collections Drop In 35 Sources Despite Over-All Rise Of \$9.3 Billion

The Treasury Department reported on July 26 that despite an over-all increase of \$9,324,000,000 during the fiscal year 1942, collections fell off in 35 of the government's 86 sources of internal revenue.

Total receipts in the twelve-month period ended June 30 were \$22,371,386,496, compared with \$13,047,868,517 for 1941-42.

The following explanation was contained in Associated Press Washington accounts:

"The sharpest drop occurred in manufacturers' excise taxes, with eighteen of 24 categories accounting for a \$267,153,155 decline under the \$771,902,258 received in the previous year.

"In that group, gasoline taxes fell \$80,801,324 below the \$369,587,150 taken in during the fiscal year 1942; levies on auto manufacture dropped more than \$75,000,000 to only \$1,424,230, and taxes on tires and tubes were off from \$64,811,000 to \$18,345,386—all war casualties.

"On the other hand, photographic apparatus and optical equipment manufacture yielded \$4,980,886 more than the \$6,476,427 in the previous year, while luggage tax receipts were up more

than \$2,347,000 to \$5,681,525 and levies on matches gained nearly as much to hit \$9,372,261.

"Gift taxes fell \$59,252,304 from a previous \$92,217,383 total, which, however, reflected a rush of giving during that year coincident with a rate increase.

"The biggest revenue increase resulted from higher income and excess profits levies, more than doubling the previous year's \$8,006,883,543 to reach \$16,298,888,091.

"Receipts from liquor taxes were up \$375,129,749.

"Revenue from theatre admissions gained \$39,418,454, and taxes on club dues and initiation fees fell \$272,008."

## School Savings Committee To Hold Conference Sept. 15 At ABA War Service Meeting

A Conference on School Savings and Schools at War will be held by the Committee on School Savings of the Savings Division, American Bankers Association, at the Association's War Service Meeting in New York City, September 13-15, it was announced at ABA headquarters in New York. The School Savings and Schools at War Conference will be held on Wednesday afternoon, September 15, following

the adjournment of the War Service Meeting's third general session. The conference will be called to order by Fred F. Lawrence, Chairman, Committee on School Savings, Savings Division, ABA and Treasurer, Maine Savings Bank, Portland, Maine, who will address the conference on "School Savings Programs and Schools at War—A Review of the School Year 1942-43." An address "Preserving the Educational Values of the Schools at War Program" will also be delivered by

Dr. Homer W. Anderson, Associate Field Director, Education Section, War Finance Division, U. S. Treasury Department.

An Open Forum will be held, with the following as leaders: James A. Sweeney, Secretary, Paterson Savings Institution, Paterson, N. J.; James W. Gray, Secretary, Rochester Savings Bank, Rochester, N. Y.; and Ralph W. Matteson, Treasurer, Savings Bank of New London, New London, Conn.

## Canadian Industrial Activity Shows First Decline Since Last Winter

Registering a decline for the first time since last winter the index of industrial activity, prepared by the Canadian Bank of Commerce, Toronto, fell from 211 at mid-June to 205 at mid-July (1937=100), while the percentage of factory capacity utilized fell from 128 to 125 according to S. M. Wedd, General Manager of the Bank. Seasonal influences accounted in part for this decline, accentuated in some civilian industries by vacations and reduced working staff, especially for the textile trades. The lower activity of many iron and steel plants was due mainly to further labor disputes and changes in production schedules.

The only groups to record a rise were foods and wood products, the former mainly because of greater activity in canning factories and cereal mills, and the latter owing to a speeding up of some wood-working plants engaged on war orders.

The only groups to record a rise were foods and wood products, the former mainly because of greater activity in canning factories and cereal mills, and the latter owing to a speeding up of some wood-working plants engaged on war orders.

### Agricultural Conditions

The agricultural outlook, according to the Bank's report, has improved across Canada except in those areas of Alberta and Saskatchewan, about 20% of the total prairie crop area, where insufficient rainfall and high temperatures have taken a quite heavy toll of the crops.

The wheat acreage of the Prairie Provinces, reduced this year from 20,653,000 to 16,729,000 acres, is the lowest since the end of the last war, but this reduction was more than made up in total cultivation by an increase of 4,907,900 acres in the area sown to oats, barley and flaxseed. Nearly ideal weather conditions in Manitoba have produced heavy stands of all grains and harvesting should be general about the middle of August.

### A. Rathbone Dies

Albert Rathbone, Assistant Secretary of the Treasury during the First World War and a member of the New York Bar for 53 years, died on Aug. 20 at his summer home at Wilson Point, South Norwalk, Conn. He was 75 years old.

Mr. Rathbone, senior member of Rathbone, Perry, Kelley & Drye, 70 Broadway, had devoted most of his law practice time to corporate work, including railroad and industrial reorganizations. He had been legal advisor of the Central Hanover Bank and Trust Co. and of Chrysler Corporation for many years.

Mr. Rathbone entered the Treasury Department in January, 1918, to work on loans to foreign governments, and nine months later was named Assistant Secretary, in charge of the Foreign Loan Bureau. In the New York "Herald Tribune" it also stated:

"At the request of President Woodrow Wilson, Mr. Rathbone went to Europe as financial advisor to the Peace Mission in October, 1919, and took up his duties in Paris. He acted as a representative of the United States on the organization committee of the Reparations Commission, and later as an official delegate on the commission. In June, 1920, he returned to the United States, resigned his Treasury post and became senior member of his law firm.



### 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 Aug. 21, 1943 is estimated at 11,920,000 net tons, as compared with 12,030,000 tons in the preceding week. Output for the corresponding week of 1942 amounted to 11,062,000 tons. For the present year to Aug. 21, soft coal production was 1.4% 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 Aug. 21, 1943 was 1,253,000 tons, a decrease of 74,000 tons (5.6%) from the preceding week. When compared with the output in the corresponding week of 1942, however, there was an increase of 67,000 tons or 5.6%. The calendar year 1943 to date shows a decrease of 0.2% when compared with the corresponding period of 1942.

The Bureau of Mines also reported that the estimated production of by-product coke in the United States for the week ended Aug. 21, 1943 showed an increase of 4,300 tons when compared with the output for the week ended Aug. 14, 1943. The quantity of coke from beehive ovens increased 2,900 tons during the same period.

#### ESTIMATED UNITED STATES PRODUCTION OF COAL WITH COMPARABLE DATA ON PRODUCTION OF CRUDE PETROLEUM (In Net Tons—000 Omitted.)

	Week Ended				January 1 to Date		
	Aug. 21, 1943	Aug. 14, 1943	Aug. 22, 1942	Aug. 21, 1942	Aug. 21, 1942	Aug. 21, 1942	Aug. 21, 1937
Bituminous coal and lignite	11,920	12,030	11,062	373,132	367,869	279,621	2,796,211
Total, incl. mine fuel	1,987	2,005	1,844	1,865	1,872	1,424	1,424
Daily average	6,757	6,791	6,362	211,781	202,136	183,938	183,938
Crude petroleum—Coal equivalent of weekly output	6,757	6,791	6,362	211,781	202,136	183,938	183,938

\*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 (In Net Tons)

	Week Ended			Cal. Year to Date		
	Aug. 21, 1943	Aug. 14, 1943	Aug. 22, 1942	Aug. 21, 1943	Aug. 22, 1942	Aug. 24, 1929
Penn. anthracite	1,253,000	1,327,000	1,186,000	38,721,000	38,794,000	44,445,000
*Total incl. coll. fuel	1,203,000	1,274,000	1,139,000	37,172,000	37,242,000	41,245,000
By-product coke	4,300	4,300	4,300	4,300	4,300	4,300
United States total	1,235,200	1,230,900	1,213,800	40,365,700	39,575,900	44,445,000
Beehive coke	167,800	164,900	157,200	4,985,300	5,289,000	4,474,700

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

#### ESTIMATED WEEKLY PRODUCTION OF COAL, BY STATES (In Thousands of Net Tons)

State	Week Ended					Aug. 14, 1937	Aug. ave. 1923
	Aug. 14, 1943	Aug. 7, 1943	Aug. 15, 1942	Aug. 16, 1941	Aug. 14, 1941		
Alabama	406	374	375	336	257	397	397
Alaska	5	5	5	5	3	8	8
Arkansas and Oklahoma	88	83	86	83	58	81	81
Colorado	142	141	137	108	82	173	173
Georgia and North Carolina	1	1	1	1	1	**	**
Illinois	1,456	1,431	1,113	1,091	700	1,363	1,363
Indiana	503	506	470	444	261	440	440
Iowa	40	39	40	40	44	100	100
Kansas and Missouri	144	141	163	141	100	145	145
Kentucky—Eastern	961	919	947	967	694	765	765
Kentucky—Western	317	298	233	210	126	217	217
Maryland	34	36	37	33	27	44	44
Michigan	5	3	4	11	6	21	21
Montana (bituminous and lignite)	101	89	76	55	44	50	50
New Mexico	38	39	33	22	29	49	49
North and South Dakota (lignite)	36	32	25	23	19	**20	**20
Ohio	650	659	708	634	416	871	871
Pennsylvania (bituminous)	2,928	2,917	2,848	2,862	2,077	3,734	3,734
Tennessee	129	134	150	156	87	118	118
Texas (bituminous and lignite)	2	2	8	7	21	24	24
Utah	115	109	119	90	52	83	83
Virginia	435	417	375	409	269	248	248
Washington	29	21	33	31	30	47	47
*West Virginia—Southern	2,300	2,239	2,254	2,347	1,729	1,515	1,515
†West Virginia—Northern	1,004	1,006	978	834	523	875	875
Wyoming	160	158	156	122	83	154	154
‡Other Western States	1	1	††	††	1	**4	**4
Total bituminous and lignite	12,030	11,800	11,374	11,062	7,738	11,538	11,538
§Pennsylvania anthracite	1,327	1,302	1,261	1,218	634	1,226	1,226
Total all coal	13,357	13,102	12,635	12,280	8,372	13,464	13,464

\*Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and on the B. & O. in Kanawha, Mason, and Clay counties. †Rest of State, including the Panhandle District and Grant, Mineral, and Tucker counties. ‡Includes Arizona, California, Idaho, Nevada and Oregon. §Data for Pennsylvania anthracite from published records of the Bureau of Mines. ¶Average weekly rate for entire month. \*\*Alaska, Georgia, North Carolina, and South Dakota included with "Other Western States." ††Less than 1,000 tons.

