

# The Commercial and FINANCIAL CHRONICLE

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## The Financial Situation

The general course of events during the past half-year or more has implanted a hope of a relatively early cessation of war, in Europe at least, which official propaganda has not by any means been able wholly to dash. One result has been greatly increased attention to the situation by which business is likely to be faced when peace comes. Tons of paper, we are certain, have been used in tabulating "back-logs" of demand for various types of goods; the volume of "deferred maintenance" and unexpended depreciation reserves; estimates of resources in the hands of the consuming public and of business enterprise for capital outlay when peace makes normal operations again possible; the volume of "money" of all sorts in the hands of the public; and heaven knows what else. From thousands of tables and charts, the statisticians, the economists and the forecasters generally have been "laying their bets," figuratively speaking, on the post-war era.

### Statistics vs. Policy

Much of this doubtless will prove of real value—though some of it, particularly that part which has flowed from the imaginations of the day dreamers in and about the New Deal menage, appears scarcely worth the effort. It is, of course, quite necessary for the business man to look ahead to the best of his ability, and accurate glimpses of the future would be difficult indeed without a marshalling of all the pertinent facts available. We must, however, confess to some doubt whether the key to the post-war situation will be found in any or all of these data. The facts admirably brought together in many of these analyses may mean one thing or the other, much or little, depending, it seems to (Continued on page 2024)

## Post-War Activities

### Roger W. Babson Says Pent-Up Demands Will Boost Business

The accuracy of any forecasts for 1944 business depends upon whether we remain at war or whether hostilities in either of the two principal theatres suddenly cease. This possibility, I will not now discuss, but will do so in my Annual 1944 Forecast. We can be certain now, however, of only one thing, namely, that the War will end some day and our side shall win. With this in mind and with no time factor involved, I wish to comment upon a few special situations.



Roger W. Babson

#### Outlook For Travel

Travel in general and long distance motoring have been set aside now for some time. The deferred travel desires on the part of the general public are reaching a high point. With the release of wartime pressure, with Pullman berths and plane seats again available and with the freeing of hotels and resorts by the military, the general public will start going places.

Many businessmen are planning trips abroad by boat or plane to tie together once more the loose ends of their foreign interests. We are no longer an isolated nation. Our future is bound up with conditions in many other countries of the world. To have first-hand knowledge of what is happening in other countries will become a

familiar part of our business techniques. I am bullish on travel agencies, on the sale of travellers' checks, on the retail business and on other lines allied to the great industry of public travel.

#### Residential Building.

Certain war-industry areas in which housing is now at a premium may be liquidated at the war's end. Homes there may then be a drug on the market. However, the construction of new homes in other sections has long been stopped. Architects, contractors, supply companies and others interested in this field should look forward to considerable activity.

Whether the individual builds a new house, rents a new apartment, buys a new automobile, a new radio or travels will be based upon his purchasing power. For a while at least, this will be far greater than in pre-war days, due to accumulated savings. As these are spent rather than saved, there will be a large demand for goods. This is particularly true of luxury and semi-luxury items. Retail outlets, inactive during the war, will take on a new importance.

#### Professional Services

Doctors, lawyers, beauty parlor operators, specialty shop owners, (Continued on page 2026)

## Attainment Of Freedom From Want Dependent On Private Enterprise, Says Walter Gifford

Voicing confidence in America's post-war future and declaring that "we must approach our post-war problems more realistically," Walter S. Gifford, President of the American Telephone and Telegraph Co., expressed himself on Nov. 9 as looking forward "to good times, to good wages—to a period that will create capital and well-being."

In an address at Franklin Hall, Philadelphia, on the occasion of an award to him of the Vermilye Medal of the Franklin Institute in recognition of his achievement in the field of industrial management, Mr. Gifford asserted that "defeatism has no place in America" and indicated it as his belief that it is realistic "to expect plenty of employment and the abandonment of Government wartime controls, including taxes that discourage enterprise, as rapidly as practical with resulting further progress in improving our standard of living and in providing equal opportunities for all."



W. S. Gifford

Mr. Gifford pointed out that "without freedom of individual enterprise" this country would lose its "high standard of living and cease to be the land of opportunity." He added that "clearly our safety and our well-being depend upon the fullest encouragement to American ingenuity, upon maintenance of our system of freedom of private enterprise," terming the latter the basic freedom without which the other freedoms cannot exist.

Saying "it would be ridiculous to be satisfied with the progress we have made toward freedom from want and toward opportunity for everyone," Mr. Gifford

asserted that, while our progress has been greater than that of any other country, there is still "much to be done to make life after the war more livable for millions of our fellow citizens."

The text of Mr. Gifford's address, entitled "Private Enterprise And Freedom From Want," follows:

I am glad that there is a medal in recognition of industrial management and I am happy and honored to receive the Vermilye Medal\* with your generous citation. For nearly a century and a quarter the Franklin Institute has closely surveyed the fields of science and technology; and no man could fail to be pleased to learn that his endeavor to afford effective management to a business enterprise which involves the extensive application of those forces finds favor with you.

The art of living may be a higher art than the art of making a living, but the art of making a living is quite fundamental to the happiness of mankind. Industrial management has enabled great numbers of people to combine their talents and vastly increase their effectiveness. It has made possible widespread use of inventions of mankind. It has played a vital part in the rise of mankind from the certainty of want to the possibility of plenty and this change has come in the last 150 years. This change was generated in the lands where political and industrial freedom were greatest

and where man and management had the greatest opportunity.

It has been one of the most sensational improvements in the lot of mankind since the dawn of history.

But it has not produced Utopia, nor a perfect race of human beings, nor has it stopped war, nor has it guaranteed complete employment for everyone at any and all times.

In this very human world our country leads in many ways; in none perhaps more than in the art of management. Yet management was for some years prior to the war not only the "forgotten man" but the much abused man. It was wrongly blamed for much during the depression years. Fortunately because it has been largely the skill and leadership of American management directing American labor and capital that has made it possible for America to become the Arsenal of the United Nations in this global war.

The achievements of American industry before the war and since have been nothing short of miraculous. Right now, measured by output per worker, we produce half as much again as Canada and twice as much as Great Britain or Germany and three to four times as much as Japan. Precisely how much of that is due to American management and how much to the American worker or to American capital, no one can tell, but clearly the ingenuity and

\*Awarded biennially by The Franklin Institute to individuals "in recognition of outstanding achievement in the field of industrial management."

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## From Washington Ahead Of The News

By CARLISLE BARGERON

Donald Nelson came back from Russia a broader and a highly interesting man. But there are rather definite indications that he came back to find himself without a job. His friends gave the rather definite impression upon his return that he planned to again take hold of the War Production Board and really run it. He had been only the nominal head for several months before he left. In fact, he had saved his official skin by calling in Charles E. Wilson of General Electric. It was no secret that Wilson had been called in to be the real boss. But upon his return Nelson apparently felt the place had been gotten in good enough running order for him to again take over. Presumably this was satisfactory to Wilson for he submitted his resignation to Nelson.

But Jimmy Byrnes sent word to Wilson that the President was the only man he could submit his resignation to. Nelson had gone away for a slight rest before resuming his job.

Nelson's friends had put out the word that his chief concern henceforth was to be the reconversion program. This may have been what prompted Byrnes to move in. The intimate Roosevelt group seems to be determined to handle that. To this end they are bringing insistent pressure upon

Senator Walter George that Congress formulate only a broad program for reconversion, the Administration to implement it. George is the head of a special Senate Committee working on the subject and it is our understanding that he was incensed, at first, anyway, over the apparent effort of the White House to take the matter in its own hands. Baruch has somewhat mollified the committee by appearing in the role of a help-mate rather than an enemy, but the committee has not yet yielded to the pressure that it confine itself to broad principles.

That we are not wholly unjustified in the suspicions expressed last week as to the purpose of Mr. Baruch's appointment is indicated by the statements of the columnist, Ernest K. Lindley, who is advertised as the explainer of the New Deal viewpoint and who

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## Bricker Formally Enters Republican Presidential Race For 1944 Nomination

### Sees New Deal As Through—Post-War Planning Not Feasible Now

Governor John W. Bricker of Ohio formally announced on Nov. 15, that he will be a candidate for the Republican Presidential nomination in 1944. In a statement, the Governor said he would enter the Ohio primaries and put his name before the Republican National Convention, "confident of the fact that the Republican Party will be called upon to lead our nation at the next election."

He renounced any bid for a fourth term as Governor, expressing gratitude to the people of Ohio, and saying that "confusion and distrust reign throughout the land," asserted that the country needed "a change of philosophy of government."

Gov. Bricker's statement follows, in part:

Two years ago upon becoming a candidate for a third term as Governor of this State, I was confident that by the end of this term Allied victory would be assured. I still have that feeling today.

There comes a time in the life of every public official when he must make important decisions regarding his own service. The public interest should be his sole guide in those decisions. It is necessary to the preservation of the institutions of the Republic that a public official relinquish office and authority at the proper time as well as assume it when there is a need for his services.

The worship of power and the desire to hold perpetually on to public office on the part of an individual, especially with the tremendous patronage that goes with the executive offices of the country, could easily destroy our free government. The principle is the same applied to the community, to the State or to the nation. At the recent Mackinac conference of the leaders of the Republican Party I said that the next President of the United States should serve one term without thought of re-election and that an amendment should be submitted to the people of this country protecting against too long a tenure in the Presidency.

With these basic convictions and with a deep gratitude to the people of Ohio for the opportunities that I have had to serve them and to have had a constructive part in government during these dangerous days, I want now to make it publicly known that I shall not be a candidate for a fourth term as Governor of Ohio.

The Presidency of the United States is the most exalted office in the world. Grave problems will be presented during the term of the next President. Victory is now assured to the cause of righteousness in the war.

Our Army, Navy and Air Forces are fighting great battles and winning notable victories and they will continue to final triumph under our proven military leaders. They have under their command the bravest, the strongest and the best. As a result of our fighting, the United States will be in a position of great power and responsibility among the nations of the world. All that power should be exercised with the deepest conviction that we have a great destiny to fulfill in America. We must keep ourselves strong, liberty-loving, self-governing, and use that power and influence throughout the world to bring about better international relations and to prevent the deadly destruction of war.

We are a proud people. We need



John W. Bricker

apologize to no nation on earth for our determination to preserve American liberty and individual opportunity against any odds, and we will defy any power that attempts to take from us any part of our heritage or weaken our position of leadership. Our purpose always should be to help others to lift their standards but never to lower ours. There must be responsible participation by the United States in post-war cooperative organization among sovereign nations to prevent military aggression and to attain permanent peace with organized justice in a free world.

The New Deal has come to the end of its service to the people of the United States. Confusion and distrust reign throughout the land. We need not alone a change of Administration but a change of the philosophy of government held by many New Dealers.

The playing of one class of our people against another, the building of pressure groups by Government must come to an end. There is a need for impartial and just administration as between all classes, groups and individuals in our society. The American people must be encouraged to look forward to the day as soon as possible after victory when Government restraint will be relieved, rationing with all its implications will end, business will be encouraged and individual liberty and opportunity restored.

When sound Government economy is established and our own nation made self-reliant, we can help other peoples of the world. Pledges should be carefully and loyally kept. A candidate's word and a party's platform are solemn covenants with the people of the country. They must be kept to restore confidence in our Government at home and faith in us among the nations of the world.

In view of the great needs, confident of the fact that the Republican Party will be called upon to lead our nation at the next election, I shall be a candidate for President of the United States in the Ohio primaries and before the Republican National Convention.

Gov. Bricker had announced on Nov. 10 that he would be a Republican candidate for President in the Ohio primaries in May.

The Governor declined to make a further statement at that time regarding any other 1944 campaign plans, but remarked, "I will definitely enter the Ohio primaries as a Republican Presidential candidate."

At a press conference in Chicago, where he went to address an American Legion Armistice Day meeting, Gov. Bricker said that present-day post-war planning "is not feasible because we can't anticipate post-war conditions."

These advices were contained in Associated Press accounts from Chicago, which further indicated Gov. Bricker as saying:

"Our Government must, in cooperation with other governments, meet post-war problems as they arise, or anticipate them before they come up and eliminate them. I think it would be dangerous to say what we are going to do when the war is over, because we are fighting a world war in cooperation with other nations, and one of the quickest ways to destroy that cooperation would be for the United States to take an adamant stand on their post-war position

now. We must await developments."

The nation "can't blueprint its post-war plans now because it doesn't know what conditions will be," the Governor said. "Post-war planning now is just not feasible simply because we can't anticipate those conditions."

Mr. Bricker said he did not want to see America "give up her sovereignty as long as I am an American citizen, but on the other hand, we shouldn't insist on being the big power."

"I think there has been a very real desire on the part of Russia and England for real cooperation," he said. "I take their statements at face value. We must, they are our Allies."

Commenting on the Nov. 4 elections, he said:

"The New Deal is through. There isn't any question in my mind but that the American people are through with it. I don't think the Republican trend demonstrated in last week's elections will change even if the war is going on. We are in the midst of a definite trend."

A Republican victory at the polls in 1944 "would be an assurance to the world and to ourselves that we still govern ourselves," he said.

Although Gov. Bricker said he was in favor of a soldier ballot, he said that such ballots must be secret to be effective.

"Frankly, I think the soldiers should be given every opportunity to vote, but it should be just as secret as any in the States," he said. "It should be most carefully guarded, and I doubt if it would be a good idea if we can't preserve secrecy, which would be more essential in the Army than any place else. The ballot ought to be exactly the same ballot the civilians vote on, with the names of candidates printed on it."

Although the Ohio Governor said that he would "tolerate" wartime subsidy programs "if they were necessary," he added, "there is no justification for a subsidy program when peace is finally established."

Appropriations for education of soldiers after the war "is sound," he stated, "but that ought to be handled through established schools and departments of education in various States, and not through another NYA."

The Governor listed his "dissatisfactions with the New Deal":

"Inefficiency of government, tremendous building up of bureau power, inefficiency with which it has been carried on, arrogance of Federal bureaucracy, breaking down of local government, attempts to suppress the States, domination of the Executive over legislative branch of Government, political approach to matters of public policy with which vital interests of the nation are concerned, and continuing of that program, costly as it is, in the midst of the war."

### Pay On Panama 5s

The National City Bank of New York, as fiscal agent, is notifying holders of Republic of Panama 35-year 5% external secured sinking fund gold bonds, Series A, due May 15, 1963, that funds have been received under the fiscal agency contract of June 22, 1928, under which the above-named bonds were issued, and are now available for distribution as an additional payment on account of the interest represented by the Nov. 15, 1940, coupons pertaining to the said bonds, in the amount of \$4.54 for each \$25 coupon and \$2.27 for each \$12.50 coupon.

The distribution will be made at the office of the fiscal agent, The National City Bank of New York, 22 William Street, upon presentation and surrender of the Nov. 15, 1940 coupons, accompanied by properly executed letters of transmittal.

## "Bribery And Blackmail"

Assailing food subsidies as forms of Government "bribery and blackmail," Joe G. Montague, general counsel for the Texas and Southwestern Cattle Raisers Association, made these observations to a Senate Committee early this week:

"We are forced to conclude that detailed, complete and perpetual control and dictatorship of every phase of our lives is desired by the influences that are directing the Government policies.

"We have been compelled to reluctantly conclude that there is some influence within the Government—or some influence closely attached to those who are in power in the Government—that has for its object the complete revolutionizing of the social, economic and political structure of this country.

"The bribery that I refer to is that system that has become so prevalent in our lives, the offering of a payment to an individual as a dole or gratuity. The price demanded and extracted is the surrender of personal liberty.

"The blackmail I refer to is that species of punishment by way of withholding of gratuities, the imposition of penalties, the enforced reduction of prices and even fines and imprisonment. . . . when the individual citizen refuses to accept the dole or gratuity."

Many, doubtless, would prefer more temperate phrases, but it is to be hoped that the farmers of the country will not for that reason fail to recognize the force and pertinancy of what Mr. Montague has to say.

The farmer as well as the rest of us has every good reason to want to see an end to all this miserable business.

## The State Of Trade

Declines in carloadings, steel and electric power production pushed the business index down considerably from the preceding week. The retail trade continues active at figures substantially above last year.

Production of electricity declined to 4,413,863,000 kilowatt hours in the week ended Nov. 6 from the record 452,592,000 distributed in the previous week, according to the Edison Electric Institute.

This was an increase of 17.3% over the year-ago total of 3,761,961,000 kilowatt-hours.

Consolidated Edison Co. of New York reports system output of 214,100,000 kwh. in the week ended Nov. 7, up 40.6% over the year-ago total of 152,200,000.

Carloadings of revenue freight for the week ended Nov. 6 were 754,724 cars. This was a decrease of 128,954 cars, or 14.6% compared with the preceding week; a decrease of 74,939 cars, or 0.1% compared with the corresponding week a year ago, and a decrease of 118,858 cars, or 13.6%, compared with two years ago.

A further cut in steel production resulting from inadequate coal supply is in prospect this week, the American Iron & Steel Institute indicated in its latest report. Output at the beginning of the week is scheduled at 97.3% of rated capacity, equivalent to 1,704,600 net tons of ingots and castings. This compares with output of 1,711,600 tons last week and 1,688,400 in the like 1942 week.

The effects of the disruption caused by the coal miners' strike will be felt by the steel industry for a long time, the "Iron Age" says. Need for conserving slender coal reserves was expected to force furnaces on to slow draft and eventually impair the tempo of all major departments.

"Because of the record high operating rate that the steel industry has maintained, production lost on account of the strike cannot be retrieved," "Iron Age" says.

Translated into war equipment or civilian goods, the iron and steel lost during the six months in which the mine problem has gone from bad to worse, equals a tremendous amount. Results of the autumn scrap drive are far from reassuring and in some districts little was collected. Supply is sufficient for current consumption, but not enough to fortify winter reserves."

Department store sales on a country-wide basis were up 10% for the week ended Nov. 6, compared with the like week a year ago, according to the Federal Reserve Board. Store sales for the four-weeks' period ended Nov. 6 were up 11%, compared with the like period last year. Department store sales in New York City in the week ended Nov. 13 were 11% higher than in the corresponding 1942 week, according to a preliminary estimate made by the Federal Reserve Bank of New York. In the previous week ended Nov. 6 department store sales rose 9%, the bank reported.

War expenditures of the U. S. Government totaled \$138,000,000,000 through October, or more than three times the total cost to this country of the World War, the War Production Board said recently. Treasury Department figures placed the cost of the first world conflict at \$41,765,000,000. The current war expenditure total covers the period from July 1, 1940 (when intensive defense preparations began) through Oct. 31, 1943.

Our vastly expanded resources will do a large part of our post-war planning for us, says Brig. Gen. Leonard P. Ayres, Vice-President of the Cleveland Trust Co., in the bank's business bulletin recently. After the Civil War and the first World War, he points out, "we experienced phenomenally rapid increase in manufacturing output, and we shall surely have similar developments this time." He expects such increase to act as a real brake against inflation.

We now have an industrial plant that is nearly 70% larger than it was when war broke out in Europe four years ago, says General Ayres, citing figures compiled by the Treasury Department, which put a value of 21.1 billions on fixed assets of

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## WLB To Adhere To Wage Formula, Davis Says— Urges Cut In Prices

William H. Davis, Chairman of the War Labor Board, on Nov. 10 warned organized labor that the WLB intends to adhere to and apply the wage stabilization policy, which has substantially stabilized wage rates as of Sept. 15, 1942, and declared that some prices in the cost of living should be brought back to the Sept. 15 level, so far as practicable.

Mr. Davis stated that wage increases beyond the 15% allowed under the "Little Steel" formula would be following a "will-o'-the-wisp" course and "would renew the tragic race between wages and prices."

In a statement asserting that his recent wage report to Vice-President Henry A. Wallace had been widely misinterpreted as virtual endorsement of a more liberal wage policy, Mr. Davis said wage rates should be held as stable in the future as they have been for the most part since Sept. 15, 1942.

In United Press Washington advices of Nov. 10, the following additional was reported:

Labor agitation for relaxation of the wage policy gained momentum this week when the CIO's United Steelworkers began a drive for upward revision of all wage contracts.

The Administration has shown no sign of yielding to the demands, but President Roosevelt last week named a special WLB committee to investigate the cost of living.

Mr. Davis' letter to Wallace pointed out that wages had been substantially frozen since last September while prices had been allowed to gain in some instances. This was viewed as signifying WLB sympathy for labor's wage increase demands.

"That erroneous deduction

should be corrected," he said. "In my opinion exactly the opposite course should be followed. Wage rates have been stabilized substantially . . . and should remain stable. Those prices which have not been so well stabilized should be firmly held and so far as practicable brought back to the Sept. 15 level."

"Any other course would be following a will-o'-the-wisp. It would renew the tragic race between wages and prices. That would, I believe, subject the wage earners in the major basic industries to bitter disappointment because prices would continue to rise at least as fast as wages and probably faster."

He defended the Board's recent grant of higher total wages to coal miners on the ground it was within the limits of the stabilization policy.

"The controversy in the coal fields has greatly injured the policy of the WLB in dealing with strikes and I believe it has greatly damaged the American labor movement," he said. "But it has not impaired the wage stabilization policy as all the more thoughtful observers are beginning to point out and as will become increasingly clear as time goes on."

"So far as I am concerned, I have not begun to surrender and do not intend to surrender any part of the wage stabilization program."

## Randolph Paul Says Treasury Seeks To Insure Post-War Liquidity Of Business

In a discussion on Nov. 8 of "The Annual Concept of Tax Accounting," Randolph E. Paul, General Counsel of the Treasury, emphasized the anxiety of the Treasury "to insure the liquidity of business after the war so that there may be a rapid conversion of our economy to a peace basis." Adding that "we want high peacetime production and a high level of employment," Mr. Paul said:

"To that end we suggested recently that—

"1. If, for any taxable year beginning prior to the expiration of some reasonable post-war period, a corporate taxpayer anticipates the realization of a net operating loss or the existence of an unused excess profits credit which could ultimately be used as a carryback against the taxable income of the two prior years, it may apply for complete or partial deferment of the quarterly tax payments due in that year with respect to the preceding year's taxable income and also of any payments of deficiencies in tax which are due.

"2. The extent of the postponement of these payments would be limited to the amount of the refunds of taxes that would result from the anticipated carrybacks.

"3. A statement of the estimated amount of these losses or unused credits and of the resulting refunds would be required so that the reasonableness of the taxpayer's claim could be checked.

"4. Where subsequent circumstances indicate that the ultimate collection of tax may be in jeopardy, the collection of deferred payments should be accelerated, or other measures should be taken to protect the revenue.

"5. When the taxable year from which a carryback is anticipated is completed, the usual return would be filed and a precise computation of the refunds to be claimed could then be made. The amount of the deferred payments would first be offset against the claimed amount of refunds. Any excess of deferred payments would be collected with interest. On the other hand, it is proposed that payment of any balance of refunds due would be accelerated.

"The Commissioner would be obliged to make a tentative determination of the amount of refund due. This would be credited or refunded within the shortest possible time, possibly in from 60 to 90 days. Thereafter, the final determination of claims for refund would proceed in ordinary course; on ultimate readjustment the taxpayer would repay any erroneous refunds, or the Government would pay any balance of refunds remaining unpaid.

"Beyond this, the problem of liquidity is to a large degree one of war contract termination technique. That is not a tax problem. The tax statute cannot do everything. It cannot even by a reduction of tax rates—which in some instances is the concealed purpose underlying the desire for deductible reserves—put corporations in a strong cash position after the war."

Mr. Paul, whose address was delivered before the Columbus Chapter of the National Association of Cost Accountants, at Columbus, Ohio, also had the following to say:

"Some pessimists say that business will not be in a cash position after the war to make the expenditures necessary to keep employment at a high level and to convert the economy from a war to a peace basis. They urge that the allowance of reserves now will put cash into the corporate tills later.

"This argument rests on two assumptions: First, that corporations will be in a strained cash position after the war, and second, that the use of reserves will cure that difficulty. The available facts suggest that corporations in general will be in very good financial position after the war. An important measure of financial condition is the ability to increase surplus from profits. Estimates in-

dicating that after paying increased taxes and substantial dividends the profit-making corporations of America will retain an aggregate net income for the years 1941, 1942, and 1943 of \$15,500,000,000, or 2½ times the amounts retained during the pre-war years 1936-1939. To this amount we may add \$6,900,000,000 for the year 1944. This is a phenomenal record."

In United Press accounts from Columbus on the same date (Nov. 8) Mr. Paul was reported as stating that America has passed the foothills of inflation and is nearing timber line. In urging higher income taxes to prevent a trend toward inflationary disaster, the account from which we quote likewise indicated Mr. Paul as saying: "Inflation is here. We are past the foothills, but we haven't quite reached the timber line. Higher income taxes won't solve the problem entirely, but they are an absolute necessity to prevent a further spread."

## Army Of 2,500,000 Overseas By Jan. 1

The Army is nearing its goal of 7,700,000, "and by the end of the year, some six weeks hence, 2,500,000 of these highly-trained fighting men will be serving overseas in every part of the world," Secretary of War Stimson told his press conference on Nov. 11.

The United Press in Washington advices this week went on to say: By comparison, he recalled, the U. S. army on Armistice Day, 1918, comprised 4,057,101 officers and enlisted men, of whom 2,086,000 were serving overseas.

"Today the army air forces number close to 2,800,000 officers and men and we are training pilots at the rate of 75,000 a year, as well as training thousands of pilots of our Allies," Mr. Stimson continued. "In a single month we are manufacturing more planes than we did during an entire year during the World War."

The air service personnel numbered 200,000—of whom approximately 5000 were pilots and observers overseas—at the close of the last war, he recalled.

During the last year of American operations in the Mediterranean area, American and British planes and antiaircraft guns have shot down 3058 enemy planes, plus 740 probables, while 2453 enemy planes were caught on the ground and destroyed, Mr. Stimson said. He listed British and American losses as 1545 planes.

Mr. Stimson said that 3491 abandoned wrecked planes—most of them destroyed on the ground by the Allies—were found on captured airfields in the area.

## Export Freight Handled In Oct. Lower Than In Sept.

There were 126,013 cars of export freight, excluding coal and grain, handled through United States ports in October, compared with 82,539 cars in October last year, or an increase of 53%, the Association of American Railroads reported on Nov. 13.

Export grain unloaded at the ports in October totaled 2,285 cars, compared with 2,540 in October, 1942, or a decrease of 10%.

In addition, the railroads handled 578 carloads of coastal freight in October this year, compared with 882 in the same month last year, or a decrease of 34%.

There were 134,217 cars of export freight, excluding coal and grain, handled through United States ports in September.

## Secretary Ickes Holds Operators Liable For Retroactive Coal Wages

Harold L. Ickes, Secretary of the Interior and Solid Fuels Administrator, on Nov. 13 disclaimed Government responsibility for back pay claimed by the coal miners to cover underground travel time, according to an Associated Press dispatch from Washington, D. C., which further went on to say in part as follows:

The miners' agreement with Illinois operators, which formed the basis of the arrangement under which the miners were ordered back into the Government-operated pits, provided for a lump-sum payment of \$40 to each man to cover such travel time from April 1 to June 20.

The United Mine Workers of America never had set up the claim formally as against the Government, but they had left the plain impression that they believed the Secretary of the Interior should order the owners to make the payment.

Mr. Ickes, however, took the position, in a letter to William H. Davis, Chairman of the National War Labor Board, that the \$40 is a matter between the miners and the owners. He said it was the "clear responsibility" of the operators and miners to settle the issue at once. Mr. Ickes' letter said:

"While it is understood that the Secretary of the Interior has no responsibility under the memorandum of agreement (between the U. M. W. A. and Mr. Ickes for Government operation) to pay compensation for portal-to-portal claims prior to Nov. 3, it is recognized that the mine workers have vigorously asserted a claim of liability therefor against the operators, that lawsuits in connection therewith are now pending, that the Illinois operators have offered to settle this liability by the payment of \$40 in accordance with the agreement of Sept. 23, 1943, and the War Labor Board, in its opinion of Oct. 26, 1943, has approved the payment of this sum as a reasonable settlement.

