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The Financial Situation

The President has submitted a new budget proposing Behind the expenditure during the coming fiscal year of another \$100,000,000,000, and at the same time forecasting a national debt of some \$258,000,000,000 by June 30, 1945. Time was when such figures as these would have caused utter dismay in the minds of all men, but so accustomed have we become to figures larger than can be readily grasped that the rank and file appear to take them for granted. The President, indeed, appears almost to glory in them. The fact is, in any event, that there is no apparent way to avoid enormous expenditures during the time that this war continues in full swing. The significant feature of the Budget Message, and to us the most disturbing aspect of it, is therefore to be found not in the expenditures proposed for next year, or even the faulty tax ideas which the President would like to have given effect for that period, but in the meaning which these proposals of the President plainly have for the future years—long after this war is over.

Subtle Political Tactics

The President is proceeding not only to lay extended and, we think, wholly unsound, plans for the post-war period; he is not only laying them, but is making full use of his powers of persuasion in these two messages to give such plans a favorable standing in the minds of the public-not only all this but he is so skillfully (politically speaking) weaving his post-war ideas and his post-war plans and his post-war theories into the plans for winning the war that the country is likely to find it difficult to separate themand hence to avoid commitments which seem to give Mr. Roosevelt a sort of claim to perpetuity in office, and to ease the country almost insensibly into a post-war era of the sort that the President envisages - almost without even realizing what is happening.

(Continued on page 422)

Unemployment Ahead?

Babson Says This Is Our Next Problem

The general public has been unprepared for the cancellations of war contracts. Exact figures are not known but these must total over ten billions to date. Most affected are companies handling subcontracts. Now faced with overnight cancellations many dislocations occur. Unless new orders of some kind, either for war or peace, are

contractors.

Washington
officials were
perhaps wise
in not tipping
business off
for patriotic
reasons. Result, however,
may be a too

may be a too sudden transition. This should far better come by degrees. Production Fallacies

Production Fallacies
The War Production Board is calling for a 20% increase in output in 1944 over 1943; but the bulk of this new production will be in airplanes and other specific items. The average reaction to this is that more employment will be (Continued on page 424) result and more money will be

occur. Unless new orders of some kind, either for war or peace, are quickly obtained large numbers of workers will be let out. Prime contractors in stances are now hard pressed to keep their own plants operating. They offer little encourage ment to their subconcontractors.

Washington officials were perhaps wise value of the goods produced stays up until re-negotiation occurs. This last wipes out the increasing profit margin resulting from better trained employees and the gradual obsorption of initial tooling and other costs,

Upsets Can Be Lessened

Businessmen need all the time

(Continued on page 424)

The News

By PAUL MALLON

Speaker Sam Rayburn told the Chicago Mayors' Conference the Administration would provide a

public works program—not for some far fu-ture period ture period when depression might set in — but to take up the lag right away at the end of the war.

He added a new wrinkle to the announced plan of Vice-Presision might set

of Vice-Presi-dent Wallace to build a stack of blueprints for fu-ture construction of sewdams.



ers, dams, Paul Mallon reforestation, etc., if needed. Such projects are the meat upon which politics feeds—the luscious, fat, juicy pork. If the war is over before next November, Mr. Rayburn intends that unspecified millions or billions will be available in time to do the best possible good for the Democratic cause.

Meanwhile, he is appointing a

Meanwhile, he is appointing a special House post-war fact-finding committee (non-partisan, he said) to mull over the feasty building projects they are always pushing in their local districts. So the political effect will not be (Continued on page 424)

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Wallace Says \$200 Billion Post-War National Income Is Possible

Proposes Reconversion Agency and Incentive Taxation

Vice-President Henry A. Wallace sees the possibility of the national income in the post-war era approaching the \$200,000,000,000 level by the maximum productive use of labor and plant facilities.

Speaking before the New York City Conference on full employment, called by the Political Action Committee of the Congress of Industrial Organizations, Mr. Wallace declared on Jan. 15 that this amount would bring about sideration by Congress of a tra-

bring about full employ-ment and an expanding e c o n o m y, which are necessary to carry the debt load easily. The Vice-President stated that a nationial income of only \$100,000,000,-000 is not enough to enoul bring about an era of "work, happi-ess and urg

Henry A. Wallace

ness and peace" and urged the "wise men" in labor, business and Govern-ment to recognize their joint re-sponsibility for planning on a broad basis.

Mr. Wallace suggested the con-

sideration by Congress of a "reconversion plant corporation, with
extensive powers to facilitate the
most rapid possible transition
from war production to peace production, or it may want to add
new and concrete powers to an
existing agency."
Expressing the hope that the
taxation system can be rapidly
modified after the war in order
that "the financing for most employment will come from private

ployment will come from private capital," Vice-President Wallace suggested that "incentive taxation by increasing employment and by increasing the national income can increase the Federal revenue." He added:

"Rates which are too high on rapidly expanding young enterprises will reduce employment and decrease the revenues of Federal taxation. Some place there is a happy medium and it is very important for both business and (Continued on page 420)

(Continued on page 420)

From Washington **Ahead Of The News**

Messrs. Roosevelt and Hull are breathing a little easier in the hope that the "Pravda" article saying that British and German conferees had discussed a separate peace has blown over without making too much of a dent in the public consciousness. Insofar as its affect on humanity is concerned, we had thought it had little or no bearing because it seems to be in the cards that Stalin is going to do pretty

much what he wants to in Eastern* Europe. And an article of this there was no doubt about his hap-sort doesn't change the situation piness over the meeting. Why, we one way or the other.

What was important about it, we thought, was its bearing on the political fortunes of Messrs. Roosevelt and Hull, particularly the former. About him it pointed up a very ridiculous situation, in-

deed. deed.

Let's go back a bit. First, Mr.
Hull went over to Moscow and
talked with Stalin. When he returned, so great was the acclaim
that we fully expected, before it
was over, for him to be riding up
Fifth Avenue with the skyscrapers
showering him with ticker tape
se they did on returning before in showering him with ticker tape as they did on returning heroes in the hifalutin' twenties. As it was, he was given the unprecedented honor of being asked to address Congress in joint session, and Senator Harry F. Byrd said something a beauty of Congressional Medal thing about a Congressional Medal of Honor for him.

As one who has always had a tremendous respect and affection for the Old Man, we felt a warm glow throughout our body, but for the life of us we couldn't understand just what was the triumph he had achieved. We asked one of his closest and intimate friends about it. What was the accomplishment about which he is so plishment about which he is so proud, we asked. We were assured

persisted.

Because, came the reply, he is convinced he sold Stalin on his honesty.

honesty.

This struck us as an amazing thing. We are the most powerful nation in the world. We've been of tremendous help to Stalin in defeating an enemy who invaded his country. Why should one of the high officials of our Government be so thrilled over the conviction he had convinced Stalin of his honesty; in effect, his personality. It is a fact that such men as Averell Harriman, Donald Nelality. It is a fact that such men as Averell Harriman, Donald Nelson and Joe Davies who have met him, been "accepted" so to speak, consider it the event of their lives, but that Mr. Hull should do so inasmuch as Stalin intended to the right abad and do what he go right ahead and do what he wanted to, gave us quite a pause.

But this was only part of this mazing spectacle which we have witnessed.

Mr. Roosevelt goes to meet Stalin right in Mr. Hull's wake, and when he returns, we are as-sured that his accomplishment has been tremendous, that it is one of the greatest things ever to happen to us poor democratic people. He had reached an accord with Stalin,

(Continued on page 434)

The State Of Trade

The weekly trend of business was generally upward. The heavy industries continue to send in favorable reports, with electric power production holding at about its recent high levels, carloadings showing another increase and steel production showing little change from the previous week. The retail trade reported considerable activity, with wholesale markets particularly active.

Production of electricity totaled \$\int_{530,083,000}\$ kilowatt hours in the week ended Jan 15, compared with 4,567,959,000 in the previous week, according to the Edison Electric Institute. This was 14.8 per cent above the year-ago output of 3,952,479,000 kilowatt hours. Consolidated Edison Company of New York reports output of 227,200,000 kilowatt hours in the week ended Jan. 16, an increase of 36.6 per cent over the 166,300,000 distributed a year ago. Carloadings of revenue freight for the week ended Jan. 15, totaled 780,220 cars, according to the Association of American Railroads. This was an increase of 17,221 cars from the preceding revenues in December were 8.7 per cent more than in the like

taled 780,220 cars, according to the Association of American Railroads. This was an increase of 17,221 cars from the preceding week this year, 24,722 cars more than the corresponding week in 1943 and 31,107 cars below the same period two years ago. This total was 121 per cent of average loadings for the corresponding week of the ten preceding years. Steel production in the United States is scheduled at 99.4 per cent of rated capacity this week, equivalent to output of 1,727,900 net tons of ingots and castings, compared with 99 per cent last week and output of 1,720,900 tons, according to the American Iron & Steel Institute. For the week beginning Jan. 24, last year, steel production was 1,686,700 tons.

There probably will be "considerable urgency" for landing craft material, particularly plates, after February, although pressure for the products is expected to reach its crest next month, the magazine "Steel" said in its recent isssue.

"Meanwhile this program not

"Meanwhile this program only only is pushing shipyard activity to a high peak," the magazine re-veals, "but it is providing many fabricating shops with needed business in sub-assemblies. It also is creating added demand for heavy sheets, bars and structu-rals." Aircraft and heavy artillery requirements are expanding, but increases in certain lines are not

report adds.

"Various changes in the war program continue to bring canprogram continue to bring can-cellations and changes in mill schedules, but gaps are filled promptly and pressure for heavy steel production is not relaxed," the magazine says. In the midst of strong pressure for war mate-rials, states the journal, shifts are bringing about occasional oppor-tunity for fairly prompt delivery on material at first promised for a later date. Most important needs are being advanced where possible as cancellations open the way and opportunity for obtainmaterial for civilian use has

not yet appeared. Retail trade continued spotty this week as volume failed to pick up as rapidly as usual from the up as rapidly as usual from the post-holiday sluggishness, according to Dun & Bradstreet, Inc. Milder weather tended to limit the usual seasonal sales, with little response accorded the few January clearances which were held. However, Southern centers enjoyed a considerable upturn in volume as the winter season volume as the winter season gained momentum. Wholesale markets were reported active in the week and buyer attendance at many centers exceeded that of previous years. Mail orders also were heavy. Retail sales were estimated at unchanged to 5 per cent higher than a year ago for the country as a whole.

Based upon advance reports from class I railroads, whose revenues represent 81.7 per cent of total operating revenues, the Association of American Railroads estimates that railroad operating revenues in December were 8.7 per cent more than in the like month of 1942. This estimate, it was pointed out, covers only operating revenues and does not touch upon the trends in operating expenses, taxes or final income results. Estimated freight revenues last December were greater than in December, 1942, by 5 per cent, while estimated passenger revenues were greater by 25.3 per cent.

Spain Ally Of Hitler Russ. Embassy Charges

The Soviet Embassy said on Jan. 13 that Franco Spain al Jan. 13 that Franco Spain, although formally non-belligerent, "actually is an ally of Hitler Germany." Associated Press Washington advices in which this was reported, further said:

"An article in the Embassy's "Information Bulletin" said that despite Spanish announcements that the Spanish Blue Division has that the Spanish Blue Division has been withdrawn from the Russian front, a Spanish legion is still fighting "on one of the sectors of the Volkhov front," and a Spanish air squadron, "which systematically receives replenishments," also is stationed on the ments," also is stat Eastern battle line.

spain renders Germany diverse and very substantial assistance, the article said, adding that "Spanish neutrality is only the guise under which German imperialism is using that country for its own purposes." "Spain renders Germany diverse

"Generalissimo Francisco Franco's recent merger of the Fascist militia with the Spanish Army and his amnesty to certain Army and his amnesty to certain political prisoners were interpreted by the bulletin as desperate efforts in a fight against the Spanish "anti-Fascist national democratic movement." This movement, the bulletin said, aims to "emancipate Spain from Fascism, to make a complete rupture with Hitler Germany and to democratize the social system."

"The article said that in his

"The article said that in fight against Spanish anti-Fascists "Franco's gendarmes arrest people even for distributing the press bulletin of the British Embassy in Madrid."

"Spain sends Germany strategic war materials, the bulletin con-tinued, and "British navel vessels in the Atlantic are constantly holding up Spanish ships carrying contraband for Germany."

Completes Sale Of First National Bank

Record Export Freight Traffic Handled by RRs.

Railroads handled without serious congestion in 1943 the greatest volume of export freight traffic on record, according to an announce-ment by the Association of American Railroads, which adds:

Export traffic is moving freely through the various ports, all of which are in a completely "liquid" condition.

Cars of export freight, excluding grain and coal, unloaded at all ports in this country in 1943 totaled 1,401,186, compared with totaled 1,401,186, compared with 893,576 cars in 1942, or an increase of 67%, and an increase of 147% above that handled in 1940, in which year it amounted to 568,303

Approximately 4,000 cars were unloaded daily in 1943, compared with 2,616 in 1942 and 2,235 in 1940.

In 1940.

The number of cars unloaded at North Atlantic ports in 1943 was more than 75% greater than the number handled in 1918 in the first World War. Due to the fact that the average tonnage per car in 1943 was considerably more than it was in 1918, the volume of tonnage was even greater than tonnage was even greater than indicated by the increase in the number of carloads.

Export grain unloaded at all ports in 1943 totaled 53,204 cars, compared with 30,315 cars in 1942, or an increase of 76%.

Coastwise freight unloaded all ports in the past year totaled 7,333 cars, compared with 30,951 cars in 1942, or a decrease of 76%.

The character of freight handled at the various ports has materially changed in recent years, nearly 96% in 1943 having been export freight, except for coal and grain, compared with 69% in 1940. Coastal freight moving through the ports accounted for only ½ of 1% in the past year, compared with 26% four years ago.

A. I. B. Wartime Meet'g Will Be Held In June

The American Institute of Banking will hold a two-and-a-half-day war-time conference in St. Louis next June, it is announced by David L. Colby, National President of the Institute, who is Assistant Vice-President of the Boatmen's National Bank, St. Louis. This conference, to be held June 6-8, will be the 42nd annual meeting of the Institute. The American Institute of Bank-

annual meeting of the Institute.

In making the announcement Mr. Colby stated that the conference will be a streamlined meeting held to transact essential business of the Institute, elect officers, and discuss war-time bank personnel training problems. A similar meeting was held last June in Chicago, following a precedent established by the A. I. B. during the First World War, when its annual convention was shortened to a brief conference shortened to a brief conference held in Chicago.

held in Chicago.

Following the midwinter meeting of the Institute's Executive Council, which will be held in Memphis, Tenn., Jan. 30-Feb. 1, further details of the agenda and arrangements for the war-time conference to be held next June in St. Louis will be announced. The arrangements for this meeting are in the hands of the Program Committee, consisting of William C. Way, Central National Bank of Cleveland, Cleveland, Ohio, who is the Vice-President of the American Institute of Banking, Chairman, James P. Hickok, Chairman of the local conference the country as a whole.

Department store sales on a country-wide basis were up 4 per cent for the week ended Jan. 15, compared with the like week a year ago, reports the Federal Reserve System. Sales for the four-week period ended Jan. 15, were up 7 per cent compared with the like period last year. Department

(Boston) Stock

The First Boston Corporation announced on Jan. 19 that the secondary offering of 17,000 shares of capital stock of the First National Bank of Boston at \$48.50 per share, has been completed, and that subscription books have been closed.

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The First Boston Corporation announced on Jan. 19 that the secondary offering of 17,000 shares of capital stock of the First National Bank of Boston at \$48.50 per share, has been completed, and that subscription books have been closed.

(Chairman of the local conference committee, who is the President of the Manufacturers Bank & Trust Co. of St. Louis, St. Louis, Mo., and Floyd W. Larson, national Secretary of the American Institute of Banking, 22 East 40th Street, New York, N. Y. Headquarters for the St. Louis the war-converted automotive intended and that subscription books have been closed.

Hull Reorganizes State Department; Policy And Advisory Groups Are Greated

Reorganization of the State Department at Washington in an effort to facilitate the conduct of the foreign relations of the United States in war and peace," was announced on Jan. 17 by Secretary of State Cordell Hull.

State Cordell Hull.

The new set-up, it is indicated, will free the higher officials of the Department from much administrative work and allow them to concentrate on specialized fields.

Secretary' Hull's order established within the Department and Policy Committee and an Advisory Council on Post-War Foreign Policy. Mr. Hull named to the Council as Vice-Chairman, Norman H. Davis. Chairman of the Council as vice-chainain, Norman H. Davis, Chairman of the American Red Cross; Myron C. Taylor, President Roosevelt's special envoy to the Vatican on several occasions, and Dr. Isaiah Bowman, President of Johns Hop-

kins University.

In clarifying the machinery of the reorganization, the Department explained that specific fields of activity had been assigned to each Assistant Secretary of State and to the legal adviser. and to the legal adviser.

"Coordination among the sistant Secretaries is provided by the Policy Committee," said the Department.

