

# The Commercial and FINANCIAL CHRONICLE

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## The Financial Situation

Notwithstanding the continuous warnings about complacency virtual unanimity is evident in official as well as in other quarters that the war in Europe is very likely to come to an end this year. There are many, perhaps they are in the majority, who expect hostilities to cease across the Atlantic during the first, rather than the second half, of the year. There can scarcely be a great deal of doubt that once Germany is definitely out of the war, what is known as reconversion will be begun in earnest in American industry. No underestimate of Japan is implied in such a belief, indeed no estimate of her fighting or staying qualities at all is implied. It simply does not stand to reason that any war that the United Nations could wage against Japan in the circumstances actually existing could possibly make demands upon the industries of those nations sufficient to keep them so largely engaged in the production of war materials and weapons as is the case today. So much materiel could not be transported; there is not land available enough to make use of it; and many types of instruments employed in Europe to good effect could be used profitably against Japan only in limited amounts.

### Time to Get Our Feet on the Ground

Evidently, then, those who insist upon giving some attention to post-war problems and policies at this time are well warranted in so doing. Indeed it appears to us that the post-war era, at least the post-European war era, may well be near enough to make it quite imperative that we get down to hard sense in this matter of laying out plans for it. The time when the vague, grandiose, Utopian dreaming about this "far-off divine event" was in order, if it ever was, has certainly passed. We must get our feet on the ground, and do so without further delay.

(Continued on page 96)

## From Washington Ahead Of The News

By CARLISLE BARGERON

There is a growing feeling among Senators—the conservative ones, whether Republican or Democratic, and many of whom have sons in the armed forces—that Mr. Roosevelt is rendering a distinct disservice by not letting it be known whether he intends to run again, and that he will render an even greater disservice if he does run again. It is coming to be a rather deep-rooted feeling on the part of these gentlemen, and it is not unlikely that something will be heard of it ere long.

It is based on the fact that if he is to be the candidate the conduct of the war is bound to be brought into the campaign. Heretofore, there has been little or no criticism of this. Criticism has run riot on his domestic policies, on his conduct of the home front. But by pretty much common consent his opponents have kept quiet about his conduct of the war. It is becoming more and more apparent that he intends to take advantage of this to get a fourth term. He, himself, has sought to get rid of the label "New Deal," and to turn the country's thinking strictly to a "Win the War" slogan. But even before his statement the steadily played tune of his journalists was that while there might be some difference of opinion about his domestic policies there was a unanimity of opinion that his leadership in the war was brilliant.

His opponents and even many of his thinking friends have squirmed every time they've heard of this contention. It is not a fact. There is far from a unanimity of opinion in Congress,

Democrats and Republicans alike, on his war leadership. We are not talking now about his leadership on the home front; there has long been considerable disquiet about his conduct of our military operations. The disposition has been, however, that he is the Commander-in-Chief until January 1945, and that therefore, nothing constructive can be served by criticizing him in that capacity. Indeed, the disposition of his opponents, being just as patriotic as the New Dealers, has been to go along with the contention of his brilliancy in our military operations for its morale effect.

But if he is to use this as a fourth term campaign, then manifestly his conduct of the war becomes not only a legitimate but a necessary subject for critical review. Such a review it will get and the result is bound to be a raising of doubts when confidence, blind confidence, as a matter of fact, is needed in our military higher-ups. It would be an awful mess, indeed, if there should be a public airing of what has gone on in the privacy of our military councils. But there will be that

(Continued on page 93)

## Record Deposits And Government Bond Holdings Feature N. Y. State Bank Developments In 1943

### Supt. Bell Reports System Stronger Than Ever Before—Recommends Changes In Banking Law

Record-breaking increases in deposits and in holdings of government securities were the outstanding developments in banking in New York State in 1943, Elliott V. Bell, Superintendent of Banks, says in his annual report to the Governor and the Legislature, made public on Jan. 5.

Deposits in banks and trust companies rose \$2,048,000,000 in the first ten months of the year to a new high of \$17,685,000,000, and deposits in savings banks, exclusive of dividends credited, increased \$434,000,000 in this period to a level in excess of \$6,000,000,000, also a new high, the report shows. For mutual savings banks, it was the steepest rise in deposits in their history.



Elliott V. Bell

Government security holdings of banks and trust companies, reflecting the growing requirements of the Treasury for funds, increased \$2,734,000,000 to \$11,301,000,000, or 59% of total assets. About 80% of the Government securities held by banks and trust companies mature in ten years or less, according to Mr. Bell. The mutual savings banks added \$747,000,000 to their investment in Government securities in the ten-month period, raising their total holdings to \$3,082,000,000.

"The remarkable rise in deposits and the fact that virtually all of this increase has been invested in obligations of the United States

Government," says Mr. Bell, "have given the banking institutions of the State an opportunity to strengthen their asset position as never before. In addition to this an improved market for real estate, moderately rising prices and expanding national income have made it possible for banks to dispose of unsuitable assets and to clean up bad loans left over as a legacy of prior years. Although the banking system has been faced with a heavy responsibility in helping to finance the war, it has been, with respect to earnings and assets, experiencing relatively good times."

Mr. Bell says that often in the past banking supervision has been too stringent in bad times. "The time to raise our standards," he continues, "is when prices are rising, income is expanding and dead assets are coming to life—in short, when the national economy is undergoing an inflationary trend. If that is done, bankers can then afford to adopt more liberal lending policies and to give more positive assurance to recovery in any subsequent time of stress."

The end of the war in Europe, now widely predicted for 1944, would bring measurably nearer the period of transition from a

war to a peace economy, the Superintendent says. The banking system of this State, he says, will face its responsibilities in this period of transition confident in the knowledge that it is stronger than ever before.

Mr. Bell says that the Banking Department will recommend a number of changes in the banking law at the 1944 session of the Legislature. The more important recommendations, whose purpose is to cure defects in the law which have been discovered by experience, are as follows:

1. The Department, with the approval of the Banking Board, will recommend that Section 14 of the Banking Law be amended so as to provide that the Banking Board may act by a three-fifths vote of all of its ten members instead of a two-thirds vote. Seven votes are now required for action by the Board. Allowing for a reasonable number of absences on account of illness, special war duties and other emergencies, it sometimes happens that no action can be taken by the Board without the unanimous vote of the entire membership present at a meeting.

2. The Department recommends that Section 96 of the Banking Law be amended to permit State banks, trust companies and industrial banks to pledge assets as security for deposits of public money of the United States. The need for this legislation, says Mr. Bell, arises from the fact that State banking organizations are not authorized to pledge assets to

(Continued on page 95)

## Warns Business Against Neglecting Basic Social Responsibilities

Every business must have a positive program of social responsibility and good citizenship to prosper in the post-war period of peace-time production and competition, in addition to producing its goods and services at the lowest possible cost, Holgar J. Johnson, President of the Institute of Life Insurance, last week told the Advertising Club of Springfield, speaking on "Taking Business Before the Bar of Public Opinion."

"The life insurance companies in recognition of this need have taken a position of leadership in a program of public education through the newspapers of the country to help hold down living costs and prevent a runaway price inflation," said Mr. Johnson.

"In keeping with this new position of business, and the increased importance of public opinion, business has a responsibility to



Holgar J. Johnson

be vocal. Business men can no longer rest their case on their planning or engineering or production departments alone. If business is going before the bar of public opinion for a decision, it is essential that the public be fully informed, that all of the facts about the business be known to those who are going to pass judgment. The business man must realize that it is not enough to do a splendid job and render a great public service, important as that is, but that this service must be made known to the public. Only then can a fair judgment be rendered. And that judgment will be eminently fair, if the facts are known."

"Business has won a substantial amount of public goodwill and approval during the war for its outstanding contribution to the war effort. It will be necessary

(Continued on page 95)

### GENERAL CONTENTS

<b>Editorial</b>	
Financial Situation .....	89
<b>Regular Features</b>	
From Washington Ahead of the News .....	89
Moody's Bond Prices and Yields...	100
Items About Banks and Trust Cos. ....	97
NYSE Odd-Lot Trading .....	101
Trading on New York Exchanges .....	101
<b>State of Trade</b>	
General Review .....	90
Commodity Prices, Domestic Index .....	102
Weekly Carloadings .....	99
Weekly Engineering Construction .....	103
Paperboard Industry Statistics .....	102
Weekly Lumber Movement .....	101
Fertilizer Association Price Index .....	100
Weekly Coal and Coke Output .....	102
Weekly Steel Review .....	101
Moody's Daily Commodity Index .....	101
Weekly Crude Oil Production .....	103
Non-Ferrous Metals Market .....	102
Weekly Electric Output .....	100
Living Costs Index For Large Cities Oct. 15-Nov. 15 .....	103

## \$25,000,000,000 A Year!

"If national solvency is to be maintained, there must be an end to deficit financing as soon as possible after the war.

"While it is too early to foretell what the amount of the nation's post-war budget will be we do know from past experience throughout our country's history that it will likely be several times as great as in the pre-war period—even under the extravagance of the New Deal.

"Fixed charges of Government may easily reach seventeen billions, as follows:

"Interest on \$300 billion national debt, at 2%, \$6 billion.

"Civilian expenditures, \$4 billion.

"Army and Navy costs (rough estimate) \$4 billion.

"Veterans' relief (World War I and II), \$3 billion.

"On top of this it may be necessary to appropriate several billions for unemployment and agricultural relief, rehabilitation loans (domestic and foreign) and other relief measures.

"Thus the immediate post-war cost of government may be around \$25 billion, perhaps tapering off to around \$20 billion as normal conditions are restored.

"These figures do not take into account such amount as may be provided for amortization of the national debt. Whatever amount is determined upon must, of course, be added. If the debt is amortized at the rate of 2% per year, \$6 billion annually would be required for debt retirement. Doubtless this is too rapid a rate of amortization.

"It may be more realistic to assume that it will be paid off at the rate of \$2 or \$3 billion annually, as compared with the \$1,000,000,000 annual rate of retirement of World War I debt during the Republican Administrations of the Nineteen Twenties.

"It appears, therefore, that we may need revenues of from \$23 to \$28 billion in order to meet the cost of government in the post-war period and provide for the orderly retirement of the national debt."—Harold Knutson, ranking Republican member of the House Ways and Means Committee.

When a professed opponent of fiscal profligacy, allowing relatively as little as this for largesse, arrives at a prospective post-war annual budget of \$23 to \$28 billion, the citizenry would do well to take notice—and set its mind immovably upon real fiscal economy when the war is over.

## The State Of Trade

Reports from the heavy industries, generally, last week were not so favorable. Electric power output showed a substantial drop from its previous week's record total; carloadings showed a drop of 117,920 cars for the week; however, steel production showed a rebound from the previous week's low of 10%. Retail trade showed up well in many quarters, department store sales on a country-wide basis being up 22% for the week ended Dec. 25th, compared with a year ago.

Production of electricity is estimated to have slumped to 4,340,000 kilowatt hours in the week ended Dec. 25th, from the record total of 4,612,994,000 distributed in the preceding week, according to the Edison Electric Institute. This figure, which is subject to revision, represents an increase of 18.7% over the 1942 output of 3,655,926,000. Consolidated Edison Company of New York reports system output of 223,600,000 kilowatt hours in the week ended Dec. 26th, an increase of 40.1% over the year-ago figure of 159,600,000.

Carloadings of revenue freight for the week ended Dec. 25th, totaled 641,368 cars, according to the Association of American Railroads. This was a decrease of 117,920 cars from the preceding week this year, 49,897 cars more than the corresponding week in 1942 and 34,866 cars above the same period two years ago. This total was 123.79% of average loadings for the corresponding week of the ten preceding years. Freight loadings in the first quarter this year are expected to approximate 8,138,332 cars, an indicated increase of 1.2% compared with actual loadings of 8,043,164 cars in the like 1943 period, according to estimates by the thir-

teen Shippers' Advisory Boards made public by the Association of American Railroads.

Steel production is scheduled this week at 95.9% of ingot capacity, against 86.3 last week, an increase of 9.6 points, or 10.8%, the American Iron & Steel Institute announced. This week's schedule indicates production of 1,667,000 net tons of ingots and castings, against 1,504,200 tons last week, 1,730,700 tons for the first week of December and 1,659,400 tons for the first week of January, 1943.

Retail buying took on a lighter pace this week as trading slackened from the record Christmas peak, according to the weekly review of Dun & Bradstreet, Inc. Favorable weather helped to lift post-holiday purchases above the level of a year ago, and exchanges were lower than normal because of merchandise scarcities. The extra shopping day before Christmas this year added to sales volume, with the increase for the country estimated 5 to 8% above the corresponding 1942 week. Regional percentage increases were reported as follows: New England, 3 to 5; East, unchanged to 4; Middlewest, 4 to 6; Northwest, 5 to 8; South, 10 to 14; Southwest, 7 to 11, and Pacific Coast, 13 to 17.

Department store sales on a

country-wide basis were up 22% for the week ended Dec. 25th, compared with the like week a year ago, according to the Federal Reserve System. Sales for the four-week period ended Dec. 25th, were up 5%, compared with the like period last year. Department store sales in New York City were off 4% in the week ended Jan. 1st, compared with the corresponding week last year, according to a preliminary estimate made by the New York Federal Reserve Bank. In the previous week ended Dec. 25th, sales of this group of stores were 20% larger than in the like 1942 week.

December department store sales in New York City fell off 1%, compared with the all-time record holiday trade of December, 1942, according to an authoritative source. It is pointed out that the drop would have been far greater had it not been for the fact that stores were open for business one day more in December, 1943, than they were in the corresponding 1942 month. The decline in December business was caused by earlier-than-usual Christmas buying in 1943. Gift purchasing was pushed forward into November as a result of a joint drive by government agencies and stores to spur early holiday shopping. The campaign was successful beyond expectations, with November business rising to the best levels in history for that month.

## Inflation Is Greatest Home-Front Problem J. F. Byrnes Warns

James F. Byrnes, Director of War Mobilization, said in a year-end statement on Dec. 31 that "1944 will be a crucial and hard year on both the battle front and the home front" and warned that prevention of inflation is the greatest problem for civilians.

Mr. Byrnes' statement, in part, was reported by the Associated Press as follows:

"In 1944 all of us hope to see victory in Europe, but the sure way to blast away that hope is for us at home to permit disunity to replace the unity of our people which has brought us so far since the dark days after Pearl Harbor.

"Thus far sacrifices on the home front have been small indeed in comparison with the hardships on the battle front. . . .

"In 1944 the American people will face their greatest problem at home and that is preventing inflation. Thus far Government, with a fine public support, has done a truly remarkable job in keeping our economy stable despite heavy war expenditures and shortages of manpower and materials. But if the pressure groups gain the upper hand, we may lose the peace right here at home.

"Our people must realize that total war means sacrifice at home as well as on the battle front. They must not measure war in terms of what profit they get out of it. They must measure it in terms of what they put into it. No group which places the personal grievances and ambitions of its members above the common good of the country should be allowed to hamper or disrupt the war efforts."

## Costa Rica Restricts

The Costa Rican Congress approved on Dec. 29 a measure providing that persons operating business establishments in the country must have Costa Rican citizenship, according to the Associated Press which reports that expected are foreign business men now established in the country who entered legally and are engaged in the activities set forth in their applications for entry.

The law back effective Jan. 1.

## Message To Soldiers' Wives

### Babson Discusses Post-War Jobs

I want to start 1944 by writing to the millions of service men's wives. So many of you are wondering what your husbands are to do after their return. Certainly, you should not wait until your man gets back before you and he discuss the future. Why not devote to this subject your very next letter to him? Perhaps you will send him this message from me.

### Former Employers Will Be Helpful

If your husband had a job when he was drafted, the chances are nine out of ten that his former employer will be proud to take him back. Not only does the Draft Act require this of employers who are able to do so, but employers will find it good business. This will mean that many women and girls will be obliged to quit industry; but this will be only fair and just.



Roger W. Babson

I wonder, however, if your husband will be content to again be a mere cog in a big wheel after he returns? Men differ. Some are born to work for others and will be happier doing so; while some men will do better in a little business by themselves. Some prefer large cities, while others like small cities and towns. Don't try to make your soldier over into someone else. Try to find out what he likes best; for what he is best fitted and then help him make good. But begin your planning NOW; don't wait until he gets home.

### Big Opportunities Everywhere

Opportunities exist today which will not exist after the War is over. I see them everywhere I go, — vacant stores, closed real estate offices, run-down garages and auto sales rooms, etc. As an illustration, consider the closed and boarded-up filling stations which can be bought today for a third of their cost. To buy now one of these, properly located where a family can live on the property, is like finding money. After the War, they will again be "worth their weight in gold."

Small stores and lunch rooms, where the owner can live upstairs or adjoining, are now for sale cheap. They will be in big demand after the War. No one will get rich in such a place; but it gives independence and assures work to all the family. The same applies to scores of little businesses from barber shops to repair shops of all kinds. There will always be good opportunities for anyone who knows more about any one thing than anyone else in his neighborhood. Yes, it is very easy today, through trade papers and technical journals, for anyone, willing to study evenings, to become a real expert.

### Good Land Is Good Insurance

I think that a piece of land will appeal to many returning soldiers. They have seen that it is for land that this war is being fought. If they are wise, they will want a little themselves. Now, don't buy your husband any isolated land in the woods. Buy within easy walking distance of schools, stores and a church; also reasonably near his job or a bus line to his job; don't make him dependent on an auto. Incidentally, the easiest property to sell in every community is that adjoining a good, live church. Sensible parents like to bring up children near a church.

If you and your husband can't go to a farm and want to go back to town, this is wonderful. However, if you know farming, you had better start with an acre or

two of good land located as above suggested. Don't buy too much land. Better pay \$500 for an acre of rich land nearby than \$50 per acre for poor land further out. The number of acres is of little importance. The value of land lies in its richness and location. The latest scientific agricultural experiments indicate that you can feed your family on a very small plot provided your husband has some "job on the side" to get spending money.

### Buy Merchandise and Bank Stocks

In almost every community there are one or more stores belonging to some national chain. They may be grocery chains or variety chains such as the "5 cents to 5 dollar" kind. Ask your local banker to tell you which of those in your town has its stock listed on the New York Stock Exchange. Buy a few shares. They should be a good hedge against inflation and might also help your husband get a job at merchandising with a growing concern.

Perhaps before buying a chain store stock, it would be well to buy a few shares of stock in your local bank. Now, banks are making very little money; but banking is fundamental. Bank stocks will some day look good again. Besides, it may help your husband get started right to have a few shares of local bank stock and to know the men who run the bank.

### Parents Should Help More

Soldiers who go overseas are coming home with better ideas than when they left. They are learning that much upon which they had heretofore spent time and money was sheer waste. Many will realize that the only things worth while for a family or a nation are: (1) good land; (2) good babies; (3) good education and (4) good character. All else, however much advertised, is only baloney.

I trust that fathers and mothers, as well as wives and sweethearts, will encourage these sensible ideas. Only by so doing can America hope to get something back for the lives and billions spent on the war. Parents, especially, should loosen up and help their young people get started right when they return. Begin to plan for them NOW; remember, "shrouds do not have pockets."

### A Final Thought

Has it ever occurred to you to get a job with the understanding that your husband can have it upon his return. This is a practical idea. It should appeal to every sensible employer and housewife. Your first choice should be where he was employed when leaving for the service; your next choice should be where you would like to have him employed. But the important thing is to forget your wishes and present pay — think of him only!

## WPB Metals Unit Set Up

Creation of a new office in the War Production Board to handle all metals and minerals was announced on Dec. 27 by Donald M. Nelson, WPB Chairman. Appointed to head the new office of Vice-Chairman for metals and minerals is Arthur H. Bunker, who has been associated with war production since December, 1941.

It is understood that this office will deal with the new problem of metal surpluses developing beyond military needs.

## Professor Gustav Cassel Urges Uniform World Currency

### Says United States Offers Finished Model

A reform of the world's monetary system must ultimately aim at a uniform currency which everywhere will be accepted as the sole legal tender of payment, Prof. Gustav Cassel, noted Swedish economist, writes in the fall issue of the Quarterly Review of the Skandinaviska Banken of Stockholm. "The problem is how to manage this monetary system in such a way that there will be no difference in the value of the new currency in different countries. Under existing conditions the project may seem utopian. However, it is bound to gain in reality as we succeed in developing the idea of the United Nations of the world."

Such a unified currency system, Prof. Cassel points out, already exists in America. "The United States has a uniform currency with legal tender in each of the separate states. Although the individual states are responsible for their own finances, they are dependent for their supply of means of payment on the monetary system of the Union as regulated by the Federal Reserve System. This organization has managed to give the dollar in each separate state full parity with the dollar in the other states. Thus we already have here a finished model for a world currency."

"However," the economist goes on, "the time is not yet ripe for such an international currency system. Our endeavors should, therefore, be aimed mainly at giving the various currencies of the world as stable a parity as possible, that is, so far as practicable, at maintaining fixed rates of exchange between the different currencies. This is the first step toward the creation of a world currency. Another essential is that the purchasing power of this currency relatively to goods should be kept at the highest possible degree of stability."

#### Step by Step Procedure Necessary

Prof. Cassel then continues, "Obviously we must proceed step by step. The first step to be taken is for England and America to agree on a fixed rate of exchange between the pound sterling and the dollar. Without such stability no international monetary system is conceivable; but, once such a firm basis of exchange has been provided, a pound-dollar currency, which has every prospect of becoming a world currency, will be immediately created. A currency based on a fixed rate of exchange between the pound and the dollar would at once assume paramount importance for the en-

tire world trade, and every other country would be eager to peg its currency to this pound-dollar basis. At the present stage, therefore, it would be useless to convene an international conference on the rates of exchange. Such a conference could accomplish nothing, unless England and America had previously agreed on this vital point."

An arrangement between England and America regarding a stabilization of the pound-dollar rate implies, however, a commercial agreement which would afford such stable conditions for a reasonably free trade between Great Britain and America as to provide a basis for a proper estimate of the true relative value of the two currencies. "The monetary problem is thus inextricably bound up with questions of commercial policy. If we conceive this problem as having been settled on the lines indicated, the way will have been opened for the creation of a stable international system," Prof. Cassel states, and then continues: "There remains, however, the question of an adequate supply of means of payment in those countries which have rallied round the new world currency. So much importance has been attached to this matter that it has been proposed to create a special international institution for the purpose. Such an institution might suitably be named the 'World Bank.' As I view the matter, the money issued by this bank should be a definite means of payment, not requiring conversion into another currency. A fixed parity should be maintained between the money of the World Bank and the pound-dollar currency."

Prof. Cassel emphasizes that the monetary problem of the future largely depends on a rational world peace, accompanied by an economic policy which will bring world production and world commerce into full swing. Then all peoples will be able to take advantage of the extremely rich possibilities which are being opened up in science, technology and modern business activity.

## Experts Mobilize Under CED For Expanding Post-War Employment And Production

Outstanding experts in manufacturing, marketing, sales, finance, management and engineering have organized to make available to American business during 1944 the latest practical knowledge needed to help them effect an expansion of post-war production and employment to unprecedented peacetime levels, it was announced Dec. 29 by Marion B. Folsom, Treasurer of the Eastman Kodak Co. and Chairman of the Field Development Division of the Committee for Economic Development. Eleven Action and Advisory Committees, Mr. Folsom continued, will make this knowledge freely available to all American businessmen in publications and by direct consultation through the 1,100 community committees of CED now at work in all 48 states.

The announcement was made at the national office of the CED in New York City.

"The most pressing job of the CED in 1943," said C. Scott Fletcher, Director of the Field Development Division, "was to organize businessmen at the community level to study conditions in their own localities and in their own businesses and to take responsibility for devising bold plans for reducing post-war unemployment to the bedrock mini-

can appreciate the size of the job which confronts America in the post-war period. Business is determined to make its contribution to meeting this challenge."

CED's new program is based on the fact that there are six major functions or aspects of post-war planning to be undertaken by an industrial or manufacturing firm:

I. Organization of the firm's overall planning program, including the defining and placing of responsibility in such a way that it will not interfere with war work.

II. Analysis of products, their redesign, or the addition of new products.

III. Analysis of markets, and the planning of sales and advertising programs.

IV. Planning for production facilities required to produce expanded post-war volume.

V. Estimate of number of employees needed for expanded post-war volume and the necessary employee training program.

VI. Analysis of financial requirements for reconversion and expansion for post-war business.

The advisory committees formed from the country's leading experts in these fields will make available specialized knowledge to help business—particularly the medium-sized to smaller firms employing 100 or more persons—to tackle the job of planning for expanded production and employment after the war.