"It is recognized, moreover, that the mine workers have continued work in the belief that their contractual disputes with the operators would be adjusted and adjusted retroactively. Against this background it is clear that maximum productive efficiency is not likely to be restored so long as the claim for past due portal-to-portal compensation remains unsettled.

"This being so, it is the clear responsibility of the operators and the mine workers to settle this issue at once."

The letter represented Mr. Ickes' unilateral conclusions, not an agreement with the U. M. W. A.

An initial payment of \$5 on the \$40 is due Dec. 1 under the agreement, and the lack of a settlement therefore raised the possibility of another coal labor crisis.

## President Approves Coal Pact

President Roosevelt on Nov. 12 added his endorsement to the War Labor Board's conditional approval of the Ickes-Lewis coal mine wage agreement and appointed a tripartite committee to investigate underground travel time, an issue fraught with the possibility of another coal crisis, an Associated Press dispatch says.

Appointed to the committee were Morris L. Cooke of Philadelphia, Pa., representing the public; Thomas Kennedy, Secretary-Treasurer of the United Mine Workers of America, and R. L. Ireland, Jr., President of the Hanna Coal Co., Cleveland, Ohio.

## Economic Disorder Feared Unless Govt. Adopts Uniform Formula On War Contract Termination

Thomas R. Jones, President of the New Jersey State Chamber of Commerce, asserted on Nov. 9 that "failure of the government to develop a clear-cut policy on the subject of termination of war contracts may lead to large-scale unemployment and serious economic dislocation in New Jersey when the war ends."

The views expressed by Mr. Jones were reported in Newark Associated Press advices which appeared in the New York "Herald Tribune," and which gave his further remarks as follows:

"Unless a uniform and reasonable formula for the termination of war contracts is adopted," Mr. Jones said, "New Jersey manufacturers, holding government contracts at the termination of the war, will find themselves without funds to finance reconversion to peace-time manufacturing and may be forced to lay off hundreds of thousands of New Jersey workers."

With "over one-half of our entire industrial capacity and economic resources" devoted to war work, the Chamber of Commerce President said, "the future of every industrial worker, as well as of every industry, requires the avoidance of unnecessary delay in giving our people employment in civilian production when peace comes."

"War contracts placed in this State since the beginning of the war," Mr. Jones added, "have amounted to nearly ten billions of dollars." This sum, he said, was "equal to about 15 years of normal peace-time manufacturing in New Jersey," and "pay rolls in the State this year have been running more than three times as high as they were in 1939."

## The State of Trade

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all manufacturing firms in the country, exclusive of securities, working capital or inventories owned by such firms.

"The most effective preventive of inflation, when rationing is relaxed," he declares, "will be a plentiful supply of consumer goods and our expanded productive capacity will furnish that supply."

## Sees Test For U. S. Economy At War's End

The system of American economic life will be put to its most severe test at the close of the war and unless the country provides employment "there will be no lack of little Hitlers to point out that our system has broken down," Bruce Barton, former Congressman and New York Advertising executive, told the Sales Executives' Club in New York City on Nov. 9.

The foregoing regarding Mr. Barton's remarks, is from the New York "World Telegram" of Nov. 9 which further reported:

Hitler, he said, tried unsuccessfully for ten years to rise to power and finally was boosted into authority by unemployment.

"What agitation and organization could not accomplish in ten years, was accomplished in two years of unemployment," Mr. Barton said, "at the close of this war," he said, "our whole system of conducting the economic life of America is going to be put to the most severe test in our history."

"The outcome will depend on the capacity of our system to provide jobs. If we can provide unemployment, our system will survive. If we fail to provide employment, there will be no lack of little Hitlers to point out that our system has broken down."

## Dewey Assails Federal Feed Policies As Endangering Northeast's Egg & Milk Supply

Calling for an immediate change in the economic policies of agencies of the Federal Government with respect to the feed-grain situation, Governor Thomas E. Dewey of New York, warned on Nov. 12 that the people of New York State and the other 12 Northeastern States will otherwise suffer grave hardship and impairment of their health and production.

The Governor's statement was made in connection with a report submitted to him by the State Emergency Food Commission, on the basis of findings by a committee which surveyed the possibility of getting corn or its grain equivalent to dairymen and poultrymen of the Northeast.

In reporting this matter, advices to the New York "Times" from Albany, Nov. 12, further explained:

A committee of experts, appointed by the Governor to ascertain whether the Middle West could or would send into New York the minimum requirement of 5,000,000 bushels per month of cattle and poultry feed for the winter, reported:

"There is no hope for the Northeast to get the corn it needs from the Corn Belt under present policies of the War Food Administration."

Governor Dewey made public a report by the State Emergency Food Commission, headed by H. E. Babcock, stating that failure to obtain the needed feed would result in a cut of 1,300,000 to 1,700,000 quarts a day in New York State milk production.

The Babcock Commission said that in many communities the feed supply was sufficient for less than ten days, adding:

"Unless some drastic action is taken, the supply of fresh milk and eggs for the people of our State will fall below the danger point within two weeks."

Governor Dewey said that the State had exhausted every resource for the protection of the people and that economic policies of the agencies of the National Government made it impossible for New York to buy the feed grain required each month to maintain the supply of fresh milk and eggs.

"Unless there is an immediate change in these policies," he said, "the people of New York State and the other 12 Northeastern States will suffer grave hardship in impairment of their health and production. The movement of grain to the Northeast must commence immediately. It is to be hoped that the agencies of the Federal Government will at last recognize the crisis so that radical or uneconomic action by individual States will not be necessary."

The committee, which toured the Middle West for ten days in quest of corn, said that most of that part of the corn which normally moved to feed deficit areas would remain on Midwestern farms under present conditions, because it was more advantageous to market this corn through feeding it to hogs than by selling it for cash at present ceilings.

The committee said that under present price ceilings cash corn sold at about 92 cents to \$1 per bushel at the farm, as against \$1.15 to \$1.25 when fed to pigs.

Another factor cited was that corn, at present price ceiling, was "unfairly priced" as compared to other feed grains. The group stated that the present ceiling price on corn was nearly \$14.50 a ton less than the market price of oats; \$11 less than barley; \$3 less than rye and \$17.75 less than market wheat.

Governor Dewey said that there were 1,500,000 dairy cows and heifers in New York State and nearly 12,000,000 chickens. He said that the cows could be kept alive on hay and reduced grain rations, but that milk production could not be maintained without a high-protein feed based upon corn or its equivalent. Without corn or its equivalent, he added, laying hens

could neither lay eggs nor be kept alive.

"Fresh milk and eggs are an essential part of the diet of our people," he added. "The impending reduction in our supply of fresh milk and eggs would imperil the health of the people of New York State and their capacity to produce for the war effort."

The Governor said that the State was able to maintain its supply of fresh milk and eggs, up to now, by emergency action throughout the Summer.

"We have even gone to the extreme of buying through a combination of private agencies under State sponsorship," he said, "15,000,000 bushels of barley from Canada, which we have shipped into the State by extraordinary effort. The price of Canadian barley rose from 89 cents to \$1.29 during the process, and the Canadian Government has now embargoed all further shipments. The State has now exhausted every resource for the protection of its people."

One result of the importations of Canadian grain has been to give the State a grain reserve, most of it in Buffalo elevators, which is much larger than normal for this season. There are about 27,000,000 bushels in Buffalo elevators, but this includes flaxseed, grain for milling and other grain which will not be used as cattle or poultry feed, it was stated.

C. Chester Dumond, Commissioner of Agriculture, pointed out that feed grain consumption in the State averaged about 17,000,000 bushels a month and this would cut quickly into the reserve, which depended upon a normal flow of grain from the Middle West to prevent its depletion. He explained that demands for mixed feeds were running much higher than usual for this time of the year, indicating that the amount of grain on New York State farms was below normal.

The Babcock Commission, in transmitting the report of the touring experts to the Governor, said that it was convinced that "this winter's supplies of fresh milk and eggs for the third of the nation's population living in the Northeast are jeopardized by lack of feed for dairy cows and laying hens."

The committee was sent into the Middle West as a result of the Babcock Commission's report that at least 15,000,000 bushels a month would have to be shipped into this area between November and May if supplies of milk and eggs were to be protected.

"The findings of this committee," the Babcock Commission told Governor Dewey, "are that there is no hope for the Northeast to get the corn it needs from the Corn Belt under the present policies of the War Food Administration."

"In terms of milk, it is estimated that failure to obtain this feed will result in a 15 to 20% drop in production. That would mean a cut of 1,300,000 to 1,700,000 quarts a day in the New York State milk production."

The Commission said that the food supply of this and other Northeastern States "can be saved only if the War Food Administration immediately devises a specific program to bring to the Northeast the feed necessary to provide the fresh milk and eggs which are essential to the health of our people."

The touring committee estimated that there were 315,000,000

## The Financial Situation

(Continued from first page)

us, in very considerable part upon matters which in the very nature of the case cannot be included in such material questions of public policy.

### Making Our Own Future

We must not permit ourselves for a moment to forget that our future will be in very large degree what we make it. What we make it will depend upon whether we permit our Government to continue to pursue the economic will of the wisps, the politically inspired "reforms," and all the rest of the nonsense which has characterized the New Deal during the past 10 years, or insist upon putting an end to all such fol de rol, and get down to work after the fighting is over. The results of recent elections, and what appears to be the general drift of public "sentiment" have of late inspired a great deal of optimism in some quarters. No one would deny that there is ground for considerable hope for saner public policies in the future, but it would appear to us that it would be as unwise to assume that these changes will continue to develop of their own momentum as it would be to ignore the necessity for them.

### Cancellation Problems

The outlook will be much more heartening when specific programs of sound public policies are formulated and given adequate support in Congressional circles or at the polls. One of the most encouraging developments of late was the appointment of Bernard Baruch to the task of formulating policies and specific programs to deal with the problems which must arise when war contracts are at an end. The mere fact that this matter has been singled out in this way for special study and effective action is probably of very substantial significance. No better qualified individual for the job could have been found in all probability than Mr. Baruch. But the matters with which Mr. Baruch must deal are complex; they directly or indirectly touch many branches of the Government; and they will almost certainly be bedeviled with political considerations. We are certain that Mr. Baruch will not unduly trouble himself with the politics of the situation, but we do not feel the same assurance that the Administration and Congress will not. Any reasonable treatment of the innumerable enterprises which have wholeheartedly thrown themselves into the work of supplying our armed forces could probably be twisted by political demagogues to make a trap for fools. Without strong support

bushels of corn, above livestock feeding requirements, in the five Corn Belt States.

from the general public it is far from certain that any sound program which Mr. Baruch may formulate would be accepted by the powers that be.

### Working Capital Needs

Yet prompt and thoroughly sound treatment of the problem is essential if business is to be successful in turning quickly to the pursuits of peace without serious and quite possibly prolonged difficulties. The Federal Reserve authorities have of late been engaged in analysing the ownership of the greatly swollen volume of bank deposits in this country. They have been able to place before the public some interesting and significant facts. Their conclusion that business will have quite adequate cash on hand at the end of the war to reconvert and launch itself upon peacetime production is open to question in any event, but would, in our judgment, prove quite awry should the work that has now been entrusted to Mr. Baruch not be well done, or if well done is ignored by those who are in a position, as Mr. Baruch is not, to give practical effect to a constructive program. Far too many enterprises will without much question be largely at the mercy of the U. S. Government when the war is over—at least so far as working capital is concerned.

### Tax Problems

Then there is the ever-present question of taxation. No one need suppose for a moment that we could carry over the present tax system into peacetime and have business flourish. Drastic reductions in those taxes which most directly and seriously discourage enterprise, particularly new enterprise, must come as soon after the last gun is fired as possible. It would, as a matter of fact, be a good thing if arrangements could be made in advance, so that there would be a minimum of delay or uncertainty about the matter. In too many of the current discussions, particularly those emanating from New Deal circles, there is the ever-present suggestion of "priming the pump" in one way or another—to provide employment until business can "take over," as they put it. Few better ways could be found to insure that business will not be able to take over than to have the Government continue its extravagant ways and thus make crushing taxation (or reckless borrowing) unavoidable.

### Fiscal Management

This brings us to the whole

question of fiscal management. One of the conditions which has for long years past caused business men to hesitate is this perennially unbalanced budget. Of course, during wartime unbalanced budgets are unavoidable, but in peacetime the story is quite a different one. And we must beware that argument which surveys the enormous tax collections of today, and proceeds to figure the size of Government outlays which could be sustained by such a volume of tax collections. If the peacetime tax collector is to take funds from the public at any such rate as now applies, we need not expect much prosperity. The sooner that fact is understood the better. Government must retrench, and retrench in no uncertain manner when this war is over if business is to perform as is expected of it and as it would be quite capable of functioning if given the proper opportunity. It might well be possible to stimulate a wild boom on the basis of inflationary conditions now existing and aggravated by loose fiscal policy after the war, but it would be unfortunate indeed if such a course were followed.

Then there is the long list of war controls, which New Dealers and other visionaries are repeatedly telling us must long survive the war. The fact of the matter is that many of them should never have been invoked in the first place, and the country would be much better off if they were removed forthwith. In any event, if business is to function smoothly and effectively when the war is over, we must lose no time in getting rid of them. The same, of course, is to be said of most of the reforms of recent years.

Let us be certain that we give ourselves the chance to prosper after the war.

### U. S. And Canada Raise Legations To Embassies

Announcement was made simultaneously on Nov. 11 in Washington and Ottawa that the United States and Canada have agreed to raise their legations to the status of embassies, with the ministers of the two countries elevated to the rank of Ambassadors.

In announcing the change of status, the State Department said: "The ties of friendship which for so long have bound Canada and the United States together during both war and peace, are thus further strengthened by this accord of the two Governments."

By this change, Canada becomes the first of the British Commonwealth of Nations to establish an office of the highest diplomatic status in a foreign country.

Leighton McCarthy is the Canadian Minister at Washington who will be made Ambassador, and Ray Atherton is the United States Minister at Ottawa who will be similarly elevated.

## President Reports Reverse Lend-Lease Aid From British Above \$1 Billion

President Roosevelt reported to Congress on Nov. 11 that the British Commonwealth of Nations has expended about \$1,171,000,000 for reverse lend-lease aid to the United States up to June 30, 1943.

Coincident with this report, the British Government made public a white paper giving for the first time a detailed statement on their contribution to the "mutual aid" program to the United States, Russia and other Allies.

The President's break-down of British Empire reverse lend-lease showed \$871,000,000 coming from the United Kingdom, \$196,000,000 from Australia, \$51,000,000 from New Zealand and \$56,900,000 from India. Canada has no lend-lease arrangement with the United States and pays cash for whatever it gets from this country.

It may be noted here, that in his Aug. 25 report to Congress, Mr. Roosevelt said that total American lend-lease aid through July 31 amounted to \$13,973,339,000 and that the total of lend-lease goods actually exported through June 30 amounted to \$9,882,000,000 of which \$4,458,000,000 went to the United Kingdom, \$2,444,000,000 went to Russia, \$1,663,000,000 to Africa, the Middle East and the Mediterranean area, \$1,133,000,000 to China, India, Australia and New Zealand, and \$484,000,000 to other nations; the President's figures were given in these columns of Sept. 2, page 927.

In his Nov. 11 message to Congress the President emphasized in his report on reverse lend-lease that "there is, of course, no physical or financial standard of value by which we can measure the military contribution to the war on land or sea or in the air which has been made by our Allies or ourselves." He added that the "overwhelming benefit which the United States has received from its lend-lease program has, of course, been the pooling of resources and the combined effort of the United Nations against the Axis countries."

Issuance of the reports followed criticism of the lend-lease program from several members of Congress, notably the five Senators who recently returned from a tour of the battlefronts. As a result of these charges, the Truman War Investigating Committee and the Senate Appropriations Committee decided to cooperate in investigating lend-lease activities.

The British White Paper stressed "the significant concepts of mutual aid and of the pooling of resources" on which the war is being fought. This report, released in Washington and in London at the time of its presentation to Parliament by Sir John Anderson, British Chancellor of the Exchequer, stated that the largest British material assistance has been in supplying base facilities and supplies for American forces based in the British Isles, but it was announced that the contribution is being broadened to include raw materials and bulk foodstuffs from both the United Kingdom and the colonies.

The text of the President's report follows:

### To the Congress of the United States of America:

Since the enactment of the Lend-Lease Act in March of 1941, I have transmitted to the Congress eleven reports describing the lend-lease aid which has been furnished by the United States. These reports have also included information with respect to the types and quantities of reverse lend-lease aid provided to the United States by the various lend-lease countries. While a complete account of the reverse lend-lease aid which we have received is not yet available, the statements recently received from the governments of the United Kingdom, Australia and New Zealand and from our Army make it possible for me to report to you at this time regarding a part of the expenditures made by the British

Commonwealth of Nations for reverse lend-lease aid to the United States.

The overwhelming benefit which the United States has received from its lend-lease program has, of course, been the pooling of resources and the combined effort of the United Nations against the Axis countries. Each of the United Nations has contributed. There is, of course, no physical or financial standard of value by which we can measure the military contribution to the war on land or sea, or in the air which has been made by our Allies or ourselves. One thing is clear: by the help which our friends and Allies have given us, and by the help which we have given them in the common cause, we have not only made progress in the war, but we have saved the lives of many of our boys as well as those of our Allies.

The master agreements entered into with Great Britain, the Soviet Union, China and other United Nations receiving lend-lease aid establish the principles which govern the lend-lease relationship. The other United Nations, under the master lend-lease agreements, have agreed to contribute to the defense of the United States by providing as reverse lend-lease aid all articles, services, facilities or information which they can furnish. Under these agreements, all lend-lease supplies, such as, for example, merchant ships or cargo planes, which are not used up in the war, can be required by the President to be returned at the end of the present emergency. Article VII of the master agreements entered into with the United Nations receiving lend-lease aid provides that they will join with the United States in working toward some of the economic conditions which are a prerequisite to a secure peace.

The master lend-lease agreements do not determine the final settlement, but leave that for determination at some future date. As conditions have permitted, our Allies have expanded the scope and nature of their reverse lend-lease aid.

During the past summer, the United Kingdom agreed to extend reverse lend-lease aid to include not only goods, services and information for our armed forces, but also raw materials, commodities and foodstuffs hitherto purchased, for export, in the United Kingdom and the British colonies by or on behalf of the United States government agencies. Discussions on the administration and procedure for the handling of the contracts, transfers and other details are now going forward.

This plan will make available to the United States, under reverse lend-lease and without payment, such materials and foodstuffs as: rubber from Ceylon, Trinidad, British Guiana and British Honduras, sisal, and pyrethrum from British East Africa, asbestos and chrome from southern Rhodesia, cocoa from British West Africa, tea and coconut oil from Ceylon, and benzol and tar acids from the United Kingdom.

British shipping for these raw materials and foodstuffs from all parts of the British Commonwealth will also be made available under reverse lend-lease.

Discussions are also under way with the other governments of the British Commonwealth looking toward a like arrangement for the provision of materials and foodstuffs as reverse lend-lease aid.

As of June 30, 1943, the British

Commonwealth of Nations reported that expenditures of about \$1,171,000,000 had been made for reverse lend-lease aid. The United Kingdom has expended about \$871,000,000 of this amount; and Australia, New Zealand and India have expended approximately \$300,000,000. Based upon estimates for the first six months of this year, expenditures by the British Commonwealth for reverse lend-lease aid to the United States are now at an annual rate of about \$1,250,000,000. This does not take into account the anticipated exports of raw materials, commodities and foodstuffs for the account of the United States.

The data necessary or even an incomplete accounting of the monetary expenditures by the British Commonwealth for reverse lend-lease assistance to the United States have been gathered in the face of difficulties. British aid is rendered to the armed forces of the United States all over the world. Usually it is under conditions very different from those surrounding lend-lease from the United States, which flows from a central source. Many supplies and services have been made available by the British to the United States' armed forces in North Africa, Sicily and elsewhere for which no report has yet been received.

The figures set forth in this report include expenditures made by the British Commonwealth for newly constructed barracks, military airports, hospitals and other military facilities for our armed forces. They do not include such facilities made available to our armed forces where no out-of-pocket expenditures have been made for their construction since our entry into the war. These British expenditures were from appropriated funds which required financing either through taxation or borrowing. They are comparable to the expenditures made by the United States from appropriations for lend-lease purposes which include funds for capital installations in this country, such as munitions plants, shipyards and other facilities. It has not yet been determined how such lend-lease or reverse lend-lease expenditures will be entered or treated in the final settlement under the lend-lease agreements. They will, of course, be considered when the final settlement is made. The master agreement provides that in the final determination of the benefits to be provided to the United States, "full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the government of the United Kingdom subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America."

The governments of the British Commonwealth have submitted their statement of expenditures for the reverse lend-lease aid covered in this report in pounds. To make these figures more intelligible to the American people, these expenditures have been translated into dollars at the official exchange rates. This may be misleading because the rate of exchange used cannot, especially under war conditions, always reflect comparable values in terms of purchasing power, man-hours of work or materials. But in spite of the misconception which may result from translating the pound expenditure figures into dollars at the official rates of exchange, I think it is desirable to provide the Congress and the people of this country with the best available indication as to the expenditures made by the British Commonwealth for reverse lend-lease aid.

Exclusive of the expenditures for supplies transferred in colonial theaters of war, American forces have received aid through reverse lend-lease channels for which the United Kingdom made expendi-

tures of \$871,000,000 as of June 30, 1943, as follows:

|  |               |
|--|---------------|
| Goods and services                                   | \$331,000,000 |
| Shipping   | 169,000,000   |
| Airports, barracks, hospitals and other construction | 371,000,000   |

Total ----- \$871,000,000

We are all familiar with the role which the 8th Air Force has played, in collaboration with the Royal Air Force, in preparing the way for the invasion of Europe. It is not as widely known that the operation of reverse lend-lease has made contributions to the outstanding performance of our air forces based in the United Kingdom.

Under reverse lend-lease, the British have provided our bomber and fighter commands with many necessary items. Specially heated winter flying clothing to protect bomber crews from the intense cold suffered at high altitudes was supplied by the British to our air forces. When certain United States fighter gun sights proved less effective than the sights employed by British fighters, the Royal Air Force provided a substantial number of British-type sights for immediate installation. American bombers have been equipped by the British with photographic equipment effective in obtaining photographs of the target during the bomb run. The British have also provided facilities for the development and production of a new type of protective body armor designed by our medical authorities.

A variety of other aid has also been provided for our air forces by the United Kingdom. Mobile repair shops located throughout the United Kingdom recondition American bombers forced to make crash landings. A one-man dinghy developed by the British for parachute landings at sea, provides pilots of American planes with a one-man floating raft. Specialized British radio equipment has been installed in American planes which has given greater safety to our bomber crews and has improved the effectiveness of our bombing missions. For purposes of recognition training, the Royal Air Force has delivered to the United States Air Forces more than 60,000 items of aircraft, warship and armed vehicle recognition devices. These are but a few instances of the aid which has been provided to our air forces under reverse lend-lease and without payment by us.

Although Great Britain depends upon imports for a large portion of her curtailed food supply, she is providing American forces with substantial amounts of foodstuffs as reverse lend-lease aid. These range from fresh vegetables, flour and potatoes to corn-on-the-cob and soft drinks.

Australia, New Zealand and India also have provided United States forces in those areas with substantial reverse lend-lease aid, including most of their food.

The Australian government has officially estimated the expenditures for reverse lend-lease aid to the United States at \$60,792,000 as of June 30, 1943. As the official rate of exchange of a pound equals \$3.23, this indicates a dollar value of about \$196,000,000. This sum is divided into the following major categories:

|                                  |               |
|----------------------------------|---------------|
| Stores and provisions            | \$39,000,000  |
| Technical equipment              | 7,000,000     |
| Motor transport                  | 14,000,000    |
| Aircraft stores and equipment    | 16,000,000    |
| General stores                   | 24,000,000    |
| Transportation and communication | 21,000,000    |
| Shipping                         | 7,000,000     |
| Works, buildings and hirings     | 66,000,000    |
| Miscellaneous                    | 2,000,000     |
| Total                            | \$196,000,000 |

Australia and New Zealand have supplied American forces in the South and Southwest Pacific

with the bulk of their food requirements on a ration scale comparable to the basic allowance of the American Army. This program includes fresh, dried and canned products, and in some cases in the latter category requires amounts ranging up to 100% of total Australian production. The following are the quantities of the principal types of foodstuffs the United States has received from Australia as reverse lend-lease through June 30, 1943:

|                             |                   |
|-----------------------------|-------------------|
| Meat                        | 61,480,000 pounds |
| Bread, biscuits and cereals | 48,110,000 "      |
| Potatoes                    | 29,762,000 "      |
| Vegetables and fruit        | 49,931,000 "      |
| Canned foods                | 28,340,000 "      |
| Emergency rations           | 2,231,000 "       |
| Sugar                       | 11,782,000 "      |
| Butter                      | 6,628,000 "       |
| Condensed milk              | 8,711,000 "       |
| Fresh milk                  | 11,500,000 pints  |
| Fresh eggs                  | 22,000,000 dozen  |

Although clothing rationing has been introduced in Australia, the government has undertaken an extensive clothing manufacturing program for the United States forces. This program includes millions of pairs of socks and hundreds of thousands of shirts, jackets, trousers, pull-overs, underclothing, boots and shoes and blankets.

Recreational needs of American soldiers have been met by an Australian program which calls for every type of game and accessory from boxing gloves to medicine balls—in all, more than 420,000 items of such equipment.

Numerous hospitals, including the newest and most modern in the country, have been made available to the United States Army for its exclusive use.

Official air, rail and water passenger costs and freight, and cable and telegraph expenses of our troops are paid by the Commonwealth government as reverse lend-lease aid.

A large number of small ships of various types has been turned over to American authorities, and Australian shipyards are now turning out landing barges and small vessels for the combat use of our forces.

On Sept. 29, 1943, the Australian Minister of Finance introduced the Commonwealth budget for the current fiscal year in the Australian Parliament. He estimated that Australia will spend approximately \$323,000,000 for reverse lend-lease during the year July 1, 1943, to June 30, 1944.

New Zealand, no less than Australia and the United Kingdom, has supplied its share of reverse lend-lease aid. For the period ended June 30, 1943, the New Zealand government has officially reported having expended \$51,000,000 for reverse lend-lease aid to the United States, made up as follows:

|                                   |              |
|-----------------------------------|--------------|
| Supplies, services and foodstuffs | \$24,000,000 |
| Camps                             | 6,000,000    |
| Hospitals                         | 3,000,000    |
| Warehouses                        | 5,000,000    |
| Miscellaneous building projects   | 7,000,000    |
| Ship construction                 | 6,000,000    |
| Total                             | \$51,000,000 |

New Zealand, with Australia, is the food basket of American forces stationed throughout the South Pacific area. In order better to provide for the needs of our troops in remote Pacific Islands, New Zealand has greatly increased her capacity for the packing, canning and dehydration of meats, vegetables and dairy products. Although its population is less than 1,700,000, this dominion has supplied the United States under reverse lend-lease and without charge with more than 170,000,000 pounds of food-

(Continued on page 2030)

## Attainment Of Freedom From Want Dependent On Private Enterprise, Says Walter Gifford

(Continued from first page)

resourcefulness of American management has played an outstanding part in furnishing our armed forces a quality and quantity of equipment that gives them better than an even break with the enemies who were preparing for war years before we started.

When the war began, the United States, with only one-sixteenth of the world's population, had more automobiles than all the rest of the world combined, and as many telephones. We had over one-third of all the radio sets and about one-third of all railroad mileage in the world. We were the leading nation in the world in air transport. We were producing about one-third of all the electric power and also about one-third of all the steel produced in the world. Since the war began we have with extraordinary speed converted our peace-time industries into war industries and increased our output so that our present war production is more than half again as large as that of Germany and Japan combined.