### Wholesale Commodity Index Advanced 0.1% During Week Ended Aug. 21, Says Labor Dept.

The U. S. Department of Labor announced on Aug. 26 that following their decline of mid-August, prices for fresh fruits and vegetables and for hogs rose sharply in primary markets during the week ended Aug. 21. The advance brought the Bureau of Labor Statistics all-commodity index up 0.1% to 102.8% of the 1926 average.

The Department's announcement further explained: "Farm products and foods. Average prices for both farm products and foods rose 0.7% during the week.

"Substantially higher prices were reported for hogs, for barley, and for apples, potatoes, and onions. Quotations were lower for cows and sheep, for the principal small grains—oats, rye, and wheat, and for cotton, wool, and citrus fruits. Notwithstanding the increase of this week, farm products prices are 0.8% lower than at this time last month.

"An increase of 4% in prices for fruits and vegetables accounted for the generally higher average prices for foods. Reduced prices were reported for flour and eggs.

"Industrial commodities. Except for a fractional advance in prices for turpentine, industrial commodity markets were steady during the week and the indexes for all groups remained unchanged at mid-August levels."

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 24, 1943, and Aug. 22, 1942, and the percentage changes from a week ago, a month ago, and a year ago:

Commodity groups—	(1926=100)				Percentage changes to Aug. 21, 1942 from—		
	8-21 1943	8-14 1943	8-7 1943	7-24 1943	8-22 1943	7-24 1943	8-22 1942
All commodities	102.8	102.7	103.0	102.9	99.2	+0.1	-0.1 + 3.9
Farm products	123.8	122.9	125.0	124.8	106.4	+0.7	-0.8 + 6.0
Foodstuffs	105.8	105.1	106.6	107.0	100.8	+0.7	-1.1 + 15.4
Hides and leather products	118.4	118.4	118.4	118.4	118.9	0	0 + 0.4
Textile products	96.9	96.9	96.9	96.9	96.5	0	0 + 0.4
Fuel and lighting materials	81.7	81.7	81.6	81.8	79.6	0	-0.1 + 2.6
Metals and metal products	103.8	103.8	103.8	103.8	103.9	0	0 - 0.1
Building materials	112.1	112.1	111.9	110.6	110.3	0	+1.4 + 1.6
Chemicals and allied products	100.2	100.2	100.1	100.1	96.2	0	+0.1 + 4.2
Housefurnishing goods	104.2	104.2	104.2	104.4	104.1	0	-0.2 + 0.1
Miscellaneous commodities	92.4	92.4	92.2	92.1	88.6	0	+0.3 + 4.3
Raw materials	112.7	112.3	113.5	113.3	101.0	+0.4	-0.5 + 11.6
Semimanufactured articles	92.8	92.8	92.7	92.7	92.6	0	+0.1 + 0.2
Manufactured products	100.0	100.0	99.9	99.8	99.1	0	+0.2 + 0.9
All commodities other than farm products	98.4	98.4	98.3	98.3	97.3	0	+0.1 + 1.1
All commodities other than farm products and foods	97.3	97.3	97.2	97.1	95.7	0	+0.2 + 1.7

\*Preliminary.

### National Fertilizer Association Commodity Price Average Again Advances

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on Aug. 30, continued to rise last week as farm products and food prices reflected an upward trend. In the week ended August 28 this index advanced to 135.3 from 135.1 in the preceding week. It was 134.6 a month ago, and 129.0 a year ago, based on the 1935-1939 average as 100. The Association's report went on to say:

The increase in the general level was due to higher prices for grains, livestock, and foods. The foods group showed a fractional increase due to advances in potatoes and cottonseed oil. A marked rise in grain, livestock and cotton quotations caused a definite increase in the farm products group. The decline in hogs and calves was not sufficient to offset the rise in cattle, lambs and sheep. The textiles group is again moving into higher ground due to another rise in cotton. All other groups with the exception of fats and oils remained unchanged from the preceding week.

During the week 12 price series in the index advanced and 3 declined; in the preceding week there were 11 advances and 4 declines; and in the second preceding week there were 6 advances and 8 declines.

WEEKLY WHOLESALE COMMODITY PRICE INDEX					
Compiled by The National Fertilizer Association					
1935-1939=100*					
% Each Group Bears to the Total Index	Group	Latest Week		Month Ago	Year Ago
		Aug. 28, 1943	Aug. 21, 1943	July 31, 1943	Aug. 29, 1942
25.3	Foods	138.6	138.5	137.7	130.0
	Fats and Oils	145.7	145.6	145.1	141.3
	Cottonseed Oil	161.3	160.7	159.0	158.4
23.0	Farm Products	155.6	154.9	153.1	139.6
	Cotton	194.0	192.7	193.1	174.9
	Grains	147.9	146.8	144.0	111.4
	Livestock	151.6	151.2	147.8	140.9
17.3	Fuels	122.8	122.8	122.8	118.8
10.8	Miscellaneous commodities	131.0	131.0	130.1	126.8
8.2	Textiles	150.3	150.1	150.9	146.9
7.1	Metals	104.4	104.4	104.4	104.4
6.1	Building materials	152.5	152.5	152.6	151.4
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	135.3	135.1	134.6	129.0

\*Indexes on 1926-1928 base were Aug. 28, 1943, 105.4; Aug. 21, 105.2; and Aug. 29, 1942, 100.5.

### Electric Output For Week Ended Aug. 28, 1943, Shows 18.7% 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. 28, 1943, was approximately 4,322,195,000 kwh., compared with 3,639,961,000 kwh. in the corresponding week last year, an increase of 18.7%. The output for the week ended Aug. 21, 1943, was 16.1% in excess of the similar period of 1942.

Major Geographical Divisions—	PERCENTAGE INCREASE OVER PREVIOUS YEAR			
	Week Ended			
	Aug. 28	Aug. 21	Aug. 14	Aug. 7
New England	7.1	5.1	5.8	8.7
Middle Atlantic	19.9	15.9	18.3	19.6
Central Industrial	16.4	14.0	16.3	15.8
West Central	13.0	14.5	17.1	14.3
Southern States	23.0	20.5	19.1	16.6
Rocky Mountain	17.6	17.7	20.5	15.4
Pacific Coast	22.9	18.5	19.1	18.6
Total United States	18.7	16.1	17.3	16.6

Week Ended—	DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)				
	1943	1942	% Change over 1942	1941	1929
Jun 5	3,925,893	3,372,374	+16.4	3,076,323	1,435,471
Jun 12	4,040,376	3,463,528	+16.7	3,101,291	1,441,532
Jun 19	4,098,401	3,433,711	+19.4	3,091,672	1,440,541
Jun 26	4,120,038	3,457,024	+19.2	3,156,825	1,456,961
July 3	4,110,793	3,424,188	+20.1	2,903,727	1,341,730
July 10	3,919,398	3,428,916	+14.3	3,178,054	1,415,704
July 17	4,184,143	3,565,367	+17.4	3,199,105	1,433,993
July 24	4,196,357	3,625,645	+15.7	3,220,526	1,440,386
July 31	4,226,705	3,649,146	+15.8	3,263,082	1,426,986
Aug 7	4,240,638	3,637,070	+16.6	3,233,242	1,415,122
Aug 14	4,287,827	3,654,795	+17.3	3,238,160	1,431,910
Aug 21	4,264,825	3,673,717	+16.1	3,230,750	1,436,440
Aug 28	4,322,195	3,639,961	+18.7	3,261,149	1,464,700

### Sept. 15 Tax Forms Aid In Filing Returns

Commissioner of Internal Revenue, Guy T. Helvering, reminding taxpayers of the income tax declaration due Sept. 15, pointed out on Aug. 26 that they would be greatly assisted in computing the tax due by the table on the reverse of the forms recently distributed. Some 15,000,000 people must file the declaration and make a payment. Commissioner Helvering added:

"To make the job as simple as possible, the Bureau has sent taxpayers a compact and intelligible work sheet for their personal use in figuring out approximately what their income tax is to be for the year. They do not have to make any calculations about deductions for donations, 10% earned income credit, etc., since these items are automatically figured and included in the table on the reverse of the work sheet.

"After the taxpayer's income and other figures are set forth, the total tax for the year can be determined at a glance from the table, whether the taxable income is \$10 or \$10,000. Taxpayers with larger incomes than the latter figure should use the alternative work sheet."

The Treasury Department advises also said:

"The purpose of the Sept. 15 declaration is to extend the benefit and conveniences of the pay-as-you-go tax plan to all taxpayers, whether their tax be large or small. While a very large number of taxpayers—around 36,000,000—are substantially abreast of their tax bills because the tax has been withheld by employers from their wages and salaries, there are about 15,000,000 persons who are not.

"Those in this latter group are not currently paid up either because the withholdings are not large enough, or they are not subject to withholding. Professional men and owners of their own businesses, ministers, men and women in the armed services, and certain other groups are examples of those whose taxes have not been withheld.

"To make such

## July Building Permit Valuations Down 9% From June, Secretary Perkins Reports

The dollar valuation of building construction work started in July in all urban areas of the United States was 9% less than in June, Secretary of Labor Frances Perkins reported on Aug. 28. "The decrease of 27% in the value of Federal awards was partially offset by a 5% increase in the value of private building construction work started," she said. "Both new residential building, and additions, alterations and repairs to existing structures rose approximately 5% while the valuation of new non-residential buildings started in July was 28% less than in June," said Secretary Perkins who further stated:

"When compared with July 1942 the current month's valuation of total building construction started in urban areas represents a decline of 68%. All classes of construction shared in the decrease, with new non-residential building registering a decline of 86% and new residential building and additions, alterations and repairs showing decreases of 16 and 13%, respectively."

Class of construction—	Percentage change from—			Percentage change from—		
	June 1943 to July 1943		Oth. than	July 1942 to July 1943		Oth. than
All building construction—	+ 8.5	+ 4.7	-27.2	-67.7	-18.6	-85.6
New residential—	+ 5.2	— .5	+ 36.8	-15.7	-13.2	-24.4
New non-residential—	-28.0	+ 21.6	-37.6	-86.0	-56.0	-88.9
Additions, alterations and repairs—	+ 4.8	+ 8.1	-52.0	-12.7	+ 6.2	-89.0

The Labor Department's announcement further stated: "Permits were issued or Federal construction contracts were awarded for 14,500 new family dwelling units in urban areas during July 1943. This was a 2% increase over the previous month and 13% less than a year ago. Twenty-four percent of the total for July 1943, or 3,420 units, were in Federal housing projects for war workers. This represents an increase of 22% above June 1943 and a 10% decline from July 1942. The number of privately financed units in July 1943 was 3% less than a month ago and 14% less than in July 1942.