This material will be passed along through the 1,100 local CED committees, as fast as it is ready, to the 2,000,000 individual business firms CED is seeking to stimulate.

In addition to their advisory function, a number of these committees are engaging in an action program to stimulate various sections of business through national channels. This national action program is supplementary to activities of the local committees which are the backbone of the CED movement.

A full list of the national Action and Advisory committees and the work they are doing as officially released, follows:

1. **Consulting Management Engineers Committee** is preparing a handbook for distribution late in January, entitled "Planning the Future of Your Business," covering the six fundamental functions of planning for more peacetime jobs and higher production. This will be available only through community committees of the CED. Edwin Booz, of Booz, Allen & Hamilton, is Chairman. Serving with him are six past presidents of the Association of Consulting Management Engineers.

2. **Marketing Committee** is preparing a detailed analysis of post-war markets for 400 to 600 different commodities, based on a national level of production up to \$142,000,000,000. T. G. MacGowan, Manager Marketing Research Department of the Firestone Tire & Rubber Co., is Chairman. Serving with him are 35 of the country's top marketing and merchandising experts.

3. **New Materials, Processes and Designs Committee** is preparing important facts about new materials and processes to stimulate manufacturers to make goods that will look better, work better and sell for less. G. F. Nordenholt, of Product Engineering, is Chairman. The board of review is composed of the country's outstanding industrial designers, including Egmont Arens, Donald Dohner, Henry Dreyfuss, Raymond Loewy, John Morgan and Walter Dorwin Teague. This material will be presented in a booklet and some of it in sound slide-film, and will be available early in 1944 through local CED committees.

4. **Post-war Sales Personnel Committee** has prepared an outline for a sales training program to prepare business for the job

## Post-War Drive Against Trusts Planned By Dept. Of Justice To Aid Free Competition

The Anti-Trust Division of the Justice Department expects to go back to strict enforcement of the anti-trust laws after the war in an all-out "trust-busting" drive, on the theory that the freest possible competition in industry offers the best hope of solving the problems of post-war reconversion, it was learned on Dec. 30, according to a dispatch written by John Chabot Smith, a Washington correspondent for the New York "Herald Tribune."

The account further said: Wendell Berge, Assistant Attorney General in charge of the Anti-Trust Division, told the New York "Herald Tribune" that the division's activities were now being slowed down by a man-power shortage, but that within 18 months he hopes to have the largest staff in the division's history to work on the backlog of indictments and prepare new ones.

Although suggestions have been made in some quarters in industry and in some war agencies that anti-trust restrictions should be relaxed in the reconversion period, as much as, or more than they have been during the war, Mr. Berge said that was exactly what his division did not want. He added that he was not even certain it was a good idea during the war.

Some relaxation has been possible in specific instances during the war, he said, but in most such cases no real violation of the principles of anti-trust legislation resulted, because the arrangements were made to permit increased production from scarce materials rather than to restrain production. After the war, the opposite problem will arise, and huge surpluses of some materials will pile up even while some shortages of civilian goods continue. Mr. Berge, and three of his staff who took part in the interview, emphasized that in their view the anti-trust

division could perform a most useful service in seeing that these surpluses are quickly absorbed in civilian industry and the shortages quickly overcome.

For example, they said, after the war the demand for military airplanes will drop and there will be a huge surplus of aluminum. If the aluminum is dumped on the market the price will drop and aluminum will be cheap enough to use in automobiles. Similarly, if the price of automobiles drops low enough, the low-priced car might take the place of the used car in the low-priced market and then the inevitable post-war shortage of good cars will not be so hard to bear.

Other aids to quick disposal of war-time surpluses can come by breaking patent restrictions, and making the technological advances of the war available to all industry, they said; and by breaking the international cartels which restrict American export trade, raise the prices of exportable goods, and thus tend to diminish the world markets for American products.

The anti-trust staff conceded that in some cases it might be necessary to hold surpluses off the market temporarily and dispose of them in an orderly fashion; but they asserted that this could be done only by a specific government authority, and not left to the judgment of some loose association of private industry.

of distributing substantially expanded post-war production. Henry L. Porter of the Standard Oil Co. of Indiana is Chairman. The outline will be published in five booklets, and will be available only through a course of sales training programs being conducted in cooperation with local CED committees by:

5. **Sales Executives Clubs** which are staging in January a series of meetings in 56 cities to stimulate planning to meet post-war sales personnel problems. Similar meetings, based on the material prepared by Mr. Porter's committee, will eventually be held in most of the 1,100 CED communities.

6. **Manufacturing Committee** is preparing a special program of intensive nature to stimulate manufacturers to make their maximum contribution to expanded post-war production and employment. T. V. Houser, Vice President of Sears, Roebuck & Co., is Chairman.

7. **Trade Association Committee** is undertaking a national action program to assist all trade associations to tie in their plans with CED for stimulating planning for expanded production and employment on an industry-by-industry basis. Pyke Johnson, Chairman of the Automotive Safety Foundation, is Chairman.

8. **American Association of Advertising Agencies** is engaged in a program to stimulate all advertising agencies to prepare now for the part they will play in helping to sell the expanded peacetime production of industry. Dr. L. D. H. Weld, of McCann-Erickson, Inc., is Chairman.

9. **Advertising Federation of America** is organizing a program to stimulate all branches of advertising, especially on the community level, to play their part in helping business to reach its post-war sales goal.

Advisory and Action Committees to function in the field of retailing and business finance are in the process of formation and will be announced later.

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## Bankers Acceptances Ruled 'Securities'

With respect to an inquiry as to whether bankers' acceptances are "securities" within the meaning of General Ruling No. 17, relating to foreign funds control, the Treasury Department has replied in the affirmative.

J. W. Pehle, Assistant to the Secretary in making this known on Dec. 22 said:

"Bankers' acceptances and commercial paper are 'securities' within the meaning of General Ruling No. 17, notwithstanding previous advice that short-term commercial paper was not to be considered as 'securities' within the meaning and for the purposes of Public Circular No. 14, and that letters of credit, checks, and travellers checks were not to be considered as 'securities' within the meaning and for the purposes of General Ruling No. 5."

## Senate Group To Study White-Collar Status

The plight of the nation's estimated 15,000,000 white-collar and professional workers will be the subject of a Senate inquiry next month.

The Senate Education and Labor Committee has scheduled Jan. 25-27 for its subcommittee on Wartime Health and Education to conduct public hearings.

Senator Thomas (Dem., Utah), Chairman of the committee, and Senator Pepper (Dem., Fla.) will receive the testimony of various participants.

A group of 50,000 organized members of the United Office and Professional Workers of America, Congress of Industrial Organizations affiliate, complained recently to War Mobilization Director James F. Byrnes that the income of white-collar workers is insufficient to maintain health and efficiency, according to the Associated Press.

## Germany's Defeat Anticipated By Wallace Shortly After Invasion

Vice-President Henry A. Wallace predicted on Dec. 26 that Germany will be defeated within a few months after Allied troops make a "successful, broad-scale landing" in Western Europe, and he also forecast that the Allies will make "rapid progress" against the Japanese in the Pacific "once the Germans are out of the way."

We quote from Washington advices, Dec. 26, to the New York "Herald Tribune," which also had the following to say:

"Mr. Wallace's prophecy as to Germany, when considered in connection with widely voiced unofficial speculation that the second front assault in Europe will begin late in April or early in May, carried the implication that he believes Germany will be beaten into surrender by late summer.

Mr. Wallace's guesses for 1944, and his rating of what he called the four greatest accomplishments of 1943, were offered in an interview with Ernest K. Lindley over a National Broadcasting Company network.

"Unless Germany has a really effective secret weapon," Mr. Wallace said in discussing the future, "I would anticipate the complete destruction of German military power in a few months after a successful second front has been opened—provided, of course, that we maintain our will to fight at a high pitch on both the domestic and military fronts. There must be no let-downs, no overconfidence.

"By a second front I mean a successful broad-scale landing of Allied troops. Such a drive, coordinated with a full-scale offensive by the Russians and with an offensive by our own troops in Italy, will quickly place the Germans in an impossible position.

"In the Pacific our technological superiority over the Japs should enable us to make rapid progress, in coordination with the British, the Dutch, the Anzacs and the Chinese, once the Germans are out of the way."

On another point, the Vice-President declared that the huge debt America will have after the war will not prevent the nation from being prosperous "if we can keep people fully employed."

"We can pay the interest on this debt and have a standard of living higher than that of the decade of the '30s," he said. "All that is necessary is to have full employment. Full employment will give us a national income of \$130,000,000,000. With such an income we can carry the interest on our war

debt even easier than we did after World War I."

Mr. Wallace offered three other forecasts:

On civilian prospects — "I believe that in 1944 the need for sacrifice on the home front will be made a reality for every one of us and that we shall develop a willingness to work and sacrifice together in harmony."

On permanent peace — "The modern airplane and modern explosives, together with technological changes just around the corner, leave us only two choices—an enduring peace or unthinkable destruction—destruction far beyond anything we have seen yet. I believe it is possible to organize and maintain an enduring peace. . . . The American people have learned a lot as a result of their experience during the last 25 years. This time, regardless of party, they will hold the statesmen of this country accountable for definite results in laying the foundations for a long lasting military and economic peace."

On American help for people of the devastated areas — "We should be prepared to bear our proportionate share with all the other United Nations, being willing to go just as far as any of them and remembering that the rapid reopening of the European market on the basis of healthy, active human beings is much more than charity. It is good business in dollars and cents and, even more important than that, it is the first payment on a permanent peace insurance policy."

As for 1943, Mr. Wallace rated the following as the year's four greatest accomplishments: 1. The starting of the enemy into a retreat on all fronts. 2. The conferences at Moscow, Cairo and Teheran, symbolizing the unity of the four great Allied nations. 3. The production record of American factories, and 4, the food conference at Hot Springs, Va., and the conference of the United Nations Relief and Rehabilitation Administration at Atlantic City, as pointing toward understanding and active cooperation among the United Nations and associated nations.

## Grew Thinks Japs Could Keep Peace Through Non-Military Emperor

Joseph C. Grew, former Ambassador to Japan, said on Dec. 29 that Japanese emperor-worship could become an asset in keeping the peace and suggested it might be well to have post-war Japan run by "a peace-seeking ruler not controlled by the military."

While Mr. Grew, now a special assistant to Secretary of State Hull, emphasized that he was speaking only for himself, this was the first implication from any State Department official, according to the Associated Press, Chicago advices, as given in the New York "Herald Tribune" that a member of the Japanese royal family might be called on to aid in forming a new Japanese government once the military clique around the throne has been defeated.

Regarding Mr. Grew's remarks before the Illinois Education Association, at Chicago, the Associated Press further reported:

He said he knows some people in this country regard Shintoism, involving emperor-worship, as "the root of all evil in Japan," but that he disagrees. He said the Japanese people are easily led and could be turned to the ways of peace by an emperor so inclined and not controlled by the military.

Mr. Grew said the proper atti-

tude to take in the re-education of Japan is "a helpful, co-operative common sense spirit, devoid of browbeating or vindictiveness, with emphasis laid upon what the Japanese would have to gain by playing the game with the rest of the world."

After the long war has ended in decisive victory, he said, we would be wise to "offer the Japanese people hope for the future."

If the United Nations place "a fence around Japan and let her stew in her own juice," he added, "they would be creating a festering sore with permanent explosive tendencies."

Japan must be allowed to develop normal commercial and industrial relations, he declared, after a period of probation during which she is purged of her fanatic militarism.

## Lewis' Union Paper Criticizes New Administration Slogan

An editorial in the current issue of the United Mine Workers "Journal" commenting upon the discarding by President Roosevelt of the term "New Deal" in favor of a "Win the War" slogan, says that the New Deal died six and a half years ago and calls the "Win the War" emblem an effort to cloak a political party.

The miners union is headed by John L. Lewis, who broke with the Administration after supporting it for two terms.

Washington advices Dec. 30 to the New York "Times" reporting the foregoing, quoted the editorial as saying:

"President Roosevelt's belated acknowledgment that the 'New Deal' is dead as such could have been well made, and honestly so, in mid-1937—six and one-half years ago—for it was during the Little Steel strikes of that year when intelligent labor leaders first learned of the President's fear that the rapid organization of the rank and file of American workers into unions might reach such huge totals as to give to the American workingman that degree of economic and political power which banking, business and industry, as well as those of the upper social caste, coupon clippers and the self-anointed ruling class boys, deemed unwise for the workers to possess in these United States.

"All of the social and control legislation which was enacted during the first years of the 'New Deal' would have resulted in time, out of necessity, for the very sound reason that it represented needed reform long overdue."

The period of the Little Steel strikes, the editorial continued, made it "a matter of common gossip in big business circles that the 'New Deal,' as such, was dead." For that reason, and since the President's second term still had some time to run, The Journal said, Mr. Lewis felt it was prudent for "labor to play its hand out and get along the best it could for the remainder of the second term."

"To us it seems incredible," it went on, "that, in shifting from the 'New Deal' emblem, the domestic situation being what it is, the utter confusion which prevails as regards mustering out our fighting men and the complete lack of plans for the transition from a wartime to a peacetime economy, the erstwhile 'New Dealers' would have the audacity to adopt as a new political slogan the one thing which all Americans are agreed upon—'Win the War.'"

"It has a greedy ring like trying to rob the people of their birth-right—of appropriating the people's wartime prayers and their every desire—to cloak a political party. In a democracy, when patriotism is involved against a common foe, the President of the United States, or a political party, has no more right to patriotic claims than the humblest citizen."

The President's intention to discard "New Deal" as a slogan and replace it with "Win the War" was noted in our Dec. 30 issue, page 2645.

## New WPB Copper Branch

The War Production Board announced on Dec. 29 that its Copper Division has organized a new branch, called the Copper Recovery Inventory Branch. The WPB said that this action was taken because the Copper Recovery Corp. is winding up its affairs and that while the copper purchasing program is being brought to an end the need for redistributing copper and copper-base alloy material on an "as-is" basis still exists.

## President Explains New "Win The War" Slogan Dismisses Fourth-Term Query

President Roosevelt explained to his press conference on Dec. 28 the reasons for the discarding by him of the term "New Deal" in favor of "Win the War" but dismissed as picayune a question of whether this added up to a fourth-term declaration.

In reporting his remarks, Associated Press Washington advices said:

"The President said a new doctor—Dr. Win-the-War—was called in to take care of the United States after the war started because old Dr. New Deal, a specialist in internal disorders, wasn't equipped for the emergency job.

He said Dr. Win-the-War now had the patient back on his feet but he won't be cured until the war is won.

"Doesn't this all add up to a fourth-term declaration?" a reporter asked during a news conference discussion of the Administration's farewell to its "New Deal" slogan.

Obviously irritated, the President said the fourth term hadn't been under discussion and described the question as picayune. Then, smiling once more, he described the word picayune as a grand one and said he knew the questioner wouldn't mind because he had to say something like that.

The exchange came during a long news conference discussion in which the President used a parable to describe the passing of the New Deal doctor.

"I don't mean to be picayune," a woman reporter put in, "but I'm not clear about this parable. I always thought of the New Deal as dynamic. Do you have to leave it off to win the war, or was the patient cured?"

The President replied that the New Deal was called in to take care of the nation's internal ills in 1933. After the war, he said, there will have to be a new program to meet new conditions.

It is clear, he added, that we must plan for expanded employment, recreation, better housing and the like so the conditions of 1932 won't come back. When victory comes, he said, the new program must be tied in with the things that are going on in other countries. We can't be economic isolationists, he told the reporters, any more than we could be military isolationists.

Beginning his parable in high good humor, the President said the subject of slogans—New Deal and Win-the-War—comes around to the puerile and political side of things. Then he went back to the start of the New Deal.

In 1932, he said, the United States was a very sick patient, woefully ill of internal disorders. Some people thought he wouldn't live. So they called in the doctor (the New Deal's first term).

The President said the allegory was as simple as spelling C-A-T—but said some people with good educations had to be told how to spell it, so he thought it would be well to remind the people of specific remedies the doctor prescribed for the patient between 1933 and Pearl Harbor.

He said he had jotted down about 30 things and he read off many of them: Federal Deposit Insurance, Home Owners' Loan Corporation, farm resettlement, WPA, PWA, the Securities and Exchange Commission, slum clearance, old age insurance and unemployment insurance.

As he listed the remedies he interspersed observations that some people would like to do away with the remedies and go back to the old conditions but he didn't think the country would want to do away with them.

The patient, recovered from his internal disorders, was in a bad smash-up on Dec. 7, 1941, the President said. He broke several bones. The old doctor didn't know anything about surgery so they got Dr. Win-the-War to take over.

Now, he said, the patient has laid aside his crutches and he's back on his feet, but it won't be

## Lend-Lease Aid To Russia \$3.5 Billion

Leo T. Crowley, Foreign Economic Administrator, announced on Dec. 28 that shipments of lend-lease goods to Russia to the end of October amounted to \$3,550,443,000, with shipments for the first ten months of 1943 about 63% higher than in all of last year. Of this total, \$1,991,102,000 constituted military items, \$964,786,000 industrial materials, and \$594,555,000 foodstuffs and agricultural products.

Mr. Crowley said that among the military items sent to Russia were nearly 7,000 planes—more than has been sent under lend-lease to any other area. Other items included more than 3,500 tanks, 130,000 sub-machine guns, nearly 150,000 trucks, 25,000 jeeps, 225,000 field telephones and 750,000 miles of field telephone wire made up part of the other military items that have been shipped to the Russian armies.

Mr. Crowley's announcement added, according to Washington advices to the New York "Journal of Commerce":

"The industrial items sent to the USSR have helped the Soviet to expand its production of munitions. They have included more than 1,000,000 tons of steel, almost 350,000 tons of non-ferrous metals, almost 400,000 tons of chemicals and explosives, 600,000 tons of petroleum products and more than 18,000 metal cutting machine tools.

"The foodstuffs shipped to the Soviet Union are supplied to offset the loss of domestic crops resulting from Nazi invasion of a large part of Russia's most fertile crop land. Food shipments have consisted largely of wheat, flour, meat, fats and oils. More than 10,000 tons of seeds have been sent to assist the USSR to increase production of food on its own soil. The food shipped to the Soviet Union is a small fraction of the United States total supply, but it has been vital for the maintenance of the Soviet Army's rations."

## Extend Farm Labor Bill

President Roosevelt was reported to have signed on Dec. 24 a resolution extending until Jan. 31, 1944, the terms of the measure providing for a supply and distribution of farm labor for the calendar year 1943. The farm-labor recruitment program, principally involving the migration of Mexican or Canadian nationals, was due to expire at the end of this year. The one-month extension of the program is designed to give the Senate time to settle a controversy over an appropriation for the 1944 program. The House had approved on Dec. 17 a measure providing \$33,750,000 for the 1944 farm-labor program.

a complete recovery until the war is won. That's where the principle emphasis must be now, he added.

The President emphasized that the 1933 program was for the conditions of 1933 and postwar plans would have to be for post-war conditions. But things will have to be planned, he said, so that the conditions of 1932 won't come back again.

Previous reference to the adoption of the "Win-the-War" slogan appeared in our issue of Dec. 30, page 2645.

## From Washington

(Continued from first page)  
 airing, inescapably, if Mr. Roosevelt runs again, or if he keeps quiet much longer about his plans. There would be an airing of the question of just how much politics has affected military decisions. It would make a very sickening revelation, believe me.

For one thing, several of Mr. Roosevelt's journalist friends, wrote after our forces landed in North Africa, just after the Congressional elections in November 1942, that this proved he was wholly unpolitical when it came to the conduct of the war. Because it would have been easy, had he been so inclined, it was claimed, to have conducted the invasion just a few days before the elections and thereby headed off the striking Republican gains. Well, nobody wanted to challenge that statement. The fact has since been revealed, however, that the invasion was originally scheduled for a few days before the elections but was held up by bad weather.

It seems to be the disquieting fact now, too, that relations between the War Department and the White House are not what they should be. In the welter of agitation that followed the anonymous New Year's Eve blast by General Marshall the significant story has been completely missed that the burden of the General's remarks was more anger at the way the President had handled the threatened railroad strike than at the railroad workers. If the whole story of this dramatic episode could be told, it would be known that Marshall, with the support of Stimson, was more or less in defiance of the President; that he had become so fed up on Presidential ineptitude that he was getting something off his chest, let the consequences from the President be what they may.

We may be wrong but it is our distinct impression that the President's seizure of the railroads annoyed Marshall more than the threat of the workers themselves to strike. And it is a fact that few members of Congress think the seizure was necessary. The impression is pretty general in official and journalistic circles here that the action was one of those impetuous moves on the part of the President, in this instance, to show "firmness." The labor leaders and the railroad leaders were taken completely by surprise, and no one in the War Department was consulted, insofar as can be ascertained.

There is a serious question as to whether the General didn't blunder himself. Certainly if the threatened strikes or the seizure of the railroads were being made use of to bolster up the morale of the enemy and to persuade the satellite countries to hold on, as he contended, his definite statement of its cost to us, will be of even more enemy service.

But to our mind, inasmuch as this is all pretty debatable, the important thing would seem to be the friction that exists between the Commander-in-Chief on the one hand and the Secretary of War and Chief of Staff, on the other. It is not a pretty situation for the millions of men in the armed forces and their parents back home.

The recent remarks of the veteran Peyton March, Chief of Staff in the last war, become of more significance. The old general sharply criticized our dispersal of forces over some 50 fronts. Pointedly, he recalled that last time we had a Supreme War Council, with General Foch and General Pershing. We didn't have to depend on Casablanca and Ottawa conferences, he said. At the time we took this as a bit of petulance on the part of the general. But there is apparently more going on in the military high command than we had suspected.

## Fewer New Dwellings in 1944 Looked For

Approximately 225,000 new non-farm family dwelling units will be started in 1944, a third less than the 344,000 units put under construction during 1943, Secretary of Labor Perkins reported on Jan. 1. "The 1943 total is only two-thirds the 496,600 units started during 1942 and less than half the number started during 1941, when the post-depression high of 715,000 units was reached," she said.

"The decline in 1944 is expected to result principally from curtailment of the Federally financed war housing program. About the same number of privately financed units will be started during 1944 as were started during 1943.

Secretary Perkins further indicated:

"About 182,000, or slightly over half, of the 344,000 family dwelling units put under construction during 1943 were privately financed, mostly under the war housing program of the National Housing Agency. This is three-fifths of the number of privately financed units begun during 1942 and, about three-tenths of the number started during 1941 before material shortages and consequent governmental restrictions seriously affected the volume of this type of construction. The 1943 volume of private residential building was the lowest in any year since 1920 excepting three years, 1932-34.

"Publicly financed war housing projects containing 162,000 family dwelling units were put under construction contract during 1943. This was a sixth less than the 195,400 units put under contract during 1942 but substantially more than during any other year. All of the units started during 1942 and 1943 are reserved for families of war workers or military personnel.

"Of the 182,000 privately financed family dwelling units started in 1943, 135,600 are 1-family dwellings, 17,600 are in 2-family houses, and 28,800 are in multi-family structures. The number of privately financed 1-family units started during 1943 declined 47% from the 1942 total, while the number of 2-family units increased slightly and the number of multi-family units decreased only 8%. Over 95% of the publicly financed family dwelling units started during 1943 were in temporary type of structures. During 1942, over one-fourth of all publicly financed units started were permanent types. Both the reduced prominence of privately financed 1-family units and the increased proportion of publicly financed temporary units resulted from the need to conserve scarce building materials.

"The number of new family dwelling units started during 1943, as compared to 1942, increased 42% in the Mountain States. The number started in the other regions decreased from 11% for the West South Central States to 53% in the West North Central States. One-fourth of the new units started during 1943 were in the Pacific States, while over a third were located in the East North Central and South Atlantic States.

"Thirty-six percent fewer new units were started in rural non-farm areas during 1943 than in 1942, while the volume of units located in urban areas declined 26%. The number of units started in cities of 2,500 to 5,000 population declined the least, 11%, while the greatest decrease, 36%, was in cities of 10,000 to 25,000 population.

"The valuation of the 344,000 non-farm family dwelling units started during 1943 is estimated at \$880,000,000, a decrease of 43% from the \$1,539,000,000 estimated for 1942. The increased proportion of publicly financed units, with relatively low average valuations, were mainly responsible for the greater decline in valuations than in volume of units.

"These estimates, based on building permits issued and Federal construction contracts awarded, are prepared by the Bureau of Labor Statistics of the U. S. Department of Labor. The non-farm area of the United States is defined as including all incorporated areas and all unincorporated areas except farms."