The tonnage of merchant ships completed in September, 1943, was 25 times the tonnage produced in the same month two years ago. Also, more than 2,380 fighting ships and auxiliaries of all kinds have been completed since May, 1940, and in addition 13,000 landing vessels. The Navy Department says, "No naval construction program of comparable size and speed has ever been accomplished by any other nation."

I know of no more typical American story than the history of the airplane. Two brothers who made their living by mending bicycles in a medium-sized town, invented it. They lived in a free country where inhibitions were few, where anyone could try anything, where invention and industry were encouraged. Such things happen more often in the free atmosphere of America than elsewhere. Likewise, this atmosphere invigorates industrial management so that when war came the airplane industry here was able to expand so rapidly that we now lead the world with the production of more than 3,000 airplanes a month; probably at least twice the output of the Axis Nations, and as much as that of the other United Nations and Axis Nations combined. And what is more, we can keep up and even increase the quantity of production and at the same time change to new and better types to a degree and with a speed our enemies cannot match. The teamwork of research, design, engineering and production is one of the most notable achievements of American industrial management.

Nearly everyone on the home front has a son, husband, friend or sweetheart in the armed forces and they, as well as those on the fighting fronts, have a vital interest in this job that American industry is doing. In fact, modern warfare is so much a matter of ships, airplanes, tanks, guns and electrical and mechanical gadgets that success is bound to come in the long run to those who have the will to win and can produce the most; and the shorter the time needed to produce, the quicker the victory. We Americans can be proud of the record we are making in our wartime production.

But how about the post-war world? One of the freedoms of the Atlantic Charter is Freedom from Want. Clearly there is no country in the world that is as free from want as ours. I refer to what I think the drafters of the Atlantic Charter meant—freedom from hunger and cold. That type of freedom from want America has already largely achieved; indispensable in this achievement has been the skills of manage-

ment and management's ability to put to practical use the increased knowledge of science and research. The scientists have pushed back the frontiers of knowledge. They have been encouraged to do that and their results have been put to practical use by management. Moreover, although all scientific discoveries are available ultimately to all the peoples of the world, somehow we in America have made the most use of them. It is because of the genius of the American people and especially, I believe, because of the genius of American industry given free rein in a free country.

There is no question but we have come nearer to securing freedom from want than any other country in the world. We had enough food, clothing and shelter for all even in the depths of the depression. In fact, Government programs were put into effect to reduce what was called overproduction of food. Today we are supplying ourselves and our armed forces with food and clothing and at the same time are shipping large amounts to our Allies on Lend-Lease. But a standard of living that consists merely of enough of the necessities of life to go around even in a depression, or enough to spare to send great quantities to our Allies in wartime, is not a satisfactory goal for Americans. Man does not live by bread alone. It is the frustration, the terrible feeling of futility that defeats human beings in our country when mass unemployment makes it necessary for them to live "off the government." In our America, the dignity and worth of the individual is of prime importance.

We Americans strive for not only freedom from want and a high standard of living, but for equal opportunity for all; for opportunity for a job, opportunity for each one of us to develop and enjoy to the utmost our innate abilities—in short, opportunity to make the most of ourselves. And we want for each new generation the opportunity to marry young and bring up their children with even better opportunities than we had. America, the land of private enterprise, still leads the world in freedom from want, in its high standard of living, and as the land of opportunity. This is not just because of an abundance of natural resources. Other countries have an abundance of natural resources. It is because we have made better use of our natural resources. I am convinced that this is because we have encouraged private enterprise and have striven to keep opportunity open to each and every one of us. In this way we have developed our skilled management that has come more often than not up from the ranks. In the organization with which I have been associated for nearly forty years, management, from foreman and supervisor to president, has been drawn almost entirely from the ranks. In fact all of the top executives started at the bottom. This is true generally of American industry. Worker and management are largely the same people in America—only at different stages of their careers. If ability is there, the way has been open for a man to rise from whatever point he starts.

There are, of course, many millions of persons who make the most out of their lives in ways and careers that are remote from business as such. These people, whether they realize it or not, are dependent upon business for their opportunity to make the most of themselves in the field of their choice; for without the production of at least the necessities of life

in abundance for all, only a few—too few—can be free to follow pursuits not directly connected with the production of food, shelter and clothing.

It would be ridiculous to be satisfied with the progress we have made toward freedom from want and toward opportunity for everyone—but we can have the satisfaction of knowing that our progress has been greater than that of any other country. There is much to be done to make life after the war more livable for millions of our fellow citizens. It calls for the best thought of all of us and the answer, or rather answers, for I expect there are many, are not easy. It is unbelievable, however, that we shall be so short-sighted that because we had mass unemployment in a period of depression that was world-wide and because we have not yet reached perfection, we should tear down and destroy the very basis of the relatively high standard of living and equality of opportunity which we already possess.

Without freedom of individual enterprise we would, I am sure, lose our high standard of living and cease to be the land of opportunity. We would lose our world leadership and we would greatly weaken our national safety; for we might well no longer be the strong, resourceful nation able to surpass any other nation or combination of nations in the production of the weapons of modern warfare, so vital for defense. Let us not forget that we always have had and will continue to have competition from other countries. Clearly our safety and our well-being depend upon the fullest encouragement to American ingenuity, upon maintenance of our system of freedom of private enterprise. In fact, I strongly suspect that this freedom is basic and that, without it, in the long run other freedoms cannot exist.

Industrial management is concerned with producing more for all—not merely dividing up what we have. To be successful it requires technical skill, but it requires more than that. It requires the leadership that can only come from faith in the worth of the individual, from confidence in the future of our democracy and its encouragement of private enterprise and confidence in the ultimate solution of problems, no matter how difficult. I believe much of our recent pre-war troubles were due to a widespread defeatist attitude on the part of people generally. I am not referring to those people who were unemployed and had a real cause for despair. It would be difficult to overestimate the damage done by this defeatist attitude and it was so un-American that it was hard for me personally to understand it. We must approach our post-war problems more realistically. To expect widespread unemployment and the end of private enterprise is, in my view, not being realistic. It is more realistic, I believe, to expect plenty of employment and the abandonment of government wartime controls, including taxes that discourage enterprise, as rapidly as practical with resulting further progress in improving our standard of living and in providing equal opportunities for all. Defeatism has no place in America. I know many who are responsible for management of large and small business enterprises. I know none who are not confident of the post-war future. It is with such confidence that management has accomplished so much in the past and will, if not unnecessarily hampered, accomplish so much in the future.

I look forward to good times, to good wages—to a period that will create capital and well-being. That is the usual history of our people. In that creative progress industrial management is one of the important forces. I am proud to be an officer in the army that

## From Washington

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is an intimate friend of the President. He wrote that because of Mr. Baruch's widely known economic views his appointment should "put an end to loose, uninformed, and often malicious accusations that the Roosevelt Administration plans to perpetuate the close economic controls necessitated by the war."

Then he says that because Mr. Baruch's economic ideas are well known "he could advocate with complete political safety the most extreme measures of war mobilization. For the same reason, he is likely to be heard when and if he warns against too abrupt demobilization. The demobilization after the first World War was not well done, even though it was a small task compared to the demobilization after this one. The transition from war to peace could have been handled much more smoothly then. This time an attempt to return instantly, to the pre-war system would create chaos."

The plain fact is that the Harding Administration's one contribution to the Nation was the orderly, smoothlike transition from war to peace which it effected. It accomplished the job with a minimum of inconvenience or disruption to our economy. The historians will undoubtedly mark this. The return of the railroads to private ownership was an outstanding example.

Having knocked around in Washington as long as we have and being a pretty good student of the way this particular administration works, we have little doubt as to what is expected of Mr. Baruch. Of course, he may possibly fool the boys.

Jesse Jones is as blissful as a man enjoying his second honeymoon these days and we wouldn't be surprised any day to hear him joining Henry Kaiser in singing "Oh what a beautiful day." Jesse's vindication for his conservative policies is rapidly developing.

First, Mr. Roosevelt in promising the President of Hayti that he would not stand for tariff protection of our synthetic rubber industry after the war unwittingly revealed what had held up the building of synthetic rubber plants before Pearl Harbor—his reluctance to set up an industry which would want tariff protection, and not Jesse's neglect.

More important, a group of correspondents have just returned from Brazil to report that our rubber development in the Amazon jungles may turn out to be one of the worst scandals of the Second World War. We have scattered around some \$150 million in Brazil, not all for rubber, yet we can expect no more than 10,000 or 15,000 tons a year.

Last spring the operations were taken away from Jesse because he has the "banker" mind and turned over to Henry Wallace's and Milo Perkins' Board of Economic Warfare. They decided that before setting out to develop the Brazilian rubber they must launch some economic reforms. The result, according to the returning correspondents, has been a carnival of waste. We sent down 50 million tin cups, thousands of shotguns, thousands of machetes, thousands of gross of atabrine tablets to combat malaria. But

is producing the wherewithal with which the fighting men will win victory over the Axis—over the planners of National Socialism in Germany and Fascism in Italy and Militarism in Japan and which likewise will produce the wherewithal with which Americans can continue to win victories over poverty and want as they have since the Constitution set up that liberty which insures economic opportunity. Let us have faith in the democratic way—the way of America.

Messrs. Wallace and Perkins ruled that they must go directly to the rubber workers, the tappers, thus by-passing the merchant system which had long controlled the jungle's labor supply. They developed elaborate plans of moving in labor, from 50,000 to 70,000 workers. By last April they had gotten only 1,539 workers and it is doubtful if as many as 12,000 will have been moved in this year altogether. In one instance, our magicians bought up \$1,000,000 worth of Brazil nuts on the theory that if they took the nuts, the workers in the nut industry would be free to go into the rubber forests.

Leo Crowley took over the project several weeks ago after the row between Jones and Wallace. What is of interest hereabouts is who sponsored the trip of the correspondents. Neither Jesse, Crowley nor Wallace did it. Seems that Nelson Rockefeller thought it would be a good idea. So far as Jesse is concerned, it was.

## Post-War Activities

(Continued from first page)

gas station attendants and all who serve the requirements of the individual should be very busy. This especially applies to those businesses which have suffered during the war due to priorities, price fixing and rationing. They should have a good comeback.

Household servants will again be plentiful. They may, however, find themselves out of luck. Many families have been getting along without help. The trend of post-war living will be toward simplification aided by new and efficient household devices. The appliance business should be very active. This offers great opportunities in manufacturing and in distribution.

## Retail Trade

I now see no signs of any slackening. The holiday trade will be good. The trend seems toward larger outlets. Concentrated shopping areas may be broken up. New suburban stores will be opened. This will avoid traffic congestion, bound to be terrible. The trend in real estate development may also head toward the suburbs and actual countryside. This ties in with our coming simpler form of living.

Good retailers are always progressive. The were among the first to adopt the telephone and electric lights and to use motor vehicles for deliveries. They have an inexhaustible clientele. More than any group they mould our thoughts, lives and habits. They should continue to keep ahead of the times. The entire retail picture is most interesting. It offers many opportunities for merchants and investors.

## New Products

Considerable research work is being done of an industrial and scientific nature to develop new products and bring together inventors and manufacturers. It is necessary to supply retail and industrial markets with new gadgets. Their production may take the place of a large part of our present output of war materials. Industry is paying more attention to research departments today than ever before. The scientist whatever his specialty, will be the "great man" of our post-war era.

Merchandising these new products will require large advertising campaigns. Newspapers, magazine media will be in demand. More people will be employed in distributive work. Side-tracked sales managers will again build up sales forces. We need, however, lower distribution costs. The costs of selling, not of manufacturing, have kept up the prices of retail goods. The reduction of such costs is becoming, however, a spiritual rather than an economic problem. I, therefore, pray that the post-war era will be accompanied by a return to religion.

## Eden Sees Basis For Post-War Cooperation In Confidence Shown At Moscow Conference

The most optimistic official British outlook for post-war cooperation among Great Britain, the United States and Russia was given on Nov. 11 by Foreign Secretary Anthony Eden in a report to the House of Commons on the Moscow conference.

Indicating that the results at Moscow had exceeded even his high hopes, Mr. Eden, according to the Associated Press, asserted that the major success was not in the radically new consultative machinery, but in the basis of goodwill and confidence among the three powers for dealing with future problems.

The same advice (Associated Press) from London Nov. 11 likewise reported Mr. Eden's remarks as follows:

"While not pretending that agreement had been reached on all problems, he said that reasonable hope could be held for even the most stubborn among them. Some of his listeners presumed this referred to Russia's post-war boundaries.

"He also disclosed that economic questions had been discussed and an agreement reached on a program for handling these vast problems, on many of which work already has begun. The absence of any economic agreement had been mentioned by some commentators as the principal gap.

"He explained that only the three big Allied Powers had been included on the European Advisory Commission because its function was to make recommendations, instead of being an executive body, and revealed that occasionally 'a sort of an ad hoc (special purpose) conference of a foreign secretary and two ambassadors could be set up to consider problems; something of a novelty in diplomatic procedure.'

"The actual achievements of the conference seem to me to be solid enough," he appraised, "but it was the friendly atmosphere of mutual interest and mutual confidence in

which all these conferences took place which, to me, will always make the Moscow conference memorable."

"He said that a large measure of credit for success of the meetings must go to Foreign Commissar Vyacheslav Molotov for his handling of the long and complicated agenda and added that Secretary of State Cordell Hull must have felt the results justified 'his very gallant venture in making this long flight' from the United States.

"Of measures which were taken to shorten the war, Mr. Eden declared: 'The results of our discussions under this head can only be made public as they develop at the expense of the common enemy. I have confidence that the development will be found generally satisfactory by the members of all parts of the House.'

"Military discussions perhaps did more good to the mutual relations, by the frank and exhaustive examination that was made of them, than any other phase of the conference," he said, adding: "There was no tendency on the part of any of the delegates to dodge any difficulty or important issue that these matters raised."

"He asserted that the delegates met on a basis of complete equality and strived for one purpose only, to try to bring the war to an end in victory at the earliest possible moment and thereafter full cooperation with each other to insure that the people of the world might live at peace."

pursue international economic policies designed to promote stability of currencies in other nations," and restoration of the Bank for International Settlements.

The Bank for International Settlements, formerly at Basle, would be used "as a center of international monetary consultation and planning," Mr. Fraser said, and concluded: "The proposed Anglo-Saxon agreement would be but the nucleus of a wider pact which many associated nations would join forthwith and others as rapidly as may be. It is a fertile beginning and not the ultimate goal."

## Scrap "Little Steel" Formula On Wages Garment Union Asks

David Dubinsky, President of the International Ladies Garment Workers' Union, an affiliate of the American Federation of Labor, made public on Nov. 15 a resolution, passed by the union's Executive Board last week in Atlantic City, which denounced the "Little Steel" formula. Mr. Dubinsky made known at the same time that he would demand wage increases in excess of the formula for the union's 300,000 members.

The New York "Herald Tribune" also had the following to say:

The "Little Steel" formula limits wage increases to 15% above the level which prevailed on Jan. 1, 1941. The first major demand by the I. L. G. W. U., Mr. Dubinsky said, will be made when the present contracts in the dress industry, covering 85,000 workers in New York and vicinity, expire on Feb. 1. At present all crafts in the I. L. G. W. U., such as dress, cloak-and-suit and underclothing makers, are receiving wages up to the limit of the formula.

The union's resolution demanding that the "Little Steel" formula be scrapped in favor of a more flexible policy follows:

"The 'Little Steel' formula has failed. Originally meant to fill the gap between wages and the cost of living from January, 1941, to September, 1942, on the theory that living costs would be halted from then on through price ceilings and price regulations, its record has proved most disappointing. The cost of living since the adoption of the 'Little Steel' formula has been carried far beyond the 15% estimate, and is increasing constantly. In the face of mounting prices the purchasing power of the wage earner's dollar has been shrinking to an alarming extent.

"The only real effect of the 'Little Steel' formula to date has been the practical freezing of wages. Stabilization of living costs, as every consumer knows, is largely wishful thinking, while the true inflationary forces, the industrial combines which control living necessities, are having a field day. These forces have successfully opposed every effort of the Government to roll back prices, to enforce price ceilings, subsidies to processors and even to reveal to the American public the true picture of fantastic prices piled up by industry both in civilian and war production.

"We demand that the arbitrary and rigid 'Little Steel' formula be scrapped to make room for a more flexible wage policy that would be adapted to meet the urgent needs of the mass of the American people both as producers and consumers. Labor does not favor a race between wages and prices, but it realizes that such a race has long since been set in motion and that labor has been left far behind, as the upward spiral in costs and prices is rushing ahead despite the fact that wages are held in the iron clamps of the 'Little Steel' formula."

## OPA Usurps Power, House Group Charges— Urges Congress Eliminate Abuses & Injustices

A special House committee investigating activities of executive agencies charged on Nov. 15 that the Office of Price Administration has assumed powers beyond its legislative and judicial authority and urged that Congress revise existing laws so as to "retain and strengthen inflation control and at the same time eliminate the abuses and injustices now apparent."

The committee, headed by Representative Smith (Dem., Va.), filed a 30-page report which reiterated its firm belief in both rationing and price control as wartime necessities, but assailed OPA's use of them.

The following regarding the report is from United Press Washington advices:

"The illegal, absurd, useless and conflicting regulations heretofore promulgated by the OPA are creating such great confusion that it is impossible for the average citizen to know how to comply," the report said.

The report charged that OPA had, "by misinterpretation of acts of Congress, set up a nationwide system of judicial tribunals through which this executive agency judges the actions of American citizens relative to its own regulations and orders, and imposes drastic and unconstitutional penalties upon those citizens, depriving them in certain instances of vital rights and liberties without due process of law."

An account, Nov. 15, to the New York "Journal American" from its Washington bureau by David Camelon, said:

The committee charged the OPA has twisted, perverted and broken laws to set up its own unlawful "government" with executive, legislative and judicial functions, backed by its own "constabulary."

Citizens thus have been deprived of the constitutional guaranties of due process of law, have been stripped of their property, have had their livelihood taken away from them, and have been threatened with the loss of necessities of life, the report said.

"The committee believes," the report said, "that the facts here presented reveal practices which if not halted might conceivably lead to an undermining of our basic constitutional provisions for separate and independent executive, legislative and judicial departments of government.

"The exercise of extraordinary executive powers in wartime when those powers are duly granted by the Legislature is one thing. The assumption of such powers by executive agencies without any such grant from the Legislature is quite another.

"The committee finds that the OPA has assumed unauthorized powers to legislate by regulation, and has set up a nation-wide system of judicial tribunals by which this executive agency judges the action of American citizens relative to its own regulations and orders, and imposes drastic and unconstitutional penalties on those citizens, depriving them in certain instances of vital rights and liberties without due process of law."

The committee declared that this "violates a basic principle of the Constitution and constitutes a dangerous approach toward totalitarianism." Congress, it said, must specifically curb OPA's powers.

The act confers on an emergency court of appeals "exclusive jurisdiction to hear and determine appeals and specifically excludes all other courts from the hearing and determination of the validity of any provisions of the act, or any regulation or order."

The result is, the committee charged, that "a citizen may be indicted, tried and convicted by an executive agency without having the right to plead in the court where he is indicted and tried."

But while the protest rights of citizens are very meager, the committee declared, "the administrator may invoke the aid of prac-

tically every court in the land to enforce compliance."

By Sept. 1, the committee found, the OPA had issued 3,196 regulations "drafted by obscure officials having little or no business experience." In the same time Congress passed only 552 public laws. The committee charged:

"The complicated and unreasonable regulations are driving a large number of our citizens to the point of desperation."

## New Dwellings Decrease

Construction was started on 276,000 new nonfarm family dwelling units during the first 9 months of 1943. Secretary of Labor Perkins reported on Nov. 8. "This was 31% less than were started during the first 9 months of 1942," she said. "One-half of the new family dwelling units will be located in public war housing projects, while 120,900 of the 138,381 privately financed units started are being constructed under the private war housing program of the National Housing Agency." Miss Perkins added:

"The Bureau of Labor Statistics estimates the valuation of all new nonfarm family dwellings put under construction during the first 9 months of 1943 to aggregate approximately \$694,000,000. The nonfarm area of the United States, as defined by the Bureau of the Census, includes all urban places and all rural places except farms.

"Federally financed housing projects put under construction contract during the first 9 months of 1943 will provide accommodations for 137,319 war workers' families, slightly less than the 142,459 family units started during the same months of 1942.

"In addition to the new units, practically all of which were temporary structures, slum clearance projects containing 2,559 units which were started before 1943 were transferred to the war housing program. Conversions of existing structures by the Federal Public Housing Authority will provide 553 units, making a total of 140,431 family dwelling units provided under the public war housing program during the first 9 months of 1943. In addition, Federal contracts were awarded for dormitories to accommodate 43,087 persons and trailer projects to contain 23,037 trailers. Contracts were also awarded during the first 9 months of 1943 by the Home Owners' Loan Corporation for the conversion of 4,799 structures to provide 21,620 additional family units.

"One-family dwellings comprised 81% of all units started during the first 9 months of 1943, 2-family dwellings accounted for 5%, and multifamily units for 14%. During the same months of 1942, 80% of the new units were of the 1-family type, 4% of the 2-family type and 16% in multifamily buildings. The comparisons are greatly affected by the inclusion of publicly financed units which are now principally 1-family row-type units. Material restrictions on private builders were primarily responsible for the 52% drop in the number of privately financed 1-family units started while the number of privately financed 2-family units declined 1% and private multifamily units 19% from the corresponding months for the first 9 months of 1942."

## Fraser Urges U. S. And Britain To Confer Now On International Money Understanding

Leon Fraser, President of the First National Bank of the City of New York, speaking on Nov. 16 at the second session of the New York "Herald Tribune" Forum, advocated immediate consultation between the United States and Great Britain for the establishment of a post-war standard of international money based on the dollar, the pound sterling, and fundamentally on gold.

Mr. Fraser, a former President of the Bank for International Settlements, said that one of the concessions necessary for the United States to make in order to aid the restoration of equilibrium between the dollar and the pound would be postponement of lend-lease repayments for a five-year period after the war.

The following regarding Mr. Fraser's remarks was reported in the "Herald Tribune" of Nov. 17:

Mr. Fraser argued that international money, accepted internationally as a satisfactory means of payment in transactions between peoples in different nations, must come from "the facts of present world finance and trade rather than out of an abstract blueprint."

The United States and Britain, he said, are now the predominant nations in the field of international trade, and "the first effective step toward international money lies in an Anglo-Saxon financial understanding, and not in some universal approach which glosses over the fact that the prerequisite to international stability is internal stability."

Mr. Fraser said that the dollar, anchored to gold, was the strongest currency in the world today, but that "the sun never sets on the economic influence and the far-flung use of sterling." The basis behind a dollar-sterling international standard, he said, would continue to be gold, with mutual fixing of exchange rates by the two countries and protection from temporary derangements in the post-war period "by exchange controls and by the use of our

ample gold stock, until Great Britain is more nearly in equilibrium."

Mr. Fraser pointed out that the currencies of some countries were already pegged to the dollar or the pound, and said that Russia and China, and later other nations, should be invited to join in the arrangement for an international money.

The consultations between the United States and Britain, Mr. Fraser said, should take into account many factors, and should provide "a moratorium for a period of five years of any post-war lend-lease repayments involving any transfers by Great Britain; any payments thereafter to be limited to the return, if needed by the creditor, of the same commodity as was shipped."

Mr. Fraser explained that because of the large volume of external obligations contracted by Britain, that nation would be "the world's financial problem No. 1" after the war, but said it was to the advantage of the United States and the world to restore Britain "to a position of balance in her international accounts."

A rigid gold standard can be avoided, he said, "by continued active management of the monetary mechanism with the gold of high production."

His proposals for a stabilization agreement, in addition to postponing lend-lease repayments, included a credit of about five billions in gold to Britain, cancellation of the rest of the British war debts of the first World War, agreement by both nations to "eschew economic domination and

# Henry Kaiser Urges Management and Labor To Harmonize Differences To Avert Class Bitterness

A solemn warning of the future of the United States, in which it was envisioned that "discord, confusion, complete rupture—such as plagued Germany, Italy and Russia after the last war—threaten this country—unless management and labor learn to live together, was given on Nov. 8 by Henry J. Kaiser, shipbuilder and airplane builder. These views of Mr. Kaiser were indicated in a "write-up" by Jess Stearn, "World-Telegram" staff writer, appearing in the Nov. 8 issue of that paper, in which the further opinions of Mr. Kaiser were set out as follows:

In an interview with the World-Telegram, in a modest office which doesn't even have his name on the door, Mr. Kaiser turned his attention to America's "most dangerous problem"—which, in his opinion, must be promptly settled if peace is to follow the war. A big man in his 60s, with boundless energy, the builder has the late Thomas Edison's knack of getting by without sleep, and like the Wizard of Menlo Park has dedicated his life to serving the people—the same people he is worried about today.

"There is bitterness abroad in the land today," he said, "class conflict and deep antagonisms, men hating each other without cause. And these savage wars of peace can never be resolved by riot, mob violence or martial law. Men's hearts must be right."

Labor and management, Mr. Kaiser stressed, must get over the idea they have opposing interests. Speaking slowly, in measured tone, he went on:

"There is no place for fear and distrust between the two. It is management's job to sell self-respect and trust for itself to the unions by showing greater interest in its people. It is the union's duty to get out the work and try to understand management's problem."

"Unions should look upon themselves as service organizations concerned with the welfare of management and the public—if they are interested in sustaining our form of government."

This new pioneer out of the West—history's greatest builder of ships, bridges, dams and roads—is eager to show management and labor how it should be done. His formula for successful dealing with 300,000 employees and 200 unions has no copyright. It was proclaimed 2,000 years ago—by Jesus Christ; it is the human touch.

"There is no such thing as labor relations," Mr. Kaiser said, "there are only human relations. You are dealing with people, not impersonal problems of finance or electronics"—and equally important: "There are three sides to every argument—your side, my side, and the right side."

When Kaiser executives meet with union leaders, everybody splits up. "We don't even want them sitting on opposite sides of the table," Mr. Kaiser said, "the psychology is wrong." And when the cigars are passed around, everybody, he smiled, gets the same brand.

"We have our squabbles," he acknowledged, "but we don't lose our tempers. If you can stop people from getting angry you're making progress. When a man gets mad reason leaves the room."

Mr. Kaiser is a great believer in giving people responsibility, all the responsibility they can handle, and for that reason, curiously, he favors a closed shop—an all-union arrangement which other industrialists have fought tooth-and-nail.

"With the closed shop," he observed, "matters are simplified. The behavior of the men becomes a direct responsibility of the union. And there is nothing like responsibility to keep people on their toes."

"It's a challenge; it stirs initiative and kindles the competitive urge—and this is what gets the job done."

While Mr. Kaiser has constant

contact with his workers, through regular foremen meetings, he zealously respects the union's proper province over its membership. "Many employers," he said, "in all sincerity, feel they know what's best for their employees. They don't. I feel the union knows best." Unions aren't blameless, not by a long shot. He has run into his share of labor racketeering, but—a hopeful sign—"better unions have been coming up lately."

While still neck-deep in the battle of production, the builder is already laying plans for the post-war world—plans involving the futures of his 300,000 people, and hinging on the vague issue of credit.

"Actually," he said, "these people work for me—but I'm more inclined to feel I'm working for them. The responsibility is there and that's why I can't stop. I have to keep going."

At this point he swung around in his chair and contemplated his interviewer with a twinkling eye. "I could go home evenings and have as good a time as you do," he said, "relax with my wife and family, read and listen to the radio—but there are 300,000 different reasons why I can't."

And for the same reasons, once the groundwork is laid and work is under way he rarely goes back to a completed job; there are always new worlds to conquer—conquests without fanfare or pride.