"During the first seven months of 1943, permits were issued or Federal construction contracts were awarded for buildings in urban areas valued at \$743,000,000 or only two-fifths of the total for the first 7 months of 1942. The major part of this decline resulted from a 75% drop in the valuation of non-residential construction, due to the completion of the bulk of the industrial and military program. The value of residential construction started in this period of 1943 was slightly less than half of the volume for the same months of last year, while the valuation of additions, alterations and repairs was approximately two-thirds of the corresponding 1942 total. Federal construction work was responsible for 52% of the total for the first 7 months of 1943 as compared to 60% in 1942.

Class of construction—	Total		%	Federal		%
	1943	1942		1943	1942	
All construction—	742,592	1,974,342	-62.4	383,954	1,187,280	-67.7
New residential—	335,955	628,919	-46.6	133,634	198,245	-32.6
New non-residential—	287,373	1,156,123	-75.1	240,350	965,454	-75.1
Additions, alterations and repairs	119,264	189,237	-37.0	9,970	23,580	-57.7

"The figures on building construction cover the entire urban area of the United States, which, by Census definition, includes all incorporated places with a 1940 population of 2,500 or more and by special rule, a small number of unincorporated civil divisions. The volume of privately financed construction is estimated from the building permit data received from a large majority of all urban places and these estimates are combined with data on building construction contracts awarded as furnished by Federal and State agencies. All figures for the current month are preliminary. Upward revisions in Federally financed non-residential construction may be expected due to late notifications of contracts awarded.

"Principal centers of various types of building construction for which permits were issued or contracts were awarded in July 1943, except projects which have been excluded because of their confidential nature were: Bridgeport, Conn., 44 one-family dwellings to cost \$205,800; Bristol, Conn., 124 one-family dwellings to cost \$575,900; Hartford, Conn., 7 apartments providing 88 units to cost \$243,200; Cambridge, Mass., 1 school to cost \$500,000; Trenton, N. J., 94 one-family dwellings to cost \$282,000; Watertown, N. Y., 56 one-family dwellings to cost \$308,000; Allentown, Pa., 68 one-family dwellings to cost \$215,400; Chester, Pa., 72 one-family dwellings to cost \$269,500; Chicago, Ill., 163 one-family dwellings to cost \$681,800 and 50 units in two-family dwellings to cost \$195,000 and 27 apartments providing 115 units to cost \$341,500; Park Ridge, Ill., 54 one-family dwellings to cost \$291,600; Rock Island, Ill., 42 one-family dwellings to cost \$201,600; Dearborn, Mich., 281 one-family dwellings to cost \$1,129,000; Detroit, Mich., 170 one-family dwellings to cost \$891,560, 68 units in two-family dwellings to cost \$310,541 and two apartments providing 96 units to cost \$240,000; East Detroit, Mich., 52 one-family dwellings to cost \$258,300; Flint, Mich., 63 one-family dwellings to cost \$287,450; Garden City, Mich., 131 one-family dwellings to cost \$579,000; Plymouth, Mich., 41 one-family dwellings to cost \$201,600; Wayne, Mich., 108 one-family dwellings to cost \$409,800; Wyandotte, Mich., 88 one-family dwellings to cost \$354,750; Akron, Ohio, 109 one-family dwellings to cost \$480,920; Cleveland, Ohio, 69 one-family dwellings to cost \$342,000; Burlington, Iowa, public works and utilities one building to cost \$265,000; Wilmington, Del., 82 one-family dwellings to cost \$328,000; Washington, D. C., 71 apartments providing 893 units to cost \$1,978,500; Jacksonville, Fla., 190 one-family dwellings to cost \$600,445; Atlanta, Ga., 120 units in two-family dwellings to cost \$250,000; Baltimore, Md., 118 units in two-family dwellings to cost \$265,500; Mobile, Ala., 1 school building to cost \$198,500; Oklahoma City, Okla., 154 one-family dwellings to cost \$774,850; Dallas, Texas, 166 units in two-family dwellings to cost \$300,900; Houston, Texas, 104 one-family dwellings to cost \$242,250; San Antonio, Texas, 108 units in two-family dwellings to cost \$216,000; Provo, Utah, 277 one-family dwellings to cost \$1,032,150; Tooele, Utah, 103 one-family dwellings to cost \$405,000; Los Angeles, Calif., 196 one-family dwellings to cost \$582,175; San Francisco, Calif., 206 one-family dwellings to cost \$621,300; San Diego, Calif., 76 one-family dwellings to cost \$277,400; Portland, Ore., 93 one-family dwellings to cost \$452,100 and 23 apartments providing 130 units to cost \$637,500; Seattle, Wash., 226 one-family dwellings to cost \$1,051,390; Spokane, Wash., 79 one-family dwellings to cost \$296,595.

"In addition, contracts were awarded during July, 1943 for the

following Federally financed housing projects containing the indicated number of housekeeping units: Brunswick, Me., \$88,800 for 40 units; Battle Creek, Mich., \$227,472 for 100 units; Midland, Mich., \$598,000 for 250 units; Dayton, Ohio, \$1,612,250 for 580 units; Pratt, Kans., \$275,855 for 120 units; Brunswick, Ga., \$2,869,999 for 1,600 units; Macon, Ga., \$203,760 for 120 units; Beaufort, S. C., \$127,500 for 60 units; Beeville, Texas, \$189,297 for 100 units; Yuma, Ariz., \$66,645 for 30 units; Alameda, Calif., \$609,377 for 360 units; Port Townsend, Wash., \$122,650 for 60 units.

"Federal contracts were also awarded for dormitory accommodations for 900 persons at Norman, Okla., to cost \$581,304; for 30 persons at Yuma, Ariz., to cost \$22,215; for 1,080 persons at Oakland, Calif., to cost \$511,458; for 50 persons at Oroville, Calif., to cost \$28,124; for 70 persons at Roseville, Calif., to cost \$40,156; for 130 persons at Santa Maria, Calif., to cost \$91,708; for 250 persons at Seattle, Wash., to cost \$148,600."

## Federal Reserve July Business Indexes

The Board of Governors of the Federal Reserve System issued on Aug. 25 its monthly indexes of industrial production, factory employment and payrolls, etc. At the same time, the Board made available its customary summary of business conditions. The indexes for July, together with comparisons for a month and a year ago, follow:

	1935-39 average = 100 for industrial production and freight-car loadings;			1939 = 100 for factory employment and payrolls;			1923-25 average = 100 for all other series;		
	Adjusted for Seasonal Variation—			Without Seasonal Adjustment—			Without Seasonal Adjustment—		
	July 1943	June 1943	July 1942	July 1943	June 1943	July 1942	July 1943	June 1943	July 1942
Industrial production—									
Total	1205	202	178	1207	203	180			
Manufactures—									
Total	1217	217	188	1219	218	189			
Durable	1304	302	249	1306	304	251			
Nondurable	1147	147	138	1148	148	139			
Minerals	1137	118	126	1142	122	131			
Construction contracts, value—									
Total	144	45	205	148	53	232			
Residential	136	32	74	136	36	75			
All other	150	55	313	158	67	360			
Factory employment—									
Total	1169.5	169.7	153.4	1169.5	168.7	153.4			
Durable goods	1229.3	228.4	193.9	1229.3	228.5	193.9			
Nondurable goods	1122.3	123.5	121.4	1122.3	121.6	121.4			
Factory payrolls—									
Total					317.9	242.7			
Durable goods					442.9	323.9			
Nondurable goods					195.8	163.3			
Freight-car loadings					146	132			
Department store sales, value	1148	123	121	1102	124	83			
Department store stocks, value					198	141			

\*Data not yet available. †Preliminary or estimated. ‡Data in process of revision. Note—Production, carloadings, and department store sales indexes based on daily averages. To convert durable manufactures, non-durable manufactures and minerals indexes to points in total index, shown in Federal Reserve Chart Book, multiply durable by .379, non-durable by .469, and minerals by .152.

Construction contract indexes based on three-month moving averages, centered at second month, of F. W. Dodge data for 37 Eastern States. To convert indexes to value figures, shown in the Federal Reserve Chart Book, multiply total by \$410,269,000, residential by \$184,137,000, and all other by \$226,132,000.

Employment index, without seasonal adjustment, and payrolls index compiled by Bureau of Labor Statistics.

	1935-39 average = 100			Without Seasonal Adjustment—		
	Adjusted for Seasonal Variation—			Without Seasonal Adjustment—		
	July 1943	June 1943	July 1942	July 1943	June 1943	July 1942
Manufactures—						
Iron and steel	203	201	196	203	201	196
Pig iron	191	190	192	191	190	192
Steel	223	227	216	229	227	216
Open hearth and Bessemer	180	177	175	180	177	175
Electric	577	583	506	577	583	506
Machinery	1371	1368	289	1371	1368	289
Transportation equipment	1622	618	425	1622	618	425
Non-ferrous metals & products	1189	195	188	1188	135	188
Lumber and products	1126	124	133	1132	130	140
Lumber	1116	113	130	1125	123	141
Furniture	1145	144	137	1145	144	137
Stone, clay, & glass products	138	140	*	149	151	
Cement	124	169	*	136	186	
Polished plate glass	50	45	32	50	46	32
Textiles and products	1151	154	154	1151	154	154
Cotton consumption	153	160	165	153	160	166
Rayon deliveries	1182	183	168	1182	183	168
Wool textiles	160	160	160	160	160	160
Leather products	1110	112	116	1108	110	114
Tanning	107	119	*	104	113	
Cattle hide leathers	122	144	*	116	134	
Calf and kip leathers	86	89	*	88	88	
Goat and kid leathers	86	79	*	85	78	
Shoes	1111	115	115	1111	113	115
Manufactured food products	1145	148	143	1157	148	156
Wheat flour	118	118	106	116	111	105
Meat packing	1178	163	146	1166	158	138
Other manufactured foods	1144	150	147	1154	142	157
Tobacco products	132	118	126	138	128	131
Cigars	95	96	109	99	102	113
Cigarettes	166	142	146	175	156	153
Manufactured tobacco & snuff	83	78	89	84	80	91
Paper and products	135	125	*	134	122	
Paperboard	143	152	109	143	152	109
Newsprint production	91	91	103	89	92	101
Printing and publishing	1114	112	105	1103	111	96
Newsprint consumption	104	100	103	91	101	90
Petroleum and coal products	123	118	*	122	117	
Petroleum refining	118	111	*	117	110	
Gasoline	1109	109	105	1103	109	105
Fuel oil	138	127	*	138	127	
Lubricating oil	120	117	*	120	115	
Kerosene	126	105	*	119	97	
Coke	1161	157	163	1161	157	163
Byproduct	1152	152	153	1152	152	153
Beehive	1462	323	502	1462	323	502
Chemicals	1228	227	174	1221	222	167
Minerals						
Fuels	1137	115	121	1137	115	121
Bituminous coal	1155	103	141	1155	103	141
Anthracite	1129	74	122	1123	74	122
Crude petroleum	1130	124	112	1130	124	112
Metals	1139	137	155	1174	164	192
Iron ore	256	249	241	398	359	393

†Preliminary or estimated. \*Data not yet available.