By the reorganization all functions and divisions of the Depart-ment are grouped into "line" of-fices below the Assistant Secre-

In United Press Washington ad vices of Jan. 15, it was further explained: Four of these offices will deal with major geographic areas—Europe, Far East, Near East and Africa, and the Americas— and a fifth will deal with special political affairs.

The former Division of Inter-The former Division of International Communications will be broken down into three offices dealing respectively with aviation, shipping and telecommunications. A new office of public information will group together various organizational units con-cerned with public information both at home and abroad.

Also newly-established are the offices of Wartime Economic Affairs and of Economic Affairs-

eign service administration.

The Department said establishment of these offices will set up "clearer lines of responsibility and authority . . and eliminate and authority . . . and elin over-lapping jurisdictions responsibility."

Of the two new committees, it

"The Policy Committee will as-"The Policy Committee will assist the Secretary of State in consideration of major questions of foreign policy and the Committee on Post-war Programs will assist him in the foundation of post-war foreign policies and the execution of such policies by means of appropriate international arappropriate international rangements."

Concerning the Council of Postwar Foreign Policy, the an-nouncement said that:

"The Secretary has asked Mr. Davis, Mr. Taylor and Mr. Bowman, who with others have been associated with him in this field for the part associated with him if this field for the past two years, to assist him in organizing and carrying forward the work of this council which will bring together outstanding and representative national leaders to advise the Secretary research way foreign policy.

tary on post-war foreign policy matters of major importance."

"The Department does not regard this new organization as the final answer to all the Department's administrative problems," said a statement.

"It does believe that this re organization will better adapt the administrative framework of the Department to meet the constantly changing war situation and the foreseeable post-war demands upon our foreign policy."

Manpower Situation Easing Off With Employment Down In November, Conference Board Reports

A decided slackening in the immediate and the prospective demands upon the nation's labor resources became increasingly apparent in the closing months of 1943, according to an analysis by the National Industrial Conference Board, issued Jan. 22.

Total employment, says the Board, including all men and women in military service declined in November for the second successive month, with further reductions indicated for December. The reduction of 1,200,000 in the total number at work or in uniform in November was attributable in the main to the cur-

uniform in November was attri-butable in the main to the cur-tailment of farm operations at the close of fall harvesting, but civil-ian non-agricultural employment also receded by about 100,000 during the month and was below the corresponding total for November, 1942, by almost the same amount.

The announcement by the Board further stated:

"The Board's employment total or November fell to 63,100,000, for for November fell to 63,100,000, which compares with the all-time high of 64,400,000 in September, and 64,300,000 in October. Farm employment dropped to 10,100,000 from the seasonal peak of 11,700,000 in September. A further reduction of more than 1,000,000 in the number at work on farms in December is suggested by the usual seasonal employment patusual seasonal employment pat-tern, according to the Board. The full extent of the decline in nonagricultural civilian employment

downs accompanying the cancellation or downward revision of small-arms contracts.

"The number of key industrial areas in which a slight labor sur-plus will exist during the next six months has increased from 102 to 112 according to War Man-power Commission field reports. The total of acute labor shortage declined from 69 in December to 67 a month later, while the roster of probable labor shortage areas receded from 124 to 119 in the same time interval. After allowance for revised produc-tion schedules, official forecasts of probable labor requirements through July 1, 1944, were again lowered by 600,000. The number in the armed forces at the end of 1943 was lower than previous forecasts of 10,700,000. This figure will not actually be reached, Board says, until well toward the close of the first quarter of 1944. Against this background of eas-Against this background of easing labor requirements, except for manpower for military services, the proposed enactment of national service legislation would appear to be designed to assure the fulltime performance of those at work rather than to introduce a substantial body of new work-

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Senator Butler Repeats Charge U. S. Is Spending Irving Trust Co. Het **Vast Sums In Latin America**

Senator Butler (Rep., Neb.) presented to the Senate on Jan. 20 his second report on spending in Latin America reiterating his original assertion that a total of more than \$6,000,000,000 has been spent

his second report on spending in Latin America reiterating his original assertion that a total of more than \$6,000,000,000 has been spent in the years 1942, 1943, 1944. The Senator submtted a documented certified list showing that this country's "actual expenditures, commitments and extensions of credit" relating to Latin America during the three years 1942, 1943 and another documented list giving \$662,806,970 as expenses in the United States possessions in Latin America—the Panama Canal Zone, Virgin Islands and Puerto Rico.

According to the Associated Press, he attached to the report a 20-page itemization stating that the figures were gleaned from governmental departments, official reports and letters, and congressional testimony, and described the findings as a complete refutation of administration denials of his earlier estimates that of his earlier estimates that various forms of American aid to Latin America topped \$6,000,000,-000. Senator McKellar (D.-Tenn.), Chairman of the Senate Apprometrics and extensions of the documented accurate and the senatory and the direction of developing a policy that will be sound good neighbor."

"Senator Butler asserted that Petroleum Administrator Ickes and failed to answer a request for detailed figures on the cost of oil explorations in Brazil and said that he also had been unable to get accurate estimates as to the cost of communication installations, plantation developments, rehabilitation of Mexican rail-tions, plantation developments, rehabilitation of the 40 or more governmental agencies which he said 000. Senator McKellar (D.-Tenn.). Chairman of the Senate Approuuu. Senator McKellar (D.-Tenn.), Chairman of the Senate Appro-priations Committee, recently countered Senator Butler's origi-nal estimate with administrative figures putting total outlays at \$1,483,373,000 and described Sen-ator Butler as about 95%, week ator Butler as about 95% wrong in his figures.

The Associated Press Washington advices of Jan. 20, further reported:

ported:
"I was not 95% wrong and 5% right but 95.5% right and 4.5% wrong," Senator Butler said today in a prepared address. "That is as near right as any mortal could hope to be in checking New Deal

expenditures."
"He said that the \$5,733,953,543 represented total war and non-war outlays in South and Central American republics, exclusive of the United States possessions—the Canal Zone, Puerto Rico and the Virgin Islands, where, he added, another \$662,806,970 was expend-

another \$662,806,970 was expended in the fiscal years 1942, 1943 and 1944. The figures, he said, were independently audited.
"That total of \$6,396,760,513 is only the documented, certified total," he said. "That is the amount we can be absolutely sure of. How much more there is, no one can say. The sums of money for which say. The sums of money for which no public accounting is made are too vast. The technic of concealment is too well developed. The dark art of financial double-talk has been too well mastered."

"Senator Butler toured 22 Latin American republics last year. Repeating his earlier charges of boondoggling and waste, the Senator said that only a congressional inquiry could determine which

inquiry could determine which expenditures were necessary and determine the extent of some financial operations which he said he couldn't find out about from governmental sources.

"There is boundoggling in our operations in Latin America," he continued. "There is a vast amount of it. The New Deal's operations in Latin America have made use of military necessity for ideological purposes. The New ideological purposes. The New Deal's authority in the matter of our military expenditures in Latin

our military expenditures in Latin America has resulted in extravagance and waste.
"We should stop trying to be rich uncle to Latin America. We should insist that, according to their ability to pay, what we do for the nations of Latin America is matched, dollar for dollar, by what Latin America does for itself."

self "The Senator said that the im-"The Senator said that the important fact was not so much the amount of expenditures, but that they "demonstrate what the present Government of the United States apparently aims to do all over the world."

some of the 40 or more govern-mental agencies which he said were concerned with Latin American operations.'

The Senator's earlier remarks were given in our issue of Dec. 2, page 2233.

In special Washington advices Jan. 21 to the New York "Times" it was stated that Secretary Hull renewed his charge of "unfair" when asked to comment on the new attack made by Senator Hugh Butler on Government spending in Latin America.
In part the "Times" advices ad-

ded in part:

"I am convinced," the Secretary said, "that Senator Butler's latest remarks do not in any way change

remarks do not in any way change the opinion I expressed at the time of his earlier attack on the good neighbor policy."

"In taking note of the original charges, Mr. Hull, on Dec. 14, said the allegations were 'unfortunate' and 'unfair,' and that they con-tained 'inaccuracies,' and 'falla-cies.'

cies.'
"Officials of the State Depart-"Officials of the State Department noted that the firm of public accountants on which Senator Butler leaned were careful to write the Senator that they had his office and the accounts shown examined the lists submitted by were correctly totaled, but that the comments, explanations and other information contained in the schedules prepared in the Senschedules prepared in the Senator's office were not examined or

verified."

The "Times" also published the following cablegram in the matter

from Havana:
"Emeterio Santovenia, Minister of State, Jan. 21 termed the statements of Senator Butler concern-ing expenditures of the United States in Cuba as 'unimportant and without foundation.'

"The inclusion of money spent on the American naval base at Guantanamo and the amount paid for sugar bought from Cuba was criticized by the Minister, who pointed out that the former was an investment in American territory, while the sugar was sold by Cuba at a price which rep-resented a sacrifice made by the island as a contribution to the

1943 Ton-Miles Of Rev. Freight Increased by 13.7%

Railroads in 1943 handled the Railroads in 1943 handled the greatest volume of freight traffic, measured in ton-miles of revenue freight, for any year on record, the Association of American Railroads announced on January 20. In that year it amounted to approximately 725,447,456,000 revenue ton-miles according to presente ton-miles of the presented to the presented t they "demonstrate what the present Government of the United States apparently aims to do all over the world."

"In Latin America," he continued, "we have already found out what we are beginning to find out in other parts of the world, namely that money will not buy good will and that the Treasury for carried by the railroads in 1943.

The yolume of reight traffic requirements of the United States apparently aims to do all liminary estimates based on reports just received by this Association from Class I railroads. This was an increase of 13.7%, compared with 1942, and an increase of 53%, compared with 1942, and an increase of 53%, compared with 1941. The volume of freight traffic carried by the railroads in 1943.

The volume of revenue Ton-Miles of Freight (000 omitted)

Revenue Ton-Miles of Freight (000 omitted)

They also signed numerous ments aimed at increase commercial and cultural between their countries. Month of Dec. 159,300,000 55,030,990 7.8.

Total 12 mos. 725,447,456 638,044,769 13.7 of the New York "Times ing this, went on to say:

Of \$4,522,401 In 1943

Net profits of the Irving Trust Co. of Co. of New York for 1943 amounted to \$4,522,401, compared with \$3,712,952 for the preceding year, Harry E. Ward, Chairman of the Board, and William N. En-strom, President, announced in the report submitted to stock-holders of the bank at their an-nual meeting on Jan. 19.

The trust company's operating profit for the year 1943 was \$5,-022,401, as against \$4,212,952 in 1942. In accordance with the management's policy of building up reserves against a time when adjustments may be necessary, \$500,000 of operating profit was added to reserves—this action having also been taken in 1942. The 1943 securities profits totaling \$568,973 were transferred to deferred income; howiting as ferred income; securities profits in 1942 were \$332,009.

The bank declared dividends of The bank declared dividends of \$3,000,000 during the past year. The capital stock of \$50,000,000 is unchanged from a year ago, but surplus and undivided profits amounted to \$56,428,927 at the end of 1943, against \$54,903,526 at the close of 1942.

From the report we quote:
"The trend of deposits in 1943
was upward. Fluctuations were
relatively wide, due principally to
governmental financial operations.
While deposits were \$35,654,740
higher at Dec. 31, 1943, than at the end of the previous year, the average for 1943 was \$139,098,000 above the average for 1942. United States Government deposits amounted to \$108,763,974 at Dec. 31, 1943, as compared with \$133,111,771 a year earlier. Exclusive of United States Government deposits, there was an increase of \$60,002,538 in deposits at Dec. 31, 1943, as co Dec. 31, 1942. . . . 1943, as compared with

assets regarded as the equivalent of cash. Currently, such other assets consist primarily of short-term United States Government securities. At Dec. 31, 1943, 45% of total holdings of United States Government securities had a first call date or were due within two years, 19% within two to five years, and 36% within five to ten

The Irving report also noted that a good volume of foreign business was transacted in 1943, notwithstanding the many restrictions occasioned by the war. It added that after the war a material expansion in the company's foreign business is confidently expected.

was an increase of 118% compared with 1939.

For the month of December, 1943, alone, the railroads handled about 8% more ton-miles of revenue freight than in the same month of 1942.

The following table summarizes revenue ton-miles statistics for

Public Will Not Stand For War Production Stoppages Warns Benj. F. Fairless

A "justly aroused" American public will not long tolerate strikes and other war production stoppages which have been prevalent in recent months, Benjamin F. Fairless, President of the United States Steel Corporation, warned on Jan. 20 in an address before the annual dinner of the Pittsburgh Chamber of Commerce. His address was broadcast over a nation-wide hookup.

At a "crucial period" of the war to determine the nation's survival Mr. Fairless told the chamber. as a democratic state, interference Such plants, he pointed out, were with any phase of the war effort lin no case intended to take core

with any phase of the war effort with any phase of the war effort cannot be countenanced, Mr. Fairless said, according to Pittsburgh advices to the New York "Herald-Tibune," from which we quote his further views as follows:

"If labor leaders are unable or unwilling in these critical times

to curb the disruptive acts of sub-ordinate officials or of small groups of union members, he added, then they must not complain at enactment of labor legislation "with teeth."

"Mr. Fairless made a sharp distinction between loyal workers and trouble makers in labor's ranks. The great majority of ranks. The great majority of American wage earners, he emphasized, "are both patriotic and hard working, and they can be proud of the production records which they have helped establish since Pearl Harbor."

"The speaker reiterated his conviction, based on his company's long-standing labor relations policy, "that the right to work should not be dependent upon member-

icy, "that the right to work should not be dependent upon member-ship or non-membership in any labor organization."

labor organization."

"Not only in war time, but also in the post-war period, there must be "sincere and sympathetic" cooperation between government, management and workers to insure sound economic and social conditions here, the steel executive declared. Without profits for industry, he pointed out, the government will lose a large part of its revenues. At present more its revenues. At present more than a third of the war revenue than a third of the war revenue of the government is derived from of the government is derived from income taxes, and "without profits our industrial machine will be endangered and workers may find their source of livelihood cut off or undermined."

"Aside from work stoppages, a foremost problem of industry concerns the ultimate disposition to be made of many plants which

in no case intended to take care of any deficiency in the nation's peace-time production facilities. When peace comes, he admitted, "some industries will have total capacity greatly in excess of that required for a peace-time economy."

omy."
"Courage and statemenship on

"Courage and statemanship on the part of government and others concerned, he observed, must attend the solution of this situation. "In my opinion, the government should dispose of its plants and facilities as promptly as possible after the end of the war," he said. "It should not attempt to set itself up in business in competition with industry. Any such course would be in the direction of state socialism. In disposing of these socialism. In disposing of these plants it should be recognized that their cost is not government investment; rather, it is a war cost of the same general character as that of a battleship or other in-strument of warfare brought into existence for the sole purpose of defeating the country's enemies. So instead of attempting to re-cover the full cost of these plants the government should be generally willing to take a reduced amount, substantial though the reduction may be, and charge the balance to the general cost of the

war."
"Mr. Fairless granted that number of these government-owned plants are "probably" more modern and more efficient than modern and more efficient than similar facilities now owned by private industry, but said that both may not be required for peace-time production. In such cases he felt it to be in the public interest that the efficient and low-cost plants should survive and outmoded facilities be scrapped. Some government plants, he admitted, may need to be held for future emergencies and these units be made of many plants which the government has financed and key" so as not to compete with built during the war emergency, private industry."

Allies To Divide World Into "Spheres Of Influence," Senator Johnson Predicts

The great powers of the United Nations will divide the post-war world into "spheres of influence," Senator Johnson (Dem., Colo.), predicted on Jan. 2 in an article written for "The Rocky Mountain News." Mr. Johnson is a member of the Senate Military Affairs Committee.

"Russia will dominate the Baltic States, the Northern Balkan States, Poland, Czecho-Slovakia, Germany and France," Senator Johnson said, according to Associated Press Denver advises which further quoted him as saying:

"Britain will dominate Norway Holland and Belgium, including the colonies of the two latter in Africa and the Far East. Britain will also dominate the Dark Continent and the Mediterranean states of Spain, Italy and Greece. Britain's old ally, Portugal, will remain her dependable friend."

Argentine And Paraguay Ratify Trade Treaty

Ratifications of the commercial treaty recently concluded between Argentina and Paraguay were ex-changed on Dec. 15 by Gen. Al-berto Gilbert, the Argentine For-eign Minister and, Luis Argana, Paraguavan Foreign Minister. They also signed numerous agreements aimed at increasing the commercial and cultural relations

Buenos Aires advices Dec. 15 to the New York "Times" report-

The most important of the agreements signed grants Para-guayan trade "free port" facili-ties in Buenos Aires, By this By this agreement, certain docks and warehouses in the Port of Buenos Aires will be considered a Para-guayan free zone. Paraguayan goods for export or imported goods destined for Paraguay will be un-loaded, stored and reloaded with-out payment of import duties.