"There's no thrill in merely building things," the builder observed; "the real enjoyment comes from building men of character—the rest is easy."

Mr. Kaiser is a Californian and the first time he rode over the San Francisco Bay Bridge, one of his miracles of construction, his son, Henry, Jr., gayly turned to him and asked:

"Well, Dad, how does it feel to have put this baby up?"

The big man's eyes followed the endless line of cars across the great span and he replied gravely:

"Yes, I am thrilled—not that we helped build this bridge, not that—but at the realization of how much easier it is making the lives of thousands of people. That, son, is the real thrill."

# Hillman Reveals CIO Campaign Fund For '44

**Murray Again Heads CIO**  
Sidney Hillman, President of the Amalgamated Clothing Workers and Chairman of the Political Action Committee of the CIO, told the annual CIO convention at Philadelphia on Nov. 4 that the committee's movement "is not a fourth term movement only." Edward S. Twardy, United Press staff correspondent, in advices from Philadelphia, published in the New York "World Telegram", of Nov. 4 in reporting this, further stated:

"Mr. Hillman, announcing a campaign fund of \$50,000 for "political education for the 1944 elections," said "we are not committing ourselves. No organization can commit itself in 1943 for 1944."

"If I were to make a commitment," he added, "and if the election were to be held in two or three months, for the sake of humanity I would urge the nomination and election of Franklin Delano Roosevelt."

Philip Murray, CIO President, speaking of Presidential candidates, said: "Our organization is not ready to give all its interests, lock, stock, and barrel, to any one man anywhere."

Intervention of President Roosevelt in the case of Harry Bridges, West Coast CIO leader, ordered deported by Attorney General Francis Biddle, was asked in a resolution.

Speaking in favor of the resolution, which was passed unanimously, Mr. Murray said: "I would not attempt to defend any man or woman who sought to undermine our country or our government. There was, or is, nothing subversive in any of Harry Bridges' actions."

Mr. Murray, who was elected to a fourth term as President of the Congress of Industrial Organizations at the closing session of the convention in Philadelphia on Nov. 5, declared that the CIO would shortly start a drive for wage increases beyond those allowed by the "Little Steel" formula. Mr. Murray holds the view that there has been no accord in the Administration concerning national wage stabilization and denounced the Federal Government's administering of the so-called wage stabilization policy as a "hodge-podge".

# Gross And Net Earnings Of United States Railroads For The Month Of July

Gross earnings of the United States railroads made a high peak in the month of July, never attained before in the history of the railroads. The previous high record was reached in May, 1943. Net earnings did not come up to the high figure of \$329,157,847 recorded last October.

Gross earnings of the railroads of the United States in July, 1943, were \$791,195,916 against \$665,180,069 in July, 1942, a gain of \$126,015,847, or 18.94%. With operating expenses at a comparatively low level, a large portion of the increase in gross was reflected in net earnings. Net amounted to \$324,540,456 in July this year, comparing with \$274,705,768 in July of last year, an increase of \$49,834,688, or 18.14%.

The ratio of expenses to earnings in July, 1943, was 58.98% and July, 1942, 58.70%. We now give in tabular form the results for the month of July, 1943, as compared with the month of July, 1942:

| Month of July—                | 1943          | 1942          | Incr. (+) or Decr. (-) | %      |
|-------------------------------|---------------|---------------|------------------------|--------|
| Mileage of 132 roads          | 229,430       | 231,046       | -1,616                 | -0.70  |
| Gross earnings                | \$791,195,916 | \$665,180,069 | + \$126,015,847        | +18.94 |
| Operating expenses            | 466,655,460   | 390,474,301   | + 76,181,159           | +19.51 |
| Ratio of expenses to earnings | (58.98%)      | (58.70%)      |                        |        |
| Net earnings                  | \$324,540,456 | \$274,705,768 | + \$49,834,688         | +18.14 |

Since the trend of business and industry underlies the general financial statistics of the railroads' operations, we now turn our attention to the activity of the various essential factors responsible for the \$126,015,847 gain in railroad gross revenues for the month of July, 1943, in comparison with July of last year. We have compiled in the following tabulation those figures pertaining to the livestock receipts and revenue freight carloadings for the month of July, as compared with the like month of 1942, 1941, 1932 and 1929:

|                                   | 1943       | 1942       | 1941       | 1932       | 1929       |
|-----------------------------------|------------|------------|------------|------------|------------|
| July—                             |            |            |            |            |            |
| Building (\$000):                 |            |            |            |            |            |
| Constr. contracts awarded         | 183,661    | 943,796    | 577,392    | 128,769    | 652,436    |
| Coal (net tons):                  |            |            |            |            |            |
| Bituminous                        | 52,540,000 | 47,832,000 | 44,080,000 | 17,857,000 | 41,379,000 |
| Pennsylvania anthracite           | 5,668,000  | 5,374,000  | 4,855,000  | 3,021,000  | 4,810,000  |
| Freight Traffic:                  |            |            |            |            |            |
| Carloadings, all (cars)           | 4,307,406  | 4,185,135  | 4,295,457  | 2,429,330  | 5,265,998  |
| Livestock receipts:               |            |            |            |            |            |
| Chicago (cars)                    | 6,908      | 5,827      | 6,117      | 9,785      | 18,736     |
| Kansas City (cars)                | 3,165      | 3,165      | 2,376      | 4,520      | 7,522      |
| Omaha (cars)                      | 1,643      | 1,643      | 1,543      | 3,120      | 6,653      |
| Western flour and grain receipts: |            |            |            |            |            |
| Flour (000 barrels)               | 2,051      | 1,942      | 1,999      | 1,797      | 2,031      |
| Wheat (000 bushels)               | 122,132    | 68,588     | 117,417    | 43,835     | 113,249    |
| Corn (000 bushels)                | 12,902     | 25,988     | 25,689     | 8,865      | 23,816     |
| Oats (000 bushels)                | 11,176     | 7,606      | 12,604     | 8,651      | 12,102     |
| Rye (000 bushels)                 | 19,473     | 5,217      | 7,598      | 789        | 4,532      |
| Barley (000 bushels)              | 4,906      | 1,569      | 4,667      | 900        | 846        |
| Iron and Steel (net tons):        |            |            |            |            |            |
| Steel ingot production            | 7,376,017  | 7,144,958  | 6,812,224  | 915,738    | 5,513,546  |
| Lumber (000 ft.):                 |            |            |            |            |            |
| Production                        | x          | 1,279,698  | 1,334,123  | 1,413,701  | 1,755,931  |
| Shipments                         | x          | 1,437,758  | 1,417,270  | 1,454,458  | 1,693,011  |
| Orders received                   | x          | 1,508,153  | 1,530,528  | 1,449,710  | 1,650,351  |

Glancing at the statistics arranged in the tabulation for the month under review, as presented above, we notice that the figures clarify to some extent their bearing on the revenues of the railroads. Construction contracts awarded in the 37 states east of the Rocky Mountains registered a decline of \$760,135,000 in valuation from the corresponding period last year. As for coal mining, Pennsylvania anthracite and bituminous coal production recorded increases of 294,000 net tons and 4,708,000 net tons, respectively. At the Western lake and river ports, flour and grain receipts showed considerable activity on an upward scale, with the exception of corn arrivals. In a separate paragraph further along in this article an analysis of the flour and grain movement is presented. Steel ingots and castings output as reported by the American Iron & Steel Institute rose during the month of July to a total of 7,376,017 tons, but remained below the tonnage produced in any preceding 31-day month so far this year. The production, however, in July was substantially above the total for July, 1942, when 7,144,958 tons were produced. The lumber movement for the four weeks ended July 31, 1943, showed that shipments were 11.5% less than the average for the same period in the latest three years (1940-1942). Based on reports of identical mills for equivalent working periods, lumber shipments were 0.7% below production, while lumber orders were 3% above rate of production. Loading of revenue freight on the railroads of the United States was 122,271 cars higher than in 1942.

Sorting out the roads with major changes in excess of \$100,000 in comparison with 1942 from those that showed only minor variations, we discover 80 roads indicated increases in gross and 52 recorded gains in net of over that amount, while two roads showed contractions in gross and nine in net. The Pennsylvania was foremost in both the gross and net categories with improvements of \$11,501,889 and \$5,820,472, respectively. The Southern Pacific followed the list of gross gains with \$11,219,467, while the New York Central, third in gross with \$10,439,068, was second in the net listing with an increase of \$5,102,872. The third leading carrier in the net was the Union Pacific which surpassed its 1942 net earnings of \$3,801,790. Other roads showing substantial increases were the Chicago, Burlington & Quincy, Baltimore & Ohio, Chicago, Milwaukee, St. Paul & Pacific, and Chicago, Rock Island & Pacific. All of these roads were able to convert a high percentage of their individual gross gains into the net column. As regards decreases, the Yazoo & Mississippi Valley led the gross classification with \$187,657, while the Atchison, Topeka & Santa Fe showed the largest reduction in the net, one of \$866,534.

We now furnish our customary tabulation showing the major fluctuations of \$100,000 or more, whether they be increases or decreases, in both gross and net listings for the separate roads and systems:

|                                      | Increase     | Reading                                | Increase      |
|--------------------------------------|--------------|--|---------------|
| Pennsylvania                         | \$11,501,889 | Chicago & East Illinois                | 540,127       |
| Southern Pacific (2 roads)           | 11,219,467   | Minneapolis St. Paul & S. S. M.        | 530,874       |
| New York Central                     | 10,439,068   | Kansas City Southern                   | 472,089       |
| Union Pacific                        | 10,350,261   | St. Louis Southwestern                 | 417,079       |
| Atchison Topeka & Santa Fe           | 5,598,322    | Spokane Portland & Seattle             | 408,974       |
| Chicago Burlington & Quincy          | 4,747,316    | Central of Georgia                     | 374,505       |
| Baltimore & Ohio                     | 4,358,542    | Cincinnati New Orleans & Texas Pacific | 362,865       |
| Chicago Milwaukee St. Paul & Pacific | 3,772,934    | Delaware & Hudson                      | 335,805       |
| Missouri Pacific                     | 3,355,063    | Alton                                  | 333,664       |
| Chesapeake & Ohio                    | 3,207,510    | Canadian Pacific Lines in Maine        | 307,703       |
| Great Northern                       | 3,166,698    | New York Chicago & St. Louis           | 293,501       |
| Chicago Rock Island & Pacific        | 3,087,177    | Grand Trunk Western                    | 269,000       |
| Louisville & Nashville               | 2,850,417    | Louisiana & Arkansas                   | 269,901       |
| Atlantic Coast Line                  | 2,437,198    | Georgia Southern & Florida             | 264,593       |
| Southern                             | 2,327,188    | Chicago St. Paul Minneapolis & Omaha   | 236,251       |
| Chicago & North Western              | 2,385,130    | Gulf Mobile & Ohio                     | 232,494       |
| Northern Pacific                     | 2,186,514    | Staten Island Rapid Transit            | 221,671       |
| Erie                                 | 2,138,023    | Virginian                              | 217,813       |
| Illinois Central                     | 2,110,975    | Duluth Missabe & Iron Range            | 213,713       |
| St. Louis-San Francisco (2 rds.)     | 1,998,116    | Alabama Great Southern                 | 201,031       |
| Western Pacific                      | 1,796,408    | New York Ontario & Western             | 176,410       |
| New York New Haven & Hartford        | 1,774,888    | Wheeling & Lake Erie                   | 175,988       |
| Missouri-Kansas-Texas                | 1,724,631    | New York Susquehanna & Western         | 157,015       |
| Denver & Rio Grande Western          | 1,443,429    | Chicago Indianapolis & Louisville      | 146,218       |
| Texas & Pacific                      | 1,340,726    | Minneapolis St. Louis                  | 138,828       |
| Norfolk & Western                    | 1,251,692    | Northwestern Pacific                   | 132,507       |
| Delaware Lackawanna & Western        | 1,123,267    | Georgia                                | 127,765       |
| Long Island                          | 1,093,139    | Pittsburgh & West Virginia             | 114,175       |
| Florida East Coast                   | 978,299      | Detroit Toledo & Ironton               | 104,759       |
| New Orleans Texas & Mexico (3 roads) | 974,418      | Atlanta & West Point                   | 104,494       |
| Pere Marquette                       | 971,265      | Mains Central                          | 104,188       |
| Wabash                               | 932,635      | Central Vermont                        | 101,426       |
| Nashville Chattanooga & St. Louis    | 913,551      | Total (80 roads)                       | \$125,400,282 |
| Lehigh Valley                        | 883,245      |  |               |
| Boston & Maine                       | 864,656      |  |               |
| Richmond Fredericksburg & Potomac    | 860,993      |  |               |
| Seaboard Air Line                    | 857,111      |  |               |
| Pennsylvania Reading Seashore Lines  | 812,780      | Decrease                               |               |
| Colorado & Southern (2 roads)        | 768,938      | Yazoo & Mississippi Valley             | \$187,657     |
| International Great Northern         | 693,709      | Bessemer & Lake Erie                   | 167,947       |
| Central of New Jersey                | 635,230      | Total (2 roads)                        | \$355,204     |

\*These figures cover the operations of the New York Central and the leased lines—Cleveland Cincinnati Chicago & St. Louis, Michigan Central, Cincinnati Northern and Evansville Indianapolis and Terre Haute. Including Pittsburgh & Lake Erie, the result is an increase of \$10,503,373.

PRINCIPAL CHANGES IN NET EARNINGS FOR THE MONTH OF JULY

| State/Region                         | Increase     | Decrease |
|--------------------------------------|--------------|----------|
| Pennsylvania                         | \$5,820,472  |          |
| New York Central                     | 5,102,872    |          |
| Union Pacific                        | 3,801,790    |          |
| Southern Pacific (2 roads)           | 3,404,251    |          |
| Chicago Burlington & Quincy          | 3,040,470    |          |
| Chicago Milwaukee St. Paul & Pacific | 2,590,984    |          |
| Chesapeake & Ohio                    | 2,200,901    |          |
| Chicago & North Western              | 2,076,932    |          |
| Chicago Rock Island & Pacific        | 1,572,984    |          |
| Baltimore & Ohio                     | 1,502,246    |          |
| Atlantic Coast Line                  | 1,392,265    |          |
| Western Pacific                      | 1,387,409    |          |
| Louisville & Nashville               | 1,369,272    |          |
| Erie                                 | 1,283,730    |          |
| Northern Pacific                     | 1,259,646    |          |
| Southern                             | 1,225,154    |          |
| Missouri Pacific                     | 1,092,503    |          |
| Great Northern                       | 990,521      |          |
| Norfolk & Western                    | 762,913      |          |
| Pennsylvania Reading Seashore Lines  | 751,200      |          |
| Denver & Rio Grande Western          | 737,400      |          |
| St. Louis-San Francisco (2 rds.)     | 723,977      |          |
| New York New Haven & Hartford        | 681,384      |          |
| Long Island                          | 656,096      |          |
| Florida East Coast                   | 633,027      |          |
| Richmond Fredericksburg & Potomac    | 584,611      |          |
| Missouri-Kansas-Texas                | 583,322      |          |
| Delaware Lackawanna & Western        | 554,931      |          |
| New Orleans Texas & Mexico (3 roads) | 460,184      |          |
| Colorado & Southern (2 rds.)         | 398,028      |          |
| Total (52 roads)                     | \$52,249,242 |          |
| Total (9 roads)                      | \$3,103,047  |          |

\*These figures cover the operations of the New York Central and the leased lines—Cleveland Cincinnati Chicago & St. Louis, Michigan Central, Cincinnati Northern and Evansville Indianapolis and Terre Haute. Including Pittsburgh & Lake Erie, the result is reduced to \$5,092,994.

Grouping the railroads into districts and regions (as prescribed by the Interstate Commerce Commission), we notice that all geographical subdivisions contributed to some extent to the increase of 18.94% in gross and 18.14% in net. Upon a brief analysis of the three districts, we see that the Western District led both the gross and net listings with gains of 23.78% and 21.14%, respectively. Subdividing these districts into regions, we perceive that the Central Western reported the greatest gain, 26.72% in gross, while the Northwestern secured top honors in the net classification with an increase of 25.71%.

Without further comment, we now make reference to our usual summary compilation which follows immediately. The territories covered by the various sub-divisions, the districts and regions, are explained in the appended footnote:

SUMMARY BY GROUPS—MONTH OF JULY

| District and Region                    | Gross Earnings     |                    |                      |               |
|--|--------------------|--------------------|----------------------|---------------|
|  | 1943               | 1942               | Inc. (+) or Dec. (-) | %             |
| <b>Eastern District—</b>               |                    |                    |                      |               |
| New England region (10 roads)          | 27,540,749         | 24,292,814         | + 3,247,935          | +13.37        |
| Great Lakes region (23 roads)          | 128,752,882        | 110,874,111        | + 17,878,771         | +16.12        |
| Central Eastern region (18 roads)      | 156,773,591        | 136,660,899        | + 20,112,692         | +14.72        |
| <b>Total (51 roads)</b>                | <b>313,067,222</b> | <b>271,827,824</b> | <b>+ 41,239,398</b>  | <b>+15.17</b> |
| <b>Southern District—</b>              |                    |                    |                      |               |
| Southern region (26 roads)             | 104,546,649        | 89,826,323         | + 14,720,326         | +16.39        |
| Peachontas region (4 roads)            | 37,714,444         | 32,180,536         | + 5,533,908          | +17.20        |
| <b>Total (30 roads)</b>                | <b>142,261,093</b> | <b>122,006,859</b> | <b>+ 20,254,234</b>  | <b>+16.60</b> |
| <b>Western District—</b>               |                    |                    |                      |               |
| Northwestern region (15 roads)         | 85,602,836         | 72,180,262         | + 13,422,574         | +18.60        |
| Central Western region (16 roads)      | 179,329,672        | 141,516,774        | + 37,812,898         | +26.72        |
| Southwestern region (20 roads)         | 70,935,093         | 57,648,350         | + 13,286,743         | +23.05        |
| <b>Total (51 roads)</b>                | <b>335,867,601</b> | <b>271,345,386</b> | <b>+ 64,522,215</b>  | <b>+23.78</b> |
| <b>Total all districts (132 roads)</b> | <b>791,195,916</b> | <b>665,180,069</b> | <b>+126,015,847</b>  | <b>+18.94</b> |

| District and Region                | Net Earnings   |                    |                      |               |
|------------------------------------|----------------|--------------------|----------------------|---------------|
|                                    | 1943           | 1942               | Inc. (+) or Dec. (-) | %             |
| <b>Eastern District—</b>           |                |                    |                      |               |
| New England region                 | 6,597          | 9,639,735          | - 9,174,837          | - 5.07        |
| Great Lakes region                 | 25,817         | 48,914,015         | - 41,612,151         | - 17.55       |
| Central Eastern region             | 24,020         | 60,275,061         | - 51,397,683         | - 17.27       |
| <b>Total (51 roads)</b>            | <b>56,434</b>  | <b>118,828,811</b> | <b>- 102,184,671</b> | <b>-16.29</b> |
| <b>Southern District—</b>          |                |                    |                      |               |
| Southern region                    | 37,406         | 42,642,914         | - 38,242,073         | - 11.51       |
| Peachontas region                  | 6,016          | 18,861,929         | - 15,240,374         | - 23.76       |
| <b>Total (30 roads)</b>            | <b>43,422</b>  | <b>61,504,843</b>  | <b>- 53,482,447</b>  | <b>-15.00</b> |
| <b>Western District—</b>           |                |                    |                      |               |
| Northwestern region                | 45,527         | 37,293,952         | - 29,665,790         | - 25.71       |
| Central West. region               | 55,289         | 76,295,467         | - 63,376,678         | - 20.38       |
| Southwestern region                | 28,758         | 30,617,383         | - 25,996,182         | - 17.78       |
| <b>Total (51 roads)</b>            | <b>129,574</b> | <b>144,206,802</b> | <b>- 119,038,650</b> | <b>-21.14</b> |
| <b>Total all districts—229,430</b> | <b>231,046</b> | <b>324,540,456</b> | <b>- 274,705,768</b> | <b>-18.14</b> |

Note—Our grouping of the roads conforms to the classification of the Interstate Commerce Commission, and the following indicates the confines of the different groups and regions:

**EASTERN DISTRICT**  
 New England Region—Comprises the New England States.  
 Great Lakes Region—Comprises the section on the Canadian boundary between New England and the western shore of Lake Michigan to Chicago, and north of a line from Chicago via Pittsburgh to New York.

**SOUTHERN DISTRICT**  
 Southern Region—Comprises the section east of the Mississippi River and south of the Ohio River to a point near Kenova, W. Va., and a line thence following the eastern boundary of Kentucky and the southern boundary of Virginia to the Atlantic.  
 Peachontas Region—Comprises the section north of the southern boundary of Virginia, east of Kentucky and the Ohio River north to Parkersburg, W. Va., and south of a line from Parkersburg to the southwestern corner of Maryland and thence by the Potomac River to its mouth.

**WESTERN DISTRICT**  
 Northwestern Region—Comprises the section adjoining Canada lying west of the Great Lakes Region, north of a line from Chicago to Omaha and thence to Portland, and by the Columbia River to the Pacific.  
 Central Western Region—Comprises the section south of the Northwestern Region west of a line from Chicago to Peoria and thence to St. Louis, and north of a line from St. Louis to Kansas City and thence to El Paso and by the Mexican boundary to the Pacific.  
 Southwestern Region—Comprises the section lying between the Mississippi River south of St. Louis and a line from St. Louis to Kansas City and thence to El Paso, and by the Rio Grande to the Gulf of Mexico.

The July current grain movement over the Western roads increased 61,621,000 bushels to an aggregate of 170,589,000 bushels as compared with last year's figure. On examination of the individual grains, we find that wheat and barley receipts, which had a combined increase of 67,800,000 bushels, were the principal contributing factors to this substantial improvement. Arrivals of oats and rye showed gains of 3,570,000 bushels and 3,337,000 bushels, respectively. Corn was the only grain that showed a contraction in receipts, one of 13,086,000 bushels. Flour reported 2,051,000 barrels at the Western primary markets, an increase of 109,000 barrels.

In the following tables we present details of the Western flour and grain movement in our usual form:

WESTERN FLOUR AND GRAIN RECEIPTS

5 Weeks Ended July 31

| (000 Omitted)        | Year        | Flour (bbls.) | Wheat (bush.)  | Corn (bush.)  | Oats (bush.)  | Rye (bush.)  | Barley (bush.) |
|----------------------|-------------|---------------|----------------|---------------|---------------|--------------|----------------|
| Chicago              | 1943        | 1,081         | 6,363          | 2,900         | 2,019         | 1,662        | 2,136          |
|                      | 1942        | 1,012         | 3,543          | 7,853         | 2,402         | 35           | 733            |
| Minneapolis          | 1943        | 18            | 30,667         | 321           | 3,908         | 2,331        | 8,004          |
|                      | 1942        | ---           | 13,082         | 2,002         | 1,503         | 1,293        | 2,423          |
| Duluth               | 1943        | ---           | 8,292          | 267           | 220           | 312          | 3,067          |
|                      | 1942        | ---           | 5,544          | 2,655         | ---           | 45           | 103            |
| Milwaukee            | 1943        | 63            | 385            | 738           | 27            | 84           | 3,866          |
|                      | 1942        | 79            | 117            | 971           | 45            | 15           | 1,291          |
| Toledo               | 1943        | ---           | 1,739          | 19            | 28            | 2            | 37             |
|                      | 1942        | ---           | 3,616          | 150           | 281           | ---          | 24             |
| Indianapolis & Omaha | 1943        | ---           | 16,645         | 2,812         | 1,692         | 9            | 52             |
|                      | 1942        | ---           | 7,312          | 3,436         | 1,208         | 40           | 11             |
| St. Louis            | 1943        | 641           | 14,634         | 1,645         | 1,403         | 108          | 722            |
|                      | 1942        | 544           | 4,872          | 1,731         | 602           | 45           | 125            |
| Peoria               | 1943        | 179           | 1,736          | 2,270         | 302           | 80           | 604            |
|                      | 1942        | 218           | 611            | 3,923         | 416           | 62           | 355            |
| Kansas City          | 1943        | 69            | 31,181         | 1,470         | 962           | 674          | ---            |
|                      | 1942        | 89            | 19,594         | 2,027         | 127           | 6            | ---            |
| St. Joseph           | 1943        | ---           | 3,587          | 180           | 126           | ---          | ---            |
|                      | 1942        | ---           | 2,330          | 501           | 329           | ---          | ---            |
| Wichita              | 1943        | ---           | 6,253          | ---           | ---           | 4            | 6              |
|                      | 1942        | ---           | 7,346          | ---           | ---           | ---          | ---            |
| Sioux City           | 1943        | ---           | 650            | 3             | ---           | ---          | ---            |
|                      | 1942        | ---           | 490            | 625           | 146           | 24           | 139            |
| Detroit              | 1943        | ---           | 131            | ---           | ---           | ---          | ---            |
|                      | 1942        | ---           | ---            | 111           | ---           | ---          | 7              |
| <b>Total all</b>     | <b>1943</b> | <b>2,051</b>  | <b>122,132</b> | <b>12,902</b> | <b>11,176</b> | <b>4,906</b> | <b>19,473</b>  |
|                      | <b>1942</b> | <b>1,942</b>  | <b>68,588</b>  | <b>25,968</b> | <b>7,606</b>  | <b>1,569</b> | <b>5,217</b>   |

7 Months Ended July 31

| (000 Omitted)        | Year        | Flour (bbls.) | Wheat (bush.)  | Corn (bush.)   | Oats (bush.)  | Rye (bush.)   | Barley (bush.) |
|----------------------|-------------|---------------|----------------|----------------|---------------|---------------|----------------|
| Chicago              | 1943        | 7,121         | 20,023         | 55,439         | 10,602        | 4,631         | 12,022         |
|                      | 1942        | 6,640         | 7,395          | 57,137         | 11,053        | 1,617         | 7,784          |
| Minneapolis          | 1943        | 69            | 114,061        | 8,801          | 22,866        | 9,712         | 32,710         |
|                      | 1942        | ---           | 56,504         | 13,643         | 13,687        | 6,273         | 20,040         |
| Duluth               | 1943        | ---           | 35,655         | 3,569          | 1,045         | 1,623         | 7,642          |
|                      | 1942        | ---           | 21,816         | 9,815          | 75            | 861           | 1,504          |
| Milwaukee            | 1943        | 535           | 786            | 6,315          | 75            | 255           | 19,097         |
|                      | 1942        | 470           | 295            | 6,217          | 421           | 645           | 14,131         |
| Toledo               | 1943        | ---           | 5,776          | 3,829          | 2,443         | 488           | 1,066          |
|                      | 1942        | 283           | 6,840          | 4,015          | 1,813         | 523           | 132            |
| Indianapolis & Omaha | 1943        | ---           | 32,600         | 33,018         | 8,280         | 141           | 133            |
|                      | 1942        | ---           | 13,224         | 29,728         | 6,825         | 247           | 45             |
| St. Louis            | 1943        | 3,922         | 41,908         | 17,951         | 6,156         | 376           | 2,608          |
|                      | 1942        | 3,907         | 9,444          | 13,655         | 2,280         | 736           | 1,440          |
| Peoria               | 1943        | 1,234         | 6,499          | 20,728         | 1,326         | 238           | 2,817          |
|                      | 1942        | 1,205         | 1,798          | 26,891         | 1,224         | 497           | 2,249          |
| Kansas City          | 1943        | 542           | 77,801         | 19,495         | 4,402         | ---           | ---            |
|                      | 1942        | 495           | 39,624         | 19,815         | 2,504         | ---           | ---            |
| St. Joseph           | 1943        | ---           | 6,437          | 3,762          | 1,548         | ---           | ---            |
|                      | 1942        | ---           | 3,814          | 3,148          | 1,801         | ---           | ---            |
| Wichita              | 1943        | ---           | 15,368         | 38             | ---           | 4             | 6              |
|                      | 1942        | ---           | 13,277         | 24             | 2             | ---           | ---            |
| Sioux City           | 1943        | ---           | 3,103          | 4,960          | 1,898         | 982           | 2,956          |
|                      | 1942        | ---           | 1,721          | 3,057          | 484           | 104           | 985            |
| Detroit              | 1943        | ---           | 2              | ---            | ---           | ---           | ---            |
|                      | 1942        | ---           | 131            | 111            | ---           | 15            | 7              |
| <b>Total all</b>     | <b>1943</b> | <b>13,423</b> | <b>360,019</b> | <b>177,905</b> | <b>60,641</b> | <b>18,446</b> | <b>81,051</b>  |
|                      | <b>1942</b> | <b>13,000</b> | <b>175,883</b> | <b>187,256</b> | <b>42,165</b> | <b>11,528</b> | <b>48,323</b>  |