	1935-39 average = 100		
	Adjusted for Seasonal Variation—		
	July 1943	June 1943	July 1942
Coal	145	100	132
Coke	178	162	177
Grain	172	140	138
Livestock	115	110	90
Forest products	150	140	172
Ore	148	144	149
Miscellaneous	148	144	149
Merchandise, l.c.l.	64	63	57

†Data in process of revision. Note—To convert coal and miscellaneous indexes to points in total index, shown in the Federal Reserve Chart Book, multiply coal by .213 and miscellaneous by .548.

## Americans Of Foreign Origin Recruited For Third War Loan Drive

Five thousand Americans of foreign origin are to be recruited for a record-breaking Third War Loan drive, Sept. 9 to Oct. 2, according to J. Austin Daly, chief of the Foreign Origins Section of the State War Finance Committee. Mr. Daly heads 25 groups of foreign origin. "This will be a 'Calling all Americans' drive," said Mr. Daly in announcing the new mass war bond solicitation "and will constitute another demonstration of the loyalty and patriotism of our American citizens of foreign birth." He said the foreign language press and radio would be asked to cooperate by publicizing the procedures to be followed by the volunteers.

Recruits, he said, would be asked to join for a period of three weeks and after a brief training period would be assigned the task of carrying the message of the Third War Loan to prospective buyers of War Bonds in their native language. They will be authorized to issue bond applications and to assist prospective purchasers in filling these out. Their slogan will be, "Back the Attack with War Bonds." Mr. Daly announced further that a special coupon attached to bond applications would enable the Treasury Department to give credit to each salesman and the nationality group to which he or she belongs for all sales made during the drive.

## Data On Series E War Bonds For Third War Loan Drive

In connection with the \$15,000,000 Third War Loan Drive, which will open on Sept. 9, Allan Sproul, President of the Federal Reserve Bank of New York, brings the following important matters to the attention of all issuing agents in the Second Reserve District qualified for sale of Series E War Savings Bonds:

1. All sales of Savings Bonds made on and after Sept. 1 and prior to the close of the Drive will be included in the totals for the Drive.

2. A substantially greater number of Series E Bonds will be issued during the month of September than has been issued in any previous month. In anticipation of this increase, issuing agents are urged to requisition in advance an adequate supply of bond stock so that they will be prepared to make prompt delivery of bonds during the Drive. If the maximum amount of bond stock which any agent is authorized to have on hand is considered insufficient to meet the demands anticipated during the Drive, we will consider a temporary increase in such maximum upon receipt of a written request therefor accompanied by a statement of the facts indicating the necessity for the increase.

3. For the duration of the Drive all issuing agents, except those issuing bonds exclusively to persons enrolled in payroll allotment plans, are requested to report and remit for sales not less frequently than twice each week. Agents issuing bonds exclusively to persons under payroll allotment plans should report sales as frequently as possible. More frequent reporting by all agents will facilitate our work and will enable us to furnish accurate and up-to-date sales reports to the State War Finance Committees which will disseminate such information among the County Chairman throughout the Second Federal Reserve District.

### 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. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*				
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.		
Aug. 31	120.23	111.25	119.20	116.80	111.44	98.88	103.30	113.89	117.00		
30	120.29	111.07	119.20	116.61	111.44	98.88	103.13	113.89	117.20		
28	120.34	111.25	119.20	116.80	111.44	98.88	103.13	113.89	117.20		
27	120.34	111.25	119.20	116.80	111.44	98.88	103.13	113.89	117.20		
26	120.31	111.07	119.20	116.61	111.44	98.88	103.13	113.89	117.20		
25	120.29	111.07	119.20	116.61	111.44	98.88	103.13	113.89	117.20		
24	120.28	111.07	119.20	116.61	111.44	98.88	102.96	113.89	117.20		
23	120.23	111.07	119.20	116.61	111.44	98.88	103.13	113.89	117.00		
21	120.20	111.25	119.20	116.80	111.44	99.04	103.30	113.89	117.00		
19	120.20	111.25	119.20	116.80	111.44	99.04	103.30	113.89	117.00		
18	120.20	111.25	119.20	116.80	111.44	99.04	103.30	113.89	117.00		
17	120.24	111.25	119.20	117.00	111.62	99.04	103.30	113.89	117.20		
16	120.23	111.25	119.20	117.00	111.62	99.04	103.30	113.89	117.20		
14	120.29	111.25	119.20	117.00	111.62	99.04	103.30	113.89	117.20		
13	120.29	111.25	119.20	116.80	111.62	99.04	103.30	113.89	117.20		
12	120.32	111.25	119.20	116.80	111.62	99.04	103.30	114.08	117.00		
11	120.40	111.25	119.20	116.80	111.81	99.04	103.30	114.08	117.20		
10	120.38	111.44	119.20	117.00	111.81	99.04	103.30	114.08	117.20		
9	120.27	111.25	119.20	116.80	111.62	99.04	103.30	114.08	117.20		
7	120.19	111.25	119.20	117.00	111.62	99.04	103.13	114.08	117.40		
6	120.19	111.25	119.20	117.00	111.62	99.04	103.13	114.08	117.20		
5	120.19	111.25	119.20	117.00	111.44	99.04	103.30	114.03	117.20		
4	120.19	111.44	119.20	117.00	111.44	99.04	103.30	114.08	117.40		
3	120.19	111.25	119.20	117.00	111.44	99.04	103.13	114.08	117.20		
2	120.19	111.25	119.20	117.00	111.44	99.04	103.13	114.08	117.20		
July 30	120.18	111.44	119.20	117.00	111.62	99.04	103.30	114.08	117.20		
23	120.51	111.25	119.20	116.80	111.44	99.20	103.30	114.08	117.00		
16	120.46	111.25	119.20	116.80	111.44	99.20	103.13	114.08	117.20		
9	120.73	111.07	119.20	116.61	111.25	98.88	102.80	114.08	117.00		
2	120.75	110.70	118.80	116.22	111.25	98.25	102.46	113.70	116.61		
June 25	120.41	110.70	118.80	116.22	111.07	98.09	102.46	113.70	116.61		
18	120.15	110.52	118.60	116.02	111.07	97.94	102.30	113.50	116.41		
11	119.99	110.52	118.60	116.02	111.07	97.94	102.30	113.50	116.41		
4	119.92	110.34	118.40	115.82	111.07	97.78	102.30	113.50	116.02		
May 28	119.82	110.34	118.20	115.82	110.88	97.78	102.30	113.31	115.82		
21	119.44	110.15	118.20	115.82	110.70	97.47	101.97	113.12	115.82		
14	119.27	109.97	118.00	115.63	110.70	97.47	101.80	113.12	115.82		
7	119.03	109.79	118.00	115.43	110.52	97.16	101.47	112.93	115.82		
Apr. 30	118.36	109.79	118.00	115.43	110.34	97.00	101.31	113.12	115.82		
Mar. 26	116.93	109.60	117.80	115.43	110.52	96.23	100.65	113.12	115.82		
Feb. 26	117.11	109.24	117.60	115.43	110.15	95.47	100.00	112.93	115.43		
Jan. 29	117.04	108.70	117.60	115.04	109.79	94.56	99.04	112.56	115.43		
High 1943	120.87	111.44	119.41	117.00	111.81	99.36	103.47	114.27	117.40		
Low 1943	116.85	107.44	116.80	113.89	108.89	92.35	97.16	111.81	114.46		
High 1942	118.41	107.62	117.20	114.27	108.88	92.64	97.47	112.19	114.66		
Low 1942	115.90	106.04	115.43	112.75	107.09	90.63	95.32	109.60	112.75		
1 Year ago											
Aug. 31, 1942	117.84	106.92	116.80	113.31	108.16	92.06	96.54	111.62	114.08		
2 Years ago											
Aug. 30, 1941	119.14	107.80	118.40	114.85	108.88	91.77	97.16	112.00	115.24		