Other agreements provide for improving postal facilities between Argentina and Paraguay; for the appointment of a mixed committee charged with studying a customs union between the two countries and for the expurgation from Argentine and Paraguayan school textbooks of anything that may "foster aversion for any American country."

Finally, in an exchange of letters between General Gilbert and Senor Argana, Argentina under-takes to extend to Asuncion the airline that soon will open service between Buenos Aires and Iguazu.

Signing of the trade treaty was noted in these columns Dec. 16, page 2453.

Wallace Sees \$200 Billion Income Within Reach Of Post-War Fully-Employed America

(Continued from first page)

recommending to Congress the delegation of power to some governmental organization to make continuously those slight shifts which are necessary if the national income is to say on the road of full production, full consumption and full employment without infation or deflation."

tion and time enployment infation or deflation."

The text of the Vice-President's talk follows, as given in the New York "Times" of Jan. 16:

York "Times" of Jan. 16:

We have completed a year of great accomplishment and have begun a year which will be of even greater significance. The President by his daring and his wisdom has set our feet on the road toward complete victory. Cairo and Teheran mean not only the closest cooperation for war but also effective cooperation in the peace to come.

For two days you have been

the peace to come.

For two days you have been discussing the problem of postwar employment. There cannot be in any country full employment for the purpose of full production of peacetime goods except on the basis of an assured world peace. Such a peace is necessary to a large volume of goods flowing between countries. With essary to a large volume of goods flowing between countries. Without a large volume of foreign trade unemployment is certain in the United States and England. Therefore, I say that of all the actions taken in 1943 looking toward full post-war employment, the Cairo and Teheran conferences were probably the most important. portant.

There are those on the home front who have continually tried in one subtle way and another to create discord, especially becreate discord, especially be-tween the United States and Eng-land and the United States and land and the United States and Russia. Ill-timed statements and partial truths have from time to time lessened the hearty will of the American people to cooperate to the utmost every day with our Allies in winning the war at the earliest possible moment. Through all of these attacks, and some have been slanderous, the President has kept his eye on just one objective — how best to win an early and complete victory, how early and complete victory, how best to attain a secure peace.

Many things which some of us have not been able to understand have been explained by the fact that the President is keeping his mind on those two things to the exclusion of anything else.

At this time I want to expr At this time I want to express my appreciation of the magnifi-cent job the President has done on the home front. To transform 135,000,000 people from an easy-going peace to an overwhelming war effort involves complexities beyond the mind of man to comprehend. The necessarily hasty solution of these complexities has given small men a chance to complain—and I am sorry to say that larger men in their hatred of Roosevelt have forgotten the need of winning the war and have played up the mean, the small, the irrelevant in a way to deceive the public mind as to the real the public mind as to the real truth. Of course there are imperfections in a huge task of this sort. Everyone who has built a local union, everyone who has started a great corporation, everyone who has developed a great agricultural cooperative knows the sleepless nights, the heartaches and the mistakes involved. How infinitely greater the task of the President. task of the President.

And I say that what we have before us is a prodigious performance which, compared with World derson. Others criticize it for terms of airplanes, tanks, guns and munitions we have produced produced produced produced produced with World derson. Others criticize it for the huge financial reserves and, even more important, with the control of many profitable inventions of products.

labor to learn just exactly where that point is—the point which will promptly prevent either inflation or deflation as one or the other tends to develop. Both labor and business might well consider recommending to Congress the delegation of power to some governmental organization to make continuously those slight shifts which are necessary if the national income is to say on the road of full production, full consumption and full employment without infation or deflation."

(Continued from first page)

in this war from five to a thousand times as much as we did in world War I. In world war I world war in the world war in the pre-war base, we have in this war stepped up our production both in factories and on the farms much more effectively than we did 25 years ago. We not only have done twice as good a job in stepping up production but we have also done twice as good a job in holding down prices.

job in holding down prices.

Since the beginning of the war in Europe the cost of living in the cities has risen by only about the cities has risen by only about a fourth. This is less than half as much as in the same length of time in World War I. In World War I iron, steel, copper, lead, zinc and tin prices more than doubled. In this war there has been very little rise. Petroleum more than doubled in World War I, but this time it has increased less than a fourth. And so it goes all down the line. Nearly everywhere the advances have been far less than in World War I. The outstanding exception has to do far less than in World War I. The cutstanding exception has to do with food, and even here the advance at retail has been less than 50%, as compared with about 75% in World War I. When we take into account that food prices were abnormally low in 1939 and that since then the world-wide demand for food from the United States has been greater than in World War I, it is surprising that such a good food job has been done.

I have recently made a tour of many counties in Iowa, talking to the farmers at first hand. I made the point to them of the great need of the farmers understanding labor, and told them that the satisfaction of their needs in the post-war period depended on production. I said the farmer could not get legislation without labor men and their Congressmen lined up.

The so-called leaders of agriculture in Congress do not speak for the rank and file of farmers, thank God for that. So I want you to by-pass certain leaders—I don't want to condemn any group wholesale—and get in touch with the farmers on a county level. Get your message and your picture across. It is much more important to the future of civilization than any of us realize.

Moreover, we must remember that this war is costing about ten times as much as World War I and that the savings in the hands of the people as the result of full The so-called leaders of agri

of the people as the result of full employment amount to more than \$30,000,000,000. This means there is tremendous monetary pressure is tremendous monetary pressure on the side of higher prices. Nevertheless, OPA has held the line remarkably well. If it had not done so, if we had had controls only like those in World War I, the consumers in the United States last year would have had their pockets picked by the rising cost of living to the tune of more than \$25,000,000,000. Moreover the debt of the United Moreover, the debt of the United States, because of the greater cost of the war effort resulting from of the war errort resulting from such inflation, would have been increased by something like \$50,000,000,000. In brief, what I am saying is that the Presiden is entitled to great credit for his leadership in bringing about a truly semarkable expansion of producremarkable expansion of production with the minimum expansion of prices. The great majority in business and in labor is entitled to great credit for their contributions which make his leadership effective.

Many people do not like OPA Some criticize it for being a New

cize it for red tape and bureau-cracy. Some of these things may cracy. Some of these things may be true. But we have to recognize that, so far as the net effect is concerned, the job has been a good one. To increase production and hold down prices is like defying the law of gravitation. Just the same, the job has been done and will continue to be done pro-vided the people will stand behind their President and against self-

ish, greedy, noisy men.

There has been much criticism of the Congress for not setting taxes high enough. Some claim that the corporations have been growing rich out of the war. This may be true in some cases but, even though Congress has not carried out in full the recommencarried out in full the recommendations of the President and the Secretary of the Treasury, the facts are that in this war we have done a much better job in covering back into the Treasury covering back into the Treasury excess profits than we did in World War I. The corporations during the past two years made gross profits two and a half times as great as in the two years of World War I but they paid taxes nearly five times as great. Taxes ni World War II have been used twice as effectively to recover extwice as effectively to recover ex-cess profits as in World War I. The President, the Congress and

The President, the Congress and all the great groups of the nation are entitled to corgratulations for having done a truly remarkable job. In retrospect we can see how many things might have been changed. Certain expenditures have been proved by hindsight to be needless, but the head of a great nation cannot take chances and therefore I am thankful that the President tried chances and therefore I am thankful that the President tried so vigorously to provide against every contingency, whether it might be in South America, in Alaska, in Africa, Persia or China. He has done a job in which he and a grateful nation can take satisfaction.

There are two groups of big businessmen in the United States. In one group are found those who believe in Allied war unity, those who have always hated and distrusted Hitler. In the other group are found those who believe in "isolation first." Some of these finance anti-Semitic movements. Some organize hatred of the President and discord in the Democratic Party. Maybe some have been working in the past 48 hours. Others promote isolationism in the Republican Party. Certain isolationist politicians have been and will be benetrusted Hitler. In the other group Party. Certain isolationist politicians have been and will be beneficiaries in their campaigns of the money of these big business isolationists. One probable reason why some of these wealthy isolationists os strongly oppose the President and the kind of peace he stands for may trace to the fact that they have had profitable relationships in the past and hope to renew in the past and hope to renew them with the big German trusts. They believe in international cor-porations or cartels, but they do not believe in any type of inter-national government which would prevent these cartels from prey-ing upon the people of all lands.

Generally speaking, isolationist big business men use the tariff as a screen behind which to conduct their monopolistic operations in the various countries. They are not so much interested in a larger volume of international trade as they are in parceling out markets. volume of international trade as they are in parceling out markets for individual profit. Some of them have been interested in every nation distrusting every other nation so that their armament industries might always have a big market. Flash—footnote—look into the Argentine. They do not believe in a long-lasting international peace and will do their best to prevent it by daily hammering the public mind through their agencies of publicity. Unfortunately for the nation and the tunitely for the nation and the world, these men because of the war will come into the peace with

public. I wonder if someone will talk to people in high places about the channels through which this money comes. They control so many new inventions that in the post-war many businesses and certain communities will be able to exist only by grace of their to exist only by grace of their sufferance. Unfortunately, there are business men of this sort in every country.

every country.

But fortunately, there are many big business men who believe wholeheartedly in Allied unity in just the same way as the President. They believe in unity for both the war and for the peace. They want to see an enduring peace based on a higher standard peace based on a higher standard of living and a growing volume of world trade and therefore believe in the Good Neighbor policy not only between the United States and Latin America but also between the United States and the other United Nations in the postwar period. These business men do not finance anti-Semitic movements or American Fascists, They believe in clean, aggressive comments of American Fascists. They believe in clean, aggressive competition in foreign markets. They may fight Roosevelt on his domestic policies, but in the main they do it fairly. If the common man has to choose between these two big business groups there is stion as to where his interest lies.

terest lies.
All groups of business men, large and small, good and bad, are enormously interested in the Government's policy with regard to reconversion and contract termination. Already 40,000 contracts amounting to more than \$12,000,000,000 have been termination. \$12,000,000,000 have been terminated, and while many contracts have been reinstated there has have been reinstated there has been enough net change to cause serious unemployment in some localities. When the European war ends there will probably be a \$40,000,000,000 curtailment in war production. This could conceivably cost the jobs of more than 10,000,000 men unless plans are made. It is commonly understood that Mr. Baruch will soon submit a report to Justice Byrnes on this subject. No doubt Byrnes on this subject. No doubt suggestions as to how the Government may help business finance its reconversion.

Many of the businesses which

Many of the businesses which used Government capital to convert when the war started will have to use Government capital in reconversion. When the Government knows it is going to terminate a contract it should be prepared to do its part in removing promptly its inventory of maing promptly its inventory of ma-terials and machines which are not needed by the reconverted plant so that in the shortest time plant so that in the shortest time possible men may be at work on production of peacetime goods. Congress may well consider setting up a "reconversion plant corporation" with extensive powers to facilitate the most rapid prographic transition from war propossible transition from war production to peace production, or it may want to add new and con-crete power to an existing agency.

Business men and laborers will Business men and laborers will face a sharper crisis when contracts are terminated than the nation faced when war was declared. They have a right to demand that there be some agency in Government which has the power and the courage to speak clearly and decisively on all reconversion problems. There must be public responsibility in the reconversion. Reconversion must be public responsion. Reconversion must not be made a grab-bag for monopoly. Small business, the backbone of our nation, must be protected. The sub-contractors as well as the prime contractors must be protected. The prime contractors must be protected. The prime must be protected. The prime contractor usually has big cash reserves — the sub-contractor almost never.

Labor should back up business in its demands that the problem of reconversion be given prompt and effective consideration. Both labor and business should also join in urging on the Army and Navy a policy of restraint in the too rapid disposal of surplus products. And there are huge

mountains of them. After this war the UNRRA may serve as a useful outlet in many cases. Some business men who have been shocked at the proposal which they held to be idealistic would be exceedingly happy to see UNRRA use these goods in foreign lands. Their hearts will bleed for humanity. It will be remembered that after World War I certain labor groups in August of 1919 called on President Wilson. At that time it will be remembered that the wages of labor had lagged far behind the cost of living. I abor leaders calling on ing. Labor leaders, calling on President Wilson, said that either their wages had to be advanced their wages had to be advanced or the cost of living had to come down and that on their part they would prefer to see the cost of living come down. Soon thereafter the Army and Navy disposed of large quantities of materials and the Federal Reserve Board adopted a policy of high interest rates. The country had been overinflated but the deflation cure was almost as bad as tion cure was almost as bad as the inflation disease. The large supplies of stuff put on the marsupplies of stuff put on the market cost many laboring men their jobs: The rapid fall in prices cost many business men their businesses. The farmers suffered worst of all. All groups have a right to ask both the Congress and heavy that this time. the Army and Navy that this time discretion be used.

Congressional committees have been discussing these problems. Policies are under consideration which during the next year or two will affect the jobs of millions of workers. Labor should prepare to be represented at all hearings. to be represented at all hearings of the Truman Committee and the various committees which have to do with post-war planning. Just as labor played a prominent part in pushing for the complete conversion which is now doing so much to win the war for us, so labor also should be an equally determining factor in seeing that reconversion gives us full employment, should play a constructive role in post-war planning.

I do not propose in this talk to

I do not propose in this talk to say just what the Government ought to do with regard to postwar employment. But I do say that, inasmuch as the Government had to take full responsibility for getting cooperation from all had to take full responsibility for getting cooperation from all groups to convert our economy from peace to war, it will have to take equal responsibility in converting from war to peace. Those who want to handle the postwar problem merely by turning things loose are asking for anarchy. There are, of course, certain branches of the economy where all that is necessary is to enforce the anti-trust laws. There are other branches where all that is necessary is to make sure that is necessary is to make sure that adequate financing is available through the RFC or the Farm Credit Administration. But there are other fields of activity where it will be necessary to engage in specific physical planning. When the contracts are terminated there will be hundreds of thousands of people out of work unless there is detailed advance planning.

This planning must be on a broad basis and not on a little basis. The Federal Government will have the responsibility of paying the interest on more than \$200,000,000,000. The only sound way to pay this interest is by the maximum productive use of labor. maximum productive use of labor

We have to have full employ-We have to have full eliphoy-ment and an expanding economy to carry our debt load easily. This means a national income in ex-cess of \$130,000,000.000. I am speaking of at least \$130,000,000,-000 net income. This would mean \$170.000,000,000 in terms of total \$170.000,000,000 in terms of total goods and services to carry the debt load easily. If we go up to \$200.000,000,000,000, as we can go, we could carry the debt load that much more easily. Some very, large business men are making their plans on the basis of a national income of only \$100,000,000,000. That is not enough to give full employment or to utilize the factory facilities which we shall have available or to carry the na-tional debt load easily. The ten-dency will be for some business men to avoid thinking of the maximum output of the best qual-ity at the lowest price. When the price is held up and the production is held down there is unemployment, which produces still greater contraction. We must keep in mind that the profits to be made by monopoly practices are not a net profit for business. All business has to help pay the costs

business has to help pay the costs of employment.

It seems to me that each business, as it confronts the problem of its responsibility for furnishing that amount of employment which will eliminate unemployment must be guided in the main ment, must be guided in the main ment, must be guided in the main by the maximum use of labor and plant facilities. Obviously there are some businesses where pro-duction of more than a certain quantity is sheer waste, but in most lines of consumers' goods most lines of consumers goods consumptive power is as great as productive power, provided labor is kept fully employed and the profits and savings are put to work as rapidly as they are acquired. The wise men in labor, business and government will have to give to the individual and business man the same as mall business man the same assurance of a big market as our government at war has furnished during the past two years. Labor can't do it by itself. Business can't do it by itself. Nor government. All three must recognition their joint responsibility. This country belongs to all of us and we've got to keep it at work to

keep it strong.

Of course, we must have a vast stockpile of blueprints for public stockpile of blueprints for public roads, schools, sewers, reforestation, irrigation dams and flood control projects for every State in the Union so that if employment falters for any length of time in any area Government employment may be promptly thrown into the breach. Personally I am hopeful that our taxation system can be modified with such rapidity after the war that the financing for most employment will

ing for most employment will come from private capital.

Incentive taxation by increasing employment and by increasing the national income can increase the Federal revenue. Rates which are too high on rapidly wounding young enterprises will. expanding young enterprises will reduce employment and decrease the revenues of Federal taxation. Some place there is a happy medium and it is very important for both business and labor to learn just exactly where that point is —the point which will promptly prevent either inflation or deflation as one or the other tends to develop. Both labor and business might well consider recommend-ing to Congress the delegation of power to some governmental organization to make continuously those slight shifts which are nec-essary if the national income is to stay on the road of full pro-duction, full consumption and full employment without inflation or deflation.

Labor took the lead after Pear Labor took the lead after Pearl Harbor in putting real vitality into a complete war effort. To labor goes a very large part of the credit for the production mir-acle. Labor's hands every day are producing the munitions that are Harbor relentlessly destroying the might of Germany and Japan, Labor will not turn back. Our workers will finish what they have started. will not let our boys down

During the war, labor has come of age and from now on must be its full share of responsibility for molding public opinion and Con-gressional opinion on behalf of taking those steps which will prevent unemployment in plenty of time. You have shown by your presence here that you are intensely awake and aware of the rights of the common man, as well as the duties of the common You are going home to ness for which he was created.