In the following we furnish a summary of the July comparisons of the gross and net earnings of the Class I railroads of the country from the current year back to and including 1909:

| Month of July | Gross Earnings |                |                      |        | Mileage    |                |
|---------------|----------------|----------------|----------------------|--------|------------|----------------|
|               | Year Given     | Year Preceding | Inc. (+) or Dec. (-) | %      | Year Given | Year Preceding |
| 1909          | \$219,964,739  | \$195,245,655  | +\$24,719,084        | +12.66 | 234,500    | 238,169        |
| 1910          | 230,615,776    | 217,803,354    | + 12,812,422         | + 5.88 | 230,076    | 227,194        |
| 1911          | 224,751,083    | 226,306,735    | - 1,555,652          | - 0.69 | 230,076    | 226,493        |
| 1912          | 245,595,532    | 222,587,872    | + 23,007,660         | +10.34 | 230,712    | 227,194        |
| 1913          | 235,849,764    | 223,813,526    | + 12,036,238         | + 5.38 | 206,064    | 203,773        |
| 1914          | 252,231,248    | 261,803,011    | - 9,571,763          | - 3.66 | 235,407    | 231,699        |
| 1915          | 262,948,115    | 260,624,000    | + 2,324,115          | + 0.89 | 243,042    | 241,796        |
| 1916          | 308,040,791    | 263,944,649    | + 44,096,142         | +16.71 | 244,249    | 244,961        |
| 1917          | 353,219,982    | 308,891,957    | + 44,328,025         | +15.10 | 245,699    | 244,961        |
| 1918          | 463,684,172    | 348,022,857    | + 115,661,315        | +34.00 | 231,700    | 230,570        |
| 1919          | 454,588,513    | 469,246,733    | - 14,658,220         | - 3.12 | 226,654    | 226,934        |
| 1920          | 467,351,544    | 401,376,485    | + 65,975,059         | +16.44 | 220,459    | 218,918        |
| 1921          | 460,989,697    | 527,396,813    | - 66,407,116         | -12.59 | 230,991    | 230,410        |
| 1922          | 442,736,297    | 462,696,986    | - 19,960,689         | - 4.31 | 235,082    | 234,556        |
| 1923          | 534,634,552    | 442,955,873    | + 91,678,679         | +20.70 | 235,477    | 235,813        |
| 1924          | 480,704,944    | 534,222,102    | - 53,517,158         | -10.02 | 235,145    | 235,407        |
| 1925          | 521,538,604    | 480,943,003    | + 40,595,601         | + 8.44 | 236,762    | 236,528        |
| 1926          | 555,471,276    | 521,538,604    | + 33,932,672         | + 6.49 | 237,885    | 235,528        |
| 1927          | 508,413,874    | 556,710,935    | - 48,297,061         | - 8.67 | 238,316    | 237,711        |
| 1928          | 512,145,231    |                |                      |        |            |                |

## President Reports On Reverse Lend-Lease Bid

(Continued from page 2025) stuffs during the year ended June 30, 1943, as follows:

|                      | Pounds     |
|----------------------|------------|
| Fresh meat           | 49,650,000 |
| Canned, smoked meat  | 21,600,000 |
| Potatoes             | 9,150,000  |
| Other vegetables     | 24,125,000 |
| Fruit                | 10,825,000 |
| Butter and cheese    | 12,550,000 |
| Other dairy produce  | 10,000,000 |
| Sugar                | 7,100,000  |
| Flour, other cereals | 13,725,000 |
| Misc. supplies       | 11,475,000 |

New Zealand also supplies numerous articles of clothing, including shoes and textiles, to United States forces as reverse lend-lease aid. When American requirements were added to those of local forces, New Zealand found it necessary to ration the civilian supply of clothing to less than one full outfit a year.

American requirements under reverse lend-lease also have occasioned shortages in many other phases of New Zealand's civilian life. Nevertheless, the Dominion continues greatly to expand the scope and volume of her reverse lend-lease to the United States, and during the present fiscal year about \$65,000,000 has been budgeted for this purpose.

While no official report has yet been received from the government of India, our Army reports total expenditures by India for reverse lend-lease aid of approximately \$56,900,000, divided as follows:

|                                  |                     |
|----------------------------------|---------------------|
| Military stores and equipment    | \$5,421,000         |
| Transportation and communication | 3,161,000           |
| Petroleum products               | 13,127,000          |
| Construction                     | 31,413,000          |
| Subsistence                      | 3,778,000           |
| <b>Total</b>                     | <b>\$56,900,000</b> |

We have received aviation gasoline, motor gasoline and lubricating oil, and lesser amounts of other petroleum products from the Indian government for use by American forces. A part of the motor fuel has been used in a number of trucks and passenger cars given our troops without payment as reverse lend-lease aid. In addition, United States Army groups have been afforded postal, telegraph and telephone facilities, water and electric power, furnishings for buildings, and items of clothing, including mosquito and gas-proof outfits.

Canada has received no lend-lease aid from the United States. She has paid cash for the supplies obtained in this country. It may be noted, however, that Canada has already made a billion dollars worth of aid available without payment to the United Kingdom and is now engaged in making available another billion dollars worth of aid to the United Kingdom, Russia, China and the other United Nations on a mutual aid program similar to our lend-lease program.

This statement of the expenditures made by the British Commonwealth of Nations for reverse lend-lease furnished to the United States and of the expansion of this program so as to include exports of materials and foodstuffs for the account of United States agencies from the United Kingdom and the British colonies, emphasizes the contribution which the British Commonwealth has made "to the defense of the United States" while taking its place on the battle fronts. It is an indication of the extent to which the British have been able to pool their resources with ours so that the needed weapon may be in the hands of that soldier—whatever may be his nationality—who can at the proper moment use it most effectively to defeat our common enemies.

FRANKLIN D. ROOSEVELT.

## Syndicate Dealing Restricted By SEC—Lifting Of Market Levels During Distribution Illegal

Trading in a security by any member of an underwriting group while other members still were engaged in the distribution of the security would be in violation of the anti-manipulative provisions of the Securities and Exchange Acts of 1933 and 1934, according to James A. Treanor, Jr., director of the trading and exchange division of the Securities and Exchange Commission. Mr. Treanor's opinion, issued Nov. 15, was made public in response to enquiries from unidentified sources.

In another opinion, Mr. Treanor held that the manager of an underwriting syndicate, in engaging in transactions that would raise the price of the security or create excessive trading therein would be violating the same provisions of the same acts.

In the matter of a member of an underwriting group trading in a security while other members were distributing the issue, Mr. Treanor held also that members of an underwriting syndicate were equally responsible for "unlawful acts committed by the manager of the syndicate," since the manager of a syndicate is more than an agent for the members of the group.

Violations of the two acts would occur, Mr. Treanor said, "even though the underwriter may have sold all of the securities retained by or allotted to him in the distribution, as long as the manager is still stabilizing to facilitate the offering. In general, as long as

the syndicate agreement is in existence and the manager is vested with the power of acquisition and resale of securities customarily conferred upon him by such agreement, all members of the syndicate, whatever their individual positions may be, should be on notice that the distribution is or may be in process and that they are or may still be participants therein," Mr. Treanor ruled.

Mr. Treanor's other opinion dealt primarily with the case of a manager of an underwriting syndicate who effected purchases of a security to reduce the short position of the "syndicate account" in that security while the members of the syndicate or members of the selling group were engaged in the retail distribution or such security. In that situation, he pointed out, a manager's transactions that raised the price of the security or created excessive trading therein would violate the anti-manipulative and fraud provisions of the two acts.

## Increased Corporation Income Tax Will Aggravate Inflation, Says Friedman

Elisha M. Friedman, consulting economist, of New York, in a statement to the Ways and Means Committee of the House of Representatives, on Corporation Income Taxes, said that the Treasury proposal to raise the corporation income tax from 40% to 50% would not control inflation, but aggravate inflation. Mr. Friedman's statement made public on Oct. 18, follows in full:

"The Treasury proposes that corporation income tax be raised from 40% to 50%. This increase will not control, but aggravate inflation. Heavy corporate income taxes will check post-war employment. The stockholder who takes the ultimate risk is penalized. The bondholder is favored. As corporate income tax rates rose from about 13% in 1936 to 40% in 1942, new stock issues declined from 32% to 3% of new bond issues. The tax deters the taking of risk and stimulates the search for security. What sort of America will this create?"

"The tax compelled small business to shift from corporations to partnerships. The tax deters efficiency. Increased costs of wages and materials are virtually paid by the Treasury.

"Taxes are paid in cash. But earnings are not in cash. Therefore, a rising corporation tax is a new risk against the borrower. The commercial banker and private investor must gamble on possible future unsound tax measures which may jeopardize the loan. High corporation taxes impair the liquidity of corporations. Since 1940, the liquidity ratio has declined from 266% to 199% as the corporation tax rose from 24% to 40%. A corporation income tax on top of an individual income tax constitutes double taxation. Under Treasury proposals, this combined tax will exceed the corresponding British normal individual income tax of 50%. A corporation income tax destroys the tax exemption of colleges and hospitals.

"Treasury proposals to increase corporation income taxes always break the stock market. Compared with September, 1939, the London Stock Market is now about 50% higher but the New York Stock Market is about 13% lower. Treasury proposals for raising corporation income taxes shake the economic foundations of the country. This is not so in Great Britain. All evil effects of our corporation income tax are significantly absent in Great Britain.

"Under Treasury proposals, the

United States will have the highest corporation tax in the world, equalling the Nazis', who do not tax excess profits. The United States will have the highest excess profits tax in the world, matching Great Britain's, which does not tax corporation income.

"Therefore, the Committee might consider the following recommendations on the corporation income tax: (a) Permit increased reserves for wartime depreciation; (b) exempt amortization of debt; (c) permit reserves for economic transition to peace; (d) treat preferred stock dividends exactly like bond interest; both are fixed charges; (e) tax publicly owned corporations competing with private enterprise. In Soviet Russia the hydro-electric plant at Dneprostroy paid a 40% corporation tax (not 50%). But our own TVA and municipally owned utilities pay no Federal taxes. If they did, the Treasury could collect \$150,000,000 in revenue. (f) Shift our corporation tax to the British basis after the war. Responsible Treasury officials publicly favored this trend in policy."

## Alf Landon Hits At Willkie And Dewey

Alfred M. Landon, Republican Presidential nominee in 1936, on Nov. 12 demanded to know, "Who is Wendell Willkie to tell the Republican party where to head in?" In United Press advices from Tulsa, Okla., Mr. Landon was also reported as asking, "Who is Tom Dewey to tell the Republican party whom it cannot consider?"

He proceeded: "Thank God, no one can tell the Republican party what to do or what not to do."

Concerning the 1944 Presidential nomination he said, "We have lots of Governors and members of Congress with experience and proven ability to choose from."

"The recent elections," he continued, "show that the American people are changing political horses as fast as they can."

## Sees Tendency To Meet Civilian Needs As An Important Current Development

The most important current development in business is the switch in war agency policy from "what can we take away?" to the new program of "What can we give the civilian economy?" C. F. Hughes, business news editor of the New York "Times," said on Nov. 9 in an address at the dinner meeting of the Infants' and Children's Wear Buyers Association at the Hotel New Yorker.

"This marks the start of the reconversion movement and demobilization of industry for peace even though only essential civilian products are involved," Mr. Hughes declared, according to the New York "Times" of Nov. 10, which further reported him as saying:

"For the next few months and running through the first quarter of 1944 the pinch of merchandise shortages may prove most severe because inventory reserves have been worked down very low all along the line. But the flexibility of soft goods production probably will come to the rescue again once military demands are relaxed, as they are likely to be."

Drawing a contrast between the "bedrock economy" or "sackcloth and ashes" program for civilians evolved as recently as last February, Mr. Hughes pointed out that even the military is forecasting a

slackening of its demands next spring. The Office of Civilian Requirements of the War Production Board, he continued, is starting a canvass of shortages detrimental to public health and welfare, while another survey is being made by the Smaller War Plants Corporation of the production possibilities of some 700 essential civilian items.

"Although these moves may not have been jointly planned, it looks as though A. D. Whiteside, head of the OCR, will have a 'big stick' when he goes after his piece of pie for the consumer this time," Mr. Hughes explained. "He not only will know what the public has urgent need of, but also what production is available to meet those needs. In those circumstances the armed services may find it more difficult to push the civilian program into a convenient ashcan."

## Planning Ass'n Urges Action By Govt., Industry To Effect Reconversion to PeaceTime Production

The task of reconversion of industry to peace can be effectively accomplished only if private enterprise and Government cooperate, it was stated in a report of the National Planning Association, which was presented to President Roosevelt on Nov. 3. To its previous recommendation that there be established an office of national reconversion to direct the vast job, the Association urged prompt creation of units to handle (1) termination of war contracts; (2) disposal of surplus war materials and (3) reconversion of war plants.

The United Press in reporting this from Washington Nov. 3, further stated:

The Association, comprised of agriculture, business and labor groups, proposed specific policies to be followed by these units in carrying out their vital functions.

The report on the "reconversion of industry to peace" said the objectives to be sought in such reconversion are:

"1—Production, as rapidly as can be, of the goods and services for a high and continually rising standard of living.

"2—Opportunity for useful employment at good wages for men and women and for the tools and brains and savings now mobilized for war.

"3—The use, to full advantage, of new national assets growing out of the war—new community facilities, new industries, new techniques and skills."

It said the central agency (Office of National Reconversion) will need powers of action and legislative support, as well as effective representation for the views of government, agriculture, business and labor.

To this end, it recommended appointment, with Congressional approval, of an administrator of national reconversion who shall act in consultation with a national reconversion commission which shall report to the President and Congress at least every three months. The administrator and commission, to be appointed by the President with the consent of the Senate, would formulate general policies to carry out the three main elements of the reconversion job—war contract termination, disposal of surplus war materials and war plant reconversion.

## B And C "Gas" Coupon Value Changed Dec. 1

The Office of Price Administration on Nov. 11 announced a simplification in its gasoline rationing program, effective Dec. 1, under which all "B" and "C" books issued by Local War Price and Rationing Boards will contain fewer coupons than in the

past, but each coupon will be good for more gallons than heretofore. No increase in the amount of gasoline allowed is involved, however.

All "B" and "C" coupons issued throughout the country on and after Dec. 1 will be worth five gallons each, as compared with the present value of two gallons for coupons of those types in the East and Midwest and three gallons in the Far West.

The new supplemental gasoline ration coupons of five gallons value will be issued with the designation, "B-2" and "C-2," on their face. As present "B" and "C" and "B-1" and "C-1" coupons run out, they will be replaced by the new higher-unit-value coupons. Meanwhile, outstanding coupons issued before December 1 will continue to be worth only two gallons in the East and Midwest and three gallons in the Far West.

The OPA explained that while the change does not mean more gasoline for holders of supplemental ration books, many car owners will buy in five-gallon units as they customarily did before rationing began.

For the trade and the 5500 local rationing boards, the plan means large savings in manpower.

## Quarterly Canadian Review

Business in Canada in August reached the highest level in the history of that country, according to the Quarterly Canadian Review published by Dominion Securities Corporation, 40 Exchange Place, New York City, and munitions production in September was at the rate of \$55,000,000 weekly. The current issue of the Review contains an analysis of financial and economic conditions in the Province of Alberta, a resume of Canadian Pacific Railway's debt reduction, and reviews of the financial position of the cities of Montreal and Toronto, together with a statistical summary of Canadian common stocks that are considered to have post-war possibilities. Copies may be obtained from Dominion Securities Corporation.

### Market Value Of Bonds On N. Y. Stock Exchange

The New York Stock Exchange announced on Nov. 9 that as of the close of business Oct. 30, there were 1,108 bond issues, aggregating \$91,003,711,823 par value listed on the Stock Exchange with a total market value of \$90,501,768,934. This compares with 1,103 bond issues, aggregating \$80,655,889,046 par value, with a total market value of \$80,149,558,292 on Sept. 30, 1943.

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

| Group—   | Oct. 30, 1943   |               | Sept. 30, 1943  |               |
|--|-----------------|---------------|-----------------|---------------|
|  | Market Value \$ | Average Price | Market Value \$ | Average Price |
| U. S. Government (incl. N. Y. State, Cities, etc.) | 74,000,153,318  | 103.55        | 63,735,866,954  | 104.23        |
| U. S. companies:                                   |                 |               |                 |               |
| Automobile   | 10,751,252      | 101.88        | 10,721,825      | 101.60        |
| Building   | 13,220,000      | 100.92        | 13,400,250      | 101.52        |
| Business and office equipment                      | 15,825,000      | 105.30        | 15,825,000      | 105.50        |
| Chemical   | 49,207,188      | 102.84        | 42,029,325      | 105.12        |
| Electrical equipment                               | 36,450,000      | 104.14        | 36,443,750      | 104.13        |
| Financial  | 56,691,945      | 103.33        | 56,835,102      | 103.22        |
| Food   | 208,125,996     | 105.77        | 267,635,076     | 105.57        |
| Land and realty                                    | 11,317,151      | 84.23         | 10,808,020      | 80.44         |
| Machinery and metals                               | 37,277,048      | 101.76        | 37,156,238      | 100.83        |
| Mining (excluding iron)                            | 91,991,417      | 64.12         | 91,508,522      | 63.01         |
| Paper and publishing                               | 40,154,288      | 102.79        | 40,163,493      | 102.82        |
| Petroleum  | 592,179,791     | 104.20        | 599,372,806     | 104.20        |
| Railroad   | 7,451,440,403   | 74.56         | 7,402,834,048   | 74.06         |
| Retail merchandising                               | 12,069,148      | 87.40         | 12,231,897      | 88.58         |
| Rubber   | 71,154,941      | 103.32        | 75,779,140      | 104.28        |
| Ship building and operating                        | 11,859,180      | 103.38        | 11,859,180      | 103.38        |
| Shipping services                                  | 22,018,185      | 81.75         | 21,844,915      | 81.11         |
| Steel, iron and coke                               | 483,246,607     | 102.02        | 468,110,950     | 101.79        |
| Textiles   | 37,919,113      | 104.65        | 37,830,069      | 104.40        |
| Tobacco  | 173,344,401     | 105.72        | 161,269,620     | 106.01        |
| Utilities:   |                 |               |                 |               |
| Gas and electric (operating)                       | 3,315,650,188   | 108.46        | 3,336,139,929   | 108.42        |
| Gas and electric (holding)                         | 59,660,000      | 106.54        | 59,600,000      | 106.43        |
| Communications                                     | 1,229,371,340   | 110.65        | 1,231,391,842   | 110.61        |
| Miscellaneous utilities                            | 100,230,470     | 69.09         | 97,101,674      | 66.82         |
| U. S. companies oper. abroad                       | 137,345,280     | 76.37         | 139,199,656     | 77.41         |
| Miscellaneous businesses                           | 31,424,925      | 106.42        | 31,356,139      | 106.19        |
| Total U. S. companies                              | 14,366,125,257  | 86.52         | 14,328,447,627  | 86.20         |
| Foreign government                                 | 1,330,999,257   | 64.85         | 1,339,166,001   | 65.18         |
| Foreign companies                                  | 744,491,102     | 89.85         | 746,077,710     | 90.04         |
| All listed bonds                                   | 90,501,768,934  | 99.45         | 80,149,558,292  | 99.37         |

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

| 1941—    | Market Value   |       | Average Price |                | 1942— | Market Value |    | Average Price |    |
|----------|----------------|-------|---------------|----------------|-------|--------------|----|---------------|----|
|          | \$             | \$    | \$            | \$             |       | \$           | \$ | \$            | \$ |
| Sept. 30 | 53,418,055,935 | 94.74 | Oct. 31       | 64,843,877,284 | 96.48 |              |    |               |    |
| Oct. 31  | 55,106,635,894 | 95.25 | Nov. 30       | 64,543,971,299 | 96.11 |              |    |               |    |
| Nov. 29  | 54,812,793,945 | 94.80 | Dec. 31       | 70,583,044,622 | 96.70 |              |    |               |    |
| Dec. 31  | 55,033,616,312 | 94.50 | 1943—         |                |       |              |    |               |    |
| Jan. 31  | 56,261,398,371 | 95.24 | Jan. 30       | 71,038,674,932 | 97.47 |              |    |               |    |
| Feb. 29  | 57,584,410,504 | 95.13 | Feb. 27       | 71,346,452,852 | 97.79 |              |    |               |    |
| Mar. 31  | 58,140,382,211 | 95.97 | Mar. 31       | 71,575,183,604 | 98.24 |              |    |               |    |
| Apr. 30  | 57,923,553,616 | 95.63 | Apr. 30       | 71,857,596,488 | 98.69 |              |    |               |    |
| May 29   | 59,257,509,674 | 95.64 | May 29        | 81,048,543,830 | 99.47 |              |    |               |    |
| June 30  | 59,112,072,945 | 95.50 | June 30       | 80,704,321,646 | 99.64 |              |    |               |    |
| July 31  | 61,277,620,583 | 95.76 | July 31       | 80,352,221,151 | 99.35 |              |    |               |    |
| Aug. 31  | 62,720,371,752 | 96.08 | Aug. 31       | 80,109,269,964 | 99.23 |              |    |               |    |
| Sept. 30 | 62,765,776,218 | 96.18 | Sept. 30      | 80,149,558,292 | 99.37 |              |    |               |    |
|          |                |       | Oct. 30       | 90,501,768,934 | 99.45 |              |    |               |    |

### Finished Steel Shipments By Subsidiaries Of U. S. Steel Corporation Largest Since December

Shipments of finished steel products by subsidiaries of the United States Steel Corporation in October, amounted to 1,794,963 net tons, the highest for any month since December, 1942, when they totaled 1,849,635 net tons.

As compared with September deliveries of 1,664,577 net tons, last month's shipments recorded an increase of 130,391 net tons. They were also 7,467 net tons over the 1,787,501 net tons shipped in October of last year. In the corresponding month of 1941 deliveries were 1,851,279 net tons, and in 1940, they totaled 1,572,403 net tons.

For the 26 working days of last October the deliveries averaged 69,037 net tons per day, compared with 64,022 net tons daily for 26 days in September, 65,550 net tons in August, and 66,203 net tons in October, 1942, when there was one additional working day.

For the ten months ended Oct. 31, last, shipments totaled 16,864,612 net tons; against 17,548,977 net tons in the corresponding period of 1942, a decrease of 684,365 net tons.

In the table below we list the figures, by months for various periods since January, 1929:

|                | 1943       | 1942       | 1941       | 1940       | 1939       | 1929       |
|----------------|------------|------------|------------|------------|------------|------------|
| January        | 1,685,993  | 1,738,893  | 1,682,454  | 1,145,592  | 870,866    | 1,364,801  |
| February       | 1,691,592  | 1,616,587  | 1,548,451  | 1,009,256  | 747,427    | 1,388,407  |
| March          | 1,772,397  | 1,780,938  | 1,720,366  | 931,905    | 845,108    | 1,605,510  |
| April          | 1,630,828  | 1,758,894  | 1,687,874  | 1,087,904  | 771,752    | 1,617,302  |
| May            | 1,706,543  | 1,834,127  | 1,745,295  | 1,084,057  | 795,689    | 1,701,874  |
| June           | 1,552,663  | 1,774,068  | 1,668,637  | 1,209,684  | 607,562    | 1,529,241  |
| July           | 1,660,762  | 1,765,749  | 1,666,667  | 1,296,387  | 745,364    | 1,480,008  |
| August         | 1,674,289  | 1,788,650  | 1,753,665  | 1,455,604  | 885,636    | 1,500,281  |
| September      | 1,684,577  | 1,703,570  | 1,664,227  | 1,392,838  | 1,086,683  | 1,262,874  |
| October        | 1,794,938  | 1,787,501  | 1,654,279  | 1,572,408  | 1,345,855  | 1,333,385  |
| November       |            | 1,665,545  | 1,624,186  | 1,425,352  | 1,406,205  | 1,110,500  |
| December       |            | 1,849,635  | 1,846,036  | 1,544,623  | 1,443,969  | 931,744    |
| Total by mos.  | 21,064,157 | 20,458,937 | 14,976,110 | 11,752,116 | 16,825,477 | 16,825,477 |
| Yearly adjust. | +449,020   | +42,333    | 37,639     | +44,865    | +44,865    | +12,827    |
| Total          | 20,615,137 | 20,416,604 | 15,013,749 | 11,797,281 | 16,870,342 | 16,838,304 |

NOTE—The monthly shipments as currently reported during the year 1942, are subject to adjustments reflecting annual tonnage reconciliations. These will be comprehended in the cumulative yearly shipments as stated in the annual report.

### Heads Publishers Group Of N.Y. National War Fund

Arthur V. Anderson, advertising director of "Newsweek," has accepted appointment as Chairman of the publishers group of the National War Fund New York Committee in its current campaign for \$17,000,000, it was announced by James A. Farley, head

of the Committee's commerce and industry division.

The publishers committee is one of 280 business and professional groups comprising the commerce and industry division, which is responsible for raising \$11,000,000 of the \$17,000,000 quota on behalf of the USO, United Seamen's Service and 24 other war-related agencies. The Fund's campaign will end on Dec. 7, second anniversary of Pearl Harbor.

### Labor Bureau's Wholesale Commodity Index Advances 0.1% During Week Ended Nov. 6

The U. S. Department of Labor announced on Nov. 11 that advancing prices for agricultural products, particularly fresh milk, onions, potatoes and apples, brought the Bureau of Labor Statistics' index of commodity prices in primary markets up 0.1% during the first week of November. At 102.9% of the 1926 average the all-commodity index is slightly above the early October level. The Department's announcement further stated:

**"Farm Products and Foods"**—Led by advances of 1.7% for dairy products and fruits and vegetables, average prices for foods in primary markets rose 0.7% during the week. Sharp increases were reported in prices for fresh milk in the Chicago and New York markets, for apples and potatoes in several markets, for onions and for eggs. Quotations for butter declined fractionally and lower prices were also reported for oatmeal and for citrus fruits.

"Averages prices for farm products rose 0.5%, largely because of the increases in quotations for barley and rye, for milk, for fruits and vegetables, and for cows, calves, flaxseed and wool. Livestock dropped 0.7% as a result of lower prices for steers, hogs and wethers. Prices were also lower for oats, wheat and cotton.

**"Industrial Commodities"**—There were very few changes in industrial commodity markets during the week. Lumber advanced 0.4% as a result of higher quotations for red cedar shingles and Western pine lumber. Rosin and turpentine continued to advance. Other paint materials, such as butyl acetate, declined. A minor price increase was reported for synthetic camphor."

The following notation is made: During the period of rapid changes caused by price controls, 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 revisions as required by later and more complete reports.