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## Directs Broader Use Of Synthetic Rubber

A new directive was issued to rubber manufacturers on Dec. 23 by Rubber Director Col. Bradley Dewey designed to further restrict consumption of the nation's limited natural rubber stockpile.

The amendment to the basic rubber regulation, affecting a large number of items known as "mechanical goods," either reflects a prohibition in the use of crude rubber or reduces the amount of crude permitted in their manufacture. Conversion to synthetics is not expected to result in curtailment of supplies of any of the items, according to the Office of the Rubber Director.

With regard to the regulations advised to the New York "Journal of Commerce" from its Washington bureau Dec. 23 said:

The new regulation will be known as Amendment No. 2 to Rubber Order R-1, as amended Dec. 4, 1943. It will take effect on Jan. 1, 1944.

In general, the new regulation amends Rubber Order R-1 as follows:

1. It eliminates use of crude rubber wherever possible, and reduces the amount of crude in products where use of some natural rubber is absolutely essential.
2. It eliminates the section of the basic rubber regulations which specified use of certain compound grades (synthetic plus natural rubber) by the rubber industry. Specific percentages of crude rubber or latex have been submitted for each product which is permitted to be manufactured.
3. It reincorporates in the basic rubber regulations certain allowances for small-scale use of colored rubber for purposes of identification. The color regulations were included in the original rubber order but were omitted from the order as amended Dec. 4, 1943.

## Deferred Demand For Consumer Goods Large

A deferred demand for 10,000,000 automobiles and 20,000,000 radios at year's end was revealed on Dec. 31 in estimates by the National Association of Manufacturers.

The estimates were made by Noel Sargent, Executive Secretary of NAM and nationally known economist in an analysis, "POST-WAR CONDITIONS & TRENDS."

Pointing out that similar figures of deferred demand could be shown for a variety of other products such as washing machines, nylon stockings, and electric toasters, Mr. Sargent's estimate of accumulated "unused" buying power now totaled some \$58,000,000,000, made up of \$27,000,000,000 in war bonds, \$26,000,000,000 in individual bank deposits and \$5,000,000,000 in instalment credit.

Explaining the purpose of the analysis, Mr. Sargent said in the foreword:

"The question which confronts each manufacturer as well as manufacturers as a whole is the determination of what should be done now, in the light of these anticipated conditions, to prepare for the post-war period. This question can only be answered only when we have reasonably adequate knowledge of what the post-war conditions may be."

## N. Y. State Chamber Urges Congress Postpone Action On Bill For Further Social Security

### Says Security Through Jobs In Private Enterprise Should Be Immediate Concern Of Government.

Declaring that security through jobs in private enterprise—not increased Social Security—should be the immediate concern of the Federal Government, a report made public on Jan. 2 by the Chamber of Commerce of the State of New York, urges Congress to postpone action on the Wagner-Murray-Dingell bill and all other such "palliatives" until after the war.

Drawn by the Special Committee on Social Security, of which Gilbert H. Montague is Chairman, the report states:

"Social security being primarily an unemployment problem, it is obvious that the best and most complete social security is a job.

"Social insurance being only a palliative for a job, Government policies toward business that result in jobs are better than social insurance for maintaining social security, and provide the best and most complete social security."

Accepting the view of authorities that a country whose rate of unemployment is not more than 5% can adequately provide for its unfortunates with social insurance and social services—such as individual savings, and insurance whether life, industrial, or group and social welfare, whether philanthropic or governmental—the report continues:

"Unemployment rates in the best years during the 1920's were only one-third to one-fifth of the 5% danger mark, and were only one-eighth to one-fifteenth of the unemployment rates in the best years from 1933 to 1940.

"Unemployment rates in the best years from 1933 to 1940 were two to three times the 5% danger mark, and were eight to 15 times the unemployment rates in the best years during the 1920's.

"Comparing the best years during the 1920's with the best years in the period from 1933 to 1940, the social-security-and-job record of the 1920's was eight to 15 times as good as the social-security-and-job record of the period from 1933 to 1940."

Referring to the American servicemen and war-workers who will return to peace-time pursuits, the report continues:

"They will have seen American industry, under the management of men whom the Government from 1933 to 1940 period derided as economic royalists and harassed with restrictive legislation, dras-

tic regulations, and innumerable other handicaps, raise the national production from \$91,000,000,000 in 1940 to \$181,000,000,000 in 1943, thus achieving in three years an industrial miracle many times exceeding the all-out war production to which Germany devoted ten years and Japan more than 25 years.

"Will these millions of American workers accept the National Resources Planning Board's theory that in 1930 the American economy suddenly became mature and stagnant, afraid of venture and clinging to security, and that now unemployment must continue to rise, and must require an ever-increasing redistribution of income and wealth through ever-increasing social insurance deductions subtracted from their pay envelopes?"

"Or will they ask:

"What did the Government policies toward business in the 1920's have, which the Government policies between 1933 and 1940 lacked, that held unemployment rates in the 1920's down to one-eighth and even one-fifteenth of the unemployment rates between 1933 and 1940?"

"These questions reach down into the fundamentals of American social and economic life.

"A nationwide debate of these questions cannot fail to be of the highest educational value in determining the future course of American social and economic life, provided the debate occurs and the decision is made with the participation of 10,000,000 American servicemen and 51,000,000 other American workers, after they are freed from their present wartime duties, and can see the post-war world, and can probe the social-security-and-job values of Government policies toward business in the 1920's, as compared with Government policies toward business in the period from 1933 to 1940."

## US Investm'ts In Axis Countries Over \$1 Billion; Total In All Foreign Areas Over \$9 Billion

The Treasury Department announced on Dec. 27 that the American stake in the six Axis countries stands at \$1,070,398,663 in the latest tabulation of the Treasury's census of American-owned property abroad. This amount, though certain to increase greatly as further reports are totaled, already far exceeds the estimated \$450,000,000 value of all known Axis assets in this country, said the Treasury advices, which likewise

said:

"Total investment in all foreign countries revealed by the tabulation is \$9,210,510,816, with a market or estimated value of \$8,909,922,915. These figures are incomplete since all of the reports filed have not yet been reviewed. In addition, extensions have been granted to a number of corporations and other persons because of the complexity of their property interests. The final tabulations are expected to increase the totals by several billion dollars."

The Treasury's announcement further stated:

"The Treasury pointed out that the census should not be regarded as closed merely because the specified date for filing reports has passed. Any person holding foreign securities or other foreign property who has not complied with the reporting requirements should immediately send his report, with a brief statement explaining the delay, to the nearest Federal Reserve Bank. The Department is interested in the early receipt of the information called for on the forms rather than the

application of penalties. However, wilful failure to file will invite penalties.

"In the 121 countries and other areas covered by the reports, values now reported range from \$4 in Transjordan to \$3,112,184,625 in Canada, which represents 34% of the total. Other major countries are Germany, in which the American stake is listed at \$769,912,474, or 8.3%, and the United Kingdom, with \$622,892,213, or 6.7%. The total for the 18 countries in which the amount reported exceeds \$100,000,000 is about \$7,750,000,000, or approximately 84%.

"American investments reported in Latin America are heavy. They reach \$2,494,000,000 in the present figures which are certain to be increased. The amount in Cuba, \$614,466,638, nearly doubles that in the next country, Brazil, where the figure is \$337,242,028. The investment in the Argentine is also substantial, being \$310,596,391, whereas the amount reported so far in some South American countries such as Bolivia, with \$32,400,520, is relatively small."

## United States Trust Co. Net Earnings For 1943

Williamson Pell, President of the United States Trust Co. of New York, announced on Jan. 4 that net operating earnings for 1943 amounted to \$1,741,420 compared to \$1,576,655 in 1942. In addition net profits from the sale of securities totaled \$294,401 and were transferred directly to securities valuation reserve. After dividend payments of \$1,400,000 and a transfer of \$50,000 to write down the value of the banking premises, \$37,000 was transferred to general reserve and the balance of \$254,420 was added to undivided profits bringing that account to \$2,349,981.

In the report to stockholders the statement of earnings is presented in more detail than heretofore and for the first time reveals that income from trust operations amounted to \$2,655,267. Mr. Pell stated that income from this source is subject to considerable variation from year to year depending on the frequency of estate and trust closings, but allowing for such fluctuations, trust income has shown marked stability and the company has obtained a substantial increase in the total volume of its fiduciary business in recent years.

Mr. Pell reported that due to an increase in loans during the year and by additional purchases of United States Treasury obligations, income from invested assets showed a marked increase over the previous year. In addition to the usual collateral loans to individuals, brokers, and dealers, the company has participated with other banks in credits involving war contracts and has in general broadened its loaning and banking policies with very satisfactory results. In conclusion, Mr. Pell stated the views of the management concerning the future of the company's business, remarking that present high tax rates are retarding the accumula-

tion of new wealth and are taking a heavy toll of existing savings as they pass from one generation to another. He stated that despite these influences the company looks forward to continued service with full attention to improved methods of operation and trust management. As to the future he said, "in these changing times your company is charting a course to take the fullest advantage of its opportunities. In this endeavor we are fortunate to possess capital funds, accumulated since 1853, in excess of present banking requirements. As current trends unfold we propose to utilize that capital to a much fuller extent by broadening our operations and amplifying the services which we are equipped to render to our customers, both in banking and in trust fields."

Mr. Pell reported that as of Dec. 31, 1943, deposits were \$114,707,133, compared with \$108,662,286 on Dec. 31, 1942. Loans and bills purchased amounted to \$30,279,348, against \$20,566,461 a year ago and holdings of United States Government securities were \$74,702,667, against \$70,758,425. Capital and surplus were unchanged at \$2,000,000 and \$26,000,000, respectively, and undivided profits were \$2,349,981, against \$2,095,561.

All trustees whose terms expired were elected for further terms of three years.

## Allocations Of Geographical Credits For Sales In Fourth War Loan Drive

In preparation for the Fourth War Loan Drive which will open on Jan. 18, Allan Sproul, President of the Federal Reserve Bank of New York, calls to the attention of all banking institutions in this district the manner in which credits will be given on a geographical basis for sales made during the drive, and the procedure under which customers of such institutions may allocate credit for all or part of subscriptions entered for their account to counties other than those which would normally receive such credit. In the notice sent out on Dec. 24, Mr. Sproul, explains:

"The Treasury Department has emphasized on several occasions the importance of having subscriptions entered and paid for through the banking institutions where the funds of the subscribers are located, in order to avoid unnecessary shifts of deposit balances from one part of the country or from one institution to another. A transfer of funds for the purpose of entering a subscription elsewhere not only constitutes a possible disturbance to bank reserve positions but customarily involves substantial and unnecessary work. Such a transfer serves no proper purpose which cannot be accomplished by a statistical allocation of credit for the sale. Accordingly, in order to prevent transfers of funds, the Treasury will provide the procedure explained below for allocations of credits for sales during the Drive. It is suggested that this procedure be studied by the members of your staff who will work on matters pertaining to the Drive, and that it be brought to the attention of your customers who you believe may wish to make such allocations in connection with subscriptions entered for their account.

### Geographical Credits for Sales

"Credit for sales of Series E War Savings Bonds will be given in general to the county in which the issuing agent is situated, except that sales of such bonds issued directly by the Federal Reserve Banks and the Office of the Treasurer of the United States will be credited according to the addresses of the registered owners.

"In the absence of a specific

request for allocation elsewhere, credit for sales of 2½% Treasury Bonds of 1965-70, 2¼% Treasury bonds of 1956-59 and 7/8% Treasury Certificates of Indebtedness of Series A-1945, and Treasury Savings Notes, Series C, will be given to the counties indicated by the addresses of the purchasers appearing on the subscription forms received by us, except that in the case of subscriptions for such issues entered in New York City for the account or nonbanking corporations other than insurance companies credit will be given to the counties in New York City in which such subscriptions are entered. Credit for sales of Savings Bonds of Series F and Series G will be given to the counties indicated by the addresses of the registered owners.

### Allocation of Credit for Sales upon Request

"If a purchaser desires that credit for the sale of any security except a Series E War Savings Bond be allocated to a county or counties other than the county to which credit would be given under the rules stated above, such allocation may be made, subject to the following limitations:

"1. No allocation may be made in respect of any sale to an insurance company. Such a sale will be credited to the county in which the head office of the company is situated.

"2. A request for allocation on behalf of the purchaser prepared in the manner outlined below should be delivered to the Federal Reserve Bank at the time the related subscription is filed. No allocation may be made after the subscription has been filed.

"3. Credit will be allocated only by counties. If a purchaser desires

to distribute credit among several communities within a single county, the total credit will be allocated to the county and arrangements should be made by the purchaser with the county chairman of the War Finance Committee for distribution of the credits within the county in the manner desired.

"When a purchaser desires to allocate credit for his subscription, a request for such allocation should be made by completing Form RA, a copy of which is enclosed, and filing such form with us when the related subscription is filed. Form RA is to be prepared in quadruplicate, the first three copies to be transmitted to us and the fourth to be retained by the subscribing bank as its record. Where more than six separate allocations are requested in connection with a single subscription, additional pages designated Form RA 1 will be available.

"After the request for allocation has been received by us, it will be reported through the Federal Reserve System to the Chairman of the War Finance Committee in each State to which an allocation is requested, together with the details of such allocation, including the county to be credited, the issue and amount, and the names of the subscriber and of the bank entering the subscription.

"For the successful operation of the procedure established for allocations of credit for sales, it is necessary that requests for such allocations be made only on the forms provided by us."

## Defends Right Of Newspapers To Own Radio Stations

Three members of Congress objected on Dec. 31 to a reported move within the Federal Communications Commission which, the legislators said, would put newspapers in a disadvantageous position in obtaining new radio station licenses, according to an Associated Press Washington dispatch, which further stated:

Representative Will Rogers, Jr., Democrat, of California, said such action would be "unfair discrimination."

Representative Robert Ramspeck, of Georgia, the House Democratic whip, said: "I don't see any reason why we should draw the line against newspapers," and Representative John J. Sparkman, Democrat, of Alabama, commented: "Newspapers should not be ruled out merely for being newspapers, but each application should be considered on its merits, with regard to the public interest."

Three of the six members of the F. C. C., acting as a subcommittee, were reported unofficially to have approved the principle that newspaper ownership should be taken into consideration in the granting of new radio licenses.

The full Commission was to have voted on the issue yesterday, according to informed quarters, but postponed action indefinitely. One F. C. C. source said the postponement was ordered following a "premature leak" of the impending Commission act.

Vigorous opposition developed within the Commission, at least one member contending the body was without authority of law to make such special treatment of applications from newspapers.

The action, it was understood, would not categorically deny applications by newspapers but would establish a policy of special consideration, in the light of possible "monopoly," where a newspaper is competing with other interests in applications for a radio station license.

## NAM Declares For 'Freedom of The Air'; Urges Equal Access To Airports In Internat'l Traffic

The National Association of Manufacturers stepped into the current discussion of international air transportation in the post-war world by declaring for "freedom of the air" in the report of its Post-War Committee for 1943, released on Dec. 27.

The report employs "freedom of the air" to mean equal access to airports used in international traffic. It reserves to any nation, however, "the long-established right to confine travel between cities within its own borders to ships and planes of its own nationality."

The National Association of Manufacturers further "suggests," in connection with a progressive cancellation of lease-lend balances after the war, that a condition for such cancellation shall be equal access to international airports for United States commercial aircraft engaged in international transportation.

With reference to the core of the current argument as to the form of American competition against international air monopolies, the NAM rejects the "one big airline" thesis in favor of "competition."

"Just as we have encouraged competition in domestic business," the NAM Post-War Report says, "so should we provide for competition in post-war air transport, under proper safety and traffic regulations, and certificates of public necessity and convenience."

For the protection of such American competitors in the international economic field, the NAM urges internationally a set of "general principles," including "the avoidance by the various national governments of continuing subsidies, whether open or disguised, to export trade or to international transportation, except so far as they may be essential for national defense."

In the field of aviation, the NAM observes:

"There has been an interna-

tional Commission for Air Navigation since 1922, and there have been over a hundred bipartite treaties regulating air transport. But with the enormous expansion of air transport expected in the post-war years, there should be a revision and coordination of past efforts to regulate such transport, and a definite international body should be provided for this purpose."

Further, the NAM recommends that an International Board of Trade should be formed and should, among other duties, "recommend the prevention of cartel agreements among producers of different countries to restrict production, fix prices, or allocate markets."

The position in favor of "freedom of the air" is one of the many vital declarations concerning domestic and foreign issues in the post-war world, set out by NAM in the 1943 report of its Post-War Committee, as finally accepted by the NAM Board of Directors.

The 1943 report, a booklet of 95 printed pages, represents the second year of deliberation of a committee of more than 150 business men representing a cross-section of the country. The introduction by Wilfred Sykes, President of Inland Steel Co., Chicago, and Chairman of NAM's Post-War Committee, says:

"We can be sure that if these problems are not solved, we will be on the way to unrest and disaster within the country and to war without."

## Lists Wilson "Blunders" To Be Avoided In New Peace-Making

Twenty-two "peacemaking blunders" by President Wilson "that have resulted in the most far-reaching consequences" were outlined on Dec. 30 by Prof. Thomas A. Bailey, Stanford University historian, now at Harvard, as danger signs to avoid in the peacemaking to come.

Professor Bailey spoke before the annual meeting of the American Historical Association at Barnard College, Columbia University in New York City.

Regarding his remarks, the New York "Times" of Dec. 31 stated:

"So costly were his mistakes—and ours—and so strong is the likelihood that we shall run through the same tragic cycle again, that I regard it as a solemn duty to lay aside all personal predilections and present some pertinent if disagreeable truths," Professor Bailey stated.

"What was, perhaps, Wilson's most tragic blunder," he said, "was his assumption (or was it a hope?) that manking could attain a kind of international millenium at one bound. He confused the task of making peace with Germany, which was an immediate need, with that of remaking the world, which was the long-range need. The resulting treaty failed of both objectives.

"Wilson had the vision of a reformer and the zeal of a crusader, but he did not have the patience to recognize that human nature, if it changes at all, changes with geological slowness."

In many ways, however, President Wilson's "supreme blunder," Professor Bailey said, "was forcing the full text of the League (of Nations) Covenant into the Treaty, for Article X of the Covenant was the rock upon which the ratification finally foundered. \* \* \* A brief statement committing the signatories to the general principles of the League, and making specific provision for a commission to draw it up at a later date,

as was done in the case of the World Court, would have insured the ratification of the Treaty and the framing of a covenant in a less hurried fashion and in a saner atmosphere. A League brought into being under these auspices, and after the election of 1920, might well have been approved by the Senate."

Furthermore, Dr. Bailey stated, a League formed under the general authority of a treaty already ratified by the Senate might not have needed further Senate approval. An Executive agreement might have been enough.

Among the other "blunders" attributed to President Wilson by Dr. Bailey were his enunciation of his war aims in the Fourteen Points; his failure to educate American public opinion in advance of its responsibilities in the new post-war world; the premature forcing of a republic on Germany instead of imposing the treaty upon the Kaiser and his regime; his appeal to the country in October, 1918, for a Democratic Congress, stating that defeat would mean repudiation; his appointment of only one Republican to his peace commission of five; his snubbing of the Senate; his "inept" handling of publicity; his failure to do anything about the secret treaties; his failure to make public his ideas as to the League prior to his going to Paris, and, "one of the most costly blunders of all, his sabotaging the whole idea of a preliminary treaty."

## Buyer Of Unregistered Stock Can Recover Purchase Price, Minnesota Court Rules

The Minnesota Supreme Court held on Dec. 31 that purchasers of unregistered stock sold in Minnesota during 1928, 1929 and 1930 by two corporations can recover the purchase price.

In reporting on the case, Associated Press advices from St. Paul explained as follows:

In a decision against the Amerex Holding Co., the State's high court ruled that Frank A. Donaldson and Frank A. Donaldson, Jr., as executors of the estate of Mrs. Ruth Chase Donaldson, deceased, can recover \$2,777.58. The decision upheld Hennepin County District Judge W. W. Bardwell.

Also affected by today's decision is the National City Co., now known as City Company of New York, Inc.

The opinion, written by Chief Justice Henry M. Gallagher, held that "it is quite obvious that at the time the securities were sold they were required by our law to be registered."

"The fact that a share of bank stock immune from the registration for sale and transfer purposes would not immunize the corporate stock to be registered," the opinion added. "No authority or logic is necessary to sustain that holding."

Supreme Court records show that the Amerex Holding Co. was organized under the laws of New York on March 31, 1917, and from that time until July 1, 1930, engaged in the securities business in Minnesota and other states, distributing corporation stocks and bonds, including its own stock and that of the Chase National

Bank of New York. The name of the company was changed on May 17, 1933, to the Chase Corp. and on June 15, 1934, it was changed again to the Amerex Holding Corp.

The complaint charged an "illegal plan whereby capital stock of the Chase Securities Corp. was paid for by the Chase National Bank" and that shares of the Chase Securities Corp., "issued directly to the stockholders of the bank, with each stockholder becoming a share holder of record in Chase Securities Corp. in direct proportion to his stock holdings in the bank."

Thomas O. Streissguth, New Ulm, and George B. Leonard, representing a majority of claimants, said more than 100 claims representing between \$500,000 and \$750,000 pending in court hinge on the decision.

Today's decision resulted from enactment in 1941 by the Minnesota Legislature of a law allowing institution of proceedings in the so-called "bank cases" where the firms had removed themselves from the State, despite the fact that the statute of limitations had operated to outlaw such suits.

## Record Deposits & Govt. Bond Holdings Feature N. Y. State Bank Developments In 1943

(Continued from first page)

secure deposits except where specifically authorized to do so by law. This matter has already been dealt with by a resolution of the Banking Board adopted Oct. 6, 1943, but it is felt, the Superintendent says, that the problem is of sufficient importance to warrant a change in the law.

3. The Banking Department recommends that Section 180 of the Banking Law be amended so as to eliminate, for the future, the authorization for non-banking organizations to engage in the business of transmitting money on condition of depositing securities with the Superintendent of Banks. The proposal would not be retroactive and would not affect concerns now authorized to engage in this business. Many of the persons or corporations which engaged in the business of transmitting funds did not appear to be rendering any service which could not be better supplied by banking organizations, Mr. Bell says.

4. The Department recommends that Section 19 of the Banking Law be revised to permit the Superintendent of Banks to levy assessments against banking organizations for deficiencies in reserves at rates below those specified by the existing statute. Such an amendment would make it possible for the Superintendent to moderate the penalties provided by the statute and to conform the State practice to that of the Federal supervisory authorities.

The Superintendent says that, in addition to the foregoing four amendments, the Department will recommend a number of minor or technical changes in the law intended to clarify some of its provisions.

The Superintendent's annual report says that the Department made a special effort during the year to complete the liquidation of institutions which had been closed in prior years. Mr. Bell says that the liquidation was completed of 16 banking institutions having liabilities to depositors, creditors and shareholders of \$34,000,000. Only 21 liquidations remain to be completed, including

10 agencies of Japanese and Italian banks and 11 domestic banking organizations. Of the 11 domestic institutions, all assets have been disposed of, subject to Court approval, in the case of five, including the Bank of the United States, leaving only the payment of final dividends.

With respect to the large expansion in savings bank deposits the Superintendent says: "The increase in savings bank deposits reflects in large measure the general expansion of bank deposit money flowing out of the war economy. Much credit is due, however, to the active effort of the savings banks in promoting and encouraging savings. In addition to attracting large amounts of deposits, the savings banks during the first ten months of the year sold war bonds and stamps with a maturity value of over \$232,000,000.

"Although nearly all savings banks shared in the increase of deposits the rate of increase varied with the largest gains occurring in areas where war activity is greatest. Against an average rise of 6.5% for all savings banks in the first ten months of the year, individual gains ran as high as 24.6%. Analysis by the Department indicates that the rate of dividend paid has not been a decisive factor in attracting new deposits. A more important single influence has been location. Offices in newer or growing areas have shown materially greater gains than those in older neighborhoods."

The Superintendent says that total resources of savings and loan associations under the supervision of the Department rose from \$272,376,000 on Oct. 31, 1942, to \$291,429,000 on Oct. 30, 1943. This increase was at a perceptibly increased pace over that shown in recent years. A further decline took place, however, in the volume of new mortgage advances by savings and loan associations, the total for the first ten months of 1943 amounting to \$26,026,000, or 6% less than the figure for

the corresponding period of 1942 and 25.6% less than that for 1941.