Items About Banks, Trust Companies

Percy H. Johnston, Chairman of the Chemical Bank & Trust Co. of New York, at the annual organization meeting of the board of directors, on Jan. 20, announced the appointment as Vice-Presidents, W. Barton Cummings, formerly Personal Trust Officer, and William G. Laemmel, formerly an Assistant Vice-President. Mr. Cummings is a native of Connecticut and received his early education and received his early education in New England. He is a graduate of Amherst College and studied at the Sorbonne in Paris. He has been connected with the Chemical Bank since 1920, becoming a Trust Officer in 1935 and he is actively engaged in the supervision of the bank's Personal Trust Department. He is a director of the New York Federal Savings and Loan Association, trustee of the Edwin Gould Foundation for Children, and Secretary of the Trust Companies Association the State of New York.

Mr. Laemmel is a native of Brooklyn. He started his banking career with the Citizens National Bank in 1916, which institution later merged with the Chemical. Leaving the bank in 1922 to obtain practical bond expressions. tain practical bond experience, he returned in 1926 as Secretary and Treasurer of the Chemical Securities Corp., and later became Vice-President and Secretary. Upon the absorption of that corporation he was appointed an Assistant Vice-President of the bank, super-vising the Bond Department.

At the same meeting Charles F. Hennett, formerly an Assistant Branch Manager, was appointed Assistant Branch Supervisor.

Other appointments James E. Hellier, Assistant Secretary; Raymond W. Moore, Assistant Trust Officer; Irving White, ant Trust Officer; Irving White, Assistant Trust Officer; Arthur S. Sherwin, Assistant Manager Foreign Department; George H. Devey, Assistant Manager of the Tenth Avenue at 23rd Street office, and G. Raymond Christensen, Manager of the Government Bond Department.

S. Sloan Colt, President of Bankers Trust Co. of New York, announced on Jan. 17 the election of Harold J. Marshall as an Assistant Vice-President. Since 1939 Mr. Marshall has been Secretary of the New York State Bankers Association, and has been active in the American Institute of in the American Institute of Banking and in the American Bankers Association, of which he is currently a member of the Exscurrently a member of the State Secretaries Section. He is also a member of the A. B. A. Research Council. Since 1940 Mr. Marshall has been Vice-President and a director of the First National Bank of Canajoharie, N. Y., prior to which he was Cashier and a to which he was Cashier and a director of the National Spraker Bank of Canajoharie, 1933-39 Bank of Canajonarie, Cashier of the Washington County Casher of the Washington County National Bank, Granville, N. Y., 1933; an Assistant National Bank Examiner, 1930-33, and associated with the Council Bluffs Savings

carry on in 1944 your business as ture Americans. You will have your family duties. You will have your days of work. But above all in this great year of 1944 you will have the splendid privilege of seeing and believing and fighting for those things which are to come, for those things which are to come, for those things which we have been paying for these past years in that great symbolic phrase, "blood, sweat and tears."

And now as we look beyong the "blood, sweat and tears" I see head you'k harmone and rears and tears.

ahead work, happiness and peace peace which will come through jobs for all and the full use of the resources of this world for the benefit of the people of this world; work, because there is no man of sanity who does not wish to work; happiness, because with permanent peace and full employ-ment man will pursue the useful-

stockholders approved a proposal to change the present par value of capital stock of \$100 per share to \$20 per share. There were 70,000 shares outstanding, which now be-come 350,000 shares.

In their annual report, Walter G. Kimball, President, and Herbert P. Howell, Chairman of the Board, indicated that net current Board, indicated that net current operating earnings in 1943 were \$1,256,301, not including \$6,910 net profits on securities. Additional profits on securities sold of \$736,174, not included in earnings, were applied to the cost of securities. After the payment of dividends of \$560,000 and the transfer of \$2,000,000 from undivided profits to surplus, undivided

vided profits to surplus, undivided profits were \$1,182,919.

The bank's condition statement as of Dec. 31, 1943, was referred to in our issue of Jan. 6, page 97

The Manufacturers Trust Co., New York City, was authorized by the State Banking Department on Jan. 20 to reduce its capital stock from \$47,617,360, consisting of 429,977 shares of convertible pre-429,977 shares of convertible preferred stock and 1,950,906 shares of common capital stock, all of the par value of \$20 each, to \$46,-290,680, consisting of 415,382 shares of convertible preferred stock and 1,899,152 shares of common capital stock and 1,899,152 shares of common capital stock and 1,899,152 shares of common capital stock all of the same capital stock and 1,899,152 shares of common capital stock all of the same capital stock and 1,899,152 shares of common capital stock all of the same capital stock and 1,899,152 shares of common capital stock and 1,950,906 shares of common capital stock and 1,950,906 shares of conversion of the same capital stock and 1,950,906 shares of the same capital stock and 1,950,906 shares of the same capital stock and 1,950,906 shares of the part of the same capital stock and 1,950,906 shares of the same capital stock and 1,950,906 shares of the part of the same capital stock and 1,950,906 shares of the same capital stock and 1,950,906 shares of the same capital stock and 1,899,152 shares of the same capital stock and 1,999,152 shares of the same capi mon capital stock, all of the par value of \$20 each.

In his annual report to stock holders of the Colonial Trust Co. of New York, Arthur S. Kleeman, President, reported on Jan. 19 that during the past year the institu-tion has had substantial growth in a number of directions. Total de-posits increased from \$24,045,000 on Dec. 31, 1942, to \$31,890,000 on Dec. 31, 1943, a growth of 32%. Deposits, exclusive of Government deposits, increased 40%, Mr. Kleeman explained, an indication of growth in the number of customers of the bank and in the average balances carried by them. The liquidity of the institution showed an increase, he added, with cash and Government bonds totaling 74% of deposits on Dec. 31, 1943 as compared to 71% at the end of the previous year. The trust company's Government bond portable serve fews. \$10.094.000 at the previous year. pany's Government bond po folio grew from \$10,084.000 at

folio grew from \$10,084 000 at the end of 1942 to \$14,655,000 at the end of 1943; during the same period loans and bills purchased increased by 19%, a measure of further usefulness to our clients. Surplus and undivided profits increased by 21% during the year from \$417,000 at the end of 1942 to \$508,000 at the end of 1943. The Colonial Trust Co., with banking facilities and executive offices at 1230 Sixth Avenue in the United States Rubber Co. Bldg., Rockefeller Center, has leased the adjacent space to the north on the ground floor for occupancy as soon as alterations are completed. soon as alterations are completed. This expansion was occasioned by the increased volume of domestic business in the Rockefeller Center area, and plans for broadening the activities of the bank's Foreigr Division, according to President

Mr. Kleeman added that Mario Diez, Assistant Vice-President in charge of the Foreign Division, will leave for South America this month to begin the work of developing closer cooperation be-tween Colonial Trust Co. and its Latin American bank corre-

Latin spondents

Kleeman.

Stockholders of the Title Guar antee & Trust Co., New York, approved on Jan. 19 the reduction of the cap tal stock from \$6,000,000 to \$3,000,000 and the par value of its 500,000 shares from \$12 to \$6

ported at the annual stockholders' meeting, on Jan. 19, that the company's business for the year yielded an operating profit of \$25,424, without provision for depreciation of office buildings and before deducting that portion an before deducting that portion, applicable to pay periods in 1942, of the retroactive salary increases awarded by a directive order of the National War Labor Board in 1943. This compares with an operating loss of \$83,558 reported for the yer 1942 which, after giving effect to the aforesaid portion of the retroactive wage award amounted to \$117,366.

At the Jan. 19 meeting of the stockholders the following named were elected trustees in the class whose term will expire in 1947: Philip A. Benson, William H. Deatly, Albert G. Milbank, Purcell C. Robertson, Frank L. Stiles, Willis D. Wood and Raye P. Woodin.

At the organization meeting o the board of trustees, on Jan. 19 Donald M. Jack, Manager of the Mineola office, was elected an Assistant Vice-President; John W Boyle, formerly Assistant Treas-urer, was elected an Assistant Vice-President; Clarence E. Dugan, Manager of the Riverhead office, was elected an Assistant Vice-President; Charles B. Klein-Vice-President; Charles B. Kleinschmidt, Assistant Manager of the Long Island City office, was elected an Assistant Vice-President; A. Samuel Cunningham Assistant Manager of the MidTown Banking Department, was elected an Assistant Treasurer Clinton B. Morgan, Assistant Manager of the MidTown of the MidTow Clinton B. Morgan, Assistant Manager of the Mid-Town office, was elected an Assistant Secretary; Loren E. Boies, formerly Manager of the White Plain office, was appointed Counsel of the White Plains office; Walter J Gainey was appointed Assistan' Solicitor of the Brooklyn office Thomas H. Sheehy, formerly Assistant Manager of the White Plains office, was appointed Manager of the White Plains o Plains office, was appointed Man-ager of the White Plains office All other officers were reelected

The election of W. N. Westerlund, President of Marine Transport Lines, Inc., as a director of The Continental Bank & Trust Co of New York was announced on Jan. 20 by Frederick E. Hasler Chairman of the bank. Mr Westerlund served for more than a year as Assistant Deputy Administrator with the War Shipper Administration in Washing. ping Administration in Washington, having jurisdiction over the operations of WSA vessels. He is a member of the American com-mittee of Lloyd's Register of Shipping and of the Maritime Committee of Commerce and Industry Association.

William J. Waite, Chairman, re-ported on Jan. 19 to the stock-holders of Clinton Trust Co. of New York, at the annual meeting New York, at the annual meeting that the net operating income of the institution for the year 1943 was \$76,700, equivalent to \$6.32 per share. This does not include profits realized on the sale of securities. Dividends paid were \$1.30 per share for the year. Deposits increased 33.5% for the year, and the average volume of earning assets employed was 75.6%. The average rate of return on loans and investments for 1943 was 2.6%. 1943 was 2.6%.

During the year holdings of United States Government securities were increased by \$3.291.292. and in that period clients purchased through the trust company United States Government securities in the amount of \$3.662,000. Of the company's total investments. 77.8% comprise United States Government issues 662,000. Of the company's total loss for the first 11 m nvestments, 7.8% comprise was 332.519.000—th United States Government issues any year since 1932.

per share, and acted to transfer to surplus and retain for company use the \$3,000,000 thereby released. It is planned to transfer \$1,500,000 of the surplus to increase reserves for contingencies when the proposed reduction in capital becomes effective.

George McAneny, Chairman of the Board of the company reported at the annual stockholders'

over five years.

The officers of the bank were reelected, and the following directors were reelected: Lee S. Buckingham, John Horn, Samuel Miller, John Mullen and Robert C. Schock.

The Twenty-five Year Club of Manufacturers Trust Co. of New York, at its annual dinner held at the Hotel New Yorker on Friday evening, Jan. 14, inducted 42 new members. As the name implies, the Club is composed of employees who have been in the bank's service for 25 years or more. The total membership is more. The total membership is now 209, the oldest of whom in length of service is Richard N. Cotter, Assistant Secretary, who in the employ of the Cotter, Assistant Secretary, who has been in the employ of the bank since 1880. Chris J. Ochs, President of the Club, presided at the dinner. Henry C. Von Elm, Vice-Chairman of the Board of Manufacturers Trust Co. and himself a member of the Club by virtue of his 40 years of service with Manufacturers Trust Co., extended his greetings to the members of the Club and their guests, and presented the membership emblems to the new members. A varied program of enbers. A varied program of entertainment followed, the feature of which was several vocal selections by Mrs. George R. Baker, who formerly sang with the Met-ropolitan Opera Company under the name of Madam Atwood, and whose husband is a Vice-President of the bank. Newly elected officers for the coming year are Richard N. Cotter, Honorary President; Edward J. Gresser, President; William Haas, Vice-President, Tresquery. Secretary-Treasurer.

James A. Stillman died on Jan. 13, in New York Hospital, following a brief illness. He was born in New York City Aug. 18, 1873. Mr. Stillman on Jan. 12 celebrated his 40th anniversary as celebrated his 40th anniversary as a member of the board of directors of The National City Bank of New York. He was, in point of service, the bank's oldest director. Shortly after graduating from Harvard University Mr. Stillman joined National City when his father, James Stillman, was President of the institution. He was appointed an Assistant Cashier in 1899 and subsequently became a 1899 and subsequently became a Vice-President. Early in 1918 Mr. Stillman was appointed General Executive Manager under the bank's plan of rotation of office, and this office he held at the time (Continued on page 440)

Fire Waste Awards Contest

The United States Chamber of Commerce and the National Fire Waste Council announce the 1943 Inter-Chamber Fire Waste Contest, urging that participating communities submit their reports on 1943 fire prevention activities on 1943 fire prevention activities and accomplishments before March 1. The approximately 60 merit awards and the significant results in this program will be announced about April 1 at the annual meeting of the Council. This is the 21st annual event in the nation-wide fire prevention crusade by cities and communities through their Chambers of Commerce, fire departments, civilian defense units, schools, youth organizations, civic clubs, insurance and other local forces. The merit awards serve to dramatize the gravity of fire destruction and to commend the effective work in reducing and controlling the toll

of fire.

The National Board of Fire Underwriters estimates that the loss for the first 11 months of 1943 was \$332.519.000—the largest for

The Financial Situation

(Continued from first page)

they are:

they are:

The right to a useful and remunerative job in the industries or shops or farms or mines of the nation.

The right to earn enough to provide adequate food and regreation.

provide adequate food and clothing and recreation.

The right of every farmer to raise and sell his products at a return which will give him and his family a decent living.

The right of every business man, large and small, to trade in an atmosphere of freedom from unfair competition and domination by monopolies at home or abroad.

The right of every family to a decent home.

The right to adequate medical care and the opportunity to achieve and enjoy good health.

The right to adequate protection from the economic fears of old age, sickness, accident and

unemployment.

The right to a good education. It is open to some question whether if the President had let these matters end here any great harm would have been done. The absurdity of these "rights" is a little obvious even for a political harangue, where absurdities are expected. One might as well insist that every man has the right to grow six feet tall, or to be born with red hair. He may have such "rights" — whatever—that hair. means-but who is in a position to underwrite them? Every family may have a "right" to a decent home, but we suspect that for the most part and in the long run it will actually have one only if is able to provide it for itself. The farmer may have a "right" to a satisfactory profit on his produce, but we are doubtful if he will get it very long unless he produces what other people want and does so at a cost which will allow him such a profit at prices the consumer will pay. And so it appears to us that this vague and meaningless listing of "rights" might very well be passed by without much concern.

War and Post-War Problems

But upon examination it would appear that the President in this message was but laying the foundation for many things that he had to say in his Budget Message, and there he becomes more concrete and politically realistic. He is right, of course, in considerable part in saying that reconversion and demobilization begin long before the war is over. That is true, and it is none of his doing. It is true, likewise, that these matters have to be met as But the Presthey arise. complex pattern of winning effort.

It began with the Presthe war was not necessary. ident's "second bill of rights" On the contrary, it constilist in his annual message on tutes, or so it seems to us, one the state of the Union. Here of his favorite political tactical strokes, and one whose influence we must not fail to recognize or underestimate.

Take such passages as these:

Demobilization begins long before hostilities end. While we are still expanding war production, we have already terminated more than 12 billion dollars of war contracts; while we are still increasing the size of the armed forces, we have already discharged a million men and women. If hostilities end on one major front before they end on other fronts, large-scale demobilization adjustments will be possible and they end on other irons, large-scale demobilization adjust-ments will be possible and necessary while we are still fighting a major war.

The problems of adjustment cover a wide range — contract termination, reconversion of war plant, disposal of Governwar plant, disposal of Government-owned property, shifting of men to peacetime employment, and many others. Our approach to these problems must be positive, not negative. Our objective must be a permanently high level of national income and a correspondingly high standard of living. To achieve this end there must be concerted efforts by industry, labor, and government and a well-planned demobilization program. As men, materials, As men, materials, program. As men, materials, and facilities are released from war service and production, such resources must be channeled into civilian production on a basis that will assure a high and stable level of production, consumption, and employment. The soldier, the worker, the businessman, and the farmer must have assurance against economic chaos. against economic chaos.

Just as economic mobilization for total war required many interrelated measures, so ade-quate reconversion to civilian production will require many interrelated adjustments of fiscal policy, production policy, price policy, and labor policy.

In the international field, as in the domestic field, there is no sharp distinction between war and post-war policies. For example, the program under lend-lease and reciprocal lend-lease arrangements is designed to facilitate the effective prosecution of the war and at the ecution of the war and at the same time to help lay the foundation for post-war settle-ment and international pros-

Victory will be not only a cause for joy over an accomplishment but at the same time a challenge to another great undertaking. You and I have the responsibility to prepare for victory and for peace. Let us make sure that the Budget, the Government's work plan, serves both ends. serves both ends.