MOODY'S BOND YIELD AVERAGES† (Based on Individual Closing Prices)											
1943— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings				Corporate by Groups				
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.		
Aug. 31	1.83	3.10	2.69	2.81	3.09	3.82	3.55	2.96	2.80		
30	1.83	3.11	2.69	2.82	3.09	3.82	3.56	2.96	2.79		
28	1.83	3.10	2.69	2.81	3.09	3.82	3.56	2.96	2.79		
27	1.83	3.10	2.69	2.81	3.09	3.82	3.56	2.96	2.79		
26	1.83	3.11	2.69	2.82	3.09	3.82	3.56	2.96	2.79		
25	1.83	3.11	2.69	2.82	3.09	3.82	3.56	2.96	2.79		
24	1.83	3.11	2.70	2.82	3.09	3.82	3.57	2.96	2.79		
23	1.84	3.11	2.69	2.82	3.09	3.82	3.56	2.96	2.80		
21	1.84	3.10	2.69	2.81	3.08	3.81	3.55	2.95	2.80		
20	1.84	3.10	2.69	2.81	3.08	3.81	3.55	2.96	2.80		
19	1.84	3.10	2.69	2.81	3.09	3.81	3.54	2.96	2.80		
18	1.83	3.10	2.69	2.81	3.08	3.81	3.55	2.96	2.79		
17	1.83	3.10	2.69	2.80	3.08	3.81	3.55	2.96	2.79		
16	1.83	3.10	2.69	2.80	3.08	3.81	3.55	2.96	2.79		
14	1.83	3.10	2.69	2.80	3.08	3.81	3.55	2.96	2.79		
13	1.83	3.10	2.69	2.81	3.08	3.81	3.55	2.96	2.79		
12	1.83	3.10	2.69	2.81	3.08	3.81	3.55	2.95	2.80		
11	1.83	3.10	2.69	2.81	3.07	3.81	3.55	2.95	2.79		
10	1.83	3.09	2.69	2.80	3.07	3.81	3.55	2.95	2.79		
9	1.83	3.10	2.69	2.81	3.08	3.81	3.55	2.95	2.79		
7	1.84	3.10	2.69	2.80	3.08	3.81	3.56	2.95	2.78		
6	1.84	3.10	2.69	2.80	3.08	3.81	3.56	2.95	2.79		
5	1.84	3.10	2.68	2.80	3.09	3.81	3.55	2.95	2.79		
4	1.84	3.09	2.58	2.80	3.09	3.80	3.55	2.95	2.78		
3	1.84	3.10	2.69	2.80	3.09	3.81	3.56	2.95	2.79		
2	1.84	3.10	2.69	2.80	3.09	3.81	3.56	2.95	2.79		
July 30	1.84	3.09	2.68	2.80	3.08	3.81	3.55	2.95	2.79		
23	1.81	3.10	2.69	2.81	3.09	3.80	3.55	2.95	2.80		
16	1.82	3.10	2.69	2.81	3.09	3.80	3.56	2.95	2.79		
9	1.80	3.11	2.69	2.82	3.10	3.82	3.58	2.95	2.80		
2	1.80	3.13	2.71	2.84	3.10	3.86	3.60	2.97	2.82		
June 25	1.82	3.14	2.72	2.85	3.11	3.87	3.61	2.98	2.83		
18	1.87	3.14	2.72	2.85	3.11	3.88	3.61	2.98	2.83		
11	1.87	3.15	2.73	2.86	3.11	3.89	3.61	2.98	2.85		
4	1.88	3.15	2.74	2.86	3.12	3.89	3.61	2.99	2.86		
May 28	1.90	3.16	2.74	2.86	3.13	3.91	3.63	3.00	2.86		
21	1.92	3.17	2.75	2.87	3.13	3.91	3.64	3.00	2.86		
14	1.93	3.18	2.75	2.88	3.14	3.93	3.66	3.01	2.86		
7	1.93	3.18	2.75	2.88	3.14	3.93	3.66	3.01	2.86		
Apr. 30	1.98	3.18	2.75	2.88	3.15	3.94	3.67	3.00	2.87		
Mar. 26	2.08	3.19	2.76	2.88	3.14	3.99	3.71	3.00	2.87		
Feb. 26	2.06	3.21	2.77	2.88	3.16	4.04	3.75	3.01	2.88		
Jan. 29	2.06	3.24	2.77	2.90	3.18	4.10	3.81	3.03	2.88		
High 1943	2.08	3.31	2.81	2.96	3.23	4.25	3.93	3.07	2.93		
Low 1943	1.79	3.09	2.68	2.80	3.07	3.79	3.54	2.94	2.78		
High 1942	2.14	3.39	2.88	3.02	3.33	4.37	4.05	3.19	3.02		
Low 1942	1.93	3.30	2.79	2.94	3.23	4.23	3.91	3.05	2.92		
1 Year ago											
Aug. 31, 1942	2.03	3.34	2.81	2.99	3.27	4.27	3.97	3.08	2.95		
2 Years ago											
Aug. 30, 1941	1.92	3.29	2.73	2.91	3.23	4.29	3.93	3.06	2.89		

\*These prices are computed from average yields on the basis of one "typical" bond (3% coupon, maturing in 25 years) and do not purport to show either the average level or the average movement of actual price quotations. They merely serve to illustrate in a more comprehensive way the relative levels and the relative movement of yield averages the latter being the true picture of the bond market.

†The latest complete list of bonds used in computing these indexes was published in the issue of Jan. 14, 1943, page 202.

### Urban Living Costs Down 0.8% From Mid-June To Mid-July Due To Lower Retail Food Prices

With meat prices cut back by the OPA and vegetables seasonally lower, the cost of living for city workers dropped 0.8% from mid-June to mid-July—its first substantial decline since Pearl Harbor, Secretary of Labor Frances Perkins reported on Aug. 12. "Retail food prices as a group—representing about two-fifths of total living costs—declined by 2.0%," she said. "Clothing costs rose 0.5%. Other costs, including housefurnishings, utility rates and services, were stable or increased moderately."

Secretary Perkins further explained: "Until this summer, the rise in living costs had been almost un-

interrupted since Germany invaded Poland. The only previous monthly declines were during the three month period immediately after the outbreak of war, following a speculative rise in food costs, and a small decline of 0.2% from May to June of this year. The Bureau of Labor Statistics index of the cost of living on July 15 was at 123.8% of its 1935-39 average, about 5% above September 1942 and 2% above January 1941, base date of the Little Steel Formula.

"The substantial declines for most meats in July resulted from reductions in maximum prices ordered by the OPA. They included an 8½% drop for beef and veal, 8% for pork, and 4% for lamb. Prices for chickens, which were not affected by the OPA cutback, were down fractionally—0.5%. There were continued reports of acute shortages of beef and poultry in many areas. Fresh fish prices rose 4% from mid-June to mid-July, but were subject to an OPA regulation on July 22, establishing maximum retail prices below the July

### Daily Average Crude Oil Production For Week Ended Aug. 21, 1943, Declined 21,050 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Aug. 21, 1943, was 4,218,350 barrels, a decrease of 21,050 barrels from the preceding week, and 206,250 barrels less than the daily average figure recommended by the Petroleum Administration for War for the month of August, 1943. The current figure, however, is 246,650 barrels per day in excess of that produced in the week ended Aug. 22, 1942. Daily output for the four weeks ended Aug. 21, 1943, averaged 4,198,400 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 4,046,000 barrels of crude oil daily and produced 12,134,000 barrels of gasoline; 1,243,000 barrels of kerosene; 4,137,000 barrels of distillate fuel oil, and 8,411,000 barrels of residual fuel oil during the week ended Aug. 21, 1943; and had in storage at the end of that week 72,815,000 barrels of gasoline; 9,898,000 barrels of kerosene; 37,464,000 barrels of distillate fuel, and 66,724,000 barrels of residual fuel oils. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

	*P. A. W. Recommendations August	*State Allowables Begin Aug. 1	Actual Production Week Ended Aug. 21, 1943	Change from Previous Week	4 Weeks Ended Aug. 21, 1943	Week Ended Aug. 22, 1942
Oklahoma	247,000	358,000	329,250	- 2,200	331,000	380,150
Kansas	300,000	290,000	308,100	+ 1,900	299,550	297,000
Nebraska	2,100		11,900	- 50	2,000	3,300
Panhandle Texas			98,000		94,200	93,900
North Texas			140,400		139,700	137,300
West Texas			258,400		255,200	224,550
East Central Texas			129,950		129,450	89,250
East Texas			371,000		371,000	360,000
Southwest Texas			239,050	+ 450	236,550	198,100
Coastal Texas			474,450	+ 200	458,950	298,200
Total Texas	1,917,000	1,817,937	1,711,250	+ 650	1,685,050	1,401,300
North Louisiana			83,350	- 450	83,800	97,050
Coastal Louisiana			268,500		267,400	240,050
Total Louisiana	356,300	380,300	351,850	- 450	351,200	337,100
Arkansas	75,500	80,052	76,250		76,700	72,100
Mississippi	50,000		50,200	- 4,200	51,550	76,550
Illinois	222,800		207,550	- 3,650	216,150	274,700
Indiana	14,000		13,300	+ 450	13,700	18,300
Eastern— Not incl. Ill., Ind. Ky.)	86,500		75,400	- 1,100	76,800	86,250
Kentucky	25,000		23,300	+ 300	23,750	10,900
Michigan	60,100		53,100	- 8,100	56,900	63,300
Wyoming	98,000		102,100	+ 1,100	101,100	90,450
Montana	23,300		21,400		21,450	22,900
Colorado	7,000		7,050	- 350	7,150	6,800
New Mexico	110,000	110,000	105,050	+ 1,050	104,250	95,300
Total East of Calif.	3,594,600		3,437,050	-14,650	3,418,300	3,236,400
California	830,000	\$830,000	781,300	- 6,400	780,100	735,300
Total United States	4,424,600		4,218,350	-21,050	4,198,400	3,971,700

\*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 prorations. 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 gasolines 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. 19, 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. 21, 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	Potential % Re-Porting	Gasoline Production					†Stocks of Gas and Distillate Fuels	†Stocks of Residual Fuel Oil
			Crude Runs to Still	at Re-Porting	†Stocks of Gas and Distillate Fuels	†Stocks of Residual Fuel Oil	†Stocks of Residual Fuel Oil		
*Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas	2,444	88.7	2,000	81.8	5,690	30,354	15,774	15,467	
Appalachian—									
District No. 1	130	83.9	111	85.4	311	1,163	849	392	
District No. 2	47	87.2	58	123.4	179	845	153	139	
Ind., Ill., Ky.	824	85.2	746	90.5	2,646	14,056	5,865	3,390	
Okl., Kans., Mo.	416	80.1	324	77.9	1,189	6,093	2,142	1,697	
Rocky Mountain—									
District No. 3	8	26.9	8	100.0	31	40	5	32	
District No. 4	139	57.7	96	69.1	293	1,356	374	694	
California	817	89.9	703	86.0	1,795	18,908	12,302	44,913	
Tot. U. S. B. of M. basis Aug. 21, 1943	4,825	86.4	4,046	83.9	12,134	72,815	37,464	66,724	
Tot. U. S. B. of M. basis Aug. 14, 1943	4,825	86.4	4,004	83.0	11,672	72,505	36,574	66,448	
U. S. Bur. of Mines basis Aug. 22, 1942			3,731		11,214	79,125	40,899	78,098	

\*At the request of the Petroleum Administration for War. †Finished, 62,640,000 barrels; unfinished, 10,175,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,243,000 barrels of kerosene, 4,137,000 barrels of gas oil and distillate fuel oil and 8,411,000 barrels of residual fuel oil produced during the week ended Aug. 21, 1943, which compares with 1,282,000 barrels, 4,147,000 barrels and 8,158,000 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. 22, 1942.  
¶Note—Stocks of kerosene amounted to 9,898,000 barrels at Aug. 21, 1943, against 9,798,000 barrels a week earlier and 11,775,000 barrels a year before.