The following table shows index numbers for the principal groups of commodities for the past three weeks, for Oct. 9, 1943 and Nov. 7, 1942, and the percentage changes from a week ago, a month ago and a year ago.

| Commodity groups—                                  | Percentage changes to Nov. 6, 1943 from— |            |            |           |           |            |           |           |            |           |           |            |
|--|--|------------|------------|-----------|-----------|------------|-----------|-----------|------------|-----------|-----------|------------|
|  | 11-6 1943                                | 10-30 1943 | 10-23 1943 | 10-9 1943 | 11-7 1942 | 10-30 1942 | 10-9 1942 | 11-7 1942 | 10-30 1942 | 10-9 1942 | 11-7 1942 | 10-30 1942 |
| All commodities                                    | 102.9                                    | 102.8      | 102.9      | 102.8     | 99.7      | +0.1       | +0.1      | +3.2      |            |           |           |            |
| Farm products                                      | 122.8                                    | 122.2      | 122.7      | 122.7     | 109.8     | +0.5       | +0.1      | +11.8     |            |           |           |            |
| Foods  | 105.7                                    | 105.0      | 104.8      | 104.9     | 102.9     | +0.7       | +0.8      | +2.7      |            |           |           |            |
| Hides and leather products                         | 118.4                                    | 118.4      | 118.4      | 118.4     | 118.4     | 0          | 0         | 0         |            |           |           |            |
| Textile products                                   | 97.2                                     | 97.2       | 97.1       | 97.0      | 96.6      | 0          | +0.2      | +0.6      |            |           |           |            |
| Fuel and lighting materials                        | 81.6                                     | 81.6       | 81.8       | 81.8      | 79.6      | 0          | -0.2      | +2.5      |            |           |           |            |
| Metals and metal products                          | 103.8                                    | 103.8      | 103.8      | 103.8     | 103.9     | 0          | 0         | -0.1      |            |           |           |            |
| Building materials                                 | 113.0                                    | 112.8      | 112.6      | 112.5     | 110.2     | +0.2       | +0.4      | +2.5      |            |           |           |            |
| Chemicals and allied products                      | 100.4                                    | 100.4      | 100.3      | 100.3     | 96.2      | 0          | +0.1      | +4.4      |            |           |           |            |
| Housefurnishing goods                              | 104.2                                    | 104.2      | 104.2      | 104.2     | 104.1     | 0          | 0         | +0.1      |            |           |           |            |
| Miscellaneous commodities                          | 92.9                                     | 92.9       | 92.9       | 93.1      | 88.7      | 0          | -0.2      | +4.7      |            |           |           |            |
| Raw materials                                      | 112.1                                    | 111.8      | 112.1      | 112.1     | 103.2     | +0.3       | 0         | +8.6      |            |           |           |            |
| Semimanufactured articles                          | 92.9                                     | 92.8       | 92.8       | 92.8      | 92.5      | +0.1       | +0.1      | +0.4      |            |           |           |            |
| Manufactured products                              | 100.3                                    | 100.3      | 100.3      | 100.2     | 99.3      | 0          | +0.1      | +1.0      |            |           |           |            |
| All commodities other than farm products           | 98.6                                     | 98.6       | 98.6       | 98.6      | 97.5      | 0          | 0         | +1.1      |            |           |           |            |
| All commodities other than farm products and foods | 97.5                                     | 97.5       | 97.5       | 97.5      | 95.7      | 0          | 0         | +1.9      |            |           |           |            |

### Charges Business Halls Democratic Progress Through Campaign For "Unchanged America"

Charging that "big business is campaigning to halt our democratic progress in the post-war period by calling for an unchanged America," Dr. Robert S. Lynd, Professor of Sociology at Columbia University, proposed on Nov. 12 that the United States operate under a centralized, national, planned economy after the war. Dr. Lynd's remarks, as thus quoted, were given in the New York "Times" of Nov. 13; in his talk which was addressed to the annual convention of the New Jersey Education Association at the Hotel Pennsylvania in New York, he advocated the measure as the only method by which the nation could continue its advances in technology and compete with other nations organized on a similar basis.

His further views, as given in the "Times," follow: "In accusing business groups of trying through advertising media to convince both civilians and those in the armed forces that no changes—other than those desired by financial and industrial organizations—should be made after the peace, Dr. Lynd exhibited examples of newspaper and magazine advertisements that quoted the soldier as telling the home front to keep the country the same until he returned.

"By preventing us from learning the lessons of this war; the past depression, and the National Recovery Act administration they are dishonoring the dead while they are dying," the author of "Middletown" declared. "We could take our lesson from Russia where we have seen that centralized economic planning for the welfare of the people has been accomplished, even though there is no political democracy."

"Describing the American way as 'not so hot,' Dr. Lynd pointed out that the nation had allowed its freedoms to run wild until citizens were privileged to be unemployed, lost in the large cities, habitues of movies and members of breadlines. He said that Great Britain and the United States still retained the mood of feeling that the nation was enduring a portion of rough road over a temporary detour during the war, but that the armistice would find both countries back on smooth pavement. But, he added, England foresaw the need of construction of a few new avenues.

"Great Britain is moving toward national economy planned and run by big business cartels, and the United States can follow her to the fascist union of Government and business," he asserted. "At present it looks like labor will get the runaround from both, because the American Federation of Labor has pledged a return to free enterprise."

### New Construction Volume Of \$16 Billion For 5 Years Predicted

Building attaining the unprecedented average volume of \$16,000,000,000 of new construction annually for the five-year period beginning about 12 months after

the end of the war was predicted on Nov. 10 by the market analysis committee of the Producers' Council, national organization of manufacturers of building materials and equipment. Wilson Wright, economist of the Armstrong Cork Co. and chairman of the committee, made the forecast at the Council's semi-annual meeting in New York City. The Committee's forecast was noted in the New York "Sun" of Nov. 11, in which it was also stated:

In its report, the committee anticipated an increase of 35% in the general price level as compared with 1940, pointing out that the cost of living already had risen 23% up to last August.

The volume of new construction that can be attained during the 12 months after the final armistice depends, according to the committee, on the extent to which advance plans are made. If manufacture of building products is permitted to replenish inventories and civilian construction resumed as soon as possible before the end of the war, the committee estimates the volume of construction during the year after the final armistice might approximate \$9,000,000,000 or about 70% greater than the average for the three pre-war years, 1938-40.

Needed public improvements account for \$5,000,000,000 yearly of the construction volume forecast, with the Federal Government financing about \$1,000,000,000 of construction annually. "In view of the estimated level of national output after the war," the committee said, "we have assumed that the publicly financed new construction should and will be limited to projects for which a genuine need exists. Considering the probable huge private expenditure in the post-war period, largely due to the liquidation of wartime savings, there should be little reason for the Federal Government to embark on a huge public works or work relief program merely for the purpose of preventing unemployment."

It was estimated that residential construction will average \$6,400,000,000 annually, resulting in the erection of 970,000 homes or dwelling units each year. The estimate of units to be built is 11% above the average number constructed in the peak period, 1923 to 1927.

Construction of commercial and community facilities, not including public works, should attain a volume of slightly less than \$2,000,000,000 a year, according to the forecast, while the volume of industrial construction is expected to reach \$850,000,000.

Public utility construction in the committee's opinion, will provide about \$1,300,000,000 of volume annually in the same period.

On the basis of the forecast, the committee estimated the industry will provide an annual average of 6,250,000 jobs during the five-year period, or about 2,000,000 more than were available in 1938.

Members of the committee in addition to Mr. Wright are H. H. Biggart, Crane Co.; C. T. Bridgman, Structural Clay Products Institute; W. C. Bober, Johns-Manville Corp.; S. B. Taylor, Great Lakes Steel Corp., and Charles E. Young, Westinghouse Electric & Manufacturing Co.

### 1943 Income Tax Data On Capital Gains & Losses

J. S. Bache & Co., 36 Wall St., New York City, members of the New York Stock Exchange and other leading exchanges, is distributing the current issue of its annual tax digest which discusses the major provisions affecting personal income taxes, under the title "1943 Income Tax Data on Capital Gains and Losses." This booklet and work sheets have been prepared to aid investors in making out their amended tax declarations on Dec. 15. Copies may be obtained from J. S. Bache & Co.

### 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*<br>(Based on Average Yields) |                         |                          |                       |        |        |       |                      |        |        |  |
|---|-------------------------|--------------------------|-----------------------|--------|--------|-------|----------------------|--------|--------|--|
| 1943—<br>Daily<br>Averages                        | U. S.<br>Govt.<br>Bonds | U. S.<br>Corpo-<br>rate* | Corporate by Ratings* |        |        |       | Corporate by Groups* |        |        |  |
|   |                         |                          | Aaa                   | Aa     | A      | Baa   | R. R.                | P. U.  | Indus. |  |
| Nov. 16   | 119.76                  | 110.70                   | 118.60                | 116.22 | 111.07 | 98.57 | 103.13               | 113.50 | 116.02 |  |
| 15  | 119.78                  | 110.70                   | 118.80                | 116.22 | 111.07 | 98.41 | 103.13               | 113.50 | 116.02 |  |
| 13  | 119.90                  | 110.70                   | 118.80                | 116.22 | 111.07 | 98.41 | 103.30               | 113.50 | 116.02 |  |
| 12  | 119.91                  | 110.70                   | 118.80                | 116.22 | 111.07 | 98.57 | 103.30               | 113.70 | 116.02 |  |
| 11  | STOCK EXCHANGE CLOSED.  |                          |                       |        |        |       |                      |        |        |  |
| 10  | 119.95                  | 110.70                   | 118.80                | 116.22 | 111.07 | 98.57 | 103.13               | 113.50 | 116.22 |  |
| 9   | 119.92                  | 110.70                   | 118.80                | 116.22 | 111.07 | 98.41 | 103.13               | 113.50 | 116.22 |  |
| 8   | 119.96                  | 110.70                   | 118.80                | 116.22 | 111.07 | 98.57 | 103.13               | 113.50 | 116.22 |  |
| 6   | 120.02                  | 111.07                   | 119.00                | 116.61 | 111.25 | 98.73 | 103.30               | 113.70 | 116.61 |  |
| 5   | 119.99                  | 111.07                   | 119.00                | 116.61 | 111.25 | 98.73 | 103.30               | 113.70 | 116.61 |  |
| 4   | 120.02                  | 110.88                   | 119.00                | 116.61 | 111.07 | 98.73 | 103.30               | 113.70 | 116.61 |  |
| 3   | 120.07                  | 111.07                   | 119.20                | 116.61 | 111.07 | 99.04 | 103.30               | 113.70 | 116.80 |  |
| 2   | STOCK EXCHANGE CLOSED.  |                          |                       |        |        |       |                      |        |        |  |
| 1   | 120.21                  | 111.07                   | 119.20                | 116.61 | 111.25 | 99.04 | 103.47               | 113.70 | 116.80 |  |
| Oct. 29   | 120.27                  | 111.07                   | 119.00                | 116.61 | 111.25 | 99.04 | 103.30               | 113.89 | 116.61 |  |
| 22  | 120.33                  | 111.07                   | 119.00                | 116.61 | 111.44 | 99.04 | 103.30               | 113.89 | 116.61 |  |
| 15  | 120.28                  | 111.07                   | 119.20                | 116.61 | 111.25 | 98.73 | 103.13               | 113.89 | 116.61 |  |
| 8   | 120.57                  | 110.88                   | 119.00                | 116.41 | 111.25 | 98.73 | 103.13               | 113.89 | 116.22 |  |
| 1   | 120.62                  | 110.88                   | 119.00                | 116.22 | 111.25 | 98.88 | 103.30               | 113.89 | 116.41 |  |
| Sept. 24  | 120.55                  | 111.07                   | 119.00                | 116.41 | 111.07 | 98.73 | 103.13               | 113.70 | 116.61 |  |
| 17  | 120.55                  | 111.07                   | 119.20                | 116.61 | 111.25 | 98.88 | 103.13               | 113.89 | 116.80 |  |
| 10  | 120.56                  | 111.07                   | 119.20                | 116.61 | 111.25 | 98.88 | 103.13               | 113.89 | 116.80 |  |
| 3   | 120.30                  | 111.25                   | 119.20                | 116.80 | 111.62 | 98.73 | 103.30               | 113.89 | 117.00 |  |
| Aug. 27   | 120.34                  | 111.25                   | 119.20                | 116.80 | 111.44 | 98.88 | 103.13               | 112.89 | 117.20 |  |
| July 30   | 120.18                  | 111.44                   | 119.41                | 117.00 | 111.62 | 99.04 | 103.30               | 114.08 | 117.20 |  |
| 25  | 120.41                  | 110.70                   | 118.80                | 116.22 | 111.07 | 98.09 | 102.46               | 113.70 | 116.61 |  |
| 18  | 119.82                  | 110.34                   | 118.20                | 115.82 | 110.88 | 97.78 | 102.30               | 113.31 | 115.82 |  |
| 11  | 119.82                  | 109.79                   | 118.00                | 115.43 | 110.34 | 97.00 | 101.31               | 113.12 | 115.63 |  |
| 4   | 118.93                  | 109.60                   | 117.80                | 115.43 | 110.52 | 96.23 | 100.65               | 113.12 | 115.63 |  |
| 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 | 108.88 | 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  |                         |                          |                       |        |        |       |                      |        |        |  |
| Nov. 16, 1942                                     | 117.36                  | 107.44                   | 117.20                | 114.08 | 108.70 | 92.50 | 97.16                | 112.00 | 114.66 |  |
| 2 Years ago                                       |                         |                          |                       |        |        |       |                      |        |        |  |
| Nov. 15, 1941                                     | 119.99                  | 108.16                   | 118.60                | 115.82 | 109.42 | 91.77 | 97.31                | 112.37 | 116.22 |  |

| MOODY'S BOND YIELD AVERAGES*<br>(Based on Individual Closing Prices) |                         |                          |                       |      |      |      |                      |       |        |  |
|--|-------------------------|--------------------------|-----------------------|------|------|------|----------------------|-------|--------|--|
| 1943—<br>Daily<br>Averages   | U. S.<br>Govt.<br>Bonds | U. S.<br>Corpo-<br>rate* | Corporate by Ratings* |      |      |      | Corporate by Groups* |       |        |  |
|  |                         |                          | Aaa                   | Aa   | A    | Baa  | R. R.                | P. U. | Indus. |  |
| Nov. 16  | 3.86                    | 3.13                     | 2.72                  | 2.84 | 3.11 | 3.84 | 3.56                 | 2.98  | 2.85   |  |
| 15   | 3.85                    | 3.13                     | 2.71                  | 2.84 | 3.11 | 3.85 | 3.56                 | 2.98  | 2.85   |  |
| 13   | 3.84                    | 3.13                     | 2.71                  | 2.84 | 3.11 | 3.85 | 3.55                 | 2.98  | 2.85   |  |
| 12   | 3.84                    | 3.13                     | 2.71                  | 2.84 | 3.11 | 3.84 | 3.55                 | 2.97  | 2.85   |  |
| 11   | STOCK EXCHANGE CLOSED.  |                          |                       |      |      |      |                      |       |        |  |
| 10   | 3.84                    | 3.13                     | 2.71                  | 2.84 | 3.11 | 3.84 | 3.56                 | 2.98  | 2.84   |  |
| 9  | 3.84                    | 3.13                     | 2.71                  | 2.84 | 3.11 | 3.85 | 3.56                 | 2.98  | 2.85   |  |
| 8  | 3.84                    | 3.13                     | 2.71                  | 2.84 | 3.11 | 3.84 | 3.56                 | 2.98  | 2.84   |  |
| 6  | 3.84                    | 3.11                     | 2.70                  | 2.82 | 3.10 | 3.83 | 3.55                 | 2.97  | 2.82   |  |
| 5  | 3.84                    | 3.11                     | 2.70                  | 2.82 | 3.10 | 3.83 | 3.55                 | 2.97  | 2.82   |  |
| 4  | 3.84                    | 3.12                     | 2.70                  | 2.82 | 3.11 | 3.83 | 3.55                 | 2.97  | 2.82   |  |
| 3  | 3.83                    | 3.11                     | 2.69                  | 2.82 | 3.11 | 3.81 | 3.55                 | 2.97  | 2.81   |  |
| 2  | STOCK EXCHANGE CLOSED.  |                          |                       |      |      |      |                      |       |        |  |
| 1  | 3.82                    | 3.11                     | 2.69                  | 2.82 | 3.10 | 3.81 | 3.54                 | 2.97  | 2.81   |  |
| Oct. 29  | 3.82                    | 3.11                     | 2.70                  | 2.82 | 3.10 | 3.81 | 3.56                 | 2.96  | 2.82   |  |
| 22   | 3.81                    | 3.11                     | 2.70                  | 2.82 | 3.09 | 3.81 | 3.55                 | 2.96  | 2.82   |  |
| 15   | 3.82                    | 3.11                     | 2.69                  | 2.82 | 3.10 | 3.81 | 3.55                 | 2.96  | 2.82   |  |
| 8  | 3.80                    | 3.12                     | 2.70                  | 2.83 | 3.10 | 3.83 | 3.56                 | 2.96  | 2.83   |  |
| 1  | 3.80                    | 3.12                     | 2.70                  | 2.84 | 3.11 | 3.83 | 3.56                 | 2.96  | 2.84   |  |
| Sept. 24   | 3.80                    | 3.11                     | 2.70                  | 2.83 | 3.10 | 3.82 | 3.55                 | 2.96  | 2.83   |  |
| 17   | 3.80                    | 3.11                     | 2.69                  | 2.82 | 3.11 | 3.83 | 3.56                 | 2.97  | 2.82   |  |
| 10   | 3.81                    | 3.11                     | 2.69                  | 2.82 | 3.10 | 3.82 | 3.56                 | 2.96  | 2.81   |  |
| 3  | 3.83                    | 3.10                     | 2.69                  | 2.81 | 3.08 | 3.83 | 3.55                 | 2.96  | 2.80   |  |
| Aug. 27  | 3.83                    | 3.10                     | 2.69                  | 2.81 | 3.09 | 3.82 | 3.56                 | 2.96  | 2.79   |  |
| July 30  | 3.84                    | 3.09                     | 2.68                  | 2.80 | 3.08 | 3.81 | 3.55                 | 2.95  | 2.79   |  |
| July 25  | 3.82                    | 3.13                     | 2.71                  | 2.84 | 3.11 | 3.87 | 3.60                 | 2.97  | 2.82   |  |
| July 18  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| July 11  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| July 4   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| June 28  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| June 21  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| June 14  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| June 7   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| May 31   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| May 24   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| May 17   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| May 10   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| May 3  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| April 26   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| April 19   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| April 12   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| April 5  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| March 29   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| March 22   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| March 15   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| March 8  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| March 1  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| February 24  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| February 17  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| February 10  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| February 3   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| January 27   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| January 20   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| January 13   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| January 6  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| December 30  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| December 23  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| December 16  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| December 9   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| December 2   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| November 26  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| November 19  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| November 12  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| November 5   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| October 29   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| October 22   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| October 15   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| October 8  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| October 1  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| September 24   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| September 17   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| September 10   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| September 3  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| August 27  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| August 20  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| August 13  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| August 6   | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  | 2.86   |  |
| July 30  | 3.83                    | 3.15                     | 2.74                  | 2.86 | 3.12 | 3.89 | 3.61                 | 2.99  |        |  |

## Weekly Coal And Coke Production Statistics

The Solid Fuels Administration for War, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended Nov. 6, 1943, is estimated at 2,900,000 net tons, the lowest weekly output recorded since the strike of April, 1941. This loss in production was due to the walkout of the coal miners which began at midnight of Oct. 31. (Most of the strikers were back at their jobs by Nov. 7.) In the corresponding week of last year, soft coal production amounted to 11,379,000 net tons. During the week ended Oct. 30, 1943, a total of 9,880,000 tons were produced. With the loss in tonnage during the first week in November, production in the current year falls below that in the same period of 1942.

The U. S. Bureau of Mines estimated that the total output of Pennsylvania anthracite for the week ended Nov. 6, 1943, was 146,000 tons, a decrease of 890,000 tons (85.9%) from the preceding week. When compared with the production in the corresponding week of last year, there was a decrease of 945,000 tons, or 86.6%. The calendar year to date shows a decrease of 1.1% when compared with the same period of 1942.

The Bureau of Mines also reported that the estimated output of byproduct coke in the United States for the week ended Nov. 6, 1943, showed a decrease of 72,500 tons when compared with the output for the week ended Oct. 30. The quantity of coke from beehive ovens decreased 101,000 tons during the same period.

### ESTIMATED UNITED STATES PRODUCTION OF COAL

(In Net Tons—000 Omitted.)

|                              | Week Ended   |               |              | January 1 to Date |              |              |
|------------------------------|--------------|---------------|--------------|-------------------|--------------|--------------|
|                              | Nov. 6, 1943 | Oct. 30, 1943 | Nov. 7, 1942 | Nov. 6, 1943      | Nov. 7, 1942 | Nov. 6, 1937 |
| Bituminous coal and lignite— | 2,900        | 9,880         | 11,379       | 492,505           | 494,310      | 380,362      |
| Total incl. mine fuel—       | 483          | 1,647         | 1,897        | 1,868             | 1,890        | 1,455        |

\*Revised. †Subject to current adjustment.

### ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

(In Net Tons)

|                         | Week Ended   |               |              | Cal. Year to Date |              |              |
|-------------------------|--------------|---------------|--------------|-------------------|--------------|--------------|
|                         | Nov. 6, 1943 | Oct. 30, 1943 | Nov. 7, 1942 | Nov. 6, 1943      | Nov. 7, 1942 | Nov. 9, 1929 |
| Penn. anthracite—       | 146,000      | 1,036,000     | 1,091,000    | 51,385,600        | 51,954,000   | 62,439,000   |
| Total incl. coll. fuel— | 140,000      | 995,000       | 1,047,000    | 49,328,000        | 49,876,000   | 57,962,000   |
| By-product coke—        | 1,123,500    | 1,196,000     | 1,223,400    | 53,869,000        | 52,925,600   | †            |
| United States total—    | 72,200       | 173,200       | 160,700      | 6,734,500         | 7,088,700    | 5,817,200    |

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

### ESTIMATED WEEKLY PRODUCTION OF COAL, BY STATES

(In Thousands of Net Tons)

(The current weekly estimates are based on railroad carloadings and river shipments and are subject to revision on receipt of monthly tonnage reports from district and State sources or of final annual returns from the operators.)

| State—                           | Week Ended    |               |               |              |               | Oct. average 1937 |
|----------------------------------|---------------|---------------|---------------|--------------|---------------|-------------------|
|                                  | Oct. 30, 1943 | Oct. 23, 1943 | Oct. 31, 1942 | Nov. 1, 1941 | Oct. 30, 1942 |                   |
| Alabama                          | 83            | 71            | 368           | 275          | 264           | 398               |
| Alaska                           | 1             | 1             | 1             | 1            | 1             | 1                 |
| Arkansas and Oklahoma            | 5             | 5             | 6             | 5            | 3             | 8                 |
| Colorado                         | 87            | 89            | 96            | 82           | 101           | 88                |
| Georgia and North Carolina       | 169           | 172           | 170           | 164          | 148           | 217               |
| Illinois                         | 1,094         | 1,379         | 1,335         | 1,150        | 1,206         | 1,558             |
| Indiana                          | 158           | 355           | 541           | 491          | 377           | 520               |
| Iowa                             | 36            | 38            | 66            | 62           | 78            | 116               |
| Kansas and Missouri              | 192           | 200           | 183           | 134          | 156           | 161               |
| Kentucky—Eastern                 | 239           | 257           | 268           | 239          | 202           | 264               |
| Kentucky—Western                 | 239           | 299           | 270           | 237          | 196           | 238               |
| Maryland                         | 27            | 33            | 33            | 35           | 32            | 35                |
| Michigan                         | 2             | 3             | 3             | 10           | 13            | 28                |
| Montana (bituminous and lignite) | 107           | 106           | 95            | 95           | 77            | 82                |
| New Mexico                       | 35            | 37            | 37            | 25           | 30            | 58                |
| North and South Dakota (lignite) | 71            | 69            | 93            | 105          | 64            | 836               |
| Ohio                             | 622           | 675           | 716           | 661          | 548           | 817               |
| Pennsylvania (bituminous)        | 2,662         | 2,907         | 2,752         | 2,557        | 2,037         | 3,149             |
| Tennessee                        | 103           | 124           | 148           | 160          | 119           | 118               |
| Texas (bituminous and lignite)   | 4             | 5             | 7             | 8            | 21            | 26                |
| Utah                             | 127           | 106           | 120           | 97           | 88            | 121               |
| Virginia                         | 296           | 388           | 410           | 410          | 319           | 231               |
| Washington                       | 28            | 26            | 40            | 48           | 39            | 68                |
| *West Virginia—Southern          | 2,154         | 2,202         | 2,267         | 2,208        | 1,867         | 1,488             |
| *West Virginia—Northern          | 761           | 992           | 859           | 838          | 524           | 805               |
| Wyoming                          | 192           | 185           | 192           | 167          | 138           | 184               |
| †Other Western States            | 1             | 1             | ††            | ††           | ††            | ††                |
| Total bituminous and lignite     | 9,880         | 11,325        | 11,776        | 10,963       | 9,347         | 11,310            |
| ‡Pennsylvania anthracite         | 1,036         | 1,290         | 1,117         | 1,063        | 1,047         | 1,968             |
| Total all coal                   | 10,916        | 12,615        | 12,893        | 12,026       | 10,394        | 13,278            |

\*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.

## Civil Engineering Construction \$62,972,000 For Week

Civil engineering construction volume in continental United States totals \$62,972,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 79% below the total for the corresponding 1942 week but exceeds the \$35,206,000 reported to "Engineering News-Record" for the holiday-shortened preceding week and made public on Nov. 11. The report added:

Private construction for the week tops a year ago by 119%, but public construction is 84% lower as a result of the 50% decrease in State and municipal work, and the 85% decline in Federal volume. The current week's volume brings 1943 construction to \$2,779,930,000, an average of \$61,776,000 for each of the 45 weeks of the period. On the weekly average basis, 1943 construction is 68% below the \$8,766,218,000 for the 46-week 1942 period. Private construction, \$408,899,000, is 21% lower than last year, and public construction, \$2,371,031,000, is down 71% when adjusted for the difference in the number of weeks.

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

|                          | Nov. 12, 1942<br>(five days) | Nov. 4, 1943<br>(four days) | Nov. 11, 1943<br>(five days) |
|--------------------------|------------------------------|-----------------------------|------------------------------|
| Total U. S. construction | \$304,221,000                | \$35,206,000                | \$62,972,000                 |
| Private construction     | 7,599,000                    | 15,388,000                  | 16,607,000                   |
| Public construction      | 296,622,000                  | 19,818,000                  | 46,365,000                   |
| State and municipal      | 5,854,000                    | 1,226,000                   | 2,956,000                    |
| Federal                  | 290,768,000                  | 18,592,000                  | 43,409,000                   |

In the classified construction groups, gains over last week are

in waterworks, sewerage, industrial and public buildings, earthwork and drainage, streets and roads, and unclassified construction. Commercial building is the only class to gain over a year ago. Sub-totals for the week in each class of construction are: waterworks, \$1,651,000; sewerage, \$895,000; bridges, \$124,000; industrial buildings, \$1,565,000; commercial building and large-scale private housing, \$4,966,000; public buildings, \$28,326,000; earthwork and drainage, \$639,000; streets and roads, \$3,554,000; and unclassified construction, \$21,252,000.

New capital for construction purposes for the week totals \$8,593,000, and is made up entirely of State and municipal bond sales. The new construction financing total for the 45 weeks of 1943, \$3,052,220,000, is 67% below the \$9,587,535,000 reported for the 46-week 1942 period.

## Non-Ferrous Metals — High Rate Of Operations Maintained — Brass Mill Output Close To Peak

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

"E. & M. J. Metal and Mineral Markets," in its issue of Nov. 11 stated: "Now that WPB has brought the statistics of the brass industry into the open, copper and zinc producers are wondering how long the current high rate of operations can be maintained. Production of brass mills over the second half of the year was fully as high as in the January-June period. However, the trade believes that brass-mill operations will be reduced somewhat after the turn of the year. Buying of lead for December shipment was fairly active last week, pointing to an excellent demand for most lead products. The supply position of zinc was viewed as comfortable. Offerings of quicksilver for future delivery are increasing. A little more tin is being released for solder." The publication further went on to say in part as follows:

### Copper

"The Quota Committee has been informed by WPB that applications for special premium prices postmarked after Dec. 31, 1943, are not to be accepted. Applications filed prior to that date will be considered on their merits.