The trend to lower interest rates was reflected in a further reduction in the average rate on loans granted by savings and loan associations in 1943 to 5.22% from 5.35% in 1942. Approximately 52% of savings and loan mortgages bear interest rates of 5% or less, against 41% in 1942 and 36% in 1941.

The report points out that for the second successive year there was a substantial decline in the business of small loan companies. In 1943 the number of licensed lender offices declined from 317 to 276. No licenses for new locations have been granted since June 1, 1942. The ratio of net earnings of licensed lenders again declined in 1943, the Superintendent estimates.

As for credit unions, the continued decline in outstanding loans, shrinkage in earnings and encroachment of other activities on the time of credit union officials have had an unfavorable effect, particularly in those institutions which were organized in the last three or four years.

## Turkey Will Keep Out Of War Says Saracioglu

The Prime Minister of Turkey, Shukru Saracioglu, in a New Year's message to his countrymen promised them that "the Turkish people will keep away from the flames and tragedies of the war," the Ankara radio reported on Dec. 31, according to the New York "Sun." The paper further said:

CBS recorded the broadcast which quoted the Prime Minister as further stating that "the Turkish people have never closed their eyes to the dangers which appear on the horizon; these dangers have always found us ready and decided," Saracioglu said.

"War crushes those who fear and flee it. It is because we do not fear the war and because we do not flee it and because we are prepared that we have been able to safeguard our fatherland from the fires of war. We shall continue this policy in the future and all of us on the eve of this New Year must concentrate our thoughts on this policy."

## Tojo In Disgrace Chinese Paper Reports

Indications that Premier Hideki Tojo of Japan has fallen into disgrace because he failed to maintain the unbroken string of victories piled up by Japan at the start of the war were seen on Dec. 30 by "Ta Kung Pao," Chungking's leading newspaper according to a United Press dispatch from that city appearing in the New York "Times".

The advices further said:

The papers interpretation of recent events in Japan coincided with the opinions of other observers here who have noted with satisfaction a trend indicating that Japan at long last is beginning to feel the horrors and privation of total war with which the Chinese people have been intimately familiar for the past six years.

"Ta Kung Pao" pointed to Emperor Hirohito's action in pointedly neglecting to invite Premier Tojo and his militaristic clique to an imperial court dinner last week, although it is standard Japanese custom to invite principal Cabinet members to such affairs.

Premier Tojo's desperate situation, the paper said, was precipitated by his contradictory announcements on the Changteh campaign.

## Warns Business Against Neglecting Basic Social Responsibilities

(Continued from first page)

to sustain that goodwill by continued performance in the post-war period. In the days to come, there will be added emphasis on an additional element of the business operation, namely, that every business will have to meet some social justification, as well as produce at a profit. Business must be a good citizen in its community and responsibility for this rests on the chief executive. A definite policy along this line must be established by the firm which will permeate throughout its rank and file and be reflected in good citizenship."

As part of such a program, Mr. Johnson cited five specific activities as vital for every business firm in the days of post-war readjustment, and these, he said, must be planned for well in advance:

1. Reconversion or readjustment to peace-time production and business should be planned to take a minimum of time.
2. All men returning from service should be reemployed, and as far as possible those employed on war production should be retained to aid in achieving full employment and avoid the dislocations that arise from unemployment.
3. Business must seek to increase individual opportunities for betterment and advancement among personnel.

4. The business firm must see that the personnel understands how the firm operates and how the employees share in its progress.
5. The company's policy must be established with the public interest uppermost.

"These are all fundamental parts of the increased social responsibilities of business," Mr. Johnson continued, "and neglect of them will not only injure the individual business concern, but will create ill-will towards the whole structure of business. Public opinion reacts swiftly to the acts of business and judges all business by its relationships with a few of its component parts.

"Never was there a time when the heads of business had a greater responsibility to perform aggressively and positively. In the days ahead, the American way of doing business will be judged at the bar of public opinion. The way in which the reconversion to a peace economy is effected will materially influence the decision; it will also have an influence on the whole future of American business.

"American business has built the economic opportunities for America, and it has contributed mightily to the winning of the war. The public will preserve it as the base on which to build a better future, provided it continues its high service and continues to tell its story as it has learned to do during the war."

## N. Y. Curb Trading Volume For 1943 Was Highest In Six Years

New York Curb Exchange stock volume of 71,374,283 shares in 1943 was the largest since the 104,000,000 shares traded in 1937. Turnover during 1943 was more than three times the volume of shares transacted in 1942 when 22,000,000 shares changed hands, and it was substantially ahead of the 35,000,000 shares exchanged in 1941. Another six-year record was set on May 10 when turnover that day

Exchange. He was the first president of that institution ever to address members of the Curb Exchange. In his brief address, Mr. Schram extended his best wishes for a happy and prosperous new year and spoke of the common aims of both exchanges.

## Associated Press Names Four Aides

Kent Cooper, Executive Director and General Manager of The Associated Press, announced on Dec. 16 the appointment of four members of his executive staff as Assistant General Managers. The appointees are Alan J. Gould, formerly Executive Assistant supervising news and newsphoto operations; Frank J. Starzel, Traffic Executive in charge of traffic and membership departments; Claude A. Jagger, Executive Assistant supervising editorial personnel, AP-features and promotion, and Paul Miller, Chief of Bureau in Washington. Mr. Cooper was indicated as saying that the action was in connection with assumption of active administration of the affairs of The Associated Press, Ltd., by Lloyd Stratton, President of the AP's wholly owned subsidiary incorporated in Great Britain and distributing news and newsphoto services in the Eastern Hemisphere.

Mr. Stratton retains his post as Secretary of The Associated Press, dealing with corporate affairs of the organization, and relinquishes his former post of Assistant General Manager.

May 10 when turnover that day

being the 1,631,685 shares traded on Oct. 19, 1937. The smallest five-hour stock volume occurred on Jan. 6, when volume held to 91,045 shares. Bond turnover for 1943 was \$230,000,000, as compared with \$177,000,000 in 1942 and \$250,000,000 in 1941. The Curb's announcement also listed these additional highlights for the year:

"Twenty regular memberships were transferred during the year 1943, ranging in price from a high of \$8,500 on June 16 (the top since December, 1939) to a low of \$1,600 on Jan. 2. This compares with 56 transfers in 1942 when the price range swung from a high for that year of \$1,700 on Dec. 16, to an all-time low of \$650 on Oct. 7.

"Only seven special offerings were consummated during the year as against four in 1942. Secondary offerings amounted to 30 in 1943 and 40 in 1942.

"Nine new stock issues and two bond issues were admitted to listing, while 25 were removed from the listed stock department and 3 removed from the listed bond section. In the unlisted category, 1 stock was added and 24 removed; 2 unlisted bond issues were admitted and 14 removed. Total number of all stocks traded: 942; bonds, 224.

"Accenting the changes brought about by the war, of the 191 employees in the Exchange executive offices, more than 50 of them are women. In 1942, with 179 employees, fewer than ten were of the distaff side.

"Precedents were set in September and December, when the Exchange opened its trading floor to the public during its war bond rally on Sept. 16 and its trading floor party on Christmas eve.

"The most recent precedent was the appearance on the trading floor on Dec. 31 of Emil Schram, President of the New York Stock

## The Financial Situation

(Continued from first page)

The first essential in this business man will still be a business man when the war is over. Yes, he will still be an American business man, still full of ideas, plans and impulses to undertake all manner of things for the purpose of making money—and with the inevitable if incidental result of giving employment to millions of men and women. One would suppose upon examining many of the plans and programs brought forward for the post-war years that the American business man was in the habit of sitting idly and lazily by his fireside day after day without ambition, without an idea and without a program—waiting for a kind government to bribe him to get out and go to work!

### No Need to be Stimulated

The fact of the matter is that the American business man does not need to be "stimulated"; he merely needs a reasonable opportunity. There is no need for us to be sitting up nights planning what can be done to give this or that industry a special little push, or all industry, for that matter, a helping hand. What we had better be certain of is that we keep ourselves and our pet schemes out of the way. Do that, and there is no need to worry unduly about the volume of production, trade, employment or any of the other things so frequently the source of publicly expressed apprehension these days. All government needs to do for business is give it a fair chance to proceed under its own steam, and reasonable ground for feeling that it will not awake tomorrow morning to find that what it did the day before has suddenly become a sin in the eyes of the politicians and made punishable to appease the malcontents.

In view of the record of the past decade there are, of course, a great many things that need to be done, or rather to be undone, to achieve this essential result, which in normal course should not need to be sought at all. Many impediments are already in the path of progress. It would be a futile counsel of perfection to suggest that all this mass of legislation and "administrative law" which has come into existence since 1933 be forthwith repealed and abolished. We do believe, however, that the very best post-war planning that could possibly be done by either or any party or group in the United States would be the development of a program to get rid of the New Deal and all its works at as an early date as

possible, and to get rid of as much of it at once as is feasible. Nothing else would "stimulate" business so much.

### Begin With the Budget

Perhaps no better place for commencing this revolution in post-war thinking—for it would be a revolution for many of those who have been most active in talking about post-war plans—could be found than in the national budget. Most of the grandiose schemes suggested for assuring "high-level" employment (the term "full employment" appears to have become somewhat out of date) would cost money, and a great deal of it. Not a few current commentators who are at heart opposed to loose public spending appear to think it "inevitable" if this or that is or is not done—as if sheer waste of public wealth cured any evil. Would it not be an excellent thing if the first plank in all our post-war planning platforms were made to demand a balanced post-war budget at the earliest feasible moment, and at the lowest feasible level of outlays and taxation? What a boon to many a business man who can scarcely avoid a feeling of deep uneasiness about the value of money—a sort of disquiet which can do more perhaps than almost anything else to dampen constructive enthusiasm.

And is not such a procedure an absolute "must" if we are to avoid monetary and financial chaos? Let us see what the fiscal and banking situations are to be like when this war is over. We entered the new year with a national debt amounting to \$170 billion. At the middle of 1943 the banks, excluding the Federal Reserve institutions, held \$58 billion of this debt. It would not be surprising if it presently proved that the banks of the country held upwards of \$70 billion of it at the turn of the year. It is now rather generally expected that in the natural course of the remainder of the war the banks will not take so large a share of the debt increase. This view may prove well taken but the banks are still increasing their holdings at a substantial rate.

Now as a result of this enormous absorption of Treasury deficits by the banks, and in much more moderate amount the influx and monetization of gold as a result in part at least of New Deal tactics, the total of bank deposits and currency in circulation in this country had by the middle of 1943 risen by some \$71 billion from the 1933 level of \$43 billion. The increase during the 1943 fiscal year alone was \$29 billion. Let it be noted

despite industrial and trade activity never before approached in this country, the velocity of bank deposits is far below that of the 1920's. This staggering amount of money and bank deposits will remain outstanding until the assets upon which they were created are taken out of the banking system—to say nothing of further expansion during the remainder of the war. Should the public make even half as rapid use of its funds as it once did, inflation of a sort never before seen in this country would, it appears, become inevitable.

Fiscal frugality in the post-war era would therefore appear to be a "must" in its own right. It is highly desirable for the further reason that it would effectively block so many weird programs—many of course cost money.

### Broader Agreement On Rubber To Be Sought

The International Rubber Regulation Committee announced in London on Dec. 28 that it would end its regulatory functions on Dec. 31 and would be supplanted by a "new and more widely representative committee for consultation and collection of information."

In Associated Press London advices, the following was also reported:

Accordingly, a communique issued through the British Colonial Office said, the three signatories to the international rubber regulation agreement—Britain, India and the Netherlands—have decided to extend the pact for four months until next April 1, but without resuming rubber regulation.

Netherlands quarters said creation of the wider committee would aid in retaining existing cooperation and "the statistical and documentary organization built up by long years of work," as well as provide the basis for exploration of possibilities for post-war planning in which the interests of large rubber-consuming countries would be especially borne in mind.

The Dutch sources, quoted by Aneta Agency, praised the United States for its "colossal effort" which resulted in building up a synthetic rubber industry within a short time and the "farseeing" U. S. policy which brought about the accumulation of "the largest stock of natural rubber ever collected in the world."

A cablegram to the New York "Times" from London stated in part:

The regulation that is about to expire came in early in 1939. For some time now conversations are known to have been going on concerning its future or another agreement better adapted to the changing situation. No strength is left in the present agreement since Malaya, Dutch East India and other areas have been overrun by the Japanese, who thereby have gained more than 90% of the world's supply of natural rubber. The peacetime quotas long since went by the board, and today there is the new factor of the synthetic product making a readjustment necessary, even if the war should end in the East at a time not far distant.

Great Britain and Netherlands India have agreed to reshape their agreement so as to include "all other countries with substantial interests in rubber or rubber substitutes, whether producers or consumers," and it is inevitable to

read into this a hope for a broad post-war international agreement.

Unlike the old arrangement, the new one would provide no machinery for the regulation of plantings, production or exports of rubber. It will be primarily for consultation and the assembly of data.

"The three Governments hope," the statement reads in part, "that the new committee, if formed, will point the way to international action which will secure the long-term interests of rubber producers and consumers alike in conformity with such principles for an international commodity scheme as may be generally accepted after the war."

### Farm Land Prices Up Dangerously: Black

Storm-warning signals for farmers and farm-land speculators are raised in the current issue of "Farm Journal" by A. G. Black, Governor of the Farm Credit Administration. "America is on the move these days," Mr. Black says, "and farmers are no exception. Neither are farms. More farms are changing hands this year than for many years. They are changing for all sorts of reasons, but back of almost every sale is the chance to realize profit. 'Already land values are back up 100% of their pre-World War I levels. That means they're still further up in some areas, because averages have a way of concealing the sorrest spots.'"

Investigations, it is stated, disclose that more mortgages are being recorded than for several years past. Mr. Black points out that the average size of the mortgages also is increasing—a direct reflection of increased selling prices of farms. All lenders' mortgages reflect some increase in amount, but the greatest increase is reported in mortgages recorded by individuals. In his comments Mr. Black said:

"With more farms being sold, and with corporate owners—banks, insurance companies, mortgage loan companies and Federal land banks—practically sold out of land, individuals are selling a higher proportion of the farms sold."

"Individuals are doing a lot of economic high flying and inevitably there are going to be crashes. There are, however, some simple safety measures every individual can take which will cut down the risks."

Among the precautions to take, Mr. Black advises the following: "If you sell a farm, don't carry the mortgage yourself. If you buy a farm, keep in mind that it is going to have to pay for itself over a period of years, some good years, some bad. If you lend money on farm property, it will be repaid only if the farm earns it."

### Pay On Norway 6s

The Kingdom of Norway is notifying holders of its 20-year 6% external loan sinking fund gold bonds, due Aug. 1, 1944, that \$1,182,000 principal amount of the bonds of this issue have been called for redemption on Feb. 1, 1944 at 100% of their principal amount through operation of the sinking fund. The called bonds should be surrendered for redemption on that date at the head office of the National City Bank of New York.

In connection with the call, it is noted that on Dec. 27, 1943, \$1,719,000 aggregate principal amount of the bonds of this issue, called for redemption previous to the present call, had not been presented for payment and interest thereon had ceased. Upon inquiry at the head office of the National City Bank of New York, the holders of the bonds of this issue may ascertain whether or not their bonds have previously been called for redemption.

### Chile Funds Available For Debt Service

Advices received from the Autonomous Institute for the Amortization of the Public Debt of the Republic of Chile report that, in accordance with the provisions of Article 6 of the regulation of Law No. 5580 of Jan. 31, 1935, approved by Supreme Decree No. 3837 of Oct. 24, 1938, the total receipts of the Institute in 1943 available for debt service amount to \$8,567,244.

The announcement further explained:

"Of this amount \$2,357,389 represented the receipt from the government's participation in the profits of Chilean Nitrate Iodine and Sales Corporation, \$6,044,262 represented receipts of taxes on the profits of the copper enterprises, \$57,561 the quota of duties on petroleum imported for the nitrate industry, and \$108,031 the quota of duties on petroleum imported for the copper industry."

"Fifty per cent of the total receipts will be applied by the institute under the terms of the Chilean Law to the payment of interest at the rate of \$14.28 per \$1,000 bond, dollars 0.33558 per 100 Swiss franc bond, and £1-8-6, 72 per £100 sterling bond."

"The suspension of exchange transactions in most foreign markets as a result of the World War, has not allowed Caja this year to carry out the necessary conversions in order to set aside the funds in Swiss francs to meet the servicing of loans issued in this currency, which has compelled Caja to fix in American dollars the dividend corresponding to holders of bonds of the above mentioned loans and to maintain in this same currency the funds to cover the payments."

"Against the remaining 50% of the income collected there have been retired \$1,700,000 face amount of dollar bonds and £600 of sterling bonds."

"The amounts of bonds outstanding after the 1943 retirements will be \$162,736,500 dollar bonds, £27,742,471 sterling bonds, and francs 108,662,500 Swiss franc bonds."

"The interest disbursement declared is expected to be paid on or about Feb. 1, 1944 and will be applicable to the following bonds: All of the Republic of Chile External Bonds; Water Company of Valparaiso bonds; All Mortgage Bank of Chile bonds; Bonds of the Chilean Consolidated Municipal loan; and Bonds of the two City of Santiago, Chile, loans."

### To Start Paralysis Fund Drive On Jan. 14

The eleventh annual campaign for funds for the President's birthday party, the proceeds of which go to the National Foundation for Infantile Paralysis, will open on Jan. 14 and the drive will continue through Jan. 30, the 62nd birthday anniversary of President Roosevelt. Basil O'Connor, President of the Foundation, said that more funds than ever before are needed since 1943 saw the third worst epidemic of the disease and a continued fight on infantile paralysis will have to be made in 1944.

In a message to the Foundation the President said that "there can be no armistice with the crippling. Surrender of disease on the home front must also be unconditional."

Of the funds collected 50% will remain with the county chapter and the other half will go to the National Foundation for research.

**Items About Banks, Trust Companies**

The Corn Exchange Bank Trust Co., New York City, reported as of Dec. 31, 1943, total deposits of \$604,427,061 and total assets of \$645,127,143, compared, respectively, with \$571,142,404 and \$608,988,053 on Sept. 30. Cash in vaults and due from banks amounted to \$158,394,563 against \$134,806,372; holdings of United States Government securities to \$413,976,372 against \$398,161,254, and loans and discounts to \$34,440,362 against \$32,749,147. Capital and surplus were unchanged at \$15,000,000 each and undivided profits were \$7,009,368 against \$6,775,843 at the end of September.

The New York Trust Co. reported as of Dec. 31, 1943, total deposits, including outstanding certified checks, of \$689,208,447 and total assets of \$743,939,271, compared, respectively, with \$699,985,830 and \$754,523,372 on Sept. 30. Cash on hand and due from banks, including exchanges, amounted to \$175,621,887, against \$134,521,946; holdings of United States Government securities to \$381,441,910, against \$418,705,222, and loans and discounts to \$158,771,343, against \$172,266,710. Capital and surplus were unchanged at \$15,000,000 and \$30,000,000, respectively, and undivided profits were \$6,203,260, against \$5,534,720 at the end of September.

The Public National Bank and Trust Co. of New York reported as of Dec. 31, 1943, total deposits of \$325,343,792 and total assets of \$349,066,439, compared, respectively, with \$307,260,324 and \$330,502,553 on Sept. 30. Cash on hand and due from banks amounted to \$68,078,079, against \$59,388,124; holdings of United States Government securities to \$195,284,344, against \$174,738,817, and loans and discounts to \$73,777,932, against \$83,614,147. Capital and surplus were unchanged at \$7,000,000 and \$9,000,000, respectively, but undivided profits were \$3,321,129, against \$3,095,051 at the end of September. The bank reported earnings for the full year 1943 of \$3.30 per share as compared with \$2.84 per share for the year 1942.

J. P. Morgan & Co., Inc., New York City, reported as of Dec. 31, 1943, total deposits of \$709,019,279 and total assets of \$758,056,415, compared, respectively, with \$759,893,034 and \$805,877,249 on Sept. 30. Cash on hand and due from banks amounted to \$131,528,532, against \$136,071,109; holdings of United States Government securities to \$487,615,089, against \$520,017,165, and loans and bills purchased to \$100,955,228, against \$105,438,799. Capital and surplus were unchanged at \$20,000,000 each, and undivided profits were \$3,101,624, against \$1,817,508 at the end of September.

The statement of condition of the Guaranty Trust Co. of New York as of Dec. 31, 1943, shows total resources of \$3,243,371,512; total deposits of \$2,903,794,036; U. S. Government obligations of \$1,959,786,746, and loans and bills purchased of \$610,781,083. Undivided profits are \$31,391,854, compared with \$27,578,472 on Sept. 30, 1943, and \$22,547,059 on Dec. 31, 1942. Capital and surplus remain unchanged at \$90,000,000 and \$170,000,000, respectively. Total capital funds are \$291,391,854, a record high in the company's history.

The statement of condition of Manufacturers Trust Co., New York City, as of Dec. 31, 1943, shows deposits of \$1,580,909,261, which includes United States Government war loan deposits of \$133,098,432. On Dec. 31, 1942, deposits were \$1,322,420,607, which included United States Govern-

998,234. Resources on Dec. 31, 1943, were \$1,682,356,909, as compared with \$1,419,495,474 a year ago. Cash and due from banks is listed at \$401,956,453, as against \$370,862,493 twelve months ago. United States Government securities stands at \$887,436,948; a year ago it was \$635,564,410. Loans, bills purchased and bankers' acceptances is now \$298,950,311, which compares with \$300,378,843 on Dec. 31 last year. Preferred stock is shown as \$8,307,640, common as \$32,998,440 and surplus and undivided profits as \$48,344,446.

In its statement for Dec. 31, 1943, the Chemical Bank & Trust Co., New York City, reported deposits of \$1,153,998,166, compared with \$1,199,430,404 on Dec. 31, 1942, and total assets of \$1,249,514,079, compared with \$1,289,983,863 a year ago. Cash on hand and due from banks amounted to \$239,375,105, compared with \$348,841,631; U. S. Government obligations to \$657,728,406, against \$536,810,141; bankers' acceptances and call loans to \$63,769,792 against \$54,397,121; and loans and discounts to \$139,435,524 against \$162,982,846. Capital at \$20,000,000 and surplus at \$55,000,000 remain unchanged. Undivided profits were \$7,469,562, and showed an increase for the year of \$2,013,289 after the usual dividends of \$3,600,000 (\$1.80 per share). The indicated net earnings on the bank's 2,000,000 shares (par \$10), amounted to \$2.80 per share for 1943 as compared with \$2.45 per share for the preceding year.

The Continental Bank & Trust Co. of New York reported as of Dec. 31, 1943, total deposits of \$119,437,879 and total assets of \$129,620,215, compared, respectively, with \$124,262,710 and \$134,731,910 on Sept. 30. Cash on hand and due from banks amounted to \$27,185,906 against \$24,704,780; holdings of U. S. Government obligations to \$56,140,330 against \$56,186,399; and loans and discounts to \$36,868,543 against \$43,186,734. Capital was unchanged at \$4,000,000; surplus showed a \$1,000,000 increase to \$4,000,000. Undivided profits amounted to \$1,306,422, against \$2,078,897, at the end of September.

The Bank of the Manhattan Co., New York City, reported as of Dec. 31, 1943, total deposits of \$974,325,121; and total assets of \$1,034,108,576, compared, respectively, with \$959,721,274 and \$1,016,274,304 as of Sept. 30, 1943. Cash on hand and due from banks amounted to \$266,327,302 against \$204,643,037; holdings of United States Government obligations \$433,851,333 against \$469,389,623. Loans and discounts decreased to \$281,487,017 from \$288,158,714. Capital and surplus were unchanged at \$20,000,000, respectively. Undivided profits, after reserve of \$400,000 for quarterly dividend and \$200,000 for special dividend, increased to \$10,071,867 from \$9,410,511 at the end of September.

J. Stewart Baker, Chairman of the Board, reported that the bank's net operating earnings for the year ending Dec. 31, 1943, not including net profits realized on the sale of securities, amounted to \$4,023,007, equal to \$2.01 per share on the 2,000,000 shares of the capital stock authorized and outstanding. The net profit realized on the sale of United States Government securities, after deducting an appropriate amount for taxes, amounted to \$2,518,300 which was added to the reserve for the Government bond portfolio. The net profit realized on the sale of other securities amounted to \$124,523 which was

added to the reserve for other securities.

Mr. Baker's annual report to stockholders was referred to in our issue of Dec. 9, page 2313.