It is entirely fitting that the President give careful consideration to such subjects at this time. Indeed, it is his duty to do so. It is, like-wise, both his privilege and his obligation to make such suggestions for action as seem to him appropriate. He is, however, not warranted in presenting his proposals in ident's technique of weaving such a manner that those who his conceptions of post-war hold other views must in opproblems and their solutions posing him risk being accused thread by thread into the of failure to support the war Bailey, Little Rock, Ark.

Elects Officials

Daniel T. Rowe, President of the Kings Highway Savings Bank, Brooklyn, and Charles Diehl, Ex-ecutive Vice-President of the Empire City Savings Bank, New York pire City Savings Bank, New York City, were reelected Chairman and Vice-Chairman, - respectively, of the Savings Bank Retirement System at the annual meeting of the board of trustees on Jan. 19. Urbain C. Le Gost was reappointed Secretary, and Robert Matherson, Jr., Treasurer. In addition to his duties as Treasurer Mr. Matherson was also appointed to the newly-created post of Exto the newly-created post of Ex-ecutive Manager.

coutive Manager.

The trustees reported the System's assets as of Dec. 31, 1943, of \$490,000 and participation in the plan by 27 banks with 880 participating employees. This participation represents an increase of 75% in the number of member of members of the properties of the prop

employees since the inception of the plan on May 1, 1941.

A continuing interest in the System is also reported by the trustees in the addition of the 28th participating bank as of Jan. 1, and the 29th bank, scheduled to begin participation on Feb. 1. Some 20 other savings banks are being furnished figures as to the cost of participation by

the Retirement System's office.

The announcement said that the growing interest in the System, organized to put the pensioning of superannuated savings bank em-ployees on a formal and funded ployees on a formal and funded basis, apparently comes from a growing recognition on the part of savings bank executives of the importance of a formal pension plan in their employee relations programs, and the recent an-nouncement that plans had been nouncement that plans had been completed with the State Banking Department, toward allowing, under the provisions of the Retirement System, credit to participating employees for service rendered prior to entrance into the System. This prior service feature of the plan assures employees of retirement benefits based on both past and future service.

Other trustees of the System, in addition to Messrs. Rowe and Diehl, are: Perrin L. Babcock, President Onondaga County Savings Bank, Syracuse, N. Y.; Fred Gretsch, President The Lincoln Savings Bank of Brooklyn, Brooklyn, N. Y.; John F. Krepps, President The Home Savings Bank. White Plains, N. Y.; Jacob H. Strong, President Rhinebeck Savings Bank, Rhinebeck, N. Y., and George Wendt, President The Mechanics Savings Bank of Rochester, Rochester, N. Y. Other trustees of the System, in

St. Louis Reserve **Bank Designations**

The Board of Governors of the Federal Reserve System has re-Federal Reserve System has redesignated William T., Nardin as Chairman of the Board of the Federal Reserve Bank of St. Louis, and Federal Reserve Agent, has designated Douglas W. Brooks, Memphis, Tenn., as Deputy Chairman, and has appointed Wm. H. Stead as a Class C Director. Mr. Stead is Dean of the School of Business and Public Administration of Washington University, St. Louis. St. Louis.

Member banks have re-elected the following as directors of the parent bank: G. R. Corlis; Anna, Ill., Class A director, and Henry H. Tucker, Little Rock, Ark., Class B director.

The following have been appointed directors of the branches of the Federal Reserve Bank:

Little Rock branch: I. N. Barnett, Batesville, Ark., W. A. Mc-Donnel, Little Rock, and A. F.

Savings Banks Group | Prepare Now For Claims Resulting From War Contract Cancellation, Kent Urges

While many unknown quantities still lie in the contract cancellation situation, the management of all industries, particularly small industries, should start immediately to put its accounting system in order, set up inventory controls, segregate all items, such as raw materials, goods in process, overhead and so on that claims may be determined promptly and exactly, in the opinion of Dr. Fred I. Kent, Chairman of the Commerce and Industry Association of New York's Post-War Planning Committee.

The statement, it is pointed out, is the first of concrete advice and recommendations to be issued by

mittee.

The statement, it is pointed out, is the first of concrete advice and recommendations to be issued by the Association's committee head under its program. "Great speed in the final settlement of claims made against cancelled contracts is processary to enable those conis necessary to enable those con-cerned to take their place in the post-war industrial world," Dr. Kent said.

Kent said.

While no inflexible plan can be set up at the present time to meet cancellation emergencies because of uncertainties as to procedure which will take place when pending legislation is finally passed, Dr. Kent urged every industry that may be affected to get in touch with its banker and discuss matters that would arise in the matters that would arise in the event of cancellation. Such discussions would enable the banker to better keep in touch with de-

to better keep in touch with developing conditions, he said.

"Regardless of coming legislation," said Dr. Kent, "every industry should be in position to measure the flow of funds and raw materials into production, should understand the method of bookkeeping it would have to depend upon if the claims are to be recognized, and the character of inventory controls that would have to be provided to enable prompt and certain segregation of raw materials against different claims or against production for civilian consumption and production for war purposes, where the raw materials against different claims or against production for civilian consumption and production for war purposes, where the same stockpiles might be utilized. Methods of ascertaining the amount of reasonable profits and overhead costs representing work war contracts takes place."

time could be seen to approach when terminations of contracts were likely to be made would also be worth while measuring.

"In all of these matters discussion with its banker should help each industry concerned to get its

son with its banker should help each industry concerned to get its books in such order that it could set up claims promptly and effectively. Even while many unknown quantities still lies in the situation, such discussion by an industrialist with his banker would be applied the latter to better keep in enable the latter to better keep in touch with developing conditions that might affect the industrialist's interests than would other-

wise be possible.

"New legislation will unquestionably be passed that will determine certain procedures in connection with cancellation of contracts that can be or must be carried out by Covernment procure tracts that can be or must be carried out by Government procurement officers or others to whom authority is extended. In spite of the fact that such legislation has not yet been defined, there are many elements that have to do with accounting practice and inventory controls that the management of the industries could discuss with their bankers with great advantage to both. With complete understanding between these two sides of any loan questions which might arise upon cancellation.

Trust Legislation To Replace 'Legal Investment' Fiction With 'Prudent Investor' Rule Urged

Legislation which would substitute the "prudent investor" rule for the "legal investment" fiction, to the advantage of trust beneficiaries and trust companies, was advocated by Wm. Fulton Kurtz, President of the Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, in the company's annual report to shareholders on Jan. 17.

While reporting a gain of all 3.65% in deposits to a total of rates of income and yield on all rates of income and yield on all new investments. In other words, in the treasury account, and an increase of 13.09% in net income have increased percentagewise, the rate of income from investments on which our commissions

from general operations for the fiscal year, Mr. Kurtz touched on a problem common to all trust companies, that of unsatisfactory earnings of the trust department. "The real solution of the prob-

lem of inadequate returns rests largely with the Courts and the Legislature rather than with the trust companies themselves," he stated. "In previous reports" he said, "we have commented at some said, "we have commented at some length upon the vastly increased difficulties in analyzing investment trends and conditions, and the multiplicity of reports and returns that have been imposed over the past 25 years. In most cases we still receive only the same compensation as when the matter of investment and administration was far simpler and less expensive. True, we have made some progress toward better commission rates by voluntary agreemission rates by voluntary agreement with beneficiaries, and we have insisted upon a living rate for new and prospective trust business, but these gains have largely been offset by the lower

pell, Hopkinsville, Ky., and Chas. A. Schacht, Louisville, Ky.

ett, Batesville, Ark., W. A. Mcconnel, Little Rock, and A. F.
Bailey, Little Rock, Ark.
Louisville branch: Phil E. ChapH. Glasgow, Memphis, Tenn.

the rate of income from investments on which our commissions are largely based has steadily declined." Mr. Kurtz added:
"In spite of persistent efforts (which are being continued), the trust companies have so far been unable to secure proper legislation to provide relief to fiduciaries in connection with trust investments. One of the major objectives which would redound to the advantage of the beneficiaries of trusts, as well as to the trust companies themselves, is the subof trusts, as well as to the trust companies themselves, is the substitution of the "prudent investor" rule for the "legal investment" fiction, thus allowing the trustee to meet changing economic and monetary conditions as would a careful individual investor. Another important objective is to obtain legislation or court authority to permit a trustee to charge a principal fee in long term trusts both as executor and as trustee. These objectives are sound and reasonable and have been incorreasonable and have been incorporated in the statutes of many of our states which have modern-ized their testamentary laws in

recent years."

Mr. Kurtz also declared that the present limitation of \$25,000 for any one account in discretionary common trust funds should be raised to a far higher

Retailers Urge New Price Control Act As Effective Inflation Gurb

Favor Freezing Old Age Insurance Tax Rate at 1%

Continuance of government price control through the enactment of a new Price Control Act, in order that the true intent of the Congress may be established clearly, "to the end that unfortunate friction and confusion may be avoided and more compliance may be secured," was urged on Jan. 13 by members of the National Retail Dry Goods Association, assembled at their Victory and Post-war Conference, at the Hotel Pennsylvania, control. Through the power of

in New York.

This was one of the six resolutions adopted by the nation's retailers. Another highpoint in the resolutions was the urging upon the War Production Board and thow high efficiency of the Fed. other high officials of the Federal Government, "a coordinated and active policy of releasing from the stock piles of the government, all such surplus of goods of a consumer-use nature as a careful re-inventorying of a careful re-inventorying of as a careful re-inventorying of such stock piles may show are not likely to be required in the conduct of the war.", Disposal of government sur-pluses will constitute one of the

major problems of the post-war major problems of the post-war era, the retailers emphasized, and "thought should be directed toward the possibility of a partial distribution at this time." The resolutions in their entirety, follow:

Retailers and the War

Retailers and the War

It is the opinion of this Association that regardless of every other consideration no American can have any more important task than to make the fullest possible contribution to the early and successful outcome of the war. As between any course of action which will contribute to victory and of narrow individual interests, there must be no hesitation in choosing that which will serve the nation's

Retailers everywhere are urged to recognize that hopes of an early decision in any theatre of the war must not be allowed to cause a letdown in their contribu-tion to the war effort.

This Association calls upon its

members to continue and increase the work they have so well begun and to spare no means of aiding all of the various war projects to which retailers are especially able to make contribution. To this end, retailers are especially urged to support to the limit of their ca-pacity the sale of War Bonds in the coming Fourth Loan Cam-

Retailers and Price Control

The members of the National Retail Dry Goods Association favor a firm and understanding system of Government Price Control as a necessary war measure for the purpose of stabilizing prices and preventing the development of disastrous inflation.

Therefore, since the existing Emergency Price Control Act will expire in June, 1944, we urge upon the Congress of the United States the vital need of prompt legislative action to insure the continuance of price control beyond the prospective expiration

is the intention of this resolution, however, to indicate to the Congress the necessity of accom-plishing this continuance of government price control through the enactment of a new Price Control Act in order that the true intent of the Congress may be established clearly, to the end that unfortunate friction and confusion may be avoided and more complete complete complete complete complete. plete compliance may be secured.

To this end we set forth some of the points in connection with the control of prices which we believe should have the earnest attention of the Congress:

control. Through the power of taxation the Congress is abundantly able to control profits.

3. Congress should insist upon

the maintenance of the rights of citizens to appeal to the courts when they believe the acts of the Administrator exceed the authority delegated by Congress,
4. Legislation should be under-

taken at once to permit of necessary public hearings at which the experience under the existing Price Control Act may be fully offered to the Congress, so that new legislation may be expected to prove an improvement over present law.
This Association hereby directs

its officers and staff to place copies of this statement in the hands of each member of the House of Representatives and the Senate and to place at the disposal of the proper Congressional committees such information and experience as may be available.

Government Stock Piles

The increasing shortages in many lines of merchandise for civilian use, coupled with the abnormally high purchasing power of the public, have created a situation in which the threat of serious price inflation is always present, and black market operations are developing and expanding in many lines which, in spite of all the efforts of the Office of Price Administration, operate to defeat the government price regulations and the rationing of scarce neces-

There is much reason to suppose that the stock piles of goods pur-chased by the government for use in the conduct of the war may have now reached a point where, in many instances, they appear to be greater than any conceivable need can justify. The disposal of government surpluses will consti-tute one of the major problems of the post-war period and thought should be directed toward

the possibility of a partial distri-bution at this time.

The members of the National Retail Dry Goods Association Retail Dry Goods Association therefore urge upon the War Pro-duction Board and other high ofduction Board and other high of-ficials of the Federal Government a coordinated and active policy of releasing from the stock piles of the government all such sur-plus of goods of a consumer-use nature as a careful re-inventorying of such stock piles may show are not likely to be required in the conduct of the war.

Copies of this resolution will be placed in the hands of the Honorable Donald M. Nelson, Chairman of the War Production Board, Economic Stabilization Director Vinson, other important govern-ment officials, and all members of the United States Senate and the House of Representatives.

Social Security

A. The National Retail Dry Goods Association favors Congressional action to freeze the Old Age Insurance tax rates to 1%. The Old Age Insurance funds now are far in excess of the estimated needs of the present and the near

B. The Association does not faor the extension at this time of the Federal Social Security Program as proposed by the Wagner Murray Bill, and takes the position that discussion of the advisability of security programs.

Unemployment Insurance, compensation system and urges the return of the Employment Of-fice system to State control as soon as practicable.

D. The Association favors every proper consideration of the welfare of those who will be mustered out of the armed forces which will enable them to regain their places in civilian life, and favors the m civilian life, and favors the payment of a reasonable mustering-out sum by the Federal Government. Such payments should be made from funds appropriated for that purpose by the Congress. They should not be made from the Social Security funds. Social Security funds.

The States should protect the benefit rights of all those who left civilian employment to enter the armed services, and they should be entitled to Unemployment Compensation until their accumu-lated rights have been exhausted. entitled to

Relations With Manufacturers

It is equally important to the future interests of manufacturers and retailers that the American consuming public shall be served as well in the matter of merchan-dise for their daily wants as cirdise for their daily wants as circumstances will permit. Due to the likelihood of rapidly changing conditions during the coming months, it is the opinion of the National Retail Dry Goods Association that retailers generally should place termination dates on their condens. their orders.

The members of this Association recognize that manufacturers during these times are operating under difficulties and the majority of the retailers' resources merit the approval and thanks of the retailers for the splendid way in which they have met their problems and continued to supply goods to the stores with as little disturbance of established conditions of sale as has been pos-

The cooperation of the manufacturers is solicited in order that their retail customers may be kept in position to serve the public de-mands at all times with the best merchandise available.

War Damage Insurance

There are now pending in the Congress several bills the purpose of which is to authoriez the repayment to policy holders in the War Damage Corporation the excess of premiums paid above the claims and costs of operating.

The members of the National Retail Dry Goods Association favor legislation providing for such a refund on an equitable basis at the end of the war.

Pan American Society Elects Officers

Dr. Nicholas Murray President of Columbia University, and Gano Dunn, President of the J. G. White Engineering Corp., have been elected Honorary Presidents of the Pan American Society of the United States, it was announced on Jan. 20 by Frederick E. Hasler, President of the Society. James. S. Carson. Vice-President of American & Foreign Power Co., and Robert H. Patchin, Vice-President of W. R. Grace & Co., were elected Honorary Vice-Presidents.

The Society re-elected Mr. Hasler as President and Judge Otto Schoenrich as a Vice-President and elected two new Vice-Presidents—William A. Prender-gast and James H. Drumm. Major gast and James H. Drummi, Major R. W. Hebard and John J. Clisham were re-elected Treasurer and Secretary, respectively.

The Rev. Robert I. Gannon, President of Fordham University, was elected a Director along with

stabilize prices unless those elements of cost which are the foundation of the price structure are stabilized.

2. Price control should not be permitted to develop into profit further degree of federalization of the price impossible to discussion of the advisability of extending this program should be postponed until after the restoration of peace.

C. The Association opposes any further degree of federalization of Robert M. Field.

Was elected a Director along with Robert De Forest Boomer, Phanor J. Eder, Amos B. Foy, W. L. Hemingway, R. A. Hummel, C. R. McPherson, F. W. Nichol, William Sharpe, Maxwell M. Upson, C. S. T. Folsom, Thomas W. Palmer and Robert M. Field.

Heimann Urges Business Leaders To Improve Situation Of While Gollar Worker

Advocates Change Of Attitude Toward Business By Govt.

Speaking in behalf of the so-called "white-collar class," Henry H. Heimann, Executive Manager-on-leave of the National Association of Credit Men, in his Monthly Business Review for January, made available Jan. 16, declared that "amid all the talk about increased national income," this "is one group of people for whom 1944 does not look too encouraging from a financial standpoint." Pointing out that these workers have been caughton. these workers have been caughte

between a rapidly rising cost of quickly as critical shortages are living and a frozen wage level, Mr. Heimann says the "white col-mands are partially satisfied. lar employee seems in a helpless position; he is and has been the forgotten man." "But even the white collar man has endurance limitations," says the head of the credit organization for the larger industrial corporations of the country. country.