"Statistics covering brass mill operations in this country for 12 months ended June, 1943, were released last week by the War Production Board. The figures show that peak production for this period occurred in March this year.

"Growth in production at the brass plants has been tremendous. Comparable figures for prior years are not available, but the Copper Division revealed that the monthly average for all products for the year 1940 was 135,000,000 pounds. The monthly average for the first half of 1943 was 470,148,000 pounds.

### Lead

"Demand for lead continues at an active rate and trade authorities believe that consumption is fairly well stabilized at between 65,000 and 70,000 tons a month. Data covering December needs of consumers should be on hand by Nov. 18 and allotments of foreign lead will be determined on Nov. 22. November requirements of consumers have been covered, and December needs have been purchased to the extent of slightly less than 25%.

### Zinc

"The scarcity complex in zinc is slowly vanishing, and except for the manpower situation, the industry feels that more metal could be released for general consumption. WPB ruled last week that galvanized pails may be sold by retailers to anybody. The brass industry is expected to absorb less zinc next year, relieving pressure in that direction. The price situation remains unchanged.

### Tin

"Exports of tin concentrates from Bolivia during September contained 4,037 metric tons of tin, against 3,179 tons in the same month last year. Exports for the first nine months of 1943 totaled 29,941 tons, against 29,455 tons in the January-September period last year. Slightly less than one-half of the total exported was consigned to the smelter operating in the United States.

"Restrictions on the tin content of solders have been relaxed in

instances where it has been found that a higher tin content is necessary. WPB stated last week in issuing General Preference Order M-43, as amended. The order now permits the reworking of block tin pipe.

The price situation in tin was unchanged. Straits quality tin for shipment, in cents per pound, was as follows:

|         | Nov.   | Dec.   | Jan.   |
|---------|--------|--------|--------|
| Nov. 4  | 52.000 | 52.000 | 52.000 |
| Nov. 5  | 52.000 | 52.000 | 52.000 |
| Nov. 6  | 52.000 | 52.000 | 52.000 |
| Nov. 8  | 52.000 | 52.000 | 52.000 |
| Nov. 9  | 52.000 | 52.000 | 52.000 |
| Nov. 10 | 52.000 | 52.000 | 52.000 |

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

### Molybdenum

"OPA has issued official ceiling prices on the important molybdenum products used in making steel. Effective Nov. 8, the ceiling for ferromolybdenum is set at 95¢ a pound of contained Mo; molybdate oxide and calcium molybdate, 80¢ per pound of contained Mo. The prices are in line with those that have prevailed for some time past.

### Vanadium

"Ceiling prices named by OPA for ferrovanadium: Open hearth, \$2.70; crucible, \$2.80; primes, \$2.90 per pound of contained vanadium. Effective Nov. 8, 1943.

### Quicksilver

"Though the price outlook for next year is regarded as uncertain, which is reflected in the cautious buying policy of large consumers, the trade looks for no important price revisions for the remainder of 1943. The New York market continued at \$195 to \$197 per flask of 76 pounds.

### Silver

"Officials of the WPB and industry experts estimate that United States consumption of silver for 1943 will amount to about 130,000,000 ounces, of which fully 100,000,000 ounces will be used for essential purposes. Figures for the last few months presented at a meeting of the industry advisory group in Washington indicate that the rise in consumption has not been as great as anticipated earlier in the year. Use of silver in engine bearings will be smaller than estimated.

"The London market continued quiet and unchanged at 23½d. The New York Official for foreign silver was 44¢ all week, with domestic at 70¢. The Treasury's price for foreign metal continues at 35¢ an ounce."

### Daily Prices

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

## Xmas Club Members To Get \$420,000,000

A total of \$420,000,000 will be distributed to about 7,500,000 Christmas Club members by 4,800 banking and savings institutions and other organizations during Post-War Prosperity Week, starting Nov. 29, according to an estimate given out Nov. 11 by Herbert F. Rawll, founder and President of Christmas Club, A Corporation. The advice further stated:

"The total distribution is 2% ahead of last year in spite of the fact that there is a decline of 500,000 participating members this year. This reduction in members is occasioned by stream-lining the Christmas Club to the war effort in urging individuals in one family to consolidate 50 cents, \$1.00 and \$2.00 weekly payment accounts into one single account of a larger denomination to conserve man power operations in the banks. The average per-member distribution increased to \$56 as compared with \$49 last year by the use of this formula.

"The use of Christmas Club checks this year shows a substantial increase in percentages applied to War Savings Bonds, permanent savings and government urged anti-inflationary purposes. A recent cross section survey indicates the estimated fund of \$420,000,000 will be used by the recipients approximately as follows:

|                     |     |               |
|---------------------|-----|---------------|
| Permanent savings   | 24% | \$100,800,000 |
| War Savings Bonds   | 17  | 71,400,000    |
| Taxes               | 11  | 46,200,000    |
| Insurance premiums  | 10  | 42,000,000    |
| Debt retirement     | 9   | 37,800,000    |
| Christmas purchases | 28  | 117,600,000   |
| Unclassified        | 1   | 4,200,000     |

100% \$420,000,000

"Christmas Club, A Corporation, in diverting the funds accumulated by its members out of the spending stream into the savings channel, has changed the name of the first week in December, which it sponsors, from National Prosperity Week to Post-War Prosperity Week, for the duration.

"Mr. Rawll attributed the substantial increase in the amount of funds used for permanent savings, war bonds, and essential commitments, to a Victory Through Thrift Slogan Contest, sponsored by his company and made available during the year to the seven and one-half million members.

"In the distribution of Christmas Club funds this year, New York State leads the other States with about \$112,000,000; the estimates for Pennsylvania are \$44,000,000; for Massachusetts \$40,000,000; for New Jersey \$30,000,000.

## Must File Report On Foreign Holdings

Forty-three thousand posters, notifying Americans who own foreign property that they are required to file reports describing their holdings before Dec. 1, were mailed by the Treasury on Nov. 12 for display in the lobbies of every post office in the United States. The Treasury Department's announcement says:

"The poster, prepared in cooperation with the Office of War Information, states the Government needs this information for immediate use by our occupational and military authorities and by the agencies which are waging economic warfare.

"Those who own foreign bonds payable in American dollars, regardless of value, or any other kind of foreign property with a value of \$10,000 or more, are advised they can procure the necessary TFR-500 report forms from their bankers, their nearest Federal Reserve Bank, or from Foreign Funds Control, Treasury Department, Washington, D. C.

"Willful failure to file is subject to criminal penalties, it is pointed out."

### Trading On New York Exchanges

The Securities and Exchange Commission made public on Nov. 15 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 Oct. 30, 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 Oct. 30 (in round-lot transactions) totaled 1,543,959 shares, which amount was 17.42% of the total transactions on the Exchange of 4,432,470 shares. This compares with member trading during the week ended Oct. 23 of 1,214,840 shares, or 17.59% of total trading of 3,453,110 shares. On the New York Curb Exchange, member trading during the week ended Oct. 30 amounted to 327,600 shares, or 14.42% of the total volume on that exchange of 1,135,685 shares; during the Oct. 23 week trading for the account of Curb members of 342,175 shares was 16.33% of total trading of 1,047,810 shares.

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

| WEEK ENDED OCT. 30, 1943  |                  |              |
|---|------------------|--------------|
| A. Total Round-Lot Sales:   | Total for week   | †Per Cent    |
| Short sales   | 101,400          |              |
| ‡Other sales  | 4,331,070        |              |
| <b>Total sales</b>  | <b>4,432,470</b> |              |
| 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   | 379,900          |              |
| Short sales   | 42,520           |              |
| ‡Other sales  | 331,840          |              |
| <b>Total sales</b>  | <b>374,360</b>   | <b>8.51</b>  |
| 2. Other transactions initiated on the floor—   |                  |              |
| Total purchases   | 249,830          |              |
| Short sales   | 17,030           |              |
| ‡Other sales  | 234,800          |              |
| <b>Total sales</b>  | <b>251,830</b>   | <b>5.66</b>  |
| 3. Other transactions initiated off the floor—  |                  |              |
| Total purchases   | 159,826          |              |
| Short sales   | 15,030           |              |
| ‡Other sales  | 113,183          |              |
| <b>Total sales</b>  | <b>128,213</b>   | <b>3.25</b>  |
| 4. Total—   |                  |              |
| Total purchases   | 789,556          |              |
| Short sales   | 74,580           |              |
| ‡Other sales  | 679,823          |              |
| <b>Total sales</b>  | <b>754,403</b>   | <b>17.42</b> |

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

| WEEK ENDED OCT. 30, 1943   |                  |              |
|--|------------------|--------------|
| A. Total Round-Lot Sales:  | Total for week   | †Per Cent    |
| Short sales  | 8,090            |              |
| ‡Other sales   | 1,127,595        |              |
| <b>Total sales</b>   | <b>1,135,685</b> |              |
| B. Round-Lot Transactions for the Account of Members:                  |                  |              |
| 1. Transactions of specialists in stocks in which they are registered— |                  |              |
| Total purchases  | 81,045           |              |
| Short sales  | 2,865            |              |
| ‡Other sales   | 87,720           |              |
| <b>Total sales</b>   | <b>90,585</b>    | <b>7.55</b>  |
| 2. Other transactions initiated on the floor—                          |                  |              |
| Total purchases  | 35,465           |              |
| Short sales  | 2,400            |              |
| ‡Other sales   | 34,990           |              |
| <b>Total sales</b>   | <b>37,390</b>    | <b>3.21</b>  |
| 3. Other transactions initiated off the floor—                         |                  |              |
| Total purchases  | 27,285           |              |
| Short sales  | 100              |              |
| ‡Other sales   | 55,730           |              |
| <b>Total sales</b>   | <b>55,830</b>    | <b>3.66</b>  |
| 4. Total—  |                  |              |
| Total purchases  | 143,795          |              |
| Short sales  | 5,365            |              |
| ‡Other sales   | 178,440          |              |
| <b>Total sales</b>   | <b>183,805</b>   | <b>14.42</b> |
| C. Odd-Lot Transactions for the Account of Specialists—                |                  |              |
| Customers' short sales   | 0                |              |
| ‡Customers' other sales  | 46,231           |              |
| <b>Total purchases</b>   | <b>46,231</b>    |              |
| <b>Total sales</b>   | <b>31,689</b>    |              |

\*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."

### Daily Average Crude Oil Production For Week Ended Nov. 6, 1943 Increased 6,300 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Nov. 6, 1943 was 4,389,250 barrels, a gain of 6,300 barrels per day over the preceding week and 550,850 barrels per day more than in the corresponding week of 1942. The current figure was also 12,550 barrels in excess of the daily average figures as recommended by Petroleum Administration for War for the month of November, 1943. Daily output for the four weeks ended Nov. 6, 1943 averaged 4,398,500 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 4,079,000 barrels of crude oil daily and produced 12,172,000 barrels of gasoline; 1,378,000 barrels of kerosine; 4,287,000 barrels of distillate fuel oil, and 8,135,000 barrels of residual fuel oil during the week ended Nov. 6, 1943; and had in storage at the end of that week 68,698,000 barrels of gasoline; 11,963,000 barrels of kerosine;

44,776,000 barrels of distillate fuel, and 63,551,000 barrels of residual fuel oils. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

#### DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

|   | *P. A. W. Recommendations November | *State Allowables Begin. Nov. 1 | Actual Production Week Ended Nov. 6, 1943 | Change from Previous Week | 4 Weeks Ended Nov. 6, 1943 | Week Ended Nov. 7, 1942 |
|---|------------------------------------|---------------------------------|---|---------------------------|----------------------------|-------------------------|
| Oklahoma                                | 318,000                            | 325,000                         | †330,400                                  | + 1,000                   | 328,200                    | 367,250                 |
| Kansas                                  | 285,000                            | 274,800                         | †242,550                                  | -32,100                   | 274,700                    | 268,300                 |
| Nebraska                                | 1,600                              | ---                             | †1,700                                    | ---                       | 1,700                      | 3,300                   |
| Panhandle Texas                         | ---                                | ---                             | 85,500                                    | - 2,600                   | 87,450                     | 89,800                  |
| North Texas                             | ---                                | ---                             | 141,900                                   | + 3,600                   | 139,200                    | 137,600                 |
| West Texas                              | ---                                | ---                             | 359,750                                   | + 5,700                   | 355,450                    | 211,800                 |
| East Central Texas                      | ---                                | ---                             | 137,950                                   | + 2,700                   | 135,900                    | 94,300                  |
| East Texas                              | ---                                | ---                             | 376,400                                   | + 7,700                   | 370,650                    | 354,800                 |
| Southwest Texas                         | ---                                | ---                             | 297,850                                   | + 9,700                   | 290,600                    | 171,650                 |
| Coastal Texas                           | ---                                | ---                             | 524,600                                   | + 5,250                   | 520,650                    | 312,500                 |
| <b>Total Texas</b>                      | <b>1,881,000</b>                   | <b>†1,905,471</b>               | <b>1,923,950</b>                          | <b>+32,050</b>            | <b>1,899,900</b>           | <b>1,372,450</b>        |
| North Louisiana                         | ---                                | ---                             | 78,800                                    | - 800                     | 80,100                     | 95,150                  |
| Coastal Louisiana                       | ---                                | ---                             | 272,200                                   | - 6,800                   | 277,300                    | 227,700                 |
| <b>Total Louisiana</b>                  | <b>353,700</b>                     | <b>375,700</b>                  | <b>351,000</b>                            | <b>- 7,600</b>            | <b>357,400</b>             | <b>322,850</b>          |
| Arkansas                                | 76,900                             | 77,891                          | 78,100                                    | - 850                     | 78,450                     | 74,200                  |
| Mississippi                             | 49,000                             | ---                             | 52,400                                    | + 5,950                   | 48,100                     | 65,950                  |
| Illinois                                | 205,000                            | ---                             | 228,400                                   | + 13,850                  | 219,100                    | 265,550                 |
| Indiana                                 | 14,000                             | ---                             | 14,600                                    | + 1,300                   | 13,800                     | 18,100                  |
| Eastern— (Not Incl. Ill., Ind. and Ky.) | 78,500                             | ---                             | 70,900                                    | - 6,000                   | 74,000                     | 14,700                  |
| Kentucky                                | 24,500                             | ---                             | 24,750                                    | - 750                     | 24,350                     | 75,800                  |
| Michigan                                | 56,000                             | ---                             | 52,100                                    | + 300                     | 53,350                     | 62,600                  |
| Wyoming                                 | 98,000                             | ---                             | 98,700                                    | + 950                     | 101,700                    | 89,200                  |
| Montana                                 | 23,000                             | ---                             | 21,350                                    | - 2,150                   | 21,350                     | 21,800                  |
| Colorado                                | 7,000                              | ---                             | 7,300                                     | + 200                     | 7,250                      | 6,650                   |
| New Mexico                              | 110,500                            | 110,500                         | 112,550                                   | ---                       | 111,750                    | 100,000                 |
| <b>Total East of Calif.</b>             | <b>3,581,700</b>                   | ---                             | <b>3,610,750</b>                          | <b>+ 8,300</b>            | <b>3,615,100</b>           | <b>3,128,700</b>        |
| California                              | 795,000                            | †795,000                        | 778,500                                   | - 2,000                   | 783,400                    | 709,700                 |
| <b>Total United States</b>              | <b>4,376,700</b>                   | ---                             | <b>4,389,250</b>                          | <b>+ 6,300</b>            | <b>4,398,500</b>           | <b>3,838,400</b>        |

\*P.A.W. recommendations and state allowables, as shown above, represent the production of Crude Oil only, and do not include amounts of condensate and natural gas derivatives to be produced.

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. Nov. 4, 1943.  
 ‡This is the net basic allowable as of Nov. 1 calculated on a 30-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 8 days, the entire state was ordered shut down for 8 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 8 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 NOV. 6, 1943 (Figures in Thousands of Barrels of 42 Gallons Each)

| District  | Daily Refining Capacity Potent. Rate | % Re- porting | Crude Runs Daily Average | †Stills Crated | †Stills Blended | †Stocks of Gasoline | †Stocks of Un- finished Gasoline | †Stocks of Gas Oil and Distillate Fuel | †Stocks of Residual Fuel Oil |
|---|--------------------------------------|---------------|--------------------------|----------------|-----------------|---------------------|----------------------------------|--|------------------------------|
|   |                                      |               |                          |                |                 |                     |                                  |  |                              |
| •Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas... | 2,444                                | 88.7          | 2,055                    | 84.1           | 5,739           | 30,694              | 22,207                           | 18,719                                 |                              |
| Appalachian—  |                                      |               |                          |                |                 |                     |                                  |  |                              |
| District No. 1  | 130                                  | 83.9          | 89                       | 68.5           | 292             | 1,570               | 1,022                            | 225                                    |                              |
| District No. 2  | 47                                   | 87.2          | 56                       | 119.1          | 140             | 859                 | 118                              | 146                                    |                              |
| Ind., Ill., Ky.   | 824                                  | 85.2          | 715                      | 86.8           | 2,662           | 13,202              | 6,609                            | 3,117                                  |                              |
| Okla., Kans., Mo.   | 416                                  | 80.1          | 329                      | 79.1           | 1,205           | 6,395               | 2,460                            | 1,258                                  |                              |
| Rocky Mountain—   |                                      |               |                          |                |                 |                     |                                  |  |                              |
| District No. 3  | 8                                    | 26.9          | 8                        | 100.0          | 31              | 66                  | 22                               | 32                                     |                              |
| District No. 4  | 141                                  | 58.3          | 100                      | 70.9           | 333             | 1,036               | 437                              | 686                                    |                              |
| California  | 817                                  | 69.9          | 727                      | 89.0           | 1,770           | 14,876              | 11,901                           | 39,368                                 |                              |
| Tot. U. S. B. of M. basis Nov. 6, 1943  | 4,827                                | 86.4          | 4,079                    | 84.5           | 12,172          | †68,698             | 44,776                           | 63,551                                 |                              |
| Tot. U. S. B. of M. basis Oct. 30, 1943   | 4,827                                | 86.4          | 4,176                    | 86.5           | 12,813          | 69,297              | 44,591                           | 63,838                                 |                              |
| U. S. Bur. of Mines basis Nov. 7, 1942  |                                      |               |                          |                | 3,690           | 11,006              | 76,335                           | 49,793                                 | 79,057                       |

\*At the request of the Petroleum Administration for War. †Finished, 58,580,000 barrels; unfinished, 10,118,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,378,000 barrels of kerosine, 4,287,000 barrels of gas oil and distillate fuel oil and 8,135,000 barrels of residual fuel oil produced during the week ended Nov. 6, 1943, which compares with 1,451,000 barrels, 4,642,000 barrels and 7,968,000 barrels, respectively, in the preceding week and 1,342,000 barrels, 4,121,000 barrels and 7,270,000 barrels, respectively, in the week ended Nov. 7, 1942.  
 Notes—Stocks of kerosine at Nov. 6, 1943 amounted to 11,963,000 barrels, as compared with 11,778,000 barrels a week earlier and 12,642 barrels a year before.  
 District No. 1 inventory indices are: Gasoline, 36.9%; gas oil and distillate fuel, 56.7%; kerosine, 52.7%, and residual fuel oil, 79.9% of normal.

### Bank Debits For Month Of October

The Board of Governors of the Federal Reserve System issued on Nov. 9, its usual monthly summary of "bank debits," which we give below:

| Federal Reserve District— | —3 Months Ended— |               |                |                |
|---------------------------|------------------|---------------|----------------|----------------|
|                           | Oct. 1943        | Oct. 1942     | Oct. 1943      | Oct. 1942      |
| Boston                    | 3,272            | 3,144         | 10,369         | 8,690          |
| New York                  | 26,140           | 21,918        | 79,821         | 63,958         |
| Philadelphia              | 2,931            | 2,663         | 9,423          | 7,771          |
| Cleveland                 | 4,572            | 4,188         | 13,958         | 11,738         |
| Richmond                  | 2,665            | 2,633         | 8,001          | 7,222          |
| Atlanta                   | 2,359            | 2,119         | 7,005          | 5,835          |
| Chicago                   | 10,484           | 9,422         | 32,572         | 26,667         |
| St. Louis                 | 2,186            | 2,091         | 6,159          | 5,472          |
| Minneapolis               | 1,467            | 1,213         | 4,406          | 3,411          |
| Kansas City               | 2,279            | 2,048         | 6,884          | 5,811          |
| Dallas                    | 1,909            | 1,790         | 5,795          | 4,869          |
| San Francisco             | 6,007            | 5,105         | 18,249         | 14,581         |
| <b>Total, 274 centers</b> | <b>66,270</b>    | <b>58,334</b> | <b>202,642</b> | <b>166,024</b> |
| New York City*            | 23,990           | 19,823        | 73,124         | 58,067         |
| 140 other centers*        | 35,614           | 32,131        | 109,425        | 90,407         |
| 193 other centers         | 6,666            | 6,380         | 20,093         | 17,551         |

\*Included in the national series covering 141 centers, available beginning in 1919.

### NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Nov. 15 a summary for the week ended Nov. 6 of complete figures showing the daily volume of stock transactions for the odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

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

| Week Ended Nov. 6, 1943                          |                       |
|--|-----------------------|
| Odd-Lot Sales by Dealers: (Customers' purchases) | Total for Week 17,767 |
| Number of orders                                 | 474,493               |
| Number of shares                                 | 18,484,491            |
| Dollar value                                     | 18,484,491            |
| Odd-Lot Purchases by Dealers: (Customers' Sales) |                       |
| Number of Orders:                                |                       |
| Customers' short sales                           | 316                   |
| Customers' other sales                           | 14,857                |
| Customers' total sales                           | 15,173                |
| Number of Shares:                                |                       |
| Customers' short sales                           | 7,656                 |
| Customers' other sales                           | 395,678               |
| Customers' total sales                           | 403,334               |
| Dollar value                                     | 14,245,658            |

#### Round-Lot Sales by Dealers—

|                    |                |
|--------------------|----------------|
| Number of Shares:  | 20             |
| Short sales        | 102,740        |
| Other sales        | 102,740        |
| <b>Total sales</b> | <b>102,760</b> |

Round-Lot Purchases by Dealers—  
 Number of shares 157,220  
 \*Sales marked "short exempt" are reported with "other sales." †Sales to offset customers' odd-lot orders, and sales to liquidate a long position which is less than a round lot are reported with "other sales."

### Lumber Movement—Week Ended November 6, 1943

According to the National Lumber Manufacturers Association, lumber shipments of 456 mills reporting to the National Lumber Trade Barometer were 0.05% below production for the week ended Nov. 6, 1943. In the same week new orders of these mills were 10.2% less than production. Unfilled order files in the reporting mills amounted to 99% of stocks. For reporting softwood mills, unfilled orders are equivalent to 38 days' production at the current rate, and gross stocks are equivalent to 36 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 8.1%; orders by 9.3%.

Compared to the average corresponding week of 1935-39, production of reporting mills was 14.8% greater; shipments were 17.7% greater; and orders were 9.6% greater.

### N. Y. Rent Control Head

Louis H. Pink, President of the Associated Hospital Service of New York and former State Superintendent of Insurance, was sworn in on Nov. 8 as Director of the New York Defense Rental Area. Mr. Pink will serve without compensation under war emergency leave granted by the Board of Directors of the Associated Hospital Service and will not relinquish his post as head of the service. He said that his connection with the Office of Price Administration would be of a temporary nature until the rent control machinery is functioning smoothly.

Mr. Pink has been President of the Associated Hospital Service since the beginning of this year, when he resigned as State Superintendent of Insurance, a post he held for seven and a half years. He has been a member of the State Housing Board, of which he was Chairman for several years, and of the New York City Housing Authority. Mr. Pink is Chairman of the Board of the National Public Housing Conference.

# Revenue Freight Car Loadings During Week Ended Nov. 6, 1943 Decreased 128,954 Cars

Loading of revenue freight for the week ended Nov. 6, 1943, totaled 754,724 cars, the Association of American Railroads announced on Nov. 11. This was a decrease below the corresponding week of 1942 of 74,939 cars, or 9%, and a decrease under the same week in 1941 of 118,858 cars or 13.6%.

Loading of revenue freight for the week of Nov. 6, decreased 128,954 cars, or 14.6% below the preceding week due to "coal strike" and "seasonal" decline.

Miscellaneous freight loading totaled 396,221 cars, a decrease of 13,011 cars below the preceding week, but an increase of 7,922 cars above the corresponding week in 1942.

Loading of merchandise less than carload lot freight totaled 104,621 cars, a decrease of 1,923 cars below the preceding week, but an increase of 13,097 cars above the corresponding week in 1942.

Coal loading amounted to 42,863 cars, a decrease of 103,282 cars below the preceding week, and a decrease of 120,330 cars below the corresponding week in 1942.

Grain and grain products loading totaled 56,428 cars, a decrease of 17,511 cars below the preceding week, but an increase of 14,422 cars above the corresponding week in 1942. In the Western Districts alone, grain and grain products loading for the week of Nov. 6, totaled 37,231 cars, a decrease of 1,890 cars below the preceding week but an increase of 10,211 cars above corresponding week in 1942.

Live stock loading amounted to 26,333 cars, a decrease of 645 cars below the preceding week, but an increase of 5,568 cars above the corresponding week in 1942. In the Western Districts alone loading of live stock for the week of Nov. 6, totaled 21,401 cars, a decrease of 474 cars below the preceding week, but an increase of 4,676 cars above the corresponding week in 1942.

Forest products loading totaled 43,772 cars, a decrease of 140 cars below the preceding week but an increase of 1,374 cars above the corresponding week in 1942.

Ore loading amounted to 72,653 cars, a decrease of 4,658 cars below the preceding week but an increase of 5,445 cars above the corresponding week in 1942.

Coke loading amounted to 11,833 cars, a decrease of 3,542 cars below the preceding week, and a decrease of 2,437 cars below the corresponding week in 1942.