Statement of condition of Sterling National Bank & Trust Co., New York City, at Dec. 31, 1943, reveals an increase in surplus of \$500,000. Capital funds at the year-end aggregated \$4,758,151, comprising \$1,500,000 capital, \$3,000,000 surplus and \$258,151 undivided profits. These total funds represent an increase of \$370,000 during the last quarter of 1943. The bank reports a record all-time high in resources and deposits—\$88,105,253 and \$82,151,686—on Dec. 31, 1943, as compared with \$80,890,700 and \$75,229,301, respectively, as of Sept. 30, 1943. Of the December total deposits of \$82,151,686, U. S. Government deposits amounted to \$8,109,326, and commercial and other deposits were at a record high of \$74,042,359. Cash and due from banks amounted to \$21,835,137 on Dec. 31, 1943, against \$15,734,903 on Sept. 30, 1943; U. S. Government securities increased to \$42,758,908 compared with \$40,361,518, also a new all-time high. State, municipal and corporate securities amounted to \$1,461,082, against \$1,379,559. Loans and discounts were \$21,064,675, against \$22,640,225. Stock in Federal Reserve Bank increased during the quarter from \$120,000 to \$135,000. Reserves totaled \$482,937, as compared with \$779,034 on Sept. 30, 1943.

The statement of condition of Clinton Trust Co., New York City, as of Dec. 31, 1943, shows that total assets increased to \$18,112,961 from \$16,752,509 as of Sept. 30, 1943, and \$13,804,381 on Dec. 31, 1942. Deposits of the bank were \$16,869,674 on Dec. 31, 1943, compared with \$15,539,475 on Sept. 30, 1943, and \$12,634,000 on Dec. 31, 1942. Surplus and undivided profits totaled \$467,549, against \$462,969 on Sept. 30, 1943, and \$417,350 on Dec. 31, 1942. Capital stock of the bank remains unchanged at \$600,000. Loans and discounts as of Dec. 31, 1943, were \$2,862,010, compared with \$3,149,632 on Sept. 30, 1943, and \$2,596,996 on Dec. 31, 1942. Holdings of United States Government, state and municipal bonds were \$8,736,691 on Dec. 31, 1943, compared with \$7,590,863 on Sept. 30, 1943, and \$5,867,101 on Dec. 31, 1942. Cash on hand and due from banks on Dec. 31, 1943, was \$4,122,248, against \$3,518,996 on Sept. 30, 1943, and \$3,667,592 on Dec. 31, 1942.

The Bankers Trust Co., New York, reported as of Dec. 31, 1943, total deposits of \$1,594,694,072 and total assets of \$1,728,824,976, compared, respectively, with \$1,664,697,033 and \$1,795,142,813 on Sept. 30. Cash on hand and due from banks amounted to \$331,870,816, against \$285,954,303; holdings of United States Government securities to \$950,441,228 against \$904,937,643, and loans and bills discounted to \$362,407,442 against \$505,428,312. Capital and surplus were unchanged at \$25,000,000 and \$75,000,000, respectively, and undivided profits were \$25,366,747, against \$23,550,782 at the end of September.

The Irving Trust Co., New York, reported as of Dec. 31, 1943, total deposits, including official checks outstanding of \$964,148,274 and total assets of \$1,078,718,819, compared, respectively, with \$978,749,542 and \$1,091,498,289 on Sept. 30. Cash on hand and due from banks amounted to \$220,548,904, against \$189,769,491; holdings of United States Government securities to \$613,719,229, against \$646,927,337, and loans and discounts to \$207,516,206 against \$212,632,201. Capital was unchanged at \$50,000,000, and surplus and undivided profits were \$56,428,927,

against \$55,621,587 at the end of September.

New high records for total assets and deposits are reported by Brown Brothers, Harriman & Co., private bankers, in their financial statement as of Dec. 31, 1943. Total assets amounted to \$167,555,691, compared with \$160,431,089 on Sept. 30, 1943, and \$163,742,348 on Dec. 31, 1942. Deposits increased to \$147,304,540, compared with \$141,108,047 on Sept. 30, 1943, and \$143,686,578 at the close of the preceding year. Capital and surplus of \$13,525,284 compared with \$13,506,217 three months ago and \$13,445,284 a year ago. Loans and discounts were \$41,522,247, against \$38,308,598 on Sept. 30, 1943, and \$33,200,251 on Dec. 31, 1942. Other important asset items compare as follows with the figures of three months ago and a year ago: Cash, \$36,597,482, against \$34,071,167 and \$37,455,406, respectively; United States Government securities \$59,531,362, against \$61,347,146 and \$67,329,281.

The statement of the Chase National Bank of New York for Dec. 31, 1943, shows deposits of \$4,375,582,000, which compares with \$4,442,999,000 on Sept. 30, 1943, and \$4,291,467,000 on Dec. 31, 1942. Total resources amounted to \$4,679,974,000, compared with \$4,740,069,000 on Sept. 30, 1943 and \$4,539,496,000 on Dec. 31, 1942; cash in the bank's vaults and on deposit with the Federal Reserve Bank and other banks, \$1,050,012,000, compared with \$833,533,000 and \$1,132,553,000 on the respective dates; investments in United States Government securities, \$2,603,172,000, compared with \$2,756,435,000 and \$2,327,748,000; loans and discounts, \$791,980,000, compared with \$894,755,000 and \$786,057,000. The capital of the bank on Dec. 31, 1943 was unchanged at \$100,270,000; but the surplus on that date was \$134,730,000, compared with \$121,730,000 on Sept. 30, 1943 and \$100,270,000 on Dec. 31, 1942, reflecting the increases authorized by the Board of Directors on Sept. 22 and Dec. 22, respectively.

The undivided profits account, after being credited during the year with \$13,000,000 from the reserve for contingencies and after being debited with two transfers to surplus, amounted on Dec. 31 to \$37,878,000, compared with \$45,050,000 on Dec. 31st a year ago. Combined surplus and undivided profits on Dec. 31, 1943, after dividends of \$10,360,000 declared during the year, was \$7,572,000 larger than on Sept. 30, 1943, and \$27,288,000 larger than on Dec. 31, 1942.

The bank reports that net operating earnings in 1943 were equal to \$2.33 a share, compared with \$1.81 the previous year, and that in addition net profits on securities were equal to \$1 a share, against 22 cents a share in 1942.

The Federation Bank and Trust Co., New York City, reported as of Dec. 31, 1943, total deposits of \$23,712,154 and total assets of \$26,672,024, compared, respectively, with \$22,505,583 and \$25,690,317 on Sept. 30. Cash on hand and due from banks amounted to \$4,612,316. Holdings of U. S. Government securities amounted to \$12,807,297 against \$11,715,659, and loans and discounts to \$6,610,083 against \$6,793,288. Capital was unchanged at \$825,000 and surplus was \$1,175,000 compared with \$1,075,000, and undivided profits were \$320,006 against \$414,645 at the end of September.

Year-end statement figures issued by The National City Bank of New York and compared with those of the Dec. 31, 1942, report show total resources of \$3,967,815,349 or an increase of \$206,148,068. Total deposits are \$3,733,649,246 against \$3,555,940,023 last Dec. 31. In this total United States war loan deposits are down \$230,000,

000 but the bank's total deposit figure is \$178,000,000 more than a year ago.

Holdings of United States Government obligations are reported at \$2,174,265,961 compared with \$1,938,096,539. Cash on hand and due from banks is \$885,401,994, against \$901,172,805, and loans and discounts are \$633,126,637, an increase of \$59,675,797 during the year. Capital remains unchanged at \$77,500,000, but during the year \$32,500,000 was added to surplus, bringing this item up to \$110,000,000. Undivided profits are \$24,053,596 compared with \$23,793,450.

The following announcement was made regarding the earnings: "Combined net current operating earnings of the National City Bank and the City Bank Farmers Trust Co. for the year, after provision for taxes and depreciation, were \$15,151,766 compared with \$13,546,527 in 1942. This represents \$2.44 per share for 1943 and \$2.18 per share for 1942 on the 6,200,000 shares outstanding.

"If profits from sales of securities are added to current earnings, the total is increased to \$17,569,400, or \$2.83 per share for 1943, as compared with \$16,231,636, or \$2.62 per share, in 1942. Security profits, together with recoveries, were as usual transferred directly to reserves."

The City Bank Farmers Trust Company reports total deposits as of Dec. 31, 1943, as \$99,762,502, compared with \$115,366,183 a year ago. Total resources are \$127,582,970 against \$142,061,713. Cash amounts to \$16,954,870 compared with \$37,601,930. Holdings of United States Government obligations total \$95,070,699, an increase over Dec. 31, 1942, of \$10,155,833.

The Grace National Bank of New York, in its statement of condition as of Dec. 31, 1943, shows deposits of \$71,556,839 as compared with \$77,610,183 on Sept. 30, 1943, and \$69,850,804 a year ago. Surplus and undivided profits amounted to \$2,759,292 as compared with \$2,646,592 on Sept. 30, 1943, and \$2,479,358 a year ago. Cash in vault and with banks totaled \$18,211,317 as compared with \$13,257,742 on Sept. 30, 1943, and \$20,765,512 a year ago. U. S. Government securities were \$37,839,169 as compared with \$39,673,514 on Sept. 30, 1943, and \$31,151,491 a year ago. Loans and discounts were \$17,301,379 as compared with \$24,022,744 on Sept. 30, 1943, and \$15,341,163 a year ago.

J. Henry Schroder Banking Corp., New York City, reports total resources of \$46,592,589 as of Dec. 31, 1943, against \$50,081,320 on Sept. 30, 1943. Cash on hand and due from banks was \$5,462,586 against \$6,891,185. U. S. Government securities were \$26,318,532 against \$28,961,715; customers' liability on acceptances, \$4,965,764, compared with \$5,031,423 in September. Surplus and undivided profits were \$2,631,860 against \$2,625,144 in the previous quarter; amount due customers was \$31,752,509 against \$35,231,020. Acceptances outstanding were \$5,764,786 against \$5,825,390.

The Schroder Trust Co., New York City, reported Dec. 31 resources of \$32,233,964, compared with \$40,013,780 on Sept. 30; cash and due from banks, \$4,465,038 against \$7,640,097; U. S. Government securities, \$23,111,029 against \$27,657,399; loans and discounts, \$3,878,728 against \$3,936,292. Surplus and undivided profits were \$2,036,429, against \$2,030,877. Deposits were \$28,370,414 against \$30,194,546.

The Commercial National Bank and Trust Co. of New York reported as of Dec. 31, 1943, total deposits of \$211,736,135 and total assets of \$233,850,430, compared respectively with \$187,640,873 and \$208,382,959 on Dec. 31, 1942. The bank held cash on hand and due (Continued on page 104)

## Byrd Committee To Study War Agencies' Unexpended Balances Totalling \$92 Billion

The Joint Committee on Reduction of Nonessential Federal Expenditures, in a "progress report" summarizing its accomplishments, disclosed on Dec. 19 that it will continue investigating the unexpended balances of the War and Navy Departments, the Maritime Commission and the War Shipping Administration with a view toward returning portions of these large balances to the Treasury.

The Committee, which is headed by Senator Byrd (Dem., Va.) reported that the unexpended appropriations of these departments and agencies totaled \$186,000,000 in September, 1943, of which \$92,000,000 are unobligated balances of unexpired appropriations.

The Committee stated that it will urge an investigation of the unobligated balances by the Appropriations Committee to determine whether additional appropriations will be needed until all the outstanding unobligated balances have been encumbered.

In the report of its activities since its inception in September, 1941, the Committee said that a total savings of \$2,117,543,231 were effected in items which the group recommended be curtailed—the most notable being the liquidation of the three depression-born agencies—the Civilian Conservation Corps, Works Projects Administration and the National Youth Administration.

While these accomplishments were considerable, the report said the Committee faces "a gigantic task" in the coming year.

In addition to inquiring into unexpended balances of the war departments and agencies, the Committee said that its future work will cover the following subjects:

Investigation of the large appropriations for the continuance

of normal peacetime and non-war activities which have been placed in the category of war activities.

Continued investigation of non-essential personnel in Government agencies in the hope of eliminating 400,000 or more from the peak of 3,095,463 paid Federal civilian employees reached last June.

Continued examination of Government-owned corporations to ascertain whether present loan policies, in the light of added budgetary commitments and changes, are still advisable.

Continued efforts to reduce needless travel and communication expenses.

Consolidation of duplicating and useless functions of agencies within the Department of Agriculture, notably the separate functioning of some 20 lending agencies and allied groups.

Checking on all "new adventures and commitments in public works and similar costly governmental programs which may be undertaken."

Consideration of the "failure of the Civil Service Commission to execute a sufficiently intensive Federal manpower utilization program."

Checking of all inequitable promotion policies of agencies.

Investigation of the penalty mail privilege exercised by the various establishments.

## Better Position As War Contract Centers Gained By New York, Boston, Cleveland, Baltimore

New York City, Boston, Cleveland, and Baltimore, are among the cities which have gained in relative importance as holders of war contracts during the 15 months when information concerning contract placement has been limited by the Government, according to the National Industrial Conference Board, which has just completed an analysis of figures now made available by the war production Board.

Among the cities that have lost ground, relatively, are Buffalo, Seattle-Tacoma, and Hartford.

The detailed data now made public cover a total of \$157,500,000,000 of supply contracts through September, 1943, and facilities contracts through August, 1943. Under date of Jan. 5, the Board's announcement explained:

"Los Angeles still leads in the volume of aircraft orders received, but the Newark-Jersey City area has moved up to second place, and Detroit to third position. Los Angeles has received over \$6,000,000,000 in aircraft production contracts; Newark-Jersey City and Detroit, somewhat less than \$3,000,000,000 each. Buffalo and San Diego follow with totals of around \$2,500,000,000, while Baltimore and Chicago are found among the top ten. In all, there were 13 industrial areas in the nation with awards aggregating \$1,000,000,000 or more.

"More than a third of all ship contracts are concentrated in six industrial areas: San Francisco-Oakland, Newark-Jersey City, Los Angeles, Seattle-Tacoma, Boston and Camden. Each of these areas holds more than \$1,000,000,000 of ship contract awards, the group total approaching \$8,000,000,000. Norfolk-Newport News and Philadelphia, both established shipbuilding centers, gained only a relatively small share of the contracts placed during the 15-month period during which time detailed information concerning contract placements was not generally available.

"Approximately a third of all ordnance is centered in Detroit, Chicago, New York and Flint. Detroit has received \$4,300,000,000

and Flint \$1,400,000,000 of ordnance contracts, the two together holding almost a fifth of the national total. Chicago's ordnance contracts fell just short of \$3,000,000,000, while New York's total is about half that amount.

"Contracts for new industrial plant financed from public funds are more widely distributed than any other type. The ten areas with the largest aggregates hold only a fourth of the total. Chicago, with \$893,000,000, and Detroit with \$574,000,000, have the largest plant additions. Philadelphia, Newark-Jersey City, Pittsburgh and New York City follow with totals for new plant contracts ranging downward from \$385,000,000 to \$314,000,000. No other single area has received plant contracts totaling as much as \$300,000,000."

## Gen. Marshall Returns From Pacific Tour

Gen. George C. Marshall, Army Chief of Staff, returned to Washington on Dec. 23 from his tour of the Pacific front, following the Cairo and Teheran conferences. Gen. Marshall immediately talked with President Roosevelt and they were joined by Secretary of War Henry L. Stimson and Admiral William D. Leahy Chief of Staff to the Commander in Chief. In the course of his flight around the world, Gen. Marshall stopped off at Australia, New Guinea, the Solomon Islands, Hawaii and other Pacific bases and held conferences with Gen. Douglas MacArthur, Admiral Chester W. Nimitz and other commanding officers of the Army and Navy in the Pacific area.

## Tax Plan Avoiding Returns By Millions Offered By Rep. Carlson Of Kansas

A plan designed to make it unnecessary for millions of persons to file any Federal income tax returns at all was proposed on Jan. 3 by Representative Carlson (Rep., Kan.), a member of the House Ways and Means Committee.

Under the plan, most income taxes would be deducted automatically from wages and salaries. According to the Associated Press, Mr. Carlson described present revenue statutes as a hodge-podge of language that cannot be correctly and definitely interpreted by a Philadelphia lawyer.

The Associated Press dispatch further said:

Declaring simplification to be the No. 1 tax job for 1944, he inserted in the Congressional Record his own suggestion for remedy, as follows:

1. Simplify and improve current withholding provisions so as to eliminate the need for any returns to be filed by 30,000,000 of the 40,000,000 to 50,000,000 taxpayers. "This could be done by adopting a graduate withholding from wages and salaries," he said, "and at the same time allowing a percentage of income exemptions" in lieu of the present deductions for other taxes paid, interest and contributions to churches and charity.
2. Combine existing personal income tax laws into one base and rate.
3. Repeal earned income credit.

The Ways and Means Committee, after long labors last summer and fall, brought out a bill combining the Victory Tax with the normal income levy. The House passed the measure, but the Senate Finance Committee struck this provision out of the \$2,000,000,000-plus second wartime revenue measure. The Senate will debate the measure when Congress reconvenes next week.

Mr. Carlson said there is danger that taxpayers will become so confused and bewildered that it will affect our national morale, unless the statutes are simplified. He conceded that it is too late to do anything about the computations due this March 15, but he demanded action before another tax accounting date rolls around, saying:

"We can and must simplify our tax laws. The day of soothing syrup and palliatives is past. Nothing less than a major operation will suffice."

## Paterson Newspaper Resists Efforts Of Wage-Hour Bureau To Open Records

Attempts by Federal wage-hour division officials to inspect payroll and shipping records of the Paterson (N. J.) "Evening News" were termed a violation of "freedom of the press" in United States Circuit Court of Appeals in Philadelphia on Dec. 22 by Elisha W. Hanson, General Council for the American Newspaper Publishers' Association.

From Associated Press Philadelphia advises, we also quote:

Mr. Hanson made his contention while appearing as sole counsel for the "News" in resisting an appeal made by the Wage-Hour Division of the Department of Labor seeking enforcement of a subpoena against the News Printing Co., Inc., publisher of the "News."

Previously, Judge Thomas F. Meaney in United States District Court at Newark refused to enforce the subpoena intended to produce the paper's records for examination. L. Metcalfe Walling, Administrator of the Wage-Hour Division, filed the appeal before the Appeals Court, composed of Judges John Biggs Jr., Herbert F. Goodrich and Gerald McLaughlin. Pressing action for the appeal

was Bessie Margolin, Assistant Solicitor for the Wage-Hour Division who contended the Administrator had the right under authority of Congress to send inspectors into newspaper plants to examine the pay rolls without first issuing a complaint that violations of the law have occurred.

Mr. Hanson argued that the First Amendment protecting the press from any "restraints" was supreme and that Congress could not, in "the guise of exercising its powers under the commerce clause," as he said it did in the wage and hour law, impose any abridgements on the freedom of the press.

The lower court ruling was reported in our issue of May 6, 1943, page 1686.

## N. Y. State Chamber Opposes Kilgore Bill As Inimical To National Welfare

Declaring that private enterprise has given the United States the "most advanced technological civilization the world ever has known," a report by the Chamber of Commerce of the State of New York, made public on Jan. 3 opposes the enactment of the Kilgore Bill to establish an Office of Technical Mobilization.

Drawn by the Committee on Internal Trade and Improvement, of which Leon O. Head is Chairman,

the report states that the bill would "seriously impede individual initiative and create ability and would bring about changes in the economic structure of the United States which would be inimical to the national welfare." Further opposition to the bill is based on the following:

- "1. The 'Declaration of Policy' in the Kilgore bill is predicated on the assumption, which is contrary to all the facts, that private industry has failed to utilize the nation's scientific and technical resources for the effective prosecution of the war or for peacetime progress.
- "2. It would regiment the brains, initiative and creative genius of America.
- "3. It would attempt to duplicate research work which private industry is doing effectively and would overlap the functions of other Government departments,

such as the Department of Commerce and the Department of Agriculture.

"4. It would give to a political bureau the power to shape the trend of productive enterprise.

"5. It would place a political bureau in an official relationship with the U. S. Patent Office which might impair its functions and influence its decisions.

"6. It would open the road for a new Government offensive against private enterprise which could weaken, not strengthen, the economic structure of the nation.

"7. It would further tighten the strangle hold of Government bureaucracy on private business by creating a \$200,000,000 bureau with no limit on the authorization of such further appropriations 'as may be necessary and proper.'"

The report will be presented for approval at the monthly meeting of the Chamber today (Jan. 6).

## Result Of Treasury Bill Offerings

Secretary of the Treasury Morgenthau announced on Jan. 3 that the tenders for \$1,000,000,000, or thereabouts of 91-day Treasury bills to be dated Jan. 6 and to mature April 6, which were offered on Dec. 31, were opened at the Federal Reserve Banks on Jan. 3.

The details of this issue are as follows:

Total applied for—\$2,255,535,000.  
Total accepted—\$1,014,794,000 (includes \$48,047,000 entered on a fixed-price basis at 99.905 and accepted in full).

Average price—99.906. Equivalent rate of discount approximately 0.373% per annum.

Range of accepted competitive bids:

High—99.915. Equivalent rate of discount approximately 0.336% per annum.

Low—99.905. Equivalent rate of discount approximately 0.376% per annum.

(19% of the amount bid for at the low price was accepted).

There was a maturity of a similar issue of bills on Jan. 6 in amount of \$1,006,933,000.

Regarding the Dec. 24th offering of 91-day bills, dated Dec. 30 and maturing March 30, the Treasury disclosed the following results on Dec. 27:

Total applied for—\$1,771,559,000.  
Total accepted—\$1,010,783,000 (includes \$41,749,000 entered on a fixed-price basis at 99.905 and accepted in full).

Average price—99.905. Equivalent rate of discount approximately 0.375% per annum.

Range of accepted competitive bids:

High—99.910. Equivalent rate of discount approximately 0.356% per annum.

Low—99.905. Equivalent rate of discount approximately 0.376% per annum.

(52% of the amount bid for at the low price was accepted).

There was a maturity of a similar issue of bills on Dec. 30 in amount of \$1,002,978,000.

With respect to the previous week's offering of \$1,000,000,000 of bills, dated Dec. 23 and maturing March 23, 1944, the Treasury announced the following results on Dec. 20:

Total applied for, \$1,791,197,000.  
Total accepted, \$1,005,249,000 (includes \$60,601,000 entered on a fixed-price basis at 99.905 and accepted in full).

Average price, 99.905+. Equivalent rate of discount approximately 0.375% per annum.

Range of accepted competitive bids:

High, 99.909, equivalent rate of discount approx. 0.360% per annum.

Low, 99.905, equivalent rate of discount approx. 0.376% per annum. (50% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Dec. 23 in amount of \$1,017,717,000.

## Haggard To Retire

Sir Godfrey Haggard, British Consul General in New York since 1938, will retire in February when he reaches the retirement age of 60, it was announced on Dec. 28 by the British Information Services.

Sir Godfrey, whose consular career dates back to 1903, will be succeeded by Francis Edward Evans, who came to New York several months ago after four years service in the British Foreign Office. Mr. Evans' consular career began in 1920 and he has served in British consulates in New York, Boston, Los Angeles and Colon, Panama.

Sir Godfrey's career covered duty in Central America, Bolivia, Cuba, Brazil, Chicago and Paris.

## Revenue Freight Car Loadings During Week Ended Dec. 25, 1943 Decreased 117,920 Cars

Loading of revenue freight for the week ended Dec. 25, 1943, totaled 641,368 cars, the Association of American Railroads announced on Dec. 31. This was an increase above the corresponding week of 1942 of 49,897 cars, or 8.4%, and an increase above the same week in 1941 of 34,866 cars or 5.7%.

Loading of revenue freight for the week of Dec. 25, which included Christmas holiday, decreased 117,920 cars, or 15.5% below the preceding week.

Miscellaneous freight loading totaled 305,147 cars, a decrease of 43,863 cars below the preceding week, but an increase of 14,865 cars above the corresponding week in 1942.

Loading of merchandise less than carload lot freight totaled 84,557 cars, a decrease of 14,162 cars below the preceding week, but an increase of 12,164 cars above the corresponding week in 1942.

Coal loading amounted to 136,874 cars, a decrease of 40,205 cars below the preceding week, but an increase of 15,544 cars above the corresponding week in 1942.

Grain and grain products loading totaled 41,728 cars, a decrease of 6,836 cars below the preceding week but an increase of 2,305 cars above the corresponding week in 1942. In the Western Districts alone, grain and grain products loading for the week of Dec. 25, totaled 28,605 cars, a decrease of 4,863 cars below the preceding week but an increase of 1,629 cars above the corresponding week in 1942.