### Trading On New York Exchanges

The Securities and Exchange Commission made public on Aug. 27 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 Aug. 14, 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 Aug. 14 (in round-lot transactions) totaled 1,056,495 shares, which amount was 17.12% of the total transactions on the Exchange of 3,086,210 shares. This compares with member trading during the week ended Aug. 7 of 1,643,331 shares, or 16.06% of total trading of 5,117,930 shares. On the New York Curb Exchange, member trading during the week ended Aug. 14 amounted to 202,505 shares, or 14.10% of the total volume of that exchange of 717,935 shares; during the Aug. 7 week trading for the account of Curb members of 336,975 shares was 16.60% of total trading of 1,014,795.

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

WEEK ENDED AUG. 14, 1943

	Total for week	†Per Cent
A. Total Round-Lot Sales:		
Short sales	94,890	
†Other sales	2,991,320	
Total sales	3,086,210	
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	287,040	
Short sales	44,280	
†Other sales	252,820	
Total sales	297,100	9.47
2. Other transactions initiated on the floor—		
Total purchases	140,780	
Short sales	16,900	
†Other sales	109,580	
Total sales	126,480	4.33
3. Other transactions initiated off the floor—		
Total purchases	111,545	
Short sales	5,840	
†Other sales	87,710	
Total sales	93,550	3.32
4. Total—		
Total purchases	539,365	
Short sales	67,020	
†Other sales	450,110	
Total sales	517,130	17.12

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

WEEK ENDED AUG. 14, 1943

	Total for week	†Per Cent
A. Total Round-Lot Sales:		
Short sales	5,850	
†Other sales	712,085	
Total sales	717,935	
B. Round-Lot Transactions for the Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	61,350	
Short sales	4,850	
†Other sales	56,705	
Total sales	61,555	8.56
2. Other transactions initiated on the floor—		
Total purchases	17,115	
Short sales	400	
†Other sales	19,875	
Total sales	20,275	2.60
3. Other transactions initiated off the floor—		
Total purchases	18,350	
Short sales	0	
†Other sales	23,860	
Total sales	23,860	2.94
4. Total—		
Total purchases	96,815	
Short sales	5,250	
†Other sales	100,440	
Total sales	105,690	14.10
C. Odd-Lot Transactions for the Account of Specialists—		
Customers' short sales	0	
†Customers' other sales	33,164	
Total purchases	33,164	
Total sales	22,500	

\*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."

### Record Employment Of 63,500,000 Increases Labor Supply Problem, Says Conference Board

With agriculture, the armed services, and munitions industries all levying upon an already depleted manpower reserve, the labor supply situation has become a national problem of first importance, according to the National Industrial Conference Board. Under date of Aug. 23 the Board stated that during June alone nearly 1,100,000 persons were drawn into agriculture, the fighting forces and civilian production lines. At the end of the month the level of employment approached 63,500,000, which is well above earlier estimates of the total manpower required to meet production goals for the home and fighting fronts. Yet new estimates by manpower authorities for the coming twelve months reveal that an additional 3,600,000 recruits must be found to satisfy the needs of the armed forces and the munitions industries.

The Conference Board's announcement further said: "The military services must induct a minimum of 2,000,000 to reach a fighting strength of 11,300,000 by the middle of next year, according to the Board. In addition, at least 1,600,000 net additional workers must be found for the munitions industries, even after allowance for a 10% increase in output per man hour in 1943, further gains in 1944, and an increase in the work week from 46.9 hours to 48 hours.

"The Board's figures show that in June fully 7,500,000 new recruits had been already added to the normal number of persons comprising the nation's labor force. The total number at work or in uniform was at that time more than 10,000,000 greater than at mid-year, 1941, and almost 7,000,000 above 1942. Only somewhat more than 3,000,000 had, however, found their way into non-agricultural civilian employment since 1941 and only about 1,250,000 since the middle of last year.

"About two-thirds of the 3,600,000 needed by the armed services and munitions industries are expected to be obtained by transfers from less essential industries, but the remaining third, or about 1,250,000 must be drawn from the non-working population, primarily women outside the labor force, the Board says.

"Slightly more than half the June increase in employment occurred in agriculture, but the number at work on the farms remained fully 250,000 below the corresponding period last year, and about 4% lower than the corresponding average for the five preceding peacetime years. About 100,000 new workers were taken on in non-farm civilian industries, principally in manufacturing. About half the gain in manufacturing employment during the month was concentrated in the war plants producing ships, airplanes and other transportation equipment.

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### Controllers Convene In New York Sept. 20

Contract termination and renegotiation, post-war reserves, Federal taxation, social security and pension plans, and other topics of immediate concern to financial management will dominate the agenda for the 12th annual meeting of the Controllers Institute of America, to be held Sept. 20-22 in the Waldorf-Astoria, New York. A special feature of the gathering will be a concurrent series of 12 industry conferences on the opening evening. At these sessions, controllers from as many different lines of business will consider the particular problems which affect them most. The industries to be represented in these group meetings include: aircraft and automobiles; banking, finance and investment; electrical products; foods; hotels and restaurants; insurance; merchandising; paper; publishing; public utilities, and radio textiles.

Another set of group conferences, arranged by subject rather than according to industry, will be held on the morning of Sept. 21. Nine topics will be covered in as many meetings, including: the controlled materials plan; Federal reports and questionnaires; financial reports for stockholders and employees; manpower problems; pension plans; post-war reserves; ration accounting, and wage and salary stabilization.

Senator Albert W. Hawkes of New Jersey, who is a former President of the Chamber of Commerce of the United States, will speak at the annual dinner on the evening of Sept. 21. His topic will be "Facts, Figures and Promises." Noel Hall, Minister of Economic Warfare of Great Britain, will also address the gathering. T. C. McCobb, President of the Institute, who is controller of the Standard Oil Co. (New Jersey) will preside as toastmaster.

### Revenue Freight Car Loadings During Week Ended August 21, 1943 Increased 21,763 Cars

Loading of revenue freight for the week ended Aug. 21, 1943 totaled 891,197 cars, the Association of American Railroads announced Aug. 26. This was an increase above the corresponding week of 1942 of 21,763 cars, or 2.5%, but a decrease below the same week in 1941, of 8,591 cars or 1%.

Loading of revenue freight for the week of Aug. 21, increased 4,032 cars, or five tenths of 1% above the preceding week.

Miscellaneous freight loading totaled 389,682 cars, an increase of 4,695 cars above the preceding week, but a decrease of 13,031 cars below the corresponding week in 1942.

Loading of merchandise less than carload lot freight totaled 101,113 cars, an increase of 488 cars above the preceding week, and an increase of 11,566 cars above the corresponding week in 1942.

Coal loading amounted to 176,489 cars, a decrease of 538 cars below the preceding week, but an increase of 15,779 cars above the corresponding week in 1942.

Grain and grain products loading totaled 56,225 cars, a decrease of 1,173 cars below the preceding week, but an increase of 6,553 cars above the corresponding week in 1942. In the Western Districts alone, grain and grain products loading for the week of Aug. 21, totaled 40,479 cars, a decrease of 1,212 cars below the preceding week but an increase of 5,446 cars above the corresponding week in 1942.

Live stock loading amounted to 16,273 cars, an increase of 1,285 above the preceding week, and an increase of 1,542 cars above the corresponding week in 1942. In the Western Districts alone, loading of live stock for the week of Aug. 21, totaled 12,430 cars, an increase of 1,468 cars above the preceding week, and an increase of 1,299 cars above the corresponding week in 1942.

Forest products loading totaled 48,178 cars, a decrease of 907 cars below the preceding week and a decrease of 3,852 cars below the corresponding week in 1942.

Ore loading amounted to 88,709 cars, an increase of 39 cars above the preceding week and an increase of 2,682 cars above the corresponding week in 1942.

Coke loading amounted to 14,528 cars, an increase of 143 cars above the preceding week, and an increase of 524 cars above the corresponding week in 1942.

All districts reported increases compared with the corresponding week in 1942, except the Northwestern 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	3,454,405
4 weeks of February	3,055,640	3,122,942	2,866,535
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
Week of Aug. 14	887,165	868,845	890,337
Week of Aug. 21	891,197	869,434	899,788
<b>Total</b>	<b>27,054,867</b>	<b>27,837,036</b>	<b>26,814,819</b>

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Aug. 21, 1943. During this period 70 roads showed increases when compared with the corresponding week last year.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS)—WEEK ENDED AUG. 21