He further states "this white collar man desires a decent standard of living and has every right to aspire to share in some of the luxuries of life. There is little wonder that his patience is becoming a bit exhausted, and he no doubt, will be more articulate in the year ahead. You can rest assured that this year his situation will be constantly called to his attention by labor leadership. His group represents one of the na-

tion's largest unorganized groups.
"It would seem judicious for business leadership to recognize his plight and do everything with-in its power to improve his situa-tion. Voluntary action on the part of business leadership is preferable to forced action. There is not much time to waste."

In reviewing the business prospect for 1944 Mr. Heimann named seven important points which he sees as assets in the balance sheet

for the year, viz.:

"1. The farmer will undoubtedly be prosperous throughout 1944—

war or no war:

"2. To the extent critical material shortages are relieved, the vast backlog of civilian needs will fill the gap of any let-down in cer-tain types of war production. "3. The year just ahead will see

the peak of liquidation of small business with a rising psychology in favor of the efficiently operated small business enterprise.

"4. There will be in prepara-tion a large program in home construction to be partially un-dertaken when the first phase of

overcome and present war de-mands are partially satisfied.

"6. There will be credit in abundance for the deserving.

"7. Foreign trade will present broad possibilities as the press of hostilities slackens."

"However, the business picture is not entirely rook." Mr. Hei

is not entirely rosy," Mr. Hei-mann says, because there are sev-eral basic problems which he considers may cause no end of difficulty for industry if they are not properly solved. He names the following as among the outstanding problems:

"The need for fair and equitable settlement of terminated war contracts."

contracts.

"A renegotiation policy that is fair-minded and far-sighted to the end that manufacturers who have done such a wonderful job in war production may start now to set aside funds for reconver-

sion to peacetime production.
"Labor must become of age and take up a full partnership in the

"There must be a change in the attitude of the government toward business, with the recognition that the old fable about killing the goose that lays the golden egg certainly applies to the government's attitude toward taxation of industry.
"The business world in

"The business world in 1944 will find abundant opportunities for an unprecedented production. In the year ahead business must be alert to its inventory situation, which on a peacetime demand is not only relatively high, but presents considerable maladjustment for peacetime needs

sents considerable maladjustment for peacetime needs.
"Finally, not the least of the business problems will be the reabsorption of the military forces when and if demobilization occurs as well as the reorientation of female employees.
"The challenge and opportunity to business in 1944 will be greater.

dertaken when the first phase of the war is over.

"5. Railroads will come into the market for replacement material before the close of the war or as the change and opportunity to business in 1944 will be greater than it has experienced in its amount of the market for replacement material before the close of the war or as responsibility."

Renegotiation Power Not Needed Now With Tax Laws, Senator Hawks Declares

The need for continuing the law authorizing the Government to renegotiate war contracts has passed, in the opinion of Senator Hawkes (Rep., N. J.), who contended excess war profits could be recovered more fairly under tax laws.

In a statement issued on Jan. 22, Senator Hawkes granted the

necessity for contract renegotiation during early stages of the war, when industry and government were unfamiliar with the cost of producing certain materials, but said that he believed that time

had passed.
In Associated Press Washington advices as given in the New York "World Telegram", Senator Hawkes was further quoted as iollows:

"We have now had two or three years experience in producing these things," he said. "Costs on most of them are known. Therefore, the necessity of renegotia-tion—if it ever existed—has from my point of view now disap-

my point of peared.

"We have a taxing paver in the United States and it is my contention that a sane, sound law been established could have been established." which gave all concerns a right to make a certain fair profit in order to properly, fairly and pa-triotically feed the free enter-prise system, the source from which most of our citizens derive their living.

"It is within the power of Congress to pass a law under which

of there could be no profiteering, and a rule under which there would be justice given to those engaged in free enterprise who had, prior to the war, found it difficult to, make any profit and yet, who in the war have served a great purpose.

"No decent American citizen ants to make blood money, and certainly I passed through an experience in losing my only son in the armed forces which should stop anybody from claiming that my argument in behalf of a fair deal for business is based upon the objective of making blood money.'

Uncertainties resulting from the renegotiation law, the Senator argued, destroy the "force and virility" of the American business and industrial system. He contended that concerns holding war contracts which had not been renegotiated would be unable to obtain loans from banks with which to conduct business and prepare themselves to handle post-war re-employment.

National Service Law Advocated By Stimson As Means Of Hastening End Of War

Declares Soldiers Resent Industrial Unrest And Demand Equal Liability For Civilians

Declaring that national service "will be the means of hastening the end of this war," Secretary of War Stimson urged Congress on Jan. 19 to enact immediately a national service law in order to get at the "basic evil which produces the irresponsibility out of which stems strikes, threats of strikes, excessive turnovers, absenteeism, and the other manifestations of irresponsibility with which we are now plagued."

and the other manifestations of irresponsibility with which we are now plagued."

Testifying before the Senate use. Posterity will never forgive Williamy Affairs Committee, Secretary Stimson said that "the industrial unrest and lack of a sense of patriotic responsibility" in large numbers of the population "has aroused a strong feeling of resentment and injustice among the men of the armed forces." He added that the "evident remedy is for the nation to make clear in no uncertain terms the equality of obligation of its citizens," warning that "it will be tragic indeed if the discontent and resentment fell by our gallant soldiers on the flame will destroy some of the great love of country which, alone, an make a man endure the hard-ships, the pain and the death, which service above self offers him. ing that "it will be urged if the discontent and resentment felt by our gallant soldiers on the felt by our gallant soldiers and

of appropriate legal sanctions and penalties.

"Secondly, it will remedy the grave sense of injustice which the armed forces now feel have been practiced against them. This is irrefutable and, as I have pointed out, is most pregnant with danger.

"Thirdly, it will point out to civilian war workers that they are working for their country in the civilian ranks and that their responsibility is just as definitely recognized by the nation as that recognized by the nation as that of soldiers on the front. By and large this will tend to powerfully

heighten his morale in the win-ning of the war.

"Fourthly, it will tend power-fully toward increasing effectiveness in production when the govness in production when the government itself takes a hand, not only in keeping men on necessary jobs, but also in finding men for particular jobs where they are especially needed, rather than leaving the choice to chance."

In his testimony Secretary Stimson also had the following to say regarding the Army's attitude

say regarding the Army's attitude toward labor unrest:

"I believe it is hazardous to belittle the effect which such a situation will have upon the ultimate welfare of our democracy.

"If it continues, it will surely affect the morale of the Army. It is likely to prolong the war and endanger our ultimate success; and, when those troops come back to us again at the close of the war and we are faced with the acute problem of demobilization it may have an effect upon the future unity of our nation which is dis-turbing to contemplate

"Our democracy has been founded upon a basis of equality and justice: I tell you that today the men in the armed forces are beginning to believe that they are being discriminated against matter which is one of funda-mental justice as between man and man. There is danger that under the influence of that feeling they will not give even fair recognition to the tremendous produceffort which has actually accomplished by the greet prity of American managemajority of Ameri ment and labor . . .

"Every month the war is prowill be measured in the lives of thousands of young men, in billions of dollars. The attri-tion in man power and in our national wealth will be felt for gen-erations if this conflict is pro-longed. National service is the longed. National service is the President of the A. B.A., describes one weapon we have neglected to the promising outlook of savings told billions for pork out of post-

felt by our gallant soldiers on the fighting fronts burns deeply and festers in their hearts."

Secretary Stimson believes that the law will produce the following results:

"First and foremost, it will minimize the calling of strikes by clarifying the patriotic duty of the individual worker. In the Austin-Wadsworth proposal now before this committee this moral duty has also behind it the force of appropriate legal sanctions and penalties.

"Secondly it will remedy the same liability which a soldier must accept for service to his country. They are far away now, but some day they will return. I hope they will come back eagerly, feeling that the hardship and the sacrifice have been worth while. I hope they may feel that those who will never come back have not made their sacrifice in vain.

"To me it appears to be the plain duty of the Congress to give our troops the all-out necessary backing. It seems to me time for all pledges to be redeemed in acts which, alone, can prove the sincerity and the determination of this great nation.

Post-War Outlook Survey Published

Of current interest to bankers and others interested in post-war problems is a new book published problems is a new book published by Harper & Brothers. New York, and edited by W. R. Kuhns, Edi-tor of the magazine "Banking," journal of the American Bankers Association, entitled "The Return of Opportunity." The volume is a of Opportunity." The volume is a round-up of opinion by 150 leaders in agriculture, business, finance, education, and other professional life, reviewing the impact of war forces on their fields of endeavor and the pattern for the future. These leaders of business and professional life tell in simple, straightforward terms simple, straightforward terms what they think the prospects are for jobs and careers, and they paint withal an encouraging outlook.

Contributors include Charles T.
Kettering of General Motors, who
writes on research, Clarence
Francis, President of General
Foods Corp., Walter D. Fuller,
President of the Curtis Publishing
Co. Will H. Hayes, President,
Motion Picture Producers and
Distributors of America, Paul G.
Hoffman, President of the Studebaker Corp. and head of the Committee for Economic Development, and Alfred P. Sloan, Chairman, General Motors Corp.

Of more particular interest to Contributors include Charles T

Of more particular interest to banker readers are contributions by 14 of their colleagues. A. L. M. Wiggins, President of the Amercan Bankers Association, who mblishes the "Hartsville, S. C., Messenger," writes about the outrviessenger," writes about the outlook for country newspapers under the title, "Country Newspapers Seldom Die"; W. L. Hemingway, immediate past A. B. A. President, sees opportunity in post-war trade in Latin America; C. W. Bailey, President of the C. W. Bailey, President of the First National Bank, Clarksville, Tenn., writes of the place of country banks in the American

banking as a career; Dr. Harold Stonier, Executive Manager, American Bankers Association American. Bankers Association and Director, The Graduate School of Banking, sees progress being stimulated in education; Frederick E. Hasler, Chairman of the Continental Bank & Trust Co., New York, stresses the need of carefully planning and cultivating fully planning and cultivating good trade relations with Latin America. Other banker contrib-America. Otl utors include:

Carroll, Vice-President A. F. A. Carroll, Vice-President and trust officer of the National Shawmut Bank of Boston; Kenton R. Cravens, Vice-President of the Mercantile-Commerce Bank & Trust Co., St. Louis; Joseph E. Hughes, President of the Washington Irving Trust Co., Tarrytown, N. Y.; Gwilym A. Price, until recently President of the Peoples - Pittsburgh Trust Co., Pittsburgh; Herbert V. Prochnow, Assistant Vice - President, The First National Bank of Chicago; Joseph C. Rovensky, Vice-President, The Chase National Bank of New York; C. M. Short, Supervisor of Research, The Canadian Bank of Commerce; Arthur R. Upgron, Vice-President and Economist, Federal Reserve Bank of R. Cravens Vice-President of the Upgron, Vice-President and Economist, Federal Reserve Bank of Chicago. The book sells for \$3.

The News Behind : The News

(Continued from first page) lost even if the war fails to come

to an obliging conclusion.

The names of Congressmen can be identified in their home local-

titles with the projects, and local contractors may lick their lips.

"We all know that a public works program will be necessary," Rayburn said—which may be true as far as the hungry Congressmen and mayors are concerned—but a and mayors are concerned—but a non-political analyst may well dissent. The Keynes theory on which the whole politico-economic idea is based is that by spending for these projects, and financing them through federal borrowing, an inflationary effect is wrought. That is how this public works notion got started early in the New Deal. and mayors are concerned-but a

in the New Deal.

But now the problem is the opposite—that is to prevent inflation and to face the staggering war debt of \$200,000,000,000 with a sensible eye toward paying it off (as Mr. Roosevelt has promised). ised).

The Government certainly will not attempt to borrow for pork in post - war because its primary problem is to pay the interest on the debt as big as it already is. Also, it will not seek artificial inflationary respiration in an eco-nomic system already war-in-flated with high prices and wages or need any artificial respira-tion in view of the tremendous backlog of consumer demand for every implement of living from

matches to automobiles.

Inflation would only run wagesprices higher and higher (Mr. Roosevelt is now fighting a major battle with Congress to hold them down), and thus cause future continuous dislocations such as those from which our economy already is suffering so painfully (strikes, OPA, black markets, etc.).

There is no economic justification for a spending program; in fact, conditions demand an oppo-site course—Federal direction to stimulate private business to the tremendous extent necessary to finance the \$5,000,000,000 annual interest on the debt and provide Government running expenses without further Treasury borrowing.

Indeed, the sound way to do it would be—as Mr. Roosevelt himself has suggested — to raise enough money by taxes to go fur-ther and retire part of the war debt.

Now if Messrs. Wallace and Rayburn intend to get these un-

Unemployment Ahead?

(Continued from first page) or profitably under peacetime conditions if still subject to present Government regulation, control and ruinous taxes. Our men at war are fighting for economic freedom and full opportunities for all peoples. Surely our own country should set the example.

Draftees expect and are legally entitled to their old jobs back. It, however, Washington fumbles its post-war plans as it is now fumbling the current domestic economy, these boys may be out of luck. No these boys may be out of luck. No further time should be wasted in changing, wherever expedient, to peace time production. Many busi-nessmen have felt that the cancellation of war contracts would cellation of war contracts whith be only a post-war problem. It is already in their laps. If the war ended suddenly on all fronts, Washington authorities would im-mediately cancel seventy-five bil-lions more orders!

Character of Government Planning Most of Washington's present

most of Washington's present post-war planning is in the nature of social security benefits and public spending. It will be up to the voters to decide what kind of a post-war era they want. They should elect to office, from the bottom up, men and women con-scious of the part that business has played in bringing about the defeat of the Axis Powers. This defeat of the Axis Powers. This same business group is capable of winning the domestic battle for a profitable peacetime economy Washington will let them.

For political reasons there is a lack of any definite statement at Washington as to what is to be done to help businessmen re-supply the millions who are being discharged as war contracts are cancelled. The White House apparently has lost all interest in the people of the United States. Besides, too many in Washington Besides, too many in washington fear that if they relaxed their present harmful controls over business and employment, then there would be no Washington job left for them! They would have to go back home and earn an honest living! This they dread

Encouraging Factors

Political parties, bureaucracies and governmental controls can do much to help or discourage em-ployment by their treatment of business in general. Therefore some show of understanding and some show of understanding and straightforward consideration of manufacturers' and other businessmen's problem is overdue from Washington. Certainly I do not see how many Democrats (other than the President himself) can expect re-election next November with country flooded with unemployment.

Yet such unemployment is not necessary. Farmers will be prosperous during 1944 and will constitute a ready market. Civilian goods shortages should help small businesses if the bureaucrats would only use a little common sense. Programs for the re-establishment of residential construction should of residential construction should at once get underway. The rail-road equipment business should be encouraged. Money rates will remain low and abundant credit will be available for those justi-fied in seeking it. As the end of the war draws nearer, opportunities will arise in foreign trade, travel and in the resort business. Yes, 1944 can provide much useful and profitable work if Washington and the labor unions would only help in pulling the cart instead of tying the wheels.

war taxation, they may find themselves in political water as hot as the economic water.

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Fulton Trust Co. Net \$200,960 In 1943

Arthur J. Morris, President of the Fulton Trust Co. of New York, reported on Jan. 19, at the annual meeting of stockholders, that the bank's net current operating earnings for year 1943 were \$200,960, or \$10.04 per share, compared with 188,876, or \$9.44 per share in 1942. Those earnings, Mr. Morris said, do not include net profits of \$37,893 on sales of securities. Mr. Morris further reported that the trust company's deposits for the year averaged \$30,400,000, the peak being \$37,942,000, and on Dec. 31, 1943, were \$31,789,000, as compared with \$30,800,000 on Dec. 31, 1942. He explained that while the deposits at the end of the year were down from the high point, the average deposits for 1943 exceeded the average for the previous year by \$2,350,000.

"In our portfolio," said President Morris, "our investments in Government securities at the end of the year totaled \$25,600,000, an increase over the previous year of \$3,500,000. These bonds have of \$3,500,000. These bonds have a maturity to the first call date as follows: 383% in 1 year; 37½% from 1 to 5 years; 22½% from 5 to 10 years; 1.5% over 10 years. The average mautrity is 4 years. Our investments in Government bonds," he added, "represent 69% of our total resources." He added that "during the year, our gistomers purchased through our customers purchased through us United States Government securities to a total of \$23,592,000. ments totaling \$240,000 in War Savings series E bonds in addition to those sold during the Second and Third War Loan Drives."

At the stockholders meeting of At the stockholders meeting of the Trust company the following were elected directors for the term ending January, 1947: John D. Peabody, Lewis Spencer Morris, Stanley A. Sweet, Bernon S, Prentice, Franklin B. Lord and Stephen C. Clark. The following were elected as Inspectors of Election for 1945: F. Ashton de Peyster, Matthew G. Ely and Walter N. Stillman.

U. S. War Casualties Total 139,858

The latest announced casualties of the United States armed forces from the outbreak of the war total 139,858, the Office of War Information reported on Jan. 15.

According to the OWI, this total, arrived at by combining the latest available War and Navy Department reports, includes:

Dead, 32,078; wounded, 45,595; missing, 32,478; prisoners of war, 29,707. Of these, 1,619 have died in prison camps, mostly in Japanese-occubied territory.