Live stock loading amounted to 11,354 cars, a decrease of 5,709 cars below the preceding week, and a decrease of 65 cars below the corresponding week in 1942. In the Western Districts alone loading of live stock for the week of Dec. 25 totaled 8,081 cars, a decrease of 4,526 cars below the preceding week, and a decrease of 166 cars below the corresponding week in 1942.

Forest products loading totaled 36,932 cars, a decrease of 4,805 cars below the preceding week but an increase of 5,878 cars above the corresponding week in 1942.

Ore loading amounted to 11,399 cars, a decrease of 958 cars below the preceding week and a decrease of 483 cars below the corresponding week in 1942.

Coke loading amounted to 13,377 cars, a decrease of 1,382 cars below the preceding week, and a decrease of 311 cars below the corresponding week in 1942.

All districts reported increases compared with the corresponding week in 1942. All districts reported increases compared with 1941 except the Eastern and Allegheny.

	1943	1942	1941
5 weeks of January	3,530,849	3,858,479	3,454,409
4 weeks of February	3,055,640	3,122,942	2,865,565
4 weeks of March	3,073,426	3,174,781	3,066,011
4 weeks of April	3,136,253	3,350,996	2,793,630
5 weeks of May	4,149,708	4,170,548	4,160,060
4 weeks of June	3,151,146	3,365,655	3,810,057
5 weeks of July	4,307,406	4,185,135	4,295,457
4 weeks of August	3,554,446	3,487,905	3,581,350
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
4 weeks of November	3,304,776	3,236,584	3,423,038
Week of December 4	862,759	759,731	833,375
Week of December 11	823,211	744,183	807,225
Week of December 18	759,288	743,061	798,868
Week of December 25	641,368	591,471	606,502
Total	42,414,343	42,826,463	42,289,764

\*While this was a reduction of 412,120 cars, or 1% below 1942, revenue ton-miles increased 13.6% due to the heavier loading of cars and the longer haul per ton. Carloadings in 1943 were an increase of 124,579 cars, or 0.3%, compared with 1941.

Total loadings by commodities in 1943 compared with 1942 follow:

	1943	1942	% Change
Grain and grain products	2,647,665	2,177,122	+ 21.6
Live stock	837,437	744,588	+ 12.5
Coal	8,493,154	8,361,058	+ 1.6
Coke	750,768	730,879	+ 2.7
Forest products	2,226,022	2,451,550	- 9.2
Ore	2,817,152	3,015,212	- 6.6
Merchandise, L.C.L.	5,066,745	5,584,248	- 9.3
Miscellaneous	19,575,400	19,761,806	- 1.0
Total	42,414,343	42,826,463	- 1.0

The following table is a summary of the freight carloading for the separate railroads and systems for the week ended Dec. 25, 1943. During the period 93 roads showed increases when compared with the corresponding week a year ago.

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1943	1942	1941	1943	1942	1941
<b>Eastern District—</b>						
Air Arbor	195	243	484	1,329	1,257	222
Bangor & Aroostook	1,753	1,260	1,271	220	202	
Boston & Maine	5,511	4,333	6,696	13,164	12,961	
Chicago, Indianapolis & Louisville	1,280	1,158	1,110	2,085	2,056	
Central Indiana	26	21	19	42	56	
Central Vermont	957	720	1,271	2,246	1,804	
Delaware & Hudson	4,674	4,600	5,085	12,451	10,712	
Delaware, Lackawanna & Western	6,113	5,327	7,466	10,737	10,791	
Detroit & Mackinac	116	215	291	93	142	
Detroit, Toledo & Ironton	1,870	1,308	1,446	1,893	1,553	
Detroit & Toledo Shore Line	267	215	218	3,430	3,068	
Erie	10,115	9,122	11,384	17,803	16,549	
Grand Trunk Western	3,471	3,020	3,650	9,268	7,950	
Lehigh & Hudson River	167	129	137	2,187	2,514	
Lehigh & New England	1,518	1,187	1,142	1,378	1,361	
Lehigh Valley	6,831	5,891	6,804	13,561	11,495	
Maine Central	1,873	1,616	2,545	3,380	2,605	
Monongahela	4,828	4,511	4,772	385	336	
Montour	1,711	1,701	1,831	29	22	
New York Central Lines	37,555	34,114	37,545	53,356	49,968	
N. Y. N. H. & Hartford	7,691	6,404	10,182	17,003	14,552	
New York, Ontario & Western	892	1,021	775	2,535	2,170	
New York, Chicago & St. Louis	5,445	5,646	5,038	15,148	15,546	
N. Y. Susquehanna & Western	457	514	391	2,322	2,114	
Pittsburgh & Lake Erie	6,546	6,308	7,272	6,918	6,137	
Pere Marquette	3,845	4,215	4,153	8,135	7,640	
Pittsburg & Shawmut	727	555	511	15	14	
Pittsburg, Shawmut & North	245	223	256	228	205	
Pittsburgh & West Virginia	894	664	697	2,268	3,609	
Rutland	263	221	414	891	728	
Wabash	4,994	4,257	4,617	11,469	12,607	
Wheeling & Lake Erie	3,715	4,030	3,742	4,206	5,505	
<b>Total</b>	<b>126,545</b>	<b>114,749</b>	<b>133,265</b>	<b>220,175</b>	<b>208,319</b>	

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1943	1942	1941	1943	1942	1941
<b>Allegheny District—</b>						
Akron, Canton & Youngstown	638	579	484	1,107	1,040	
Baltimore & Ohio	31,384	27,990	30,744	23,823	25,333	
Bessemer & Lake Erie	2,099	2,489	2,844	1,197	1,915	
Buffalo Creek & Gauley	295	252	307	4	3	
Cambria & Indiana	1,298	1,333	1,679	1	8	
Central R. R. of New Jersey	5,463	4,894	6,184	17,488	17,932	
Cornwall	486	341	516	53	48	
Cumberland & Pennsylvania	172	182	252	8	11	
Ligonier Valley	114	92	124	24	74	
Long Island	1,011	821	686	2,770	3,133	
Penn-Reading Seashore Lines	1,334	1,151	1,298	2,135	2,090	
Pennsylvania System	63,473	55,073	64,104	60,382	53,039	
Reading Co.	12,093	9,557	12,489	23,403	24,324	
Union (Pittsburgh)	18,753	19,557	18,516	3,893	4,135	
Western Maryland	3,255	2,684	3,391	12,895	12,499	
<b>Total</b>	<b>141,868</b>	<b>126,995</b>	<b>143,618</b>	<b>149,183</b>	<b>145,584</b>	
<b>Pocahontas District—</b>						
Chesapeake & Ohio	20,554	17,801	16,757	10,784	9,696	
Norfolk & Western	15,865	14,232	13,033	7,048	6,516	
Virginian	3,258	2,801	3,009	2,093	1,739	
<b>Total</b>	<b>39,677</b>	<b>34,834</b>	<b>32,799</b>	<b>19,925</b>	<b>17,951</b>	
<b>Southern District—</b>						
Alabama, Tennessee & Northern	297	224	243	324	183	
All & W. P.—W. R. R. of Ala.	652	430	560	2,255	2,080	
Atlanta, Birmingham & Coast	584	454	462	1,239	1,234	
Central of Georgia	10,859	10,355	8,355	9,396	8,960	
Charleston & Western Carolina	3,115	2,663	2,827	4,391	4,242	
Clinchfield	305	244	266	1,539	1,393	
Columbus & Greenville	1,299	1,125	1,206	3,065	2,663	
Durham & Southern	200	288	198	200	284	
Florida East Coast	110	62	125	596	429	
Gainesville Midland	2,122	1,615	885	1,527	1,640	
Georgia	40	32	29	94	76	
Georgia & Florida	862	923	771	2,082	2,362	
Gulf, Mobile & Ohio	315	232	231	553	491	
Illinois Central System	23,342	2,708	3,071	3,770	4,140	
Louisville & Nashville	23,427	22,053	21,339	15,882	16,607	
Macon, Dublin & Savannah	18,979	17,491	16,665	11,184	10,047	
Mississippi Central	177	172	164	779	839	
Nashville, Chattanooga & St. L.	2,603	2,434	2,911	4,555	4,320	
Norfolk Southern	804	560	764	1,869	1,245	
Piedmont Northern	279	258	348	1,101	1,194	
Richmond, Fred. & Potomac	301	229	321	10,729	8,535	
Seaboard Air Line	8,032	8,575	7,643	7,349	8,101	
Southern System	19,192	16,857	17,398	24,157	22,520	
Tennessee Central	506	365	449	1,018	900	
Winston-Salem Southbound	108	83	77	1,082	844	
<b>Total</b>	<b>98,834</b>	<b>90,745</b>	<b>87,433</b>	<b>111,187</b>	<b>105,756</b>	
<b>Northwestern District—</b>						
Chicago & North Western	11,980	11,409	13,242	13,076	13,246	
Chicago Great Western	2,327	1,977	2,145	3,621	3,209	
Chicago, Milw., St. P. & Pac.	17,059	15,404	16,654	9,489	9,303	
Chicago, St. Paul, Minn. & Omaha	3,140	2,976	3,306	3,602	3,132	
Duluth, Missabe & Iron Range	974	928	855	198	229	
Duluth, South Shore & Atlantic	625	481	446	432	526	
Ely, Joliet & Eastern	7,554	7,753	8,988	10,507	11,123	
Ft. Dodge, Des Moines & South	295	323	420	74	105	
Great Northern	9,470	9,980	9,081	4,008	4,680	
Green Bay & Western	485	341	402	749	758	
Lake Superior & Ishpeming	265	162	186	52	28	
Minneapolis & St. Louis	1,903	1,572	1,453	1,741	2,079	
Minn., St. Paul & S. S. M.	4,247	3,973	4,328	2,646	2,821	
Northern Pacific	8,900	9,394	7,715	4,309	4,569	
Spokane International	93	86	56	599	453	
Spokane, Portland & Seattle	2,134	1,639	1,783	2,924	3,099	
<b>Total</b>	<b>71,451</b>	<b>68,298</b>	<b>71,060</b>	<b>58,027</b>	<b>59,360</b>	
<b>Central Western District—</b>						
Atch., Top. & Santa Fe System	19,819	17,884	16,949	10,999	11,591	
Alton	2,723	2,885	2,750	4,042	5,121	
Bingham & Garfield	424	255	476	68	98	
Chicago, Burlington & Quincy	16,206	15,094	13,609	9,980	10,404	
Chicago & Illinois Midland	2,358	2,419	2,595	1,023	783	
Chicago, Rock Island & Pacific	9,528	9,665	9,722	10,309	12,759	
Chicago & Eastern Illinois	2,200	1,922	2,237	5,973	5,515	
Colorado & Southern	507	587	602	2,045	1,799	
Denver & Rio Grande Western	3,157	3,221	2,897	6,199	5,499	
Denver & Salt Lake	618	624	585	6	11	
Fort Worth & Denver City	499	904	987	1,257	1,045	
Illinois Terminal	1,777	1,189	1,542	1,756	1,507	
Missouri-Illinois	817	887	1,000	497	520	
Nevada Northern	1,524	2,176	1,943	131	107	
North Western Pacific	565	513	637	644	5	

Moody's Bond Prices And Bond Yield Averages

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

Table with columns for 1944 Daily Averages, U.S. Govt. Bonds, Corporate Rates, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R.R., P.U., Indus.), and Stock Exchange Closed. Includes data for 1943 and 1942.

Table with columns for 1944 Daily Averages, U.S. Govt. Bonds, Corporate Rates, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R.R., P.U., Indus.), and Stock Exchange Closed. Includes data for 1943 and 1942.

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

National Fertilizer Association Commodity Price Index Continues To Advance

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public Jan. 3, advanced fractionally to 136.5 in the week ending Jan. 1 from 136.4 (revised) in the preceding week. A month ago this index stood at 135.2 and a year ago at 132.4, based on the 1935-1939 average as 100. The Association's report continued as follows:

The all-commodity index rose slightly last week as the farm products and textiles groups moved into higher ground. Higher quotations were noted for raw cotton, wheat, rye, lambs, and poultry. The price of heavy hogs declined fractionally. Although there were advancing prices in cottonseed oil and cocoa beans, a lower price for Wisconsin Daisies cheese was sufficient to hold the foods group to last week's level. All other group indexes remained at the previous week's level.

During the week 8 price series advanced and 2 declined; in the preceding week there were 8 advances and 5 declines; and in the second preceding week there were 13 advances and 2 declines.

Table titled 'WEEKLY WHOLESALE COMMODITY PRICE INDEX' showing percentage change for various groups like Foods, Farm Products, Fuels, etc., with columns for Latest Week, Preceding Week, Month Ago, and Year Ago.

\*Indexes on 1926-1928 base were: Jan. 1, 1944, 1063.3; Dec. 25, 1943, 1066.3 and Jan. 2, 1943, 1031.1. Revised.

Electric Output For Week Ended Jan. 1, 1944, Shows 13.8% Gain Over Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Jan. 1, 1944, was approximately 4,300,000,000 kwh., compared with 3,779,993,000 kwh. in the corresponding week a year ago, an increase of 13.8%. The output of the week ended Dec. 25, 1943, was also 17.5% in excess of the similar period of 1942.

Table titled 'PERCENTAGE INCREASE OVER PREVIOUS YEAR' showing percentage change for various geographical divisions like New England, Middle Atlantic, etc., with columns for Jan. 1, Dec. 25, Dec. 18, and Dec. 11.

Table titled 'DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)' showing percentage change for weeks ended from Oct. 2 to Dec. 25, with columns for 1943, 1942, 1941, 1932, and 1929.

Ely Elected Head Of N. Y. Trade Board

Matthew G. Ely, President of Horace S. Ely & Co., was elected President of the New York Board of Trade, at a special meeting of the directors held on Dec. 21 at The India House. Mr. Ely is the first real estate man to be elected President in the Board's 70-year history.

Chubb & Son, was elected Assistant Treasurer. James J. Clark, Assistant to the President, Liggett Drug Co., Inc., was elected Secretary. Edwin M. Otterbourg, Otterbourg, Steindler & Houston, was elected General Counsel. M. D. Griffith was elected Executive Vice-President for the 17th consecutive year.

Upon taking office, Mr. Ely made a statement in which he said in part: "Assuming that in 1944 the war will be over in Europe, but continuing in the Pacific, New York City faces certain obvious problems. Businessmen, through their various organizations, should lend their efforts toward solution."

adage that a penny saved is a penny earned. Legislative Committees have investigated and reported, special commissions on Municipal finances have labored, and submitted their findings, fiscal officers have warned. Their conclusions are identical. Our expenses are going up faster than funds are coming in.

"Our Municipal government fully aware of the existing financial problem is embarking upon a Post-War program running into hundreds of millions without the vaguest notion of how it is going to be paid for. No one disputes the desirability of new schools, new hospitals, new parks and parkways, new playgrounds and other recreational facilities. Even though the Federal government should advance a substantial part of the construction cost their maintenance will require millions from a treasury that is now scraping bottom.

"The requirements of the armed forces are already changing. The end of the conflict in Europe will probably cause a more sudden and more drastic change in goods needed by all the fighting forces. Some peace-time consumer goods will be allowed as soon as raw products are made available. The next 12 months will present New York businessmen with a problem of conversion back to peace, which will not be as easy as the conversion to the war production.

New York prospered as it grew and became America's business capital. It should not discourage business from locating and remaining in the City. It should remember that Wall Street is in New York City. We should become alarmed by the fact that venture capital pays encouraging dividends in most places in the world except here at home. One thing we should not export, and that is the American Capital Markets Industry.

"The above is by no means a complete list of our problems, but they are the ones which if we do not solve will plague us most sorely. It is to be earnestly hoped that business will put its shoulder to the wheel, and give to the Post-War World the same degree of aggressive, and intelligent leadership that made victory possible. Business should help win the peace, as it helped win the war. Likewise, Government must NOT forget that intelligent cooperation is essential if business is to make the tools of Post-War Reconstruction."

In addition to the officers mentioned above, Charles I. Bernheimer, Chairman of Board, Bear Mill Manufacturing Co., and J. Frederick Talcott, President, James Talcott, Inc., were elected Honorary Vice-Presidents.

Among the new directors welcomed to their first meeting were: Harold M. Altshul, President Ketchum & Co., Inc.; Carl M. Anderson, Executive Assistant to the President, Merck & Co., Inc.; Herman L. Brooks, President, Coty, Inc.; Edward F. Feely, International Nickel Co.; Mr. Goodwin; Robert P. Holt, Amsinck, Sonne & Co.; Victor E. Williams, Director of Sales, Monsanto Chemical Co.; George LeBoutillier, Vice-President, Pennsylvania Railroad Co.; John Quincy Adams, President, Manhattan Refrigerating Co.; John J. Kelleher, United Fruit Co.

Moody's Daily Commodity Index

Table showing commodity index values for various days from Tuesday, Dec. 28 to Low, Jan. 4, 1944.

### Trading On New York Exchanges

The Securities and Exchange Commission made public on Jan. 3 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 Dec. 18, 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 Dec. 18 (in round-lot transactions) totaled 1,580,146 shares, which amount was 17% of the total transactions on the Exchange of 4,047,760 shares. This compares with member trading during the week ended Dec. 11 of 1,936,999 shares, or 17.20% of total trading of 5,627,970 shares. On the New York Curb Exchange, member trading during the week ended Dec. 18 amounted to 248,100 shares, or 12.55% of the total volume on that exchange of 988,565 shares; during the Dec. 11 week trading for the account of Curb members of 323,025 shares was 13.49% of total trading of 1,197,470 shares.

**Total Round-Lot Stock Sales on the New York Stock Exchange and Round-Lot Stock Transactions for Account of Members\* (Shares)**  
WEEK ENDED DEC. 18, 1943

	Total for Week	%
<b>A. Total Round-Lot Sales:</b>		
Short sales.....	111,940	
†Other sales.....	4,535,820	
<b>Total sales.....</b>	<b>4,647,760</b>	
<b>B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:</b>		
<b>1. Transactions of specialists in stocks in which they are registered—</b>		
Total purchases.....	420,820	
Short sales.....	59,110	
†Other sales.....	363,300	
<b>Total sales.....</b>	<b>422,410</b>	<b>9.07</b>
<b>2. Other transactions initiated on the floor—</b>		
Total purchases.....	237,140	
Short sales.....	11,700	
†Other sales.....	196,010	
<b>Total sales.....</b>	<b>207,710</b>	<b>4.79</b>
<b>3. Other transactions initiated off the floor—</b>		
Total purchases.....	129,754	
Short sales.....	11,000	
†Other sales.....	151,312	
<b>Total sales.....</b>	<b>162,312</b>	<b>3.14</b>
<b>4. Total—</b>		
Total purchases.....	787,714	
Short sales.....	81,810	
†Other sales.....	710,622	
<b>Total sales.....</b>	<b>792,432</b>	<b>17.00</b>

**Total Round-Lot Stock Sales on the New York Curb Exchange and Stock Transactions for Account of Members\* (Shares)**  
WEEK ENDED DEC. 18, 1943

	Total for Week	%
<b>A. Total Round-Lot Sales:</b>		
Short sales.....	12,880	
†Other sales.....	975,685	
<b>Total sales.....</b>	<b>988,565</b>	
<b>B. Round-Lot Transactions for the Account of Members:</b>		
<b>1. Transactions of specialists in stocks in which they are registered—</b>		
Total purchases.....	55,845	
Short sales.....	10,300	
†Other sales.....	62,080	
<b>Total sales.....</b>	<b>72,380</b>	<b>6.49</b>
<b>2. Other transactions initiated on the floor—</b>		
Total purchases.....	27,000	
Short sales.....	1,200	
†Other sales.....	16,870	
<b>Total sales.....</b>	<b>18,070</b>	<b>2.28</b>
<b>3. Other transactions initiated off the floor—</b>		
Total purchases.....	25,475	
Short sales.....	540	
†Other sales.....	48,790	
<b>Total sales.....</b>	<b>49,330</b>	<b>3.78</b>
<b>4. Total—</b>		
Total purchases.....	108,320	
Short sales.....	12,040	
†Other sales.....	127,740	
<b>Total sales.....</b>	<b>139,780</b>	<b>12.55</b>
<b>C. Odd-Lot Transactions for the Account of Specialists—</b>		
Customers' short sales.....	0	
‡Customers' other sales.....	40,599	
<b>Total purchases.....</b>	<b>40,599</b>	
<b>Total sales.....</b>	<b>24,569</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."

### Steel Production Recovers Quickly—Backlogs Decline, Much New Capacity Found Unnecessary

"A period of new tests of a severe nature faces metals producing and metals using industries at the start of 1944, the year of the European invasion," states "The Iron Age," in its issue of today (Jan. 6), further adding: "Twelve months ago, tremendous order backlogs, material and manpower shortages and expansion needs were the topics of the day, and few persons were able to visualize fully the unprecedentedly high production destined to be achieved in 1943. This week backlogs are declining in a number of lines, much of the new capacity has proved unnecessary, and cutbacks, renegotiation and surplus goods disposal are the current subjects of importance.

"In six months, the steel production-distribution pattern is expected to be closer to normal than at any time since the war began. Output of ingots will be lower

during 1944 than the record 1943 production of around 89,000,000 net tons. Supplies of ingots and semi-finished steel are easy currently. Demand for flat rolled steel is still high and probably will remain high until landing barges, landing mats and other invasion equipment are completed. Substantial increases in rail and pipe production are likely.

"The recently announced closing of four aluminum pot lines owned

by the Government with a total output of 12,000,000 pounds a month is one development emphasizing the easier situation in metals. Other major cutbacks in aluminum output, which rose to 7½ times the pre-war level, are scheduled to come. WPB estimates the 1943 aluminum supply at 2,703,500,000 pounds, with allotments made of 2,639,300,000 pounds. Consequently, there was a 64,200,000 pound surplus at the end of the year. Broken down, primary aluminum production was approximately 1,821,200,000 pounds; secondary production and imports amounted to 508,200,000 and 353,700,000 pounds, respectively. At the same time, exports amounted to a probable 260,900,000 pounds.

"The improved zinc supply situation has permitted relaxation of some controls recently. Orders have been issued for the production of 2,000,000 electric irons and 50,000 bathtubs during 1944, a modest but significant event. Restrictions on the delivery and sale of tungsten, vanadium, cobalt and molybdenum have been lifted. Ferro-manganese and spiegel are reported easier.

"The announcement that pig iron allocations are to cease in February has been greeted joyously by foundries which are now relieved of the burden of reporting and in some instances of the necessity of paying over-selling prices. Some foundries were allocated more iron in December and January than they requested. The announcement was unsettling for operators of high cost furnaces, some of which may be forced out of business.

"Appraising 1944 business prospects for the machine tool industry, expectations are that total dollar volume will be \$350,000,000 to \$375,000,000, including some \$50,000,000 worth of lend-lease contracts. This is a very sharp decline from the \$1,200,000 figure of 1943. By mid-1944 shipments and new orders may be equal.

The American Iron and Steel Institute on Jan. 3 announced that telegraphic reports which it had received had indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 95.9% of capacity for the week beginning Jan. 3, compared with a revised figure of 86.3% one week ago, 99.3% one month ago and 95.8% one year ago. The operating rate for the week beginning Jan. 3, 1944, is equivalent to 1,667,000 tons of steel ingots and castings, compared to 1,504,200 tons (revised figure) one week ago, 1,730,700 tons one month ago, and 1,659,400 tons one year ago.

As of Monday, Dec. 27, according to the Institute, the rate was 81.3% of capacity. The revision for that week to 86.3% takes account of the fact that production was later resumed in plants which were closed by strike on Dec. 27. The tonnage lost because of the strike is estimated to be approximately 170,000 tons.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Jan. 3 stated in part as follows: "While higher prices of steel are regarded as a distinct possibility in view of the present pressure by labor for higher wages the prospect is having little effect on steel demand.

"Orders are based on prices in effect at time of delivery and producers are booked from several weeks to several months ahead.

"At the threshold of the new year the industry finds demand for plates as insistent as a year ago, with sheets a close second. Shipbuilding proceeds at undiminished rate, the invasion barge program is well under way, landing mat requirements still are heavy and other war needs are pressing for more flat-rolled steel.

"In bars the situation has been variable and at present seems on

the upgrade after a period of slackness when deliveries were easier to obtain. At the moment delivery promises are receding somewhat as increased demand comes out for various uses.

"Most mills are booked through first half on plates and sheets, with bars obtainable somewhat earlier.