Railroads	Total Revenue Freight Loaded		Total Loads Received from Connections	
	1943	1941	1943	1941
<b>Eastern District—</b>				
Ann Arbor	237	321	563	1,512
Bangor & Aroostook	901	916	861	246
Boston & Maine	6,637	5,953	9,090	14,630
Chicago, Indianapolis & Louisville	1,337	1,533	1,730	2,078
Central Indiana	35	24	14	47
Central Vermont	996	972	1,491	2,250
Delaware & Hudson	6,637	5,953	9,090	14,630
Delaware, Lackawanna & Western	7,693	7,501	9,972	12,864
Detroit & Mackinac	189	411	320	107
Detroit, Toledo & Ironton	1,927	1,442	1,895	1,301
Detroit & Toledo Shore Line	343	312	345	2,443
Erle	13,728	11,919	15,583	18,426
Grand Trunk Western	3,692	4,675	4,913	8,364
Lehigh & Hudson River	167	191	187	2,572
Lehigh & New England	2,188	2,168	2,458	1,824
Lehigh Valley	8,624	9,020	10,412	13,810
Maine Central	2,528	2,276	3,233	2,292
Monongahela	5,949	6,176	6,458	461
Montour	2,359	2,227	2,432	219
New York Central Lines	56,903	49,210	51,892	58,388
N. Y., N. H. & Hartford	10,124	9,337	12,361	18,401
New York, Ontario & Western	1,345	936	1,210	2,502
New York, Chicago & St. Louis	7,543	8,046	7,174	15,488
N. Y., Susquehanna & Western	590	377	461	2,273
Pittsburgh & Lake Erie	7,737	7,905	8,667	8,113
Pere Marquette	5,056	5,695	5,767	8,178
Pittsburgh & Shawmut	950	715	579	36
Pittsburgh, Shawmut & North	402	357	420	321
Pittsburgh & West Virginia	1,118	1,075	1,184	2,517
Rutland	330	379	659	1,112
Wabash	5,729	6,161	6,235	12,549
Wheeling & Lake Erie	5,273	5,719	5,979	5,627
<b>Total</b>	<b>169,232</b>	<b>160,187</b>	<b>181,618</b>	<b>232,627</b>
<b>Allegheny District—</b>				
Akron, Canton & Youngstown	780	688	785	1,263
Baltimore & Ohio	45,249	41,755	42,807	28,426
Bessemer & Lake Erie	6,105	6,559	6,725	2,161
Buffalo Creek & Gauley	1,268	273	330	3
Cambria & Indiana	1,827	1,952	1,343	3
Central R. R. of New Jersey	7,149	7,438	9,104	21,430
Cornwall	628	608	722	60
Cumberland & Pennsylvania	269	252	305	38
Ligonier Valley	134	133	126	37
Long Island	1,888	1,128	984	4,228
Penn.-Reading Seashore Lines	2,174	1,884	2,132	2,955
Pennsylvania System	88,743	83,494	90,097	68,762
Reading Co.	15,576	14,175	18,193	28,477
Union (Pittsburgh)	20,794	21,063	19,301	7,048
Western Maryland	4,174	4,033	4,642	12,674
<b>Total</b>	<b>195,758</b>	<b>185,425</b>	<b>198,096</b>	<b>177,565</b>
<b>Poconant District—</b>				
Chesapeake & Ohio	28,581	28,170	29,249	13,280
Norfolk & Western	22,126	21,377	25,315	6,798
Virginian	4,562	4,305	4,526	2,382
<b>Total</b>	<b>55,269</b>	<b>53,852</b>	<b>59,091</b>	<b>22,460</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
<b>Southern District—</b>					
Alabama, Tennessee & Northern	278	315	442	311	415
Atl. & W. P.—W. R. R. of Ala.	600	650	890	3,073	2,508
Atlanta, Birmingham & Coast	774	746	874	1,129	1,232
Atlantic Coast Line	11,227	11,485	10,866	10,581	9,011
Central of Georgia	3,710	3,532	4,705	4,845	4,142
Charleston & Western Carolina	378	392	474	1,529	1,393
Cinchfield	1,738	1,712	1,903	2,690	2,495
Columbus & Greenville	335	468	280	203	190
Durham & Southern	102	85	187	823	567
Florida East Coast	1,288	870	457	1,475	1,565
Gainesville Midland	53	62	35	86	98
Georgia	1,116	1,252	1,383	2,910	2,559
Georgia & Florida	475	500	665	499	466
Gulf, Mobile & Ohio	4,210	4,383	4,326	4,401	5,308
Illinois Central System	28,508	26,680	26,529	18,810	16,731
Louisville & Nashville	25,181	25,507	24,787	12,530	11,080
Macon, Dublin & Savannah	185	170	202	617	645
Mississippi Central	250	197	200	553	539
Nashville, Chattanooga & St. L.	3,112	3,295	3,406	4,581	4,239
Norfolk Southern	919	959	1,072	1,341	1,499
Piedmont Northern	367	267	479	1,142	1,105
Richmond, Fred. & Potomac	435	429	404	9,444	9,234
Seaboard Air Line	9,565	9,952	10,246	8,123	7,903
Southern System	22,369	22,450	24,591	22,912	22,696
Tennessee Central	533	532	561	977	1,108
Winston-Salem Southbound	120	165	294	1,146	929
<b>Total</b>	<b>117,829</b>	<b>117,031</b>	<b>120,262</b>	<b>116,731</b>	<b>109,603</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
<b>Northwestern District—</b>					
Chicago & North Western	21,537	22,588	23,103	14,422	14,254
Chicago Great Western	2,903	2,491	3,083	3,174	3,161
Chicago, Milw., St. P. & Pac.	22,026	21,649	25,223	10,966	10,470
Chicago, St. Paul, Minn. & Omaha	4,292	4,037	4,440	4,107	4,504
Duluth, Missabe & Iron Range	30,427	31,213	24,671	321	398
Duluth, South Shore & Atlantic	1,056	1,182	1,629	689	912
Elgin, Joliet & Eastern	8,715	10,871	10,439	10,925	10,379
Ft. Dodge, Des Moines & South	480	566	540	78	160
Great Northern	26,581	29,633	27,219	5,978	5,981
Green Bay & Western	399	452	638	1,092	825
Lake Superior & Ishpeming	2,964	1,779	3,083	34	55
Minneapolis & St. Louis	2,312	2,633	2,415	2,237	2,248
Minn., St. Paul & S. S. M.	8,901	7,804	8,561	2,938	3,457
Spokane International	11,726	11,826	13,639	5,611	5,215
Northern Pacific	220	252	259	510	679
Spokane, Portland & Seattle	2,749	2,717	3,204	3,540	3,133
<b>Total</b>	<b>147,288</b>	<b>151,703</b>	<b>152,151</b>	<b>66,622</b>	<b>65,835</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
<b>Central Western District—</b>					
Atch., Top. & Santa Fe System	41,483	23,087	22,608	12,209	12,351
Alton	3,862	3,522	3,346	4,354	4,886
Bingham & Garfield	393	623	656	84	90
Chicago, Burlington & Quincy	20,667	20,294	19,192	12,138	11,480
Chicago & Illinois Midland	3,099	2,379	2,423	957	838
Chicago, Rock Island & Pacific	12,470	12,814	13,580	12,502	11,441
Chicago & Eastern Illinois	2,845	2,469	3,067	6,502	3,944
Colorado & Southern	958	913	862	2,265	1,970
Denver & Rio Grande Western	5,178	4,077	3,747	6,242	5,774
Denver & Salt Lake	720	688	734	12	25
Fort Worth & Denver City	1,266	1,225	1,077	1,962	1,771
Illinois Terminal	1,908	2,006	1,979	1,917	2,082
Missouri-Illinois	1,156	1,390	1,102	550	379
Nevada Northern	1,903	2,015	1,969	150	83
North Western Pacific	1,305	1,228	1,323	859	735
Peoria & Pekin Union	24	13	11		
Southern Pacific (Pacific)	33,790	32,598	31,022	14,897	10,885
Toledo, Peoria & Western	334	340	369	1,950	1,811
Union Pacific System	16,106	16,423	17,638	17,569	15,182
Utah	573	656	466	4	2
Western Pacific	2,307	2,235	2,139	4,420	2,955
<b>Total</b>	<b>132,347</b>	<b>131,001</b>	<b>129,310</b>	<b>101,543</b>	<b>89,689</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
<b>Southwestern District—</b>					
Burlington-Rock Island	425	733	175	246	155
Gulf Coast Lines	5,837	4,415	3,781	3,229	2,452
International-Great Northern	2,649	2,894	2,134	3,160	3,088
Kansas, Oklahoma & Gulf	345	312	236	1,135	1,240
Kansas City Southern	5,582	4,912	2,874	2,686	2,940
Louisiana & Arkansas	3,382	3,727	2,535	2,672	2,121
Litchfield & Madison	380	287	372	1,692	1,121
Midland Valley	829	697	849	416	217
Missouri & Arkansas	157	205	161	358	348
Missouri-Kansas-Texas Lines	5,754	5,896	4,769	5,307	5,342
Missouri Pacific	17,931	17,388	17,268	19,455	20,664
Quannacumet & Pacific	86	81	129	297	237
St. Louis-San Francisco	8,909	9,580	8,852	9,924	8,397
St. Louis Southwestern	2,824	2,726	2,707	7,189	5,836
Texas & New Orleans	13,330	11,527	8,409		

## Items About Banks, Trust Companies

The Harlem Savings Bank, of New York, has appointed Albert M. Lyons an Assistant Secretary and Charles E. Ashbee an Assistant Manager of the 181st Street and Broadway branch.

A. St. C. Nichol, Assistant Manager and special agent of Bank of Montreal in Chicago, has been appointed third agent of Bank of Montreal in New York and will shortly assume his new duties. Mr. Nichol is taking the place of A. T. Corner, who is returning to Montreal.

George F. Cary, retired Portland (Me.) banker, died on Aug. 26 at his home in Mount Dora, Fla. He was 76 years old and a native of Machias, Me. Mr. Cary was President of the Machias Savings Bank when he left that town in 1912. He subsequently was the President of Casco Mercantile Trust Co., Portland, and was Chairman of the Board of its successor, the Chapman Bank and Trust Co., when he retired.

George Buffington, an Assistant Secretary of the Treasury since October, 1941, will join the National City Bank of Cleveland as a Vice-President about Sept. 15. Sidney B. Congdon, President of the bank announced on Aug. 23. Mr. Buffington has been in charge of the Victory Fund Committees throughout the country. He was formerly associated with a Chicago bank and Chicago and Cleveland investment firms.

The Fifth Third Union Trust Co., Cincinnati, has completed the retirement of the remaining capital debentures outstanding, John J. Rowe, President, announced in a letter sent to stockholders on Aug. 23. In reporting this the Cincinnati "Enquirer" said:

"Payment of the remaining \$750,000 amount retires an original issue of \$5,000,000 of debentures, which were issued in 1934. Earlier in the year the bank retired \$150,000. A total of \$900,000 were outstanding at the end of last year.

"Our capital structure as at the close of Aug. 31, 1943, will show \$5,000,000 capital stock, \$5,000,000 surplus, and \$1,000,000 undivided profits. This has been made possible through earnings," Mr. Rowe's letter explains.

E. S. Patterson has been elected President and Director of the First Central Trust Co., Akron, Ohio, according to an announcement by H. B. Hobart, Chairman of the institution.

The Gary State Bank, Gary, Ind., a State member bank of the Federal Reserve System, has converted into a National Bank under the title of Gary National Bank. Plans for this change were noted in these columns of Aug. 5, page 532.

At a meeting of the Board of Directors of the Union National Bank of Houston, Texas, held August 23, George Hamman, formerly Vice-President and Director, was elected President to succeed R. M. Farrar, deceased.

Promotion of Harry R. Smith, Assistant Vice-President in the banks and bankers department of the Bank of America, National Trust & Savings Association, (head office, San Francisco) to the rank of Vice-President, has been announced by L. M. Gianini, President. D. B. Bevier, Assistant Cashier in the same department, has been advanced to Assistant Vice-President.

Total resources of Lloyds Bank, Ltd., London, as of June 30, 1943 are reported at £698,002,956, compared with £695,385,809 at the end of 1942. The bank's deposits are £653,438,346 against £646,172,-

783 at the close of 1942. Cash in hand and with Bank of England was listed at £71,206,542, compared with £69,203,956; bills discounted total £45,594,906, against £47,252,710; Treasury deposit receipts are £147,500,000, compared with £155,000,000; investments, £212,891,570, against £193,602,648, and loans and advances to customers £117,345,610, compared with £120,201,230.