The OWI announcement further

"The War Department report (as of Dec. 23, 1943) shows Army casualties totaling 105,229. Of this number 13,831 were killed, 38,916 wounded. There were this number 13,831 were killed, 38,916 wounded. There were 24,067 missing, 25,415 prisoners of war. Of the wounded, 20,036 have returned to active duty or been released from the hospital. The casualties include 12,500 Philippine Scouts; of these 469 were killed, 747 wounded and the remainder are assumed to be prismainder are assumed to be prisoners of war.

"The Navy Department report (as of Jan. 14, 1944) shows casualties whose next of kin have been notified, totaling 34,629, made up of 15,247 dead, 6,679 wounded, 8,411 missing, 4,292 prisoners of war. These were

divided as follows.	Marine	Coast
Navy	Corps	Guard
Dead 11,935	2,996	316
Wounded 3,125	3,476	78
Missing 7,676	688	47
Prisoners of War. 2,343	1,948	. 1
Totals 25,079	9,108	442

N. Y. State Factory Employment Shows First Major Decline Since June, 1942

Between November and December, factories in New York State experienced their sharpest employment decline in eighteen months. Industrial Commissioner Edward Corsi reported on Jan. 13 that employment decreased 1.2% and payrolls declined 2.5% for the period. It is the first time in four years that employment has decreased in December and the first time in six years that payrolls have dropped in that month. Many plants reported that illness among New York City

plants reported that illness among workers was the reason for lower employment figures this month. It is impossible to tell at this time whether the drop in employment for December, which is in itself not very large, marks the end of the period of stable employment which has prevailed in the State for the past eight months. From the advices we also quote:

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"Declines were general among the various industrial groups in both the war and civilian goods categories. Lumber, printing and rubber were the only industrial groups to have increased employment during the month. Seasonal factors caused employment defactors caused employment de-clines in the food and apparel in-

"The index of factory employment, based on the average of 1935-1939 as 100, dropped from 161.4 in November to 159.5 in December. The corresponding payroll index dropped from 304.3 in November to 296.7 in December and average weekly earnings from \$46.73 in November to \$46.23 in \$46.73 in November to \$46.23 in December. Employment was 2.3% higher this December than it was in December, 1942, and payrolls were 13.6% greater. Preliminary tabulations covering reports from 2,687 manufacturing firms throughout the State are the basis for the above statements. These tabulations were compiled by the Division of Statistics and Information under the direction of Dr. E. B. Patton."

The Department's announcement further stated:

"The food industry had an employment decrease of 4.2% this month, the largest drop of any of the major industrial groups. Payrolls declined 4% for the industry. Curtailment of forces was evident among canneries, bakeries, sugar refineries, candy factories and beverage plants. Additional workers, however, were hired by the producers of meat, dairy and grain-mill products.

"In the apparel industry, manufacturers of men's clothing and furnishings reported fewer employees and lower payrolls. Many small dress firms employed more people but the large modiste shops had fewer workers. Seasonal dehad fewer workers. Seasonal declines were evident in the production of women's suits, coats and skirts, underwear and neckwear; also children's clothing and fur goods. Millinery was the only branch of the industry to show an increase. For the group as a whole increase. For the group as a whole employment decreased 1.2% and payrolls were 0.5% smaller.

"Notable employment and pay-roll declines were shown in the paper and stone, clay and glass industries. In the leather indus-try, manufacturers of shoes, gloves and handbags curtailed tions. Other industries which reported decreased employment and payrolls this month were textiles. chemicals, tobacco and petroleum

Losses in War Plants

"Employment dropped in plants manufacturing munitions, arma-ments, electrical and communication equipment, scientific instruments and photographic supplies. Smelters of nonferrous metals, shipbuilders and manufacturers of all kinds of machinery also had fewer workers. Steel mills reported less activity partially because of strikes. Aircraft plants cause of strikes. Aircraft plants had about the same number of employees. For the metals and machinery group as a whole, employment dropped 1% while payrolls declined 2.8%.

"There were general employment decreases in New York City fac-tories during the past month. The industries most affected were industries most affected were food, paper and stone, clay and glass. All branches of the food products group showed employment declines except meat packing.

"Seasonal factors affecting the

apparel industry caused a drop of 1.1% in employment for the group. Manufacturers of men's, women's and children's clothing reported fewer employees and lower payrolls for the month. The only exceptions were women's dress firms and milliners, who are starting work for the new season. Payrolls in these two branches increased enough to offset declines in the others, resulting in an ad-vance of 0.4% for the apparel in-

dustry as a whole.
"An employment decline of nearly 1% in the metals and machinery group in the City was the first drop since June, 1942. Pay-rolls were 2% lower. Employment dropped in plants making scientrific instruments, communication equipment and in shipbuilding. Aircraft plants in the city hired additional workers.

Upstate Districts

"Employment dropped in all of the upstate industrial areas except the Binghamton - Edicott-Johnson City district, where it increased 0.3%. Slight gains in war plants were responsible for the increase. Payrolls were practically the same for the district, with slight decreases in war plants and slight increases in the shoe industry, Payrolls were considerably lower in the other six areas.

"In the Albany - Schenectady-

"In the Albany - Schenectacy-Troy district, decreased employ-ment at war plants as well as in the textile, clothing and paper in-dustries accounted for a drop of 1%. Payrolls were 2.3% lower. In Rochester, losses in the photo-graphic and optical goods indusgraphic and optical goods industries were largely responsible for decreased employment and payrolls. In the Kingston-Newburgh-Poughkeepsie district, employment decreases were general in all industries; payrolls were slightly higher in war plants and slothing industries; payrous were sugardal higher in war plants and clothing featuries but losses in textiles and factories, but losses in textiles and other industries more than offset these gains.

"Employment losses among war industries in Buffalo and Syracuse were largely responsible for the declines in these districts. In the Utica area, both employment and payrolls were lower in all of the industrial groups."

FDR Deeds Hyde Park To U. S.

President and Mrs. Roosevelt have deeded the family homestead and 33 acres of land at Hyde Park to the United States Government for use as a "national historic site." The President and Mrs. site." The President and Mrs. Roosevelt signed the deed on Dec. 30 in Washington and Harold L. Ickes, Secretary of the Interior, accepted the gift on Dec. 31. The papers have been filed in Duchess County Court at Poughkeepsie, N. V.

N. Y.
In Associated Press advices of
Jan. 3, the following was reported:
The President presented the

The deed gives the government the entire frontage of the original 110 acres bought by the Presi-dent's father, James Roosevelt, on the Albany Post Road in 1867, but the President retains about 60 acres between the house and the Hudson River,

From Poughkeepsie advices an. 3 to the New York "Times" we quote:

The deeding was the second to the government from the original Joseph W. Wheeler estate which James Roosevelt, father of the President, bought in 1867.

The site deeded includes all that The site deeded includes all that part of the estate bordering the Albany Post Road, spacious grounds in front of the famed Roosevelt residence. The President has reserved for himself and his family 60.46 acres of the original Wheeler estate, the tract being between the house and the Hudson River. First gift consisted of 16.31 acres for the Roosevelt Memorial Library.

The President has reserved right to retain use of the estate

right to retain use of the estate as long as he lives and further has reserved the right of occupancy for Mrs. Roosevelt and their five children as long as they live.

Under his reservation as tenant," Mr. Roosevelt will keep the premises in good condition and repair and there will be "no expense to the United States in connection with ordinary mainte-

The President set forth that "acceptance by the United States shall not exempt the premises shall not exempt the premises from taxation by the town, county and State, except that the United States shall have the right to make changes, modifications and improvements during existence of the life estate, but such improvements shall not be subject to taxations that the states of the life states are the states of the life estate. tion during the life existence of the life tenant."

The deed also specified that the premises "shall be maintained in a condition as near as possible to the condition of residence and ground prevailing at the expira-tion of the life estate of Franklin D. Roosevelt."

Prisoners of War Mail

Postmaster Albert Goldman of New York City advises that in-formation has been received from the Post Office Department that the International Red Cross re-ports that in many cases senders of letters to prisoners of war place the name and address of the ad-dressee too near the upper edge of the envelope, thus resulting in or the envelope, thus resulting in their partial obliteration by the postmark and rendering it prac-tically impossible to decipher the name of the prisoner of war con-cerned. Mailers are urged to place the address as near the lower edge of the envelope as results. of the envelope as possible. The advices from the Postmaster Jan. 11 further said:
'It is also desired to call attential.

"It is also desired to call attention to the fact that letters for prisoners of war in Europe may be sent by air mail when fully prepaid at the rate of 30 cents for each half ounce or fraction, except letters for prisoners of war in Italy for which air mail service is not available at this time.

"The Post Office Department also advises that parcels originating in this country for prisoners of war held in camps in this country should hereafter be addressed

try should hereafter be addressed and sent directly to the camps where the addressees are held, and should not be addressed via New York. Such parcels should be addressed in the following manner: John Jones, Prisoner of war, sert Name of Camp, Post Office and State). This does not apply to domestic letter or card mail Roosevelt library and 16 acres of land State). This does not apply to domestic letter or card mail to domestic letter or card mail to domestic letter or card mail addressed to prisoners of war held in camps in this country, or to letters and parcels addressed to prisoners of war confined in enemy or enemy-occupied countries, which are still required to stitute an excellent secondary cash reserve.

Net Operating Earnings Of Manufacturers Trust Reported At \$7,202,416 In 1943

Henry C. Von Elm, Vice-Chairman of the Board of Manufacturers Trust Company of New York, who presided at the Annual Meeting of Stockholders on Jan. 12 in the absence of Harvey D. Gibson, President, who is in London serving as Commissioner for the American Red Cross in the European Theater of Operations, reported that net operating earnings for the year 1943 had amounted to \$7,202,416 after current operat.

ing expenses, preferred stock dividends and reserve of \$1,500,000 set up out of earnings. This compares with net operating earnings of \$6,646,613 shown for the year

Of the total earned in 1943, \$3,-299,838 was paid in dividends to common stockholders. At the end of 1943 Surplus and Undivided Profits was \$48,344,466 as against \$44,898,302 at the end of 1942. Excess of profits over losses from the sale of securities amounted during 1943 to \$2,055,-784, which was credited directly to reserve account. Recoveries from items heretofore charged off totalling \$1,142,644, less the taxes payable thereon, were also credited to reserve account. The bank disposed of miscellaneous assets at an aggregate net loss against book

At the end of 1943, the bank's deposits amounted to \$1,580,909,-261, which included United States Government War Loan Deposits of \$133,098,432. This gross amount was \$258,488,455 more than a year ago. After deducting War Loan Deposits account from the gross amount, normal deposits on December 31, 1943, showed an increase of \$281,390,000 over the

crease of \$231,390,000 over the corresponding day in 1942, and a total gain of \$491,422,000 or 51% in the last two years.

At the end of the year, the bank's total resources aggregated \$1,682,356,909. Capital funds, which include professor and case. which include preferred and com-mon stock, and surplus and un-divided profits, amounted to \$89,of \$50,526, as compared with a total of \$66,496,282 as of the end of 1942. This represents an increase of \$3,154,245 during the year after the redemption of \$750,000 of preferred stock. The bank now has outstanding 415,382 preferred \$40,000 of the present of \$700,000 of the present of \$700, shares having a par value of \$20 a share, the redemption price of which after January 15, 1944, will be \$50 a share plus accumulated dividends.

Mr. Von Elm explained that although banks throughout the country have placed hundreds of millions of dollars into Regulation V loans, advances to commercial borrowers, taken as a whole, have declined considerably. This, he said, has resulted mainly from (a) the use as temporary working said, has resulted mainly from (a) the use as temporary working capital of the accrued amount of Federal Income and Excess Profits Taxes, not yet due and payable, (b) the purchase by the Govern-ment of various raw materials and commodities for war purposes, and the decline in consumer goods in-ventories, (c) Governmental restrictions covering instalment sales, and (d) direct Government advances on war contracts. He stated that the loan requirements of many of the bank's larger commercial borrowers, who are engaged in war production, have been taken care of principally through Regulation V loans and V.T. loans. The bank's commitments to make advances under these two types of loans aggregate many millions of dollars, and although these commitments are

although these commitments are only partially used at this time, commitment commissions are received on the unused portions.

Mr. Von Elm reported that the bank's holdings of United States Government securities increased during the year from \$635,564,409 to \$887,436,948. This increase, he indicated, was made possible by the marked expansion of deposits, and the elimination of excess cash

At the close of the year, the schedule of maturities of the bank's holdings of Government bonds to call date was as follows: from 1 to 5 years hence, 61.21%; 5 to 10 years hence, 38.79%. The 5 to 10 years hence, 38.79%. The average maturity was 3 years and 8½ months. Bonds and FHA mortgages purchased above par were amortized in the amount of \$2,812,278 in 1943 as compared with \$2,698,981 in 1942. These amounts were reduced through the recapture of amortization on such items sold in 1943 by \$38,-422 and in 1942 by \$202,879.

In a special message from the

422 and in 1942 by \$202,879.

In a special message from the American Red Cross Headquarters in London, read at the meeting by Mr. Von Elm, Mr. Gibson described in glowing terms some highlights of the work of the American Red Cross in Great Britain, laying special emphasis on the service clubs for men on furlough which accommodate 125,000 and more weekly, the aviation 000 and more weekly, the aviation rest homes for flyers who return from combat, the clummobiles staffed by Red Cross girls which visit isolated spots, and the Red Cross field directors who visit soldiers on the battlefields and in the military hospitals.

December Business Failures Show Decline

December business failures are lower in both number and amount of liabilities involved than in November this year and in December, 1942. Business insolvencies in December, according to Dun & Bradstreet, Inc., totaled 145 and involved \$2,055,000 liabilities as compared with 155 involving \$2,402,000 in November and 506 involving \$6,950,000 in December a year ago.

The decrease in the number of failures in December from November took place in all of the divisions of trade into which the report is divided except the wholesale and commercial service groups. When the amount of its liabilities is considered the manufacturing and retail groups show smaller liabilities involved in December in December to the suppose the suppo December business failures are

facturing and retail groups show smaller liabilities involved in De-cember than in November while the remaining groups had more liabilities.

liabilities.

Manufacturing failures 1 a s t month numbered 28, involving \$839,000 liabilities, compared with 31 in November with \$1,211,000 liabilities. Wholesale failures increased to 16 from 11 and liabilities from \$180,000 to \$217,000. In the retail trade section, insolvencies were lowered from 78 to 63 and liabilities from \$658,000 to \$561,000. Construction failures numbered 20 with \$247,000 liabilities in December, which compares ities in December, which compares with 26 with \$206,000 liabilities in November. Commercial service failures amounted to 13 in December as compared with 9 in November and liabilities \$191,000 in December against \$147,000 in November.

When the country is divided

when the country is aivided into Federal Reserve Districts it is seen that the Boston, New York, Cleveland, Chicago and St. Louis reserve districts had fewer failures and the Philadelphia, Rich-mond and San Francisco Reserve Districts had the same number of failures while the remaining tricts all had more failures in cember than in November. When the amount of liabilities is considered it is found that with the exception of the Philadelphia, Minneapolis, Dallas and San Francisco Reserve Districts, all the Federal Reserve District had a smaller amount of liabilities involved in December than in No-

President Sends Congress Post-War Highway Plan Govering 34,000-Mile Nelwork Of Roads

President Roosevelt submitted to Congress for its favorable consideration on Jan. 12 a report recommending a national system of inter-regional highways covering approximately 34,000 miles. Development of the program, deemed "essential to the future economic welfare and defense of the nation," will involve an estimated cost of \$750,000,000 annually, to be almost equally divided between urban and rural sections of the system. Consideration of the Congress the National Inter-Regional Highway Committee, which the President appointed in April, 1941, to investigate the need for a limited system of national highways all projects embraced within a

ited system of national highways and the possibility of using man-power and industrial capacity ex-pected to be available at the end

of the war.

The report said the construction would provide direct and indirect employment for 2,000,000 men after the war.

The text of the President's mesage to Congress which accom-

sage to Congress, which accompanied the report, follows:

To the Congress of the United States:

On April 14, 1941, I appointed a committee, known as the National Inter-Regional Highway Committee, to investigate the need for a limited system of national inter-state of the system o tional highways to improve facilities now available for inter-regional transportation, and to ad-vise the Federal Works Administrator as to the desirable char-acter of such improvement, and the possibility of utilizing some of the man power and industrial ca-pacity expected to be available at the end of the war.

The committee, with the aid of a staff provided by the Public Roads Administration, made careful and extended studies of the subject and has submitted to me its final report, which I transmit herewith and commend to the favorable consideration of the Congress. The report recommends the designation and improvement to high standards of a national system of rural and urban highways totaling approximately 34,-000 miles and inter-connecting the principal geographic regions of the country.

The recommended system follows in general the routes of existing Federal-aid highways, and when fully improved will meet to optimum degree the needs of inter-regional and inter-city highways transportation. Its dehighway transportation. Its development also will establish a transcontinental network of modern roads essential to the future economic welfare and defense of

the nation.