"Revocation of the order limiting production of certain alloy steels to electric furnaces, allowing open hearths to resume making them, has restored former conditions. Consumers are returning to their usual sources of supply.

"Pig iron production in November, 5,096,099 net tons, failed to equal the all-time record of October, 5,323,738 tons, in part due to one less working day. Rate of production in November was 96.3% of capacity, compared with 98.1% in October. Up to Dec. 1 total pig iron production in 1943 was 56,564,378 tons, against 54,190,906 tons in the corresponding period of 1942."

### Earnings, Jobs & Hours At New Peaks In Oct.

Weekly earnings, employment, man hours, and payrolls rose to new peak levels in October, according to the regular monthly survey of 25 manufacturing industries by the National Industrial Conference Board. Hourly earnings remained unchanged at the September peak, and the work week was no longer than in any other month since April, 1930.

Under date of Dec. 22 the Board further said:

"Except for August of this year October is the only month since January, 1941, the base date of the 'Little Steel' formula in which hourly earnings did not increase. The net advance since the inauguration of the 'Little Steel' formula has now reached 36.5%.

"At an average of \$47.50 in October weekly earnings were 0.8% above September, 12.8% above October, 1942, 55.2% above January, 1941, and 66.4% above 1929. Real weekly earnings, or dollar weekly earnings adjusted for changes in the cost of living, rose 0.2% from September to October, were 8.7% higher than a year earlier and exceeded those of January, 1941, by 29.0%.

"Employment rose 0.3%, and reached a level 5.9% above October, 1942, 48.5% above 1929. Man hours showed a gain of 0.8%, and stood 10.6% above October, 1942, and 39.9% above 1929. The work week was 0.2 hours longer than in September, 1.9 hours longer than a year earlier, but 2.8 hours shorter than in 1929. Payrolls were up 1.1% from September, 19.6% from October, 1942, and 147.0% from 1929.

### Cotton Spinning In Nov.

The Bureau of the Census announced on Dec. 21 that according to preliminary figures, 23,340,390 cotton-spinning spindles were in place in the United States on Nov. 30, 1943, of which 22,623,406 were operated at some time during the month compared with 22,599,426 for October, 22,631,338 for September, 22,632,776 for August, 22,667,376 for July, 22,769,238 for June and 22,978,466 for November, 1942. The aggregate number of active spindle-hours reported for the month was 10,179,206,853. Based on an activity of 80 hours per week, the cotton spindles in the United States were operated during November, 1943, at 125.3% capacity. This percentage compares, on the same basis, with 129.5% for October, 127.5% for September, 122.5% for August, 120% for July, 130% for June, 134.1% for May and 133.9% for November, 1942. The average number of active spindle-hours per spindle in place for the month was 436.

### NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Jan. 3 a summary for the week ended Dec. 24 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 Dec. 24, 1943

Odd-Lot Sales by Dealers (Customers' purchases)	Total for Week
Number of orders.....	14,614
Number of shares.....	383,091
Dollar value.....	15,241,177

Odd-Lot Purchases by Dealers— (Customers' Sales)	Total for Week
Number of Orders:	
Customers' short sales.....	190
Customers' other sales.....	15,226
Customers' total sales.....	15,416

Number of Shares:	Total for Week
Customers' short sales.....	4,837
Customers' other sales.....	380,986
Customers' total sales.....	385,823
Dollar value.....	12,651,266

Round-lot Sales by Dealers—	Total for Week
Number of Shares:	
Short sales.....	60
Other sales.....	116,580
Total sales.....	116,640

Round-lot purchases by Dealers—	Total for Week
Number of shares.....	111,550

\*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 Dec. 25, 1943

According to the National Lumber Manufacturers Association, lumber shipments of 449 mills reporting to the National Lumber Trade Barometer were 9.6% above production for the week ended Dec. 25, 1943. In the same week new orders of these mills were 20.0% greater than production. Unfilled order files in the reporting mills amounted to 96% of stocks. For reporting softwood mills, unfilled orders are equivalent to 37 days' production at the current rate, and gross stocks are equivalent to 35 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 7.0%; orders by 7.7%.

Compared to the average corresponding week of 1935-39, production of reporting mills was 9.8% greater; shipments were 24.1% greater; and orders were 16.6% greater.

### Frank W. Simmonds Retires From ABA

The retirement of Frank W. Simmonds, Deputy Manager of the American Bankers Association for the past 20 years, was announced on Dec. 30. Mr. Simmonds joined the A.B.A. executive staff in 1923 as Deputy Manager and Secretary of its State Bank Division, the Division, of the Association devoted to the interests of state chartered banks. In 1937 he was named Senior Deputy Manager to assist Executive Manager Harold Stonier in the general administrative work of the Association.

During the first half of his career Mr. Simmonds was an educator. He was superintendent of schools for 11 years at Mankato in his native state of Kansas and for seven years at Lewiston, Idaho.

During World War I he was Deputy Food Administrator under Herbert Hoover. Before coming to the A.B.A. he was associated with the U. S. Chamber of Commerce.

### Weekly Statistics Of Paperboard Industry

We give herewith latest figures received by us from the National Paperboard Association, Chicago, Ill., in relation to activity in the paperboard industry.

The members of this Association represent 83% of the total industry, and its program includes a statement each week from each member of the orders and production, and also a figure which indicates the activity of the mill based on the time operated. These figures are advanced to equal 100%, so that they represent the total industry.

#### STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY

Period	Orders Received	Production Tons	Unfilled Orders Remaining	Percent of Activity
1943—Week Ended				
Sept. 4	177,766	150,943	598,255	97 93
Sept. 11	121,125	126,427	589,323	83 93
Sept. 18	153,708	157,082	583,714	98 93
Sept. 25	144,100	151,725	558,633	96 93
Oct. 2	164,954	152,479	579,800	97 93
Oct. 9	156,808	148,574	589,417	94 93
Oct. 16	156,044	148,293	588,399	94 93
Oct. 23	144,254	147,883	587,324	93 93
Oct. 30	144,413	143,686	608,782	93 93
Nov. 6	172,441	147,467	608,893	95 93
Nov. 13	153,126	149,295	587,715	94 93
Nov. 20	126,726	146,286	578,434	91 93
Nov. 27	134,959	142,136	602,789	95 93
Dec. 4	177,664	149,803	600,323	96 93
Dec. 11	146,662	148,826	589,659	96 93
Dec. 18	139,654	148,431	569,689	87 93
Dec. 25	119,487	136,120		

Notes—Unfilled orders of the prior week, plus orders received, less production, do not necessarily equal the unfilled orders at the close. Compensation for delinquent reports, orders made for or filled from stock, and other items made necessary adjustments of unfilled orders.

### Labor Bureau's Wholesale Commodity Index Remains Unchanged During Week Ended Dec. 25

The U. S. Department of Labor announced on Dec. 30 that commodity prices in primary markets continued generally steady during the week ended Dec. 25. The Bureau of Labor Statistics' all-commodity index remained unchanged for the third consecutive week at 102.9% of the 1926 average. The price level for these commodities was 0.3% higher than for the corresponding week in November and 1.7% above a year ago.

The Department's announcement further stated:

**"Farm Products and Foods"**—With the exception of minor changes in prices for a few building materials and boxboard, market changes during the week were confined to farm products and foods. The general average of farm product prices was up 0.2%, primarily because of higher quotations for barley, rye and wheat, for hogs and live poultry (Chicago market), and for apples, lemons and onions. Average prices were lower for coats, steers, cotton, for white potatoes and oranges, and for eggs in the New York and Chicago markets. During the fourth week of December, the level of farm product prices was slightly less than 6% above the corresponding week of December, 1942.

**"Moderately lower prices for fresh pork together with lower quotations for certain fruits and vegetables and eggs offset minor increases for rye flour and citrus fruits. The average for food prices remained unchanged during the week and were approximately 1% above this time last year.**

**"Industrial Commodities"**—Higher prices for Douglas fir boards and dimension lumber, and stronger markets for rosin and turpentine were responsible for the advance of 0.1% in the index for building materials. Quotations for other major products, except for further upward adjustments in ceiling prices for coke and boxboard, remained unchanged from the week before. Continued demand and low stocks with other costs maintained at previous levels caused most commodities to move at ceiling prices."

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 revision 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 Nov. 27, 1943 and Dec. 26, 1942, and the percentage changes from a week ago, a month ago and a year ago:

Commodity groups—	(1926=100)						Percentage changes to Dec. 25, 1943 from—		
	12-25 1943	12-18 1943	12-11 1943	11-27 1943	12-26 1942	12-18 1942	11-27 1942	12-26 1942	
All commodities	102.9	102.9	102.9	102.6	101.2	0	+0.3	+1.7	
Farm products	122.0	121.8	122.0	121.2	115.2	+0.2	+0.7	+5.9	
Food	105.7	105.7	105.9	105.8	104.6	0	-0.1	+1.1	
Hides and leather products	117.9	117.9	117.5	116.9	118.4	0	+0.9	-0.4	
Textile products	97.2	97.2	97.2	97.2	96.6	0	0	+0.6	
Fuel and lighting materials	82.6	82.6	82.4	81.7	79.9	0	+1.1	+3.4	
Metals and metal products	103.9	103.9	103.9	103.8	103.9	0	+0.1	0	
Building materials	113.5	113.4	113.4	113.0	110.0	+0.1	+0.4	+3.2	
Chemicals and allied products	100.3	100.3	100.3	100.4	99.5	0	-0.1	+0.8	
Housefurnishing goods	104.4	104.4	104.2	104.2	104.1	0	+0.2	+0.3	
Miscellaneous commodities	93.0	93.0	93.0	93.0	90.4	0	0	+2.9	
Raw materials	112.2	112.1	112.1	111.1	106.6	+0.1	+1.0	+5.3	
Semimanufactured articles	93.1	93.1	93.1	92.9	92.4	0	+0.2	+0.8	
Manufactured products	100.4	100.4	100.4	100.3	100.1	0	+0.1	+0.3	
All commodities other than farm products	98.9	98.9	98.8	98.6	98.2	0	+0.3	+0.7	
All commodities other than farm products and foods	97.8	97.8	97.8	97.5	96.2	0	+0.3	+1.7	

\*Preliminary.

### Non-Ferrous Metals—Supply Outlook Easier—Allocation Of Three Elements To End

**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 Dec. 30, stated: "Allocation controls over cobalt, molybdenum, and vanadium will be removed early in 1944, according to Washington advices. The movement of the three elements into consumption will remain under observation through study of monthly sales records that producers will submit to WPB. Supplies of the three alloying materials have been ample for some time past."

Zinc certificates for January metal were released during the last week, but producers were disappointed in that consumers were slow in asking for their allotments. Production of the light metals, quicksilver, and some of the minor metals is scheduled to decline. Mexico expects to resume exportation of silver to the United States in the second quarter. The supply outlook for most non-ferrous metals eased appreciably toward the end of 1943." The publication further went on to say in part as follows:

plants will pass into consumption during January.

Hot-rolled wirebars in London increased 5s. per ton to £65 15s., owing to higher delivery charges.

**Lead**  
Demand for lead last week continued at about the same level as in comparable periods of recent months, indicating that consumers are absorbing primary output at the rate of 65,000 to 70,000 tons a month.

Sales of lead for the week amounted to 3,124 tons, against 6,114 tons in the preceding week. Prices were unchanged.

**Copper**

Though a few producers found "selling" a bit hard during the last month, owing to the fact that less metal was allocated for January, most observers believe that consumption continues at between 135,000 and 140,000 tons a month and any slack in orders should be absorbed soon. Some 20,000 tons of copper stored at munitions

**Zinc**

Certificates for January metal came through on Tuesday and Wednesday. Consumers appeared to be in no hurry to obtain zinc allotted to them, which producers interpreted as signifying that buyers wish to keep their books clear of new commitments over the turn of the year. The price situation was unchanged. There is nothing in the picture to point to a change in price policy as long

as controls are in force, sellers believe.

The zinc statistics for 1943 were revised last week to arrive at adjustments made in the report issued Dec. 21 "by another method." The revisions cover figures for January, 1943. Domestic shipments for that month were moved up from 45,735 tons to 66,925 tons, making the combined total of Domestic and foreign shipments for January 77,221 tons. Domestic shipments for the January-November period totaled 764,106 tons. Total shipments (domestic and foreign) amounted to 819,241 tons in the first 11 months of 1943.

#### Nickel

Demand of the United Nations' war program for nickel have been met, Robert C. Stanley, chairman and president of International Nickel, stated last week. Production of nickel in 1943 will approximate the record high of the previous year, despite labor shortages. Nickel consumption by the United Nations this year will be nearly double that used in the pre-war peak year. Steel mills of the United States, England, and Canada are currently taking more than 70% of the new nickel available to those countries.

#### Tin

The political situation in Bolivia remains just about where it was a week ago. Washington is marking time in the matter of recognizing the new regime, pending "prior consultation with the other South American republics." The Bolivian representative in Washington speaking for the new administration, asserted that the Government had committed itself to abide by existing defense and security measures. Tin production has not been interrupted.

Price developments in tin in the United States were lacking last week. Straits quality tin for shipment in cents a pound, was as follows:

	Jan.	Feb.	March
Dec. 23	52.000	52.000	52.000
Dec. 24	52.000	52.000	52.000
Dec. 25	Holiday		
Dec. 27	52.000	52.000	52.000
Dec. 28	52.000	52.000	52.000
Dec. 29	52.000	52.000	52.000

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

#### Quicksilver

Compared with this time last year, the market for quicksilver has reversed its position completely. A year ago, consumers were eager for supplies and paid little attention to price. At present the market is a dull affair and quotations are little more than nominal, with the undertone rather easy. Producers are considering the problem of reducing output to fit into the changed demand-supply picture. In addition to the usual winter let-down in operations, producers in a number of instances plan additional curtailment in operations to maintain a fairly orderly market for the metal.

Quotations in New York on spot metal continued at \$190@193 per flask of 76 lb.

#### Silver

During the last week the London market for silver was unchanged at 23½d. There were no quotations for Dec. 25 and Dec. 27 (holidays).

The New York Official and the Treasury prices for foreign silver remained unchanged at 44¾c. and 35c., respectively.

#### 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.

### 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 Dec. 25, 1943, is estimated at 9,450,000 net tons, a decrease of 2,760,000 tons, or 22.6%, from the preceding week. Soft coal output in the week ended Dec. 26, 1942 amounted to 8,738,000 tons. For the year 1943 to Dec. 25, production was 0.9% in excess of that for the corresponding period in 1942.

The U. S. Bureau of Mines estimated that the total output of Pennsylvania anthracite for the week ended Dec. 25, 1943, was 929,000 tons, a decrease of 200,000 tons (17.7%) from the preceding week. When compared with the production in the corresponding week of 1942, there was, however, an increase of 150,000 tons, or 19.3%. The calendar year 1943 to Dec. 25 shows a decrease of 0.2% when compared with the same period in 1942.

The Bureau of Mines also reported that the estimated output of byproduct coke in the United States for the week ended Dec. 25, 1943, showed a decrease of 18,800 tons when compared with the production, for the week ended Dec. 13, 1943. The quantity of coke from beehive ovens decreased 14,300 tons during the same period.

#### ESTIMATED UNITED STATES PRODUCTION OF COAL (In Net Tons—000 Omitted.)

	Week Ended		January 1 to Date	
	Dec. 25, 1943	Dec. 18, 1943	Dec. 26, 1943	Dec. 26, 1942
Bituminous coal and lignite—				
1943	9,450	12,210	8,738	577,370
1942	9,450	12,210	8,738	572,265
Total, incl. mine fuel	1,890	2,035	1,748	1,897
Daily average	1,890	2,035	1,748	1,900

\*Revised. †Subject to current adjustment. ‡Average based on five working days.

#### ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE (In Net Tons)

	Week Ended		Cal. Year to Date	
	Dec. 25, 1943	Dec. 18, 1943	Dec. 25, 1943	Dec. 25, 1942
Penn. anthracite—				
1943	929,000	1,129,000	779,000	59,441,000
1942	929,000	1,129,000	779,000	59,579,000
Commercial production	892,000	1,084,000	748,000	57,063,000
Byproduct coke—				
United States total	1,258,800	1,277,400	1,223,600	62,596,200
Beehive coke—				
United States total	156,000	170,300	137,500	7,888,700

\*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)

State	Week Ended					Dec. 1923
	Dec. 18, 1943	Dec. 11, 1943	Dec. 19, 1942	Dec. 20, 1941	Dec. 18, 1937	
Alabama	404	418	390	384	307	349
Alaska	3	94	7	6	11	83
Arkansas and Oklahoma	93	94	96	79	119	83
Colorado	191	194	194	168	192	253
Georgia and North Carolina	1	1	1	1	1	55
Illinois	1,532	1,606	1,345	1,296	1,417	1,535
Indiana	564	597	534	521	495	514
Iowa	45	48	73	75	100	121
Kansas and Missouri	172	191	190	164	183	159
Kentucky—Eastern	990	1,050	908	817	770	584
Kentucky—Western	318	318	300	243	262	204
Maryland	33	35	26	38	35	37
Michigan	4	5	5	8	12	21
Montana (bituminous and lignite)	113	106	106	82	69	64
New Mexico	40	41	34	30	33	56
North and South Dakota (lignite)	72	78	74	64	69	**27
Ohio	645	748	663	664	555	599
Pennsylvania (bituminous)	2,905	3,080	2,777	2,748	1,661	2,818
Tennessee	145	160	142	158	108	103
Texas (bituminous and lignite)	5	5	6	5	20	21
Utah	138	141	128	105	89	100
Virginia	414	423	375	392	272	193
Washington	37	31	39	38	38	57
*West Virginia—Southern	2,245	2,426	2,321	2,171	1,619	1,132
*West Virginia—Northern	698	1,045	880	800	568	692
Wyoming	200	204	200	156	142	173
†Other Western States	2	1	1	1	††	**5
Total bituminous and lignite	12,210	13,050	11,815	11,224	9,139	9,900
§Pennsylvania anthracite	1,127	1,215	1,121	1,094	1,216	1,806
Total all coal	13,337	14,265	12,936	12,318	10,355	11,706

\*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.

## Daily Average Crude Oil Production For Week Ended Dec. 25, 1943 Declined 1,450 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Dec. 25, 1943 was 4,362,500 barrels, a decrease of 1,450 barrels per day from the preceding week, and 62,600 barrels less than the daily average figure recommended by the Petroleum Administration for War for the month of December, 1943. The current figure, however, was 481,800 barrels in excess of the daily average crude oil output for the week ended Dec. 26, 1942. Daily production for the four weeks ended Dec. 25, 1943 averaged 4,371,850 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 4,185,000 barrels of crude oil daily and produced 12,597,000 barrels of gasoline; 1,449,000 barrels of kerosine; 4,457,000 barrels of distillate fuel oil, and 8,689,000 barrels of residual fuel oil during the week ended Dec. 25, 1943; and had in storage at the end of that week 74,024,000 barrels of gasoline; 10,129,000 barrels of kerosine; 43,791,000 barrels of distillate fuel, and 57,596,000 barrels of residual fuel oil. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

State	*P. A. W. Recommendations December	*State Allowables Begin Dec. 1, 1943	Actual Production		4 Weeks Ended Dec. 25, 1943	Week Ended Dec. 26, 1942
			Week Ended Dec. 25, 1943	Change from Previous Week		
Oklahoma	330,000	315,000	1,329,050	+ 3,250	325,650	354,850
Kansas	285,000	269,800	1,269,900	- 1,900	270,600	295,900
Nebraska	1,500		11,600		1,650	3,000
Panhandle Texas			94,000		93,450	93,200
North Texas			143,400		143,350	139,900
West Texas			354,400		355,050	209,300
East Central Texas			126,900		125,650	101,500
East Texas			364,300		365,600	558,600
Southwest Texas			290,800		291,400	174,000
Coastal Texas			520,500		520,650	313,650
Total Texas	1,892,000	1,888,938	1,894,700		1,895,150	1,390,150
North Louisiana			78,050	- 500	78,500	92,600
Central Louisiana			275,500		275,150	223,000
Total Louisiana	353,700	375,700	353,550	- 500	353,650	315,600
Arkansas	76,900	77,891	79,200	+ 1,000	79,150	73,350
Mississippi	48,000		47,450	- 150	48,000	56,550
Illinois	215,000		213,550	+ 2,850	217,850	234,800
Indiana	14,400		13,250	+ 1,400	13,000	14,850
Eastern (Not incl. Ill., Ind. and Ky.)	77,000		68,700	+ 1,200	69,800	71,000
Kentucky	25,500		22,000	+ 1,000	23,350	16,000
Michigan	57,000		50,800	- 2,300	51,750	59,800
Wyoming	100,000		86,100	- 2,950	93,500	89,900
Montana	23,500		20,350		20,700	22,550
Colorado	7,000		6,900	+ 350	7,000	6,950
New Mexico	110,600	110,600	112,900		112,900	93,350
Total East of Calif.	3,617,100		3,570,000	+ 3,250	3,583,700	3,099,600
California	808,000	808,000	792,500	- 4,700	788,150	782,100
Total United States	4,425,100		4,362,500	- 1,450	4,371,850	3,880,700

\*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. Dec. 23, 1943. ‡This is the net basic allowable as of Dec. 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 3 to 12 days, the entire state was ordered shut down for 9 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 9 days shut-down time during the calendar month. §Recommendation of Conservation Committee of California Oil Producers.

### CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED DEC. 25, 1943

District	Daily Refining Capacity	Crude Runs to Stills	Production of Gasoline	Stocks at Refineries	Stocks of Finished Gasoline	Stocks of Gas Oil and Distillate Fuel	Stocks of Residual Fuel Oil	
								Potential % Re-Porting
Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas...	2,444	88.7	2,111	86.4	5,990	33,803	23,220	16,324
Appalachian—								
District No. 1	130	83.9	92	70.8	319	1,697	884	153
District No. 2	47	87.2	52	110.6	156	1,179	81	186
Ind., Ill., Ky.	824	85.2	741	89.9	2,505	14,544	6,145	2,780
Okl., Kans., Mo.	416	80.1	328	78.8	1,201	7,019	1,978	947
Rocky Mountain—								
District No. 3	8	26.9	11	137.5	35	69	21	31
District No. 4	141	58.3	97	68.8	287	1,324	364	659
California	817	89.9	753	92.2	2,104	14,389	11,098	36,516
Tot. U. S. B. of M. basis Dec. 25, 1943	4,827	86.4	4,185	86.7	12,597	74,024	43,791	57,596
Tot. U. S. B. of M. basis Dec. 18, 1943	4,827	86.4	4,146	85.9	12,240	72,725	44,117	58,272
U. S. Bur. of Mines basis Dec. 26, 1942			3,508		10,047	77,781	45,414	72,943

\*At the request of the Petroleum Administration for War. †Finished, 63,633,000 barrels; unfinished, 10,391,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,449,000 barrels of kerosine, 4,457,000 barrels of gas oil and distillate fuel oil and 8,689,000 barrels of residual fuel oil produced during the week ended Dec. 25, 1943, which compares with 1,383,000 barrels, 4,387,000 barrels and 8,291,000 barrels, respectively, in the preceding week, and 1,208,000 barrels, 4,081,000 barrels and 7,201,000 barrels, respectively, in the week ended Dec. 26, 1942. Notes—Stocks of kerosine at Dec. 25, 1943, amounted to 10,129,000 barrels, as against 10,479,000 barrels a week earlier and 10,561,000 barrels a year before. District No. 1 inventory indices are: Gasoline, 43.2%; kerosine, 52.9%; gas oil, 80%, and residual fuel oil 66.9% of normal.

## Civil Engineering Construction \$28,180,000 For Week—Private Work Up 65% In Week

Civil engineering construction volume in continental U. S. totals \$28,180,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 19% lower than in the preceding week, and is

below the \$76,295,000 reported to Engineering News-Record for the holiday-shortened week in 1942. The report, made public on Dec. 30, went on to say:

Private construction for the week is 65% above last week, but public construction is down 31% as a result of the 43% decline in State and municipal construction and the 30% decrease in Federal volume.

The current week's volume brings 1943 construction to \$3,061,844,000, an average of \$58,882,000 for each of the 52 weeks of the period. On the weekly average basis, 1943 construction is 66% lower than the \$9,305,829,000 reported for the 53-week period in 1942. Private construction, \$491,298,000, is 10% lower than a year ago, and public construction, \$2,570,546,000, is down 70% when adjusted for the difference in the number of weeks.