## Civil Relief Act Delinquencies Down

Delinquencies on instalment repayments of consumer credit loans resulting from the Soldiers' and Sailors' Civil Relief Act during the month of June showed a slight decrease as compared with the preceding three months of 1943, according to the monthly statistical analysis of consumer credit loans prepared by the Consumer Credit Department of the American Bankers Association. The department is under the direction of Walter B. French, Deputy Manager of the Association.

The analysis, which is being sent to the Association's membership, also shows that in the same month there was a slight increase in delinquencies of all types of loans overdue from one to fourteen days. From the announcement by the Association Aug. 25 we quote:

"The slight decline in Civil Relief Act delinquencies was attributed to the fact that the rate of induction of men into the armed forces receded, beginning with the month of June, from the peak numbers inducted in earlier months of the year. On the other hand, the slight over-all increase in June delinquencies 1 to 14 days overdue resulted from the fact that many borrowers had to meet income tax payments which fell due in that month.

"The analysis shows that of the total of consumer credit loans outstanding on June 30, 1943, the following percentages were delinquent:

No. of Days Delinquent	Per Cent of Loans Delinquent	Percentage Delinquent Relative to Sept. 30, 1941-1943
1-4 days	1.486	105
5-14 days	1.534	106
15-29 days	1.034	96
30-59 days	.606	85
60-89 days	.328	99
90 days and over	.533	116
Matured loans	1.146	134
Soldiers and sailors' Act delinquenc.es.	.864	325

## Woman's Place In War And After Will Be Discussed By ABA

A special ladies' program dealing with the interests of women in the war and the post-war world and featuring a panel discussion which will present the views of four noted American women, has been arranged in connection with the War Service Meeting of the American Bankers Association to be held in New York City, Sept. 13-15. The theme of the panel discussion will be "The Place of Women in the War and the Post-War Era." The discussion will be held Sept. 13, in the Sert Room of the Waldorf Astoria Hotel, headquarters for the Association's meeting.

The four women who will participate in the panel discussion are Mrs. O. A. Beech, Secretary-Treasurer of the Beech Aircraft Corp.; Wichita, Kan.; Mrs. Linville K. Martin, President of the Association of Junior Leagues of America; Miss Margaret T. Corwin, Dean, New Jersey College for Women, and Miss Edith M. Barber, food editor of the New York "Sun." The discussion will be presided over by Harold J. Marshall, Secretary of the New York State Bankers Association.

## US Warns Germany On Crimes Against Civilians

The United States Government on Aug. 29 reaffirmed its resolve "to punish the instigators and actual perpetrators" of crimes against civilians in occupied countries and further declared that these atrocities, committed in the name of Germany, would be taken into account "against the time of the final settlement with Germany."

The statement of policy, issued on the basis of new information on crimes against the Polish population, follows:

"Trustworthy information has reached the United States regarding the crimes committed by the German invaders against the population of Poland. Since the autumn of 1942 a belt of territory extending from the Province of Bialystok southward along the line of the River Bug has been systematically emptied of its inhabitants. In July, 1943, these measures were extended to practically the whole of the Province of Lublin, where hundreds of thousands of persons have been deported from their homes or exterminated.

"These measures are being carried out with the utmost brutality. Many of the victims are killed on the spot. The rest are segregated. Men from 14 to 50 are taken away to work for Germany.

"Some children are killed on the spot, others are separated from their parents and either sent to Germany to be brought up as Germans or sold to German settlers or dispatched with the women and old men to concentration camps.

"The United States Government reaffirms its resolve to punish the instigators and actual perpetrators of these crimes. It further declares that, so long as such atrocities continue to be committed by the representatives and in the name of Germany, they must be taken into account against the time of the final settlement with Germany.

"Meanwhile, the war against Germany will be prosecuted with the utmost vigor until the barbarous Hitlerite tyranny has been finally overthrown."

## National War Fund Budget Summarized

Operations of 600 institutions for care of child war victims in China and Great Britain and 31 hospitals in North Africa are some of the activities supported by member agencies of the National War Fund which this Fall will conduct a campaign for \$125,000,000, it was announced Aug. 26 by Emil Schram, New York committee chairman.

Two hundred of the children's institutions are in China, while there are 400 in Great Britain, Mr. Schram explained. "These," he said, "are only a small percentage of all such participating service operations which represent the active, responsible, experienced and most direct means of reaching those in need for whom funds are sought."

A functional summary of the budget of the National War Fund, Mr. Schram stated, shows that the campaign goal to cover the needs of its 17 member agencies for the 14 months ending Oct. 1, 1944 is to be distributed as follows: services to our armed forces, which includes the USO, \$61,226,827; War Prisoners' Aid, \$5,884,163; services to the merchant marine, \$4,744,097; refugee relief, which embraces aid to those who managed to escape from occupied countries, \$8,637,849; aid to civilians in combat zones, \$24,973,626; relief in occupied countries, where there is assurance that supplies will not fall into enemy hands, \$5,925,566; administrative

## Forced Savings Called Un-American By Smith

Former Governor Alfred E. Smith in an address on Aug. 25 to a meeting of 2,400 "bondadiers" at War Center in New York City, condemned the talk of a possible compulsory savings scheme to finance war activities.

Saying the feeling against such a scheme is purely American, Mr. Smith asserted that "we should not be compelled to back up our country but rather we should do so willingly."

Mr. Smith's address highlighted the informal opening of the "War Center on Victory Square," 50th Street near 6th Avenue, which will be used by the Treasury Department in conducting rallies, meetings and other activities in selling extra War Savings Bonds during the Third War Loan drive to begin Sept. 9.

The "bondadiers" task in helping to reach the city's quota of \$4,168,000,000 will be to get each employee of the 30,000 firms in New York City to buy an extra \$100 war bond during the campaign.

The Third War Loan, Mr. Smith declared, is not an appeal to "give" money to the government, but the lending of money which will be paid back with interest, and he told the Treasury representatives, that the people were "not being asked to buy anything."

Again asserting that no matter how large the amount asked, New York City, as usual, will not be lagging or shirking in its duty, Mr. Smith pointed out that any possible failure would mean that the Hitler propaganda machine would be furnished material with which to sell the German people that the American nation had lost its interest in the war.

W. Randolph Burgess, Chairman of the War Finance Committee for New York State, presided and introduced Mr. Smith. J. P. Stevens, Jr., Director of the Payroll Savings Division, outlined to "bondadiers" the part they will play during the drive and called for additional workers to aid in the campaign.

## 446,000 Fathers Face Induction In Fall

Maj. Gen. Lewis B. Hershey, Director of Selective Service, informed local draft boards on Aug. 23 that about 446,000 fathers probably will be inducted into military service to meet expected Army and Navy calls between Oct. 1 and Dec. 31.

Gen. Hershey reported that an estimated 907,000 men would have to be inducted in the last three months of the year, bringing the total for the last half of 1943 to 1,873,000, for which there were now only 1,427,000 men available unless 446,000 fathers make up the deficiency. The others making up these quotas would consist of an estimated 783,000 physically qualified now in Class 1-A and 644,000 from those reclassified from 4-F and those becoming 18 years old.

Gen. Hershey said the only large deferred pool remaining from which men can be called is the group of fathers, numbering 6,559,000. His letter added:

"The fundamental issue is not whether we are to draft fathers but whether, in the consideration of the war effort, we will call those men least valuable to the war effort."

and campaign costs, \$800,000; and a contingent fund of \$12,807,867 to meet the changing needs growing out of the trends of the war.

In addition to the \$125,000,000 National War Fund goal, Mr. Schram said it is expected that another \$125,000,000 will be raised by local united community campaigns for needs of home front agencies for health, welfare and recreation.

## Economic Importance Of 3rd War Loan Drive Subject Of ABA Booklet

A 16-page booklet portraying the economic importance of the Treasury's \$15,000,000,000 Third War Loan Drive has been prepared by the Committee on Treasury War Borrowing of the American Bankers Association and is now being sent to all banks throughout the country.

Titled "Fifteen Billion to Back the Attack," the booklet is prefaced by a Presidential proclamation announcing the Drive, which is accompanied by a message from ABA President W. L. Hemingway, President of the Mercantile-Commerce Bank and Trust Co., St. Louis. It contains nine charts and diagrams together with textual interpolations which analyze the national debt, portray money in circulation, living costs, and wages, describe the "inflationary gap" in the national income, and highlight the ways in which the costs of the war are being met. State quotas for government bond sales in the Third War Loan Drive are graphed, and the cost of various types of weapons and war equipment is pictorially illustrated in the booklet.

In his message urging nationwide participation in the Third War Loan Drive, Mr. Hemingway declares that the United States is participating in four wars at once—a war against the Germans, another against the Japanese, a "war to get production of food and munitions," and a "war against inflation." Mr. Hemingway says:

"We are winning the first three wars, slowly perhaps, but surely. But we are not winning the fourth, the war against inflation. To win that war we must sell bonds to all the people, not to the banks, not just to the corporations and the rich. They are not rich enough, all of them together, to pay for this war. The Treasury wants millions of subscribers to this Third War Loan Drive as well as billions of dollars in order that it may guard our country against the horror of inflation and strike terror into the hearts of our enemies by the renewed proof of our unity behind our gallant warriors."

Five reasons why the public should invest as much as possible in Government bonds are set forth in the booklet. First, war bond purchases constitute an opportunity for all to help provide the materials of war for the armed forces; second, they enable everyone to "share in the sacrifices," although lending money to the Government is termed "little enough to expect of an American," third, bond purchases help to keep prices from rising; fourth, they provide a sound investment opportunity for all, and fifth, they reduce the threat of inflation and the "quicksand economy" which it creates, the booklet says.

## Banks Urged To Name Sub-Agents For Issue Of War Savings Bonds

Banking institutions are being urged to cooperate in the Treasury Department's program to facilitate the sale of Series E War Savings Bonds during the Third War Loan Drive, scheduled to start Sept. 9, by appointing selected retail establishments to act as sub-agents for the sale and issuance of these bonds whenever it appears that there may be a need for additional outlets. In a letter to qualified banking institutions in the Second (New York) Federal Reserve District, Allan Sprul, President of the New York Reserve Bank, said the appointment of such sub-agents by a banking institution should in most instances reduce the amount of work to be done by it during the Drive.