All districts reported decreases compared with the corresponding week in 1942, except the Northwestern and Southwestern and all districts reported decreases compared with 1941 except the Southwestern.

|                      | 1943              | 1942              | 1941              |
|----------------------|-------------------|-------------------|-------------------|
| 5 weeks of January   | 3,530,849         | 3,658,479         | 3,454,406         |
| 4 weeks of February  | 3,053,640         | 3,122,942         | 2,866,565         |
| 4 weeks of March     | 3,073,426         | 3,174,781         | 3,066,011         |
| 4 weeks of April     | 3,126,253         | 3,350,996         | 2,793,636         |
| 5 weeks of May       | 4,149,708         | 4,170,548         | 4,160,060         |
| 4 weeks of June      | 3,151,146         | 3,365,655         | 3,510,057         |
| 5 weeks of July      | 4,307,406         | 4,185,135         | 4,295,457         |
| 4 weeks of August    | 3,534,446         | 3,487,905         | 3,581,351         |
| 4 weeks of September | 3,545,823         | 3,503,383         | 3,540,210         |
| 5 weeks of October   | 4,518,244         | 4,511,609         | 4,553,007         |
| Week of November 6   | 754,724           | 829,663           | 873,582           |
| <b>Total</b>         | <b>36,777,665</b> | <b>37,581,096</b> | <b>36,694,338</b> |

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Nov. 6, 1943. During this period only 58 roads showed increases when compared with the corresponding week last year.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS)—WEEK ENDED NOV. 6

| Railroads                          | Total Revenue Freight Loaded |                |                | Total Loads Received from Connections |                |                |
|------------------------------------|------------------------------|----------------|----------------|---------------------------------------|----------------|----------------|
|                                    | 1943                         | 1942           | 1941           | 1943                                  | 1942           | 1941           |
| <b>Eastern District—</b>           |                              |                |                |                                       |                |                |
| Ann Arbor                          | 309                          | 399            | 648            | 1,288                                 | 1,262          | 1,262          |
| Bangor & Aroostook                 | 2,547                        | 1,715          | 1,483          | 210                                   | 190            | 190            |
| Boston & Maine                     | 6,610                        | 6,012          | 8,728          | 14,568                                | 14,928         | 14,928         |
| Chicago, Indianapolis & Louisville | 1,021                        | 1,572          | 1,747          | 1,965                                 | 1,971          | 1,971          |
| Central Indiana                    | 35                           | 19             | 23             | 41                                    | 35             | 35             |
| Central Vermont                    | 1,115                        | 961            | 1,544          | 2,619                                 | 2,210          | 2,210          |
| Delaware & Hudson                  | 3,330                        | 5,885          | 6,416          | 10,482                                | 12,022         | 12,022         |
| Delaware, Lackawanna & Western     | 5,932                        | 7,038          | 9,127          | 10,242                                | 10,181         | 10,181         |
| Detroit & Mackinac                 | 317                          | 460            | 454            | 98                                    | 124            | 124            |
| Detroit, Toledo & Ironton          | 1,777                        | 1,150          | 2,450          | 1,078                                 | 1,246          | 1,246          |
| Detroit & Toledo Shore Line        | 212                          | 312            | 422            | 1,992                                 | 2,843          | 2,843          |
| Erie                               | 12,157                       | 11,512         | 14,957         | 16,496                                | 16,252         | 16,252         |
| Grand Trunk Western                | 3,969                        | 4,170          | 6,254          | 7,444                                 | 7,839          | 7,839          |
| Lehigh & Hudson River              | 236                          | 196            | 227            | 2,194                                 | 2,950          | 2,950          |
| Lehigh & New England               | 734                          | 1,926          | 1,743          | 1,013                                 | 2,000          | 2,000          |
| Lehigh Valley                      | 5,960                        | 7,859          | 9,336          | 12,540                                | 11,909         | 11,909         |
| Maine Central                      | 2,358                        | 2,170          | 3,046          | 4,036                                 | 3,074          | 3,074          |
| Monongahela                        | 2,079                        | 6,032          | 7,046          | 300                                   | 300            | 300            |
| Montour                            | 535                          | 2,248          | 2,542          | 41                                    | 25             | 25             |
| New York Central Lines             | 49,227                       | 44,800         | 52,114         | 41,617                                | 53,778         | 53,778         |
| N. Y., N. H. & Hartford            | 9,925                        | 8,917          | 12,656         | 18,751                                | 18,375         | 18,375         |
| New York, Ontario & Western        | 935                          | 882            | 1,102          | 2,183                                 | 2,299          | 2,299          |
| New York, Chicago & St. Louis      | 6,985                        | 7,056          | 6,780          | 14,796                                | 15,629         | 15,629         |
| N. Y., Susquehanna & Western       | 638                          | 323            | 418            | 1,080                                 | 1,818          | 1,818          |
| Pittsburgh & Lake Erie             | 6,852                        | 7,013          | 8,297          | 5,150                                 | 7,848          | 7,848          |
| Pere Marquette                     | 5,304                        | 5,743          | 6,694          | 7,238                                 | 6,382          | 6,382          |
| Pittsburg & Shawmut                | 378                          | 705            | 644            | 91                                    | 9              | 9              |
| Pittsburg, Shawmut & North         | 249                          | 402            | 402            | 189                                   | 245            | 245            |
| Pittsburgh & West Virginia         | 697                          | 1,031          | 1,116          | 2,920                                 | 2,608          | 2,608          |
| Rutland                            | 400                          | 294            | 432            | 1,101                                 | 1,028          | 1,028          |
| Webash                             | 6,206                        | 5,492          | 5,616          | 12,300                                | 13,020         | 13,020         |
| Wheeling & Lake Erie               | 4,231                        | 5,250          | 5,614          | 3,758                                 | 4,476          | 4,476          |
| <b>Total</b>                       | <b>143,543</b>               | <b>149,783</b> | <b>180,280</b> | <b>200,591</b>                        | <b>219,039</b> | <b>219,039</b> |
| <b>Allegheny District—</b>         |                              |                |                |                                       |                |                |
| Akron, Canton & Youngstown         | 760                          | 729            | 675            | 848                                   | 1,081          | 1,081          |
| Baltimore & Ohio                   | 32,992                       | 38,083         | 40,472         | 29,693                                | 28,684         | 28,684         |
| Bessemer & Lake Erie               | 5,509                        | 6,324          | 4,832          | 1,484                                 | 2,627          | 2,627          |
| Buffalo Creek & Gauley             | 346                          | 270            | 268            | 5                                     | 6              | 6              |
| Cambria & Indiana                  | 1                            | 1,776          | 1,888          | 6                                     | 23             | 23             |
| Central R. B. of New Jersey        | 5,871                        | 6,682          | 7,309          | 18,164                                | 19,853         | 19,853         |
| Cornwall                           | 693                          | 680            | 700            | 53                                    | 46             | 46             |
| Cumberland & Pennsylvania          | 50                           | 216            | 279            | 12                                    | 24             | 24             |
| Ligonier Valley                    | 77                           | 118            | 128            | 45                                    | 63             | 63             |
| Long Island                        | 1,295                        | 1,139          | 793            | 3,317                                 | 3,545          | 3,545          |
| Penn.-Reading Seashore Lines       | 2,024                        | 1,646          | 1,774          | 2,778                                 | 1,767          | 1,767          |
| Pennsylvania System                | 68,942                       | 78,252         | 83,308         | 54,014                                | 65,080         | 65,080         |
| Reading Co.                        | 10,788                       | 13,673         | 16,332         | 24,566                                | 27,353         | 27,353         |
| Union (Pittsburgh)                 | 18,711                       | 19,965         | 19,514         | 7,255                                 | 7,560          | 7,560          |
| Western Maryland                   | 2,656                        | 3,754          | 4,310          | 9,819                                 | 12,655         | 12,655         |
| <b>Total</b>                       | <b>150,722</b>               | <b>173,357</b> | <b>182,552</b> | <b>152,059</b>                        | <b>170,367</b> | <b>170,367</b> |
| <b>Pacahontas District—</b>        |                              |                |                |                                       |                |                |
| Chesapeake & Ohio                  | 9,864                        | 27,044         | 28,792         | 10,154                                | 13,110         | 13,110         |
| Norfolk & Western                  | 7,732                        | 21,626         | 23,766         | 5,058                                 | 7,444          | 7,444          |
| Virginian                          | 1,177                        | 4,469          | 4,815          | 2,261                                 | 2,243          | 2,243          |
| <b>Total</b>                       | <b>18,773</b>                | <b>53,139</b>  | <b>57,373</b>  | <b>17,573</b>                         | <b>22,797</b>  | <b>22,797</b>  |

| Railroads                        | Total Revenue Freight Loaded |                |                | Total Loads Received from Connections |                |
|----------------------------------|------------------------------|----------------|----------------|---------------------------------------|----------------|
|                                  | 1943                         | 1942           | 1941           | 1943                                  | 1942           |
| <b>Southern District—</b>        |                              |                |                |                                       |                |
| Alabama, Tennessee & Northern    | 329                          | 379            | 392            | 374                                   | 379            |
| Atl. & W. P.—W. R. R. of Ala.    | 608                          | 787            | 906            | 3,346                                 | 2,570          |
| Atlanta, Birmingham & Coast      | 781                          | 745            | 815            | 1,211                                 | 1,341          |
| Atlantic Coast Line              | 12,522                       | 11,874         | 11,062         | 11,196                                | 11,186         |
| Central of Georgia               | 4,053                        | 3,689          | 4,977          | 4,333                                 | 4,961          |
| Charleston & Western Carolina    | 383                          | 406            | 418            | 1,382                                 | 1,525          |
| Cinchfield                       | 1,316                        | 1,671          | 1,814          | 1,836                                 | 2,647          |
| Columbus & Greenville            | 273                          | 519            | 354            | 226                                   | 334            |
| Durham & Southern                | 114                          | 112            | 183            | 279                                   | 407            |
| Florida East Coast               | 1,990                        | 1,234          | 632            | 1,477                                 | 1,435          |
| Gainesville Midland              | 53                           | 37             | 42             | 125                                   | 120            |
| Georgia                          | 1,247                        | 1,414          | 1,588          | 3,404                                 | 2,503          |
| Georgia & Florida                | 470                          | 404            | 452            | 679                                   | 480            |
| Gulf, Mobile & Ohio              | 3,736                        | 3,941          | 4,060          | 4,304                                 | 4,679          |
| Illinois Central System          | 23,670                       | 24,465         | 27,377         | 13,690                                | 16,613         |
| Louisville & Nashville           | 13,603                       | 24,541         | 25,137         | 13,168                                | 11,846         |
| Macon, Dublin & Savannah         | 180                          | 201            | 212            | 744                                   | 701            |
| Mississippi Central              | 239                          | 176            | 172            | 429                                   | 627            |
| Nashville, Chattanooga & St. L.  | 3,100                        | 3,352          | 3,773          | 4,914                                 | 4,650          |
| Norfolk Southern                 | 1,157                        | 1,429          | 1,123          | 1,730                                 | 1,531          |
| Piedmont Northern                | 377                          | 347            | 534            | 953                                   | 1,267          |
| Richmond, Fred. & Potomac        | 487                          | 403            | 438            | 1,067                                 | 10,998         |
| Seaboard Air Line                | 11,260                       | 11,277         | 10,547         | 8,069                                 | 9,529          |
| Southern System                  | 20,951                       | 23,148         | 24,833         | 22,057                                | 25,051         |
| Tennessee Central                | 491                          | 475            | 562            | 961                                   | 1,121          |
| Winston-Salem Southbound         | 154                          | 78             | 143            | 922                                   | 902            |
| <b>Total</b>                     | <b>103,740</b>               | <b>121,164</b> | <b>122,546</b> | <b>112,872</b>                        | <b>119,403</b> |
| <b>Northwestern District—</b>    |                              |                |                |                                       |                |
| Chicago & North Western          | 20,908                       | 19,400         | 21,430         | 14,103                                | 14,324         |
| Chicago Great Western            | 2,920                        | 2,005          | 2,758          | 3,611                                 | 3,391          |
| Chicago, Milw., St. P. & Pac.    | 20,958                       | 19,135         | 23,090         | 9,024                                 | 10,770         |
| Chicago, St. Paul, Minn. & Omaha | 3,668                        | 2,956          | 4,133          | 4,155                                 | 4,148          |
| Duluth, Missabe & Iron Range     | 29,097                       | 24,669         | 20,023         | 269                                   | 436            |
| Duluth, South Shore & Atlantic   | 832                          | 1,185          | 1,360          | 664                                   | 590            |
| Elgin, Joliet & Eastern          | 8,590                        | 9,340          | 10,450         | 8,003                                 | 10,523         |
| Ft. Dodge, Des Moines & South    | 465                          | 452            | 548            | 57                                    | 111            |
| Great Northern                   | 20,966                       | 20,363         | 22,809         | 5,196                                 | 5,490          |
| Green Bay & Western              | 516                          | 453            | 703            | 999                                   | 764            |
| Lake Superior & Ishpeming        | 1,051                        | 2,315          | 2,149          | 43                                    | 30             |
| Minneapolis & St. Louis          | 1,961                        | 2,048          | 1,775          | 2,537                                 | 2,448          |
| Minn., St. Paul & S. S. M.       | 7,366                        | 6,718          | 8,126          | 2,844                                 | 3,055          |
| Northern Pacific                 | 12,630                       | 11,873         | 13,620         | 5,472                                 | 5,513          |
| Spokane International            | 103                          | 157            | 169            | 488                                   | 591            |
| Spokane, Portland & Seattle      | 2,326                        | 2,015          | 2,433          | 3,119                                 | 3,162          |
| <b>Total</b>                     | <b>134,357</b>               | <b>125,104</b> | <b>135,570</b> | <b>60,595</b>                         | <b>65,374</b>  |
| <b>Central Western District—</b> |                              |                |                |                                       |                |
| Atch., Top. & Santa Fe System    | 24,379                       | 23,296         | 23,348         | 13,331                                | 13,525         |
| Alton                            | 3,282                        | 3,190          | 3,231          | 4,684                                 | 4,921          |
| Bingham & Garfield               | 535                          | 568            | 1,155          | 69                                    | 143            |
| Chicago, Burlington & Quincy     | 17,928                       | 20,873         | 19,533         | 13,142                                | 13,572         |
| Chicago, Rock Island & Pacific   | 989                          | 2,484          | 2,447          | 752                                   | 795            |
| Chicago & Eastern Illinois       | 13,217                       | 12,472         | 13,200         | 12,052                                | 12,852         |
| Colorado & Southern              | 2,348                        | 2,533          | 2,837          | 5,809                                 | 3,927          |
| Denver & Rio Grande Western      | 1,183                        | 1,157          | 1,356          | 2,170                                 | 1,940          |
| Denver & Salt Lake               | 4,242                        | 5,368          | 4,852          | 6,005                                 | 6,289          |
| Fort Worth & Denver City         | 271                          | 812            | 723            | 24                                    | 12             |
| Illinois Terminal                | 1,292                        | 1,250          | 1,258          | 1,570                                 | 1,606          |
| Illinois Terminal                | 1,745                        | 1,981          | 1,959          | 2,086                                 | 1,737          |
| Missouri-Illinois                | 1,218                        | 1,246          | 1,064          | 403                                   | 476            |
| Nevada Northern                  | 2,082                        | 2,064          | 1,970          | 128                                   | 88             |
| North Western Pacific            | 872                          | 1,148          | 1,040          | 736                                   | 665            |
| Peoria & Western Union           | 4                            | 25             | 21             | 0                                     | 0              |
| Southern Pacific (Pacific)       | 31,144                       | 30,329         | 30,169         | 14,649                                | 12,407         |
| Teledo, Peoria & Western         | 444                          | 353            | 321            | 1,843                                 | 1,921          |
| Union Pacific System             | 20,357                       | 20,350         | 22,320         | 17,620                                | 17,863         |
| Utah                             | 202                          | 561            | 478            | 14                                    | 4              |
| Western Pacific                  | 2,241                        | 2,412          | 2,547          | 4,923                                 | 3,530          |
| <b>Total</b>                     | <b>129,975</b>               | <b>134,372</b> | <b>135,838</b> | <b>102,010</b>                        | <b>98,275</b>  |
| <b>Southwestern District—</b>    |                              |                |                |                                       |                |
| Burlington-Rock Island           | 282                          | 158            | 261            | 151                                   | 299            |
| Gulf Coast Lines                 | 7,222                        | 5,005          | 3,478          | 2,676                                 | 2,502          |
| International-Great Northern     | 2,184                        | 3,137          | 2,002          | 4,152                                 | 3,471          |

## Items About Banks, Trust Companies

At a meeting of the Board of Trustees of the Greenwich Savings Bank, New York City, on Nov. 15, Earl Harkness was elected President and a Trustee and Clarence M. Fincke was elected to the new office of Chairman of the Board. Mr. Harkness, who succeeds Mr. Fincke as President, was formerly Executive Vice-President and a Trustee of the Jamaica Savings Bank.

John F. Flaacke, Assistant Secretary of the Chemical Bank & Trust Company of New York, with which he had been associated for 72 years, died on November 11th at his home in Brooklyn at the age of 88. In point of service Mr. Flaacke was the dean of New York bankers and, in addition, was considered as having held the record for the entire country for length of continuous service with one institution. The bank furnishes the following sketch of his career:

"Born here, Mr. Flaacke entered the Chemical's employ on July 12, 1871, in the Presidency of John Quentin Jones. During his career he had served under seven of the ten Presidents who have headed the bank in its 119 years of existence. When he joined the bank its main office was at Broadway and Chambers, a location considered at that time far uptown from Wall Street.

"Mr. Flaacke often recalled handling the affairs of its world-famous customer, Hetty Green, who in those days used to come daily from her New Jersey home on the Desbrosses Street ferry over the Hudson. Mrs. Green, he once said, required exacting service of the bank's staff on her frequent visits to the institution.

"Mr. Flaacke was a pioneer in many banking organizations. He was a founder of the Bankers Federal Savings & Loan Co., established in 1890 as the Bank Clerks' Co-operative Building and Loan Association, designed to assist employees of downtown institutions to acquire their own home. He was a founder and the first Treasurer of the New York chapter of the American Institute of Banking and was active in the education division of the American Bankers Association. He was Honorary President of the Quarter-Century Club of the Chemical Bank, an organization for officers, directors and employees of the concern."

Colonel Van Santvoord Merle-Smith died of a heart attack at his home at Cove Neck, Long Island, on Nov. 9 after an illness which had its inception while he was serving with our armed forces in Australia. He was born in Seabright, N. J., June 22, 1889, the son of Dr. Wilton Merle-Smith, for many years pastor of the Central Presbyterian Church of New York City. Advice regarding his career state:

He attained distinction in many fields—as a soldier in both World War I and the present conflict; as a banker, lawyer, public servant, yachtsman and all around sportsman. He graduated from Princeton in 1911 and from Harvard Law School in 1914, where he was editor of the Harvard Law Review. He practised law in New York City until 1916 when he went to the Mexican border with Troop C of Squadron A. In World War I, he engaged in the fighting overseas, serving as Captain and then Major of Infantry with the 165th (the old 69th) Regiment of the 42nd Division. Wounded three times, he was awarded the Distinguished Service Cross for gallantry in action. After the armistice Colonel Merle-Smith was attached to the Secretariat of the Peace Conference in Paris in 1919. On his return to this country he became an Assistant Secretary of State and played an active part in the post-war international negotiations of 1920 and 1921. He

returned to the law in 1922 and practised actively until 1931 when he entered the investment banking field as a partner of the firm of Roosevelt & Son. In 1933, with Fairman R. Dick, he formed the firm of Dick & Merle-Smith which continued the investment business of Roosevelt & Son. He took an active part in many important railroad and financial matters, and, representing the Manhattan bondholders, played a leading role in unification of the rapid transit lines of New York City.

Prior to our entry into the war and despite his failing health, he gave up his business interests and offered his services to the Government. In August, 1941, he was recommissioned with the rank of Colonel and appointed Military Attache to Australia. He served in this capacity until the appointment of General McArthur as Commander-in-Chief of the Southwest Pacific area, when he was assigned to General McArthur's staff as Executive Officer of Intelligence. Upon the recommendation of General McArthur he was awarded, last May, the Distinguished Service Medal for "exceptionally meritorious service" in providing supplies for besieged U. S. forces in Bataan, during the Philippine campaign. In August of this year, Colonel Merle-Smith was hospitalized in Australia as a result of strain and overwork and shortly afterwards was invaded home.

The election of William Gordon Murphy to membership on the Board of Trustees of the Williamsburgh Savings Bank, Brooklyn, N. Y., was announced Nov. 10 by Elliott M. Eldredge, President of the bank. Mr. Murphy is a member of the New York law firm of Olin, Clark & Murphy and is Secretary of the Board of Trustees of Wesleyan University.

Carl G. Freese, Connecticut representative of R. L. Day & Co., investment bankers of Boston and New York, was elected Vice-President of the Connecticut Savings Bank, Hartford, at a meeting of the Trustees on Nov. 12. He succeeds the late Carleton H. Stevens. From a local newspaper we quote: "Mr. Freese, who is well known among Connecticut bankers as a specialist in trust investments, was born 51 years ago in Framingham, Mass., and was graduated from Harvard in 1915.

"After a business trip to South America, he went overseas with the U. S. Army Ambulance Service, attached to the French Army, receiving from it the Croix de Guerre and citation in active service. He also served in the U. S. Army Intelligence Service, and was attached to the Commission to Negotiate Peace in Paris.

"On returning to America he joined the firm of R. L. Day & Company, of which his father had been a partner, and has been himself a general partner in the management of the Boston and New York offices."

W. Logan McCoy, President of the Provident Trust Co., Philadelphia, announces these promotions by the Board of Directors, according to the Philadelphia "Evening Bulletin" of Nov. 5:

Edwin A. Soast from Assistant Treasurer to Assistant Vice-President; John A. Leo from Assistant Treasurer to Assistant Vice-President; Robert E. MacDougall from Assistant Trust Officer to Trust Officer.

Announcement was made also of the following new appointments: John W. Cadbury, Allen G. Powell, and William L. Muttart, were named Assistant Trust Officers; Francis C. Trimble, Estate Planning Officer; Frank K. Mears, Assistant Secretary, and Jules S. Bentley, Manager of Deposit Operating Division.

William B. Vrooman, banker and broker, died on Nov. 5 in Philadelphia. Mr. Vrooman, who was 71 years old, was former President of the old Penny Savings Bank, Philadelphia, and in his recent years had been associated with the brokerage firm of Bioren & Co.

The Board of Directors of the Calvert Bank, Baltimore, plan to increase the amount of authorized capital stock and to declare a 100% stock dividend to the bank's common stockholders. The common stockholders will vote on the proposal on Dec. 14. In reporting this, the Baltimore "Sun" of Nov. 10 further said:

At present the bank has common stock of \$200,000, surplus of \$538,000 and undivided profits and reserves in excess of \$475,000.

On payment of a 100% stock dividend the capital structure would be: common stock, \$400,000; surplus, \$538,000, and undivided profits and reserves, \$275,000.

On June 30 deposits of this bank were \$20,203,418 and total resources, \$21,591,354.

Stockholders of the American National Bank and Trust Co., Chicago, are scheduled to meet tomorrow (Nov. 19) to take steps in a program to increase the common capital stock to \$2,000,000 from \$1,000,000.

George E. Barbour of St. John, N. B., was on Nov. 9 appointed a director of the Bank of Montreal. Mr. Barbour is President of the G. E. Barbour Co., Ltd., wholesale grocers and tea importers of St. John, and is well known throughout the Maritime Provinces. He has been President of the St. John Board of Trade, and was Chairman of the New Brunswick National War Savings Committee from 1940 to 1942.

### Treasury Seeks Pennies

The following notice was sent to banking institutions in the New York Federal Reserve District on Nov. 9 by Allan Sproul, President of the local Reserve Bank:

"While more pennies are in existence today than ever before, it is important that a better distribution be effected. Because our supply of pennies has been greatly limited we have been unable to meet the requests of member banks and others for pennies and the available supply has been apportioned under an informal rationing system. Many banks throughout the District have in turn been unable to meet the requests of their own customers and have found it necessary to restrict the distribution of pennies to them.

"In order to effect a better distribution of pennies to meet the needs of banking and business, we shall appreciate your sending us all pennies in excess of your absolute needs, and your urging both your customers and your employees to return their coin savings to circulation as promptly as possible. The cooperation of banks, businesses and individuals in this respect will help in meeting the needs of business and, by lessening the demand for new coins, will ease the production strain on the mints.

"Pennies may be sent to us by express collect."

### Christmas Cards Overseas

Postmaster Albert Goldman of New York City announced on Nov. 8 that the War Department advises Christmas greeting cards for soldiers overseas must be sent in sealed envelopes and prepaid at the first-class rate. The War Department further urges that such cards be mailed at once stating that cards mailed now will, according to the Army Postal Service, reach even the most remote Army Post Offices by Dec. 25.

## International Economic And Monetary Stability Can Be Had By Commodity Reserves—Graham

An alternative plan for international monetary stabilization was offered on Oct. 30 by Professor Frank D. Graham of Princeton University, who holds that international economic and monetary stability can be attained by official purchase and storage of standard commodities.

"The standard we need is ready to hand," Prof. Graham states.

"Plans are already afoot freely to purchase standard storable commodities on the appearance of, and a cushion to, the slump that is sooner or later to be expected in the train of peace." He went on to say:

"If the central bank in any important country, or some international authority, should offer both to buy and, after a reserve of commodities had been accumulated, to sell, freely (i.e. at a fixed price and in indefinite quantities), warehouse receipts covering composite units of such commodities, this would fix the price level of the composite and, at the same time, exert a strong stabilizing influence on the price level of commodities in general.

"Price relationships between all commodities would, however, move as freely as they ever did. The procedure is precisely that of the gold standard except that it applies to a group of important raw materials of industry rather than to a single, and not very important, commodity."

If in addition, Prof. Graham says, "the country or countries inaugurating such purchases should, as of yore, offer to buy and sell gold freely, i.e. at a fixed price, the value of gold in terms of the composite of commodities would be fixed, or, to put it the other way round, the gold price level of the group of commodities would be unchanging.

"The system," he adds, "could thus be inaugurated without the slightest disturbance to existing, or traditional, monetary arrangements. All of the present types of money and bank credit could be maintained, along with the free purchase of gold at the established price. There is small reason now for refusing to redeem our money in gold and there would be none under the proposed system."

Prof. Graham's views are outlined in a paper, "Fundamentals of International Monetary Policy," published by the Monetary Standards Inquiry, New York City, a non-profit research project. The Inquiry is publishing a series of papers by professional monetary economists in an objective study of the broad question of sound monetary post-war reconstruction.

While it is pointed out, the problem is to achieve both monetary freedom and international stability, Prof. Graham contends no coherent international monetary policy can be developed without reference to the domestic monetary policies of the various nations. The ideal, he says, is substantially stable price levels in all countries, with fixed rates of exchange between their currencies. He observes that "there are only three ways unison in the movement of price levels can be attained: "through the spontaneous adoption, by all countries, of congruent monetary policies, or through an international contract involving a commitment, by all countries, of adherence to such policies, or through the imposition of the said policies by force."

Prof. Graham asserts "It seems very unlikely that there will be a sustained reversion to the international gold standard in its pristine form," and says, "so-called managed gold standards are arbitrary and involve coercion, of all other who adhere to gold, by the country which can make its management effective."

"Until we can secure general, and voluntary, adoption of congruent monetary policies, the only means of providing a modicum of international order, within a framework of freedom, lies in a

system of variable exchange rates. . .," he added.

Commenting on the Keynes and White plans, and of the compromise between them, Prof. Graham says their primary defect is that their authors favor fixity of exchange rates in neglect of domestic monetary policies. and, conscious of the disruptive effects to be expected in this situation, present measures of half-hearted coercion of such states as are recalcitrant in their adhesion to some undefined national monetary policy which, it is fondly hoped, will more or less miraculously emerge as the 'norm.' He further states:

"The adoption in any important country of the policy of commodity reserves, along with the restoration of the free purchase and sale of gold (and silver) at a fixed price, would operate to stabilize price levels and the commodity value of gold (and silver) both in the country of adoption and in all gold (and silver) standard countries. It would thus furnish the basis for fixed exchange rates between their currencies. It would also promote an automatic adjustment of all other rates to the current domestic purchasing power of the currencies concerned, thereby securing a constant relationship between the external and internal values of all currencies, and establishing an automatic order in international commercial and financial transactions."

## Senate Committee To Hear Protests Against SEC Nominee

The Senate Banking Committee plans to conduct a hearing this week on protests against President Roosevelt's nomination of Robert K. McConaughy to be a member of the Securities and Exchange Commission it was indicated in an International News Service item appearing in the Washington "Post" of Nov. 8, which further reported:

"This case seems to be that of the appointment of another man with no experience to the Securities and Exchange Commission," said Senator Robert A. Taft (Republican) of Ohio, who has received protests against the appointment.

"It is represented that Mr. McConaughy has no experience whatever in securities or security registration, or in the active practice of the law. He has spent most of his time as a Government employe since leaving law school.

"There probably wouldn't be much question raised if it were not also charged that the SEC is being made up of young New Dealers, mostly lacking in any practical experience. The oldest man on the commission is Judge Healey, and it is reported he will quit."

## Vote Against Equal Rights

The House Judiciary Committee recently voted 15 to 11 against reporting the Equal Rights Amendment. This action came on Oct. 5 but a later reconsideration of the vote is expected. The proposed amendment to the Constitution is pending in the Senate, to which it was reported favorably by its Judiciary Committee in May.