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

	Dec. 31, '42 (four days)	Dec. 23, '43 (five days)	Dec. 30, '43 (five days)
Total U. S. Construction	\$76,295,000	\$34,655,000	\$28,180,000
Private Construction	2,985,000	4,397,000	7,255,000
Public Construction	73,310,000	30,258,000	20,925,000
State and Municipal	5,727,000	2,185,000	1,251,000
Federal	67,583,000	28,073,000	19,674,000

In the classified construction groups, gains over last week are in sewerage, industrial buildings, and earthwork and drainage. Increases over the 1942 week are in sewerage, industrial and commercial buildings, and earthwork and drainage. Subtotals for the week in each class of construction are: waterworks, \$125,000; sewerage, \$788,000; bridges, \$78,000; industrial buildings, \$3,695,000; commercial buildings and large-scale private housing, \$2,360,000; public buildings, \$13,363,000; earthwork and drainage, \$1,266,000; streets and roads, \$1,213,000; and unclassified construction, \$5,292,000.

New capital for construction purposes for the week totals \$198,000, and is made up entirely of State and municipal bond sales. The week's new financing brings 1943 volume to \$3,073,080,000 for the 52-week period, a decline of 69% from the \$10,219,318,000 reported for the 53 weeks of 1942.

## Living Costs In Large Cities Declined 0.2% Between Oct. 15-Nov. 15, Labor Dept. Reports

Prices paid by city workers for goods and services that they commonly buy decreased slightly from mid-October to mid-November, Secretary of Labor Perkins reported on Dec. 16. "The 0.2% decline was caused by an 0.7% decrease in the total food bill resulting mainly from seasonally lower prices for the new crop of Florida oranges and for some winter vegetables in most of the nation's grocery stores," she said. "The cost of living, which includes rent, the cost of clothing and house furnishings, as well as other items in the family budget, was 3.6% higher than in November of last year and 23% higher than in January, 1941. Foods cost 4.7% more than in November, 1942, and 40% more than in January, 1941."

Secretary Perkins further explained: "The decrease in food prices from October to November was chiefly due to lower prices of fresh fruits and vegetables, with seasonal declines for oranges, spinach, and cabbage, and a 3.8% drop in prices of apples which usually rise at this season. Prices of pork and beef declined slightly and ration point values were lowered with increased marketings of hogs and relaxed restrictions on cattle slaughtering."

"The average price of peanut butter went down 2.4 cents per pound as the first effects of the 4½ cents per pound subsidy at the processors' level were felt. Prices of fresh fish rose 3.8%, and there were seasonal increases for green beans and sweet potatoes, and for onions, of which the supply is very limited. White potato prices rose much less than usual at this time of year. Prices of dairy products were generally stable except in Denver where a municipal sales tax of two cents per quart on fresh milk resulted in a rise in food costs for that city of 1.1%."

"Although retail food prices declined in a majority of large cities, there were scattered increases. Advances were reported in large West Coast cities due primarily to seasonally higher prices for California oranges. Prices of apples and the winter vegetables were also generally higher there, contrary to the trend in other parts of the country."

"Clothing and house furnishings costs remained unchanged on the average, following the establishment of prices for the autumn season in September and October. Shortages of all types of children's wear, particularly shoes, continued to be reported, and stocks of men's white shirts, the perennial Christmas gift, were generally low."

"Fuel prices rose slightly (0.1%) because of higher winter gas rates and adjustments to new ceilings for anthracite coal in New York, and higher prices for wood in several cities."

"Costs of miscellaneous goods and services that go into the family budget rose 0.1%. In St. Louis, where the rise was 1.3%, a cigarette sales tax of two cents per package was put into effect on Oct. 23. Other scattered changes reflected the continued upward trend in the charges for personal services such as haircuts, beauty shop and laundry services."

Date	All Items	Food	Clothing	Rent	Fuel, electricity and ice	House-furnishings	Miscellaneous
1939: Aug 15	98.6	93.5	100.3	104.3	97.5	100.6	100.4
1941: Jan 15	100.8	97.8	100.7	105.0	100.8	100.1	101.9
1942: May 15	116.0	121.6	126.2	109.9	104.9	122.2	110.9
Sep 15	117.8	126.6	125.8	108.0	106.2	123.6	111.4
Nov 15	119.8	131.1	125.9	108.0	106.2	123.7	112.7
1943: Oct 15	124.4	138.2	133.0	†	107.9	126.5	117.6
Nov 15	124.1	137.3	133.0	†	108.0	126.5	117.7

Date	All Items	Food	Clothing	Rent	Fuel, electricity and ice	House-furnishings	Miscellaneous
Oct. 15, 1943 to Nov. 15, 1943	- 0.2	- 0.7	0	†	+ 0.1	0	+ 0.1
Nov. 15, 1942 to Nov. 15, 1943	+ 3.6	+ 4.7	+ 5.6	0	+ 1.7	+ 2.3	+ 4.4
Sep. 15, 1942 to Nov. 15, 1943	+ 5.3	+ 8.5	+ 5.7	0	+ 1.7	+ 2.3	+ 5.7
May 15, 1942 to Nov. 15, 1943	+ 7.0	+ 12.9	+ 5.4	- 1.7	+ 3.0	+ 3.5	+ 6.1
Jan. 15, 1941 to Nov. 15, 1943	+ 23.1	+ 40.4	+ 32.1	+ 2.9	+ 7.1	+ 26.4	+ 15.5
Aug. 15, 1939 to Nov. 15, 1943	+ 25.9	+ 46.8	+ 32.6	+ 3.5	+ 10.8	+ 25.7	+ 17.2

\*These indexes are based on changes in the cost of goods purchased by wage earners and lower-salaried workers in large cities. †Rents surveyed at quarterly dates: March 15, June 15, Sept. 15, Dec. 15. ‡Changes through Sept. 15, 1943.

## Committee Chairmen Of Fin. Advertisers

Appointment of committee chairmen for the Financial Advertisers Association and election of the Senior Advisory Council for 1943-44 has been made by Lewis F. Gordon, Vice-President of the Citizens & Southern National Bank of Atlanta, Ga., the newly elected President of the Association.

Chairmen of the Financial Advertisers Association committees for the coming year are as follows: Finance Committee, Guy W. Cooke, First National Bank, Chicago; Extension Committee, L. L. Matthews, American Trust Co., South Bend, Ind.; Membership Committee, D. James Pritchard, Society for Savings, Cleveland; General Chairman of the Convention will be J. Lowell Lafferty, Fort Worth National Bank, Fort Worth, Tex.; Exhibit Committee, Harry R. Pride, Florida National Bank, Jacksonville, Fla.; Nominating Committee, Victor Cullin, Mississippi Valley Trust Co., St. Louis, Mo.; Resolutions Committee, Rod MacLean of California Bank, Los Angeles; Association Advertising Chairman is J. M. Easton, Northern Trust Co., Chicago; War Advertising Council, Merrill Anderson, Merrill Anderson Co., New York; Association Publicity, Harry B. Winsor, Second Federal Savings & Loan Assn., Cleveland.

The members of the Senior Advisory Council for 1943-44 elected by the Board of the Financial Advertisers Association at its first meeting are: O. G. Alexander, Bank of the Manhattan Co., New York, N. Y.; C. Delano Ames, Maryland Trust Co., Baltimore, Md.; Merrill Anderson, Merrill Anderson Co., New York, N. Y.; E. R. Brown, Huntington National Bank, Columbus, Ohio; Guy W. Cooke, First National Bank of Chicago, Chicago, Ill.; Victor Cullin, Mississippi Valley Trust Co., St. Louis, Mo.; Arthur M. DeBebian, Chase National Bank, New York, N. Y.; Ralph M. Eastman, State Street Trust Co., Boston, Mass.; J. M. Easton, Northern Trust Co., Chicago, Ill.; Fred W. Ellsworth, Hibernia Natl. Bank, New Orleans, La.; Stephen H. Field, Barnett National Bank, Jacksonville, Fla.; Robert L. Flather, American Security & Trust Co., Washington, D. C.; Harry E. Gail, Toledo Trust Co., Toledo, Ohio; Marvin E. Holderness, First Natl. Bank, St. Louis, Mo.; Robert J. Izant, Central National Bank, Cleveland, Ohio; Thomas J. Kiphart, Fifth Third Union Trust Co., Cincinnati, O.; Jacob Kushner, United States Trust Co., Paterson, N. J.; J. Blake Lowe, Equitable Trust Co., Baltimore, Md.; Alva G. Maxwell, Citizens & Southern National Bank, Atlanta, Ga.; William H. Neal, Wachovia Bank & Trust Co., Winston-Salem, N. C.; Dudley L. Parsons, New York Trust Co., New York, N. Y.; Robert P. Purse, Jr., The Purse Co., Chattanooga, Tenn.; Robert W. Sparks, Bowery Savings Bank, New York, N. Y.; I. I. Sperling, Cleveland Trust Co., Cleveland, Ohio; Fred M. Staker, Commerce Trust Co., Kansas City, Mo.; Eliot H. Thomson, Washington Loan & Trust Co., Washington, D. C.; C. H. Wetterau, American National Bank, Nashville, Tenn.; George Wilshire, First National Bank & Trust Co., New Haven, Conn., and E. B. Wilson, Edwin Bird Wilson, Inc., New York, N. Y.

## Warrensburg N. Y. "News" Suspends Due To War

The Warrensburg (N. Y.) "News" a weekly established in 1878, suspended publication on Dec. 23 for the duration because of a "sharp decrease in advertising revenue, a shortage of materials and general conditions due to the war."

## Items About Banks, Trust Companies

(Continued from page 97)

from banks of \$43,794,272 compared with \$50,365,892 on Dec. 31, 1942; investments in U. S. Government securities of \$140,988,682, compared with \$115,657,759 on Dec. 31, 1942. Loans and discounts of \$45,934,094 compared with \$37,482,810 on Dec. 31, 1942. The bank's capital account was unchanged at \$7,000,000 and its surplus and undivided profit account increased to \$10,182,919 from \$9,479,707 at Dec. 31, 1942, after payment of dividends of \$560,000. Net earnings per share for the year ended Dec. 31, 1943, were \$18.04 compared with \$13.51 in 1942. At the close of the year \$2,000,000 was transferred from undivided profits to surplus, increasing surplus to \$9,000,000.

The statement of condition of the Brooklyn Trust Co., Brooklyn, N. Y., as of Dec. 31, 1943, shows total deposits of \$194,151,642, comparing with \$196,169,319 on Sept. 30, 1943, and \$167,551,332 on Dec. 31, 1942. Total resources were \$210,007,804 against \$211,883,618 and \$183,104,097, respectively. Cash on hand and due from banks was \$45,374,500, against \$40,017,953 on Sept. 30 last and \$56,679,816 a year ago. Holdings of Government securities totaled \$120,377,755 against \$122,216,006 and \$85,154,795, respectively. Total loans and discounts were \$31,360,256 against \$35,476,223 three months ago and \$25,938,816 a year ago. Surplus of \$4,750,000 was shown, an increase of \$25,000 since Sept. 30 and one of \$75,000 since the end of 1942. Undivided profits were \$1,452,590 against \$1,437,489 on Sept. 30 and \$1,429,794 a year ago. Bank buildings were carried at \$4,230,411 against \$4,515,377 a year ago, and other real estate at \$87,169 against \$265,263.

The Fidelity-Philadelphia Trust Co., of Philadelphia, Pa., in its statement of condition as of Dec. 31, 1943, reported total deposits of \$156,526,970 (including United States deposits of \$19,369,224) and total resources of \$179,010,015, compared, respectively, with \$151,096,700 and \$172,117,018 on Dec. 31, 1942. Cash on hand and due from banks at the end of 1943 amounted to \$40,024,327, against \$40,953,177; holdings of U. S. Government securities to \$75,505,095, compared with \$43,956,709, and loans to \$28,536,573, against \$38,050,735. The bank's capital and surplus remain unchanged from a year ago at \$6,700,000 and \$11,000,000, while undivided profits have increased to \$3,415,746 from \$2,130,478 at the close of last year.

In its statement of condition as of Dec. 31, 1943, the Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, reports total resources of \$464,650,357 (comparing with \$401,252,070 on Dec. 31, 1942), the principal items of which are: Cash and due from banks \$128,721,915 (against \$135,899,114); United States Government securities \$206,009,868 (increased from \$138,140,870 a year ago); commercial and collateral loans, \$102,337,472 (compared with \$93,162,412). Deposits on Dec. 31, 1943 are given as \$433,874,819 (including United States Treasury deposits of \$49,975,937), contrasting with \$370,613,746 at the end of last year. The company's capital stock is unchanged from a year ago at \$10,000,000 but surplus now stands at \$15,000,000, against \$14,700,000 a year ago, and undivided profits have increased to \$2,680,527 from \$2,367,844 on Dec. 31, 1942.

The Philadelphia National Bank, Philadelphia, Pa., reported as of Dec. 31, 1943, total deposits of \$710,665,228 and total assets of \$768,390,934, compared, respectively, with \$753,114,462 and \$810,

651,588 on Sept. 30. Cash and due from banks amounted to \$194,923,457 against \$176,376,107; holdings of U. S. Government securities to \$431,727,627 against \$488,878,831, and loans and discounts to \$92,136,574 against \$92,176,242. Capital and surplus were unchanged at \$14,000,000 and \$21,000,000, respectively, and undivided profits were \$14,681,252 against \$13,944,663 at the end of September.

Net earnings of \$381,344 for 1943 were reported by the American National Bank and Trust Co. of Chicago, representing net operating profit after payment of dividends on preferred stock, and after provisions for reserves, taxes and contingencies.

The net earnings for 1943 represent \$38.13 per share on the common stock, compared with \$32.86 per share in 1942. Dividends totaling \$8 per share were paid during 1943. In December the bank increased its common stock outstanding from 10,000 to 20,000 shares by means of a 50% stock dividend and the issuance of rights to stockholders for the purchase of additional stock. The entire balance of preferred stock was retired and \$500,000 transferred from undivided profits and reserves to surplus, bringing the combined capital and surplus to a total of \$5,000,000. In his annual report to stockholders, President Lawrence F. Stern announced that the dividend to be declared by the Board of Directors at its annual meeting on Jan. 11 is expected to be at the annual rate of \$6 per share on the 20,000 shares of common stock now outstanding.

The American National Bank, which entered the \$100,000,000 deposit class a year ago, showed a further substantial increase in deposits during 1943, the total at the year-end being \$140,538,092. Total resources of the bank now stand at \$147,137,651. Most of the 1943 deposit gain was shown in demand deposits, the increase being from \$97,345,242 to \$124,151,477. Savings deposits increased from \$6,850,539 to \$8,199,478. In commenting on this deposit increase, Mr. Stern said in his report: "As funds are disbursed by the Government to business firms throughout the country, they tend to return to the banks in the form of individual deposits. It is this process, which is largely responsible for the increase in bank deposits in which we have shared during the year just closed."

A substantial gain was also shown by the bank in total loans outstanding, the increase for the year being from \$22,756,673 to \$29,226,286. This increase was largely accounted for by the granting of Regulation V loans and other loans for war production purposes.

The Boatmen's National Bank of St. Louis reports that its operating profits for 1943, after all expenses, taxes, and depreciation, and exclusive of recoveries on items previously charged off, were \$537,421, or \$4.30 per share, as against \$476,197, or \$3.81 per share for 1942. Deposits at Dec. 31, 1943, were \$131,766,313 against \$112,331,741 at the previous year-end.

Deposits of the First National Bank of Palm Beach, Fla., as of Dec. 31, 1943, amounted to \$31,410,953, compared with \$23,856,970 on the corresponding date in 1942. Total resources amounted to \$34,034,590, compared with \$25,816,817 on Dec. 31, 1942. Cash in the bank's vaults and on deposit with the Federal Reserve Bank and other banks amounted to \$6,622,697 on Dec. 31, 1943, compared with \$4,318,560 the previous year, and holdings of United States Government bonds were \$18,549,013, as against \$16,000,000 in 1942. The capital of the bank

as of Dec. 31, 1943, was unchanged at \$200,000, but surplus and undivided profits and reserves amounted to \$2,317,975, compared with \$1,674,003 at the end of 1942.

The Executive Committee of Bankers Trust Co., New York City, at its meeting on Dec. 30 made the following changes in the official staff: W. B. Dunkel and W. A. Morgan, Jr., Trust Officers, were elected Vice-Presidents. The following were elected Assistant Treasurers: Walter T. Dunn, Theodore S. Avery, George H. Smith, Stevens T. M. Frey, Herbert D. Shea, George F. Carse and J. Donald Mulvey.

Following a meeting of the Board of Directors of the Bank of the Manhattan Co., of New York, on Dec. 30, F. Abbot Goodhue, President, announced the following promotions: Daniel O. Dechert, formerly Assistant Secretary, to Assistant Vice-President; F. J. Freese, Assistant Cashier, to Assistant Vice-President; Charles Jensen, Jr., was appointed Assistant Trust Officer, and Edward F. Stauderman, Assistant Secretary.

George W. Fraker, banker, textile manufacturer and town builder, retired on Dec. 31 as Vice-President of the National City Bank of New York. He also became a member of National City's Quarter Century Club on that date, marking 25 years of service with the bank. William Gage Brady, President of the bank, presented Mr. Fraker with his Quarter Century Club credentials before a group of bank directors and officials. In private life Mr. Fraker will have an office in the building owned by the City Bank Farmers Trust Co., the trust affiliate of the bank, at 20 Exchange Place, and will continue his activities as a director of Cannon Mills, American Enka Corp., Pocahontas Fuel Co., The Moore Corporation of Toronto, American Salesbook Co., F. M. Burt Co. and the Gilman Fanfold Co. He is also a trustee of the American Enka Retirement Fund.

Prior to joining National City, Mr. Fraker was President of the Carolina Cotton and Woolen Mills Co., a chain of textile mills controlled and operated by Marshall Field & Co., located in North Carolina. He has a wide acquaintance with the prominent industrial executives of the country and, since 1929, has been associated with the bank's metropolitan district with an assignment of a roving nature, covering all of the United States and Canada. He is also well known in London.

Percy H. Johnston, Chairman of the Chemical Bank & Trust Co., New York, on Jan. 3 presented a 50-year service pin to James M. Coburn, chief clerk of the bank for many years. Mr. Coburn started with the old Central National Bank in 1894 and through subsequent bank mergers became a member of the Chemical family.

A new retirement plan for the 25,000 officers and employees of the 12 Federal Reserve Banks has been devised by a committee consisting of the Presidents of the Reserve Banks of New York, Cleveland and St. Louis—Allan Sproul, Robert V. Fleming and Chester C. Davis, respectively. It became effective on Jan. 1.

The Federal Reserve Bank of New York announces that the Huntington Station Bank, Huntington Station, L. I., the Seneca County Trust Co., Seneca Falls, N. Y., and the North End Bank and Trust Co., Bridgeport, Conn., have been admitted to membership in the Federal Reserve System.

The Bank of Gowanda, Gowanda, N. Y., has been authorized

by the State Banking Department to increase its capital stock from \$75,000, consisting of 3,000 shares having a par value of \$25 each, to \$150,000, consisting of 6,000 shares of the same par value.

The Genesee Valley Trust Co., Rochester, N. Y., paid a common stock dividend of 25 cents on Jan. 30 to stockholders of record Dec. 20. This is the first such dividend in ten years.

The bank also announces the election of Howard M. Dunn, partner of Otto Bernz Co., as a director.

Stockholders of the East Hartford Trust Co. (Conn.) will vote on Jan. 18 on a recommendation of directors that capital of the bank be increased from \$100,000 to \$150,000. The increase will be accomplished by the issue of 2,000 new shares in ratio of one new share for each two held at par \$25.

In the Hartford "Courant" of Dec. 30, the following was reported:

When this increase has been approved and the new stock issued it is the intention of the board of directors, according to Robert D. Olmsted, President of the bank, to transfer \$50,000 from undivided profits to surplus. The capital account of the bank will then be, capital \$150,000, surplus \$150,000, undivided profits more than \$50,000. These proposals have the approval of the state and federal supervisory authorities and follow the course recommended of augmenting capital funds by increases and by retention of a substantial portion of earnings.

Thomas F. Gavin, Treasurer and Trust Officer of the Irvington Trust Co., Irvington, N. J., died on Dec. 22. Mr. Gavin, who was 63 years old, had been connected with the Irvington Trust since 1924. For a number of years prior to that time he had been associated with the Irving Trust Co. of New York, and the old National Bank of Commerce in New York.

The Board of Directors of the Philadelphia National Bank announce that James D. Matthews and E. Lawrence Worstall have been elected Vice-Presidents and that Walter H. Johnson, Gordon S. Smyth and Augustus L. Raffetto have been appointed Assistant Cashiers.

Thomas B. K. Ringe, of Morgan Lewis & Bockius, has been elected a Director of the Fidelity-Philadelphia Trust Co., Philadelphia.

The Union Trust Co. of Maryland, Baltimore, has announced the appointments of Snowden Hoff, Andrew J. Hundermark and Frederick P. Storm as Assistant Vice-Presidents; Thomas A. Lankford as Assistant Secretary; Assistant Treasurer and Richard H. Thompson as Assistant Trust Officer.

The Commercial Bank and Savings Co. of Fostoria, Ohio, has been admitted to membership in the Federal Reserve System, President Matthew J. Fleming of the Federal Reserve Bank of Cleveland, announced on Dec. 27. The bank, organized in 1902, has deposits totaling \$1,739,000 and serves a trade area with an estimated 30,000 population. Its capitalization is \$100,000, capital debentures, \$17,400 and surplus \$44,000.

Stockholders of the Western Bank and Trust Co., Cincinnati, will vote on Jan. 12 on proposals to change the capital structure and to authorize the bank to make personal loans. The adjustment in the capital structure involves reducing the par value of shares from \$10 to \$8 and increasing the surplus from \$360,000 to \$500,000.

The bank plans to reduce the real estate account other than bank premises from \$502,000 to \$250,000.

Guy W. Cooke, Assistant Cashier of the First National Bank of Chicago, retired on Dec. 31, terminating 43 years' service, during the last 33 of which he was in charge of the bank's advertising. This record is longer than that of any other man in a similar position, and Mr. Cooke, according to the bank, was responsible for publishing what was probably the first full-page advertisement in metropolitan daily papers—the 50th anniversary announcement of the First National, in 1913. He was one of the organizers of the Financial Advertisers Association, served as its President in 1918, and had been Chairman of its Finance Committee for the past 16 years. He is a life member of Chicago Chapter, A. I. B., having joined the organization at its inception, in 1901.

Henry S. Henschen, retired Chicago banker, died on Dec. 27 at his home in Evanston, Ill., at the age of 70. Mr. Henschen, who retired from business 10 years ago, was former President of the old Congress Trust and Savings Bank and the Chicago Bank of Commerce.

Joe H. Davis, Acting Manager of the Bond Department of the First National Bank of Memphis, Tenn., was named Assistant Vice-President of that institution at a recent meeting of the Board of Directors, according to Norfleet Turner, President of the First National. Mr. Davis became associated with the bank in 1923. During 1939-40 he made his residence in Jackson, Miss., where he served as Mississippi representative of the First National's Bond Department. In 1942 he was named Assistant Manager of the Department which he has headed since the manager, Joe E. Denham, entered military service about a year ago.

Three other promotions also were announced by Mr. Turner. Assistant Vice-Presidents Chauncey W. Butler, Jr., and Cliff Wood were made Vice-Presidents, while Dewey Ralph, formerly an Assistant Cashier, was named Assistant Vice-President.

## Drastic Cut-Backs Begun In Aluminum Production

The War Production Board on Dec. 31 ordered the closure of four aluminum production lines in two Federally owned plants in the apparent beginning of a sweeping cut-back in aluminum output, according to an Associated Press dispatch from Washington, D. C., which further adds:

The Aluminum Co. of America, it was learned simultaneously, already has begun curtailments which may slash as much as 40% from the production of its owned properties, which produce almost half of the country's supply.

Arthur H. Bunker, Vice Chairman for Metals and Minerals of the War Production Board, said that the WPB might order the shutdown of as many as fifteen production lines in the next few days. The orders issued on Dec. 31 affect lines in Burlington, N. J., and Maspeth, Long Island, N. Y., and will cut production by 12,000,000 pounds a month.

The Board's action, which became effective at midnight on Dec. 31, directed the closing of two out of three lines in the Burlington plant and two out of eight lines in the so-called Queens plant at Maspeth. Both of these plants are operated by the Aluminum Co. of America, but owned by the Defense Plant Corporation.