While the annual rate of expenditure to accomplish the improvement of the rural and urban sections of the system over a reasonable period of years will be dependent upon the availability of man power and materials, and upon other factors, the required expenditure is estimated at \$750,-000,000 annually. The over-all expenditures would be approximately equally divided between urban and rural sections of the system

The improvement of a limited mileage of the most heavily traveled highways obviously represents a major segment of the road replacement and modernization program which will con-front the nation in post-war years, in rural and urban communities alike. The committee found that the national network outlined in its report comprises only 1% of the total road mileage of the United States but carries 20% of the total travel.

Continued development of the vast network of rural secondary roads and city thoroughfares, which serve as feeder lines and provide land-access service, like-wise has an important place in the over-all program, together with the repair or reconstruction of a large mileage of Federal and state primary highways not embraced within the interregional network.

consideration of the Congress the recommendation that minimum standards of design and construction be established cooperatively with the states for all projects embraced within a designated inter-regional system. This, it seems to me, is wise planning procedure, assuring the orderly development of ing the orderly development of the facilities which are neces-sary in the public interest with maximum long-range economy.
By Public Law 146, Seventyeighth Congress, Section 5, Commissioner of Public Roads Thomas
H. MacDonald, was authorized
and directed to make a survey of the need for a system of express highways throughout the United States, the number of such highways needed, the approximate routes which they should follow and the approximate cost of con-

visable. The act was approved on July 13, 1943.

The purposes of this directive by the Congress were identical with my own in requesting the investigation which has been made by the National Inter-Regional Highway Committee. The Commissioner of Public Roads has served as the chairman of the committee appointed and the committee appointed and the detailed investigations required have been made by the Public Roads Administration staff. The Commissioner of Public Roads has informed me that he con-Roads curs without exception in the report of the committee, and desires that it be accepted as his report, complying with the direction of Congress in Public Law

struction, and to report to the President and to Congress, within six months after the date of the act, the results of the survey, to-

gether with such recommenda-tions for legislation as deemed ad-

visable. The act was approved on

I am glad to endorse this suggestion, and ask that the Congress receive the report herewith transmitted as fulfilling the purposes of Congress in the directive laid upon the Commissioner of Public Roads Public Roads.

Early action by the Congress in authorizing joint designation by the Federal government and the several state highway departments of a national system of inter-regional highways is desirble in what it facilities the able in order to facilitate the acquisition of land, the drawing of detailed project plans, and other preliminary work which must precede actual road construction. These advance steps taken, the

program can serve not only to help meet the nation's highway transportation needs, but also as a means of utilizing productively during the post-war readjust-ment period a substantial share of the man power and industrial capacity then available. A program of highway construction will, in addition, encourage and support the many diverse economic activities dependent upon highway transportation.

highway transportation.
From personal experience as Governor of a state and as President, I hope that the Congress will make additional studies in regard to the acquisition of land for highways.

In the interest of economy I suggest that the actual route of new highways be left fluid. It is obvious that if a fixed route be determined in detail the purchase

As a matter of fact, while the courts of the different states have varied in their interpretations, the principle of excess condemnation is coming into wider use both here and in other countries. I always remember the tries. I always remember the instance of the farmer who was asked to sell a narrow right-ofway through his farm for a main connecting highway. From an en-gineering point of view it would have been as feasible to build the new highway across the dirt road that ran in front of his house and barn. Actually the owner received from a jury an amount equal to the whole value of the farm. The road was built. The owner of the land thereby acquired two new frontages. He quired two new frontages. He sold lots on one frontage for the former value of his farm. A year or two later he sold the other frontage for the full value of his farm. The result was that he still had his house and barn and 90% of his original acreage, and in addition he had received, in cash three times the value of what the whole place was worth in the first instance.

It hardly seems fair that the It hardly seems fair that the hazard of an engineering survey should greatly enrich one man and give no profit to his neighbor, who may have had a right-of-way which was equally good After all, why should the hazard of ongineering give of engineering give one private citizen an enormous profit? If there is to be an unearned profit, why should it not accrue to the government — state or Federal

or both?

FRANKLIN D. ROOSEVELT. The White House, Jan. 12, 1944.

Frank Greedon Joins Stone & Webster Engineering Corp.

Stone & Webster Engineering Corp. announces that Mr. Frank R. Creedon has become associated with the corporation as construction manager.

Mr. Creedon, prior to joining the Stone & Webster organization, was associated with Mr. William M. Jeffers as Assistant Deputy Rubber Director in charge of the plant construction program of the Rubber Administration and later with Col. Bradley Dewey as Assistant Rubber Director.

Immediately prior to the assumption of his duties with the Rubber Administration, he was for three years chief of the Munitions Plant Section, Office of Chief of Engineers, U. S. Army, charged with the executive direction of with the executive direction of the nation-wide construction pro-gram of the Engineer Corps of the War Department for the production of explosives and armament and facilities for the training of troops.

Mr. Creedon is a graduate of Massachusetts Institute of Tech-nology and much of his earlier experience in the construction in-dustry was obtained from associa-tion with the Aberthaw Co., the Morton C. Tuttle Co. of Boston and with the Government pro-gram for emergency construction during the depression period

during the depression period.

Mr. Creedon's experience in recent years in connection with the important construction work of the War Department and of the Rubber Administration has re-sulted in an intimate knowledge of conditions affecting the construc-tion industry and of procedures which have been established for the execution of the unprecedetermined in detail the purchase vide land-access service, likewho has an important place in over-all program, together the repair or reconstruction of a large mileage of Fedland state primary highways embraced within the interional network.

The program determined in detail the purchase of rights-of-way will immediately rise, in many cases exorbited the execution of the unprecedent the execution program required by Government agencies.

— are surveyed, the cheapest route in relation to rights-of-way will soon reconsider the question will soon reconsider the question as to whether or not insurance is commerce within the meaning of the United State Constitution. The Department of Justice is urging the Supreme Court will soon reconsider the question as to whether or not insurance is commerce within the meaning of the United State Constitution. The Department of Justice is urging the Supreme Court will soon reconsider the question as to whether or not insurance is commerce within the meaning of the United State Constitution. The Department of Justice is urging the Supreme Court will soon reconsider the question as to whether or not insurance is commerce within the meaning of the United State Constitution. The Department of Justice is urging the Supreme Court will soon reconsider the question as to whether or not insurance is commerce within the meaning of the United State Constitution. The Department of Justice is urging the Supreme Court will soon reconsider the question to the will soon reconsider the question to the will soon reconsider the question to the will soon reconsider the question as to whether or not insurance is the United State Constitution. The Department of Justice is urging the United State Constit

cheaper to build a new highway, where none now exists rather than to widen out an existing highway at a cost to the government of acquiring or altering present developed frontages. Federal Control Over Insurance Would Render Entire Industry Static, Says Jones Federal control over insurance would render the entire industry static and unimaginative, and it would eventually find itself inextric-

Federal control over insurance would render the entire industry static and unimaginative, and it would eventually find itself inextricably enmeshed in the net of Washington bureaus, Paul F. Jones, Illinois Director of Insurance, told more than 300 leading lawyers in Chicago on Jan. 11 at a panel discussion on "Federal Supervision of Insurance," sponsored by the Chicago Bar Association.

Reviewing the 75-year history both the debate over the merits of Federal control and State supervision over insurance, Mr. Jones undertook to belie claims that have been made that State supervision has stifled the industry. He surance is necessary and wise.

vision has stifled the industry. He cited the growth of numerous Illi-nois companies that began as small ventures and have grown to become national leaders.

"You must not expect me to be enthusiastic over the 'ordeal of a New Deal' for insurance," said Mr. Jones.

Mr. Jones stated in part:

"The question of Federal supervision has been debated for over 75 years. In the early history of insurance development in this country there were those of the industry who sought Federal con-trol as an escape from the con-flicting laws of the several States in which they did business.

"In 1869 the issue was presented to the United States Supreme Court and it was then held, in the case of Paul vs. Virginia, that insurance was not commerce. Since that time the Court has many surance was not commerce. Since that time the Court has many times reaffirmed the principles announced in that early decision and Congress has always regarded insurance as a proper subject for

State supervision and control.
"The industry under the supervision of the States has kept pace with changing conditions and the phenomenal growth of the coun-try. From the original marine try. From the original manner and fire coverage, it has been expanded to cover almost every conceivable hazard and risk. So far as I am informed, no one claims that insurance protection is unavailable or inadequate. "Nor is it claimed that the

States have stunted the growth of insurance companies. The record speaks for itself. In the aggregate the assets of life insurance companies have increased from \$6,-847,000,000 to \$39,000,000,000 in the past 25 years.

"It is further safe to say that the insurance industry under State supervision has as good a record."

supervision has as good a record, from a financial point of view, as any institution in the country, Federal or State, and certainly better than most, including Federal banks.

"Competition has been keen

"Competition has been keen throughout the entire history of the business.... There are over 1,000 companies licensed to write write insurance in the State of Illinois,—they range from the giant life and fire companies to the small fraternals of racial and religious groups and the county and township mutual fire insurance companies to the small fraternals of the formers.

panies of the farmers.
"The opportunity of free enterprise has not been stifled. In Illinois our domestic companies have competed successfully with the competed successfully with the older and larger companies in the East.

"Insurance under State supersivion has been free to expand its services in keeping with the growth of the country; has been sound from a financial standpoint; has been protected against monopolistic influences calculated to stifle competition; and has inspired the confidence of

the people throughout the Nation.
"At the moment, however, the relative merits of Federal and State supervision are again under debate and the Supreme Court

control over the business of insurance is necessary and wise.
"In approaching that decision it is reasonable that one should review the history and accomplishments of the National Association of Insurance Commissioners. This organization was formed in 1871 for the purpose of establishing uniform practices in the matter of State supervision. The Insurance State supervision. The Insurance Commissioners of each State, ter-ritory, and insular posession con-stitute its membership. For over 70 years this organization has continued to meet and deliberate on problems common to all. The result has been one of the most striking examples of cooperative action in the history of our coun-try's development. Uniform state-ment forms have been in use for more than half a century. A common system for the valuation of securities and a method of examination based on cooperation has been in practice for many years. Reciprocity amongst the States has enabled insurance companies doing lysinosy throughout the New Methods of the States has enabled insurance companies. doing business throughout the Nation to function efficiently and well. The industry itself has at all times demonstrated the finest spirit of cooperation and has con-tributed much to the success of this voluntary effort.

"The remote, impersonal and mechanical supervision of the Federal Government would, in Federal rederal Government would, any opinion, finally result in a monopoly of the so-called 'silk stocking' branch of the industry, and the atrophy of smaller domesand the atrophy of smaller domestic companies in the States throughout the Nation would follow. Uniformity would result, but the enterprise of aggressive executives would be curbed and discouraged. Established wealth and couraged. Established wealth and power would hold its own under the Federal system, but the smaller and less powerful would languish and finally disappear. Insurance would become static and unimaginative under the leaden hand of the Federal Government, and eventually find itself inex-tricably enmeshed in the net of Washington bureaus."

Central Hanover Bank Trust Co. Earnings

The Central Hanover Bank and Trust Co., New York City, showed net operating income of \$7,646,-398 in 1943, including \$774,655, William S. Gray, Jr., President, 398 in 1943, including \$774,655, William S. Gray, Jr., President, told stockholders at the annual meeting on Jan. 13. This was equal to about \$7.28 a share. In 1942 the net was \$6,331,000, including \$283,647 in profits on sales of securities, equal to about \$6.03 a share.

The New York "Times" also

had the following to say regarding the 1943 report:

Mr. Gray reported that the bank's holdings of Government securities have an average maturity of four years and five months, or three years and five months if figured to earliest call dates. Of the bank's holdings, 53.7% are due within five years.

53.7% are due within five years, against 75.7% one year ago, and that 46.3% are due in five to ten years, against 24.3% one year ago.

He said that, although total deposits at the end of 1943 were about \$60,000,000 less than at the

Net Operating Earnings Of Bankers Trust Shows Rise In 1943 Compared With 1942

In his annual report to the stockholders on Jan. 13, S. Sloan Colt, President of the Bankers' Trust Company of New York, reported net operating earnings in 1943 of \$9,486,838, compared with \$8,467,463 in 1942. In his report at the annual meeting Mr. Colt also said:

"In my report as of June 30, 1943, the stockholders were informed that on June 14th \$25,000,000 had been transferred from Undivided Profits to Surplus Account, that \$7,000,000 had been transferred securities' of \$48,941,929 listed in the statement consist exclusively ed Profits, and that \$2,000,000 had been used to write down the book

been used to write down the book value of the Company's banking premises. The Statement of Con-ditions as of December 31, 1943, reflects these entries and shows Capital of \$25,000,000, Surplus Ac-count of \$75,000,000 and Undivided

count of \$75,000,000 and Undivided Profits of \$25,366,747.03. The total Capital Funds of \$125,366,747.03 compares with \$115,171,788.74 at the end of 1942.

"As a result of the transfer of \$7,000,000 to Undivided Profits, the General Reserve Account shows a net decrease for the year from \$17,725,589.98 to \$14,266,-289.18. In conformity with our usual practice, the balance in the usual practice, the balance in the General Reserve Account has been used on the Statement of Condition to reduce the value of assets.

tion to reduce the value of assets. "The statement of the operating earnings and expenses shows that operating e arnings for 1943 amounted to \$22,167,030.23, as compared with \$19,406,377.38 in 1942, and that operating expenses were \$12,680,192.02 which is \$1,-741,277.31 greater than the 1942 figure of \$10,938,914.71. The rise in expenses is largely accounted for by an increase of \$1,550,000 in the amount reserved for taxes.

the amount reserved for taxes.
"The land at the corner of Nassau and Wall Streets, on which sau and Wall Streets, on which our original building was erected, was leased in 1910 for a period of 21 years with three renewal options of 21 years each. On November 8, 1943, this land was purchased for \$2,522,818. The land and the buildings thereon in which our three New York offices are housed are now all owned by us and are carried on the Statement of Condition at \$15.867.317. ment of Condition at \$15,867,317. which is approximately 69 their present assessed value.

The more important changes during the year in the assets of the company were as follows:

Increases

U.S. Gov. Sec. ___ \$238,834,876.69 Loans & Bills Disc. 25,885,101.27 Other Sec. & Invest. 9,423,367.51

Decreases

Cash and due from

Banks _____ \$153,056,711.00 State & Munic. Sec. 16,860,271.75

"In accordance with our established practice, all United States Government obligations in the Investment Account are carried at amortized cost, all other bonds at amortized cost or market value, whichever is lower, and stocks at what we consider conservative market values.

609.12 at the end of 1942. These figures include United States Gov-

remment deposits which amounted to \$297,799,420.20 and \$230,198,-667.70 on the respective dates."

It was stated in the New York "Herald Tribune" of Jan. 14 that in reply to a stockholder's question regarding the "ultra-conservative" dividend policy. Mr. Colt. ative" dividend policy, Mr. Colt expressed the opinion that strengthening of the capital and reserve position for an increased post-war business is necessary and that stockholders will be better off under that plan. The relatively high market value of Bankers. rust stock reflects this policy, he dded. The same paper stated:

"Liquidity percentage, based on all holdings of Treasury securities and cash, is about 80%, another stockholder was informed. Fur-ther questioning brought out that

the statement consist exclusively of short-term railroad-equipment certificates and similar obligations. Directors were re-elected.

Grace National Bank Operating Income Of \$305,457 For 1943

At the annual meeting on Jan. 11 of the stockholders of Grace National Bank of New York all the directors were re-elected. In his report of operating results, C. ns report of operating results, C. R. Dewey, President, stated that net operating income for 1943 was \$305,457 or \$20.36 per share, as compared with \$218,720 or \$14.58 per share in 1942. After taking into account profits on sales of conviction share effect and resulting above effect and resulting above effect and resulting above effect and resulting above. securities, charge-offs and recoveries, the total results for the year were \$328,219 or \$21.88 per share, as compared with \$241,841 or as compared with \$241,841 or \$16.12 per share last year. Regular dividends of 6% per annum were paid amounting to \$90,000. Mr. Dewey also stated in part:

"At the end of the year the Directors ordered \$500,000 transformed from Univided Partition."

ferred from Undivided Profits account to Surplus, thus bringing that account up to \$2,000,000.

"Federal and State income taxes

were almost quadrupled, the amount due being \$109,723 as compared with \$28,580 in 1942, but the amount chargeable to the year's profits was reduced by net refunds of taxes to \$88,955

"As to our investment portfolio, we have continued our policy of investing largely in early maturity of Government bonds. Likewise, our investments in State and municipal bonds all mature within five years. As to our \$27 within five years. As to our \$37,-384,000 par value of Government bonds, which constituted 47.70% of our assets at the end of the year, \$17,137,000 mature or are callable during 1944, all but \$2,-000,000 mature or are callable on 000,000 mature or are callable on or before December, 1948, and the average maturity computed to the earliest call date is two years and four months.'

"In the last year the bank has experienced an important increase in the volume of business received from Latin American banks, not only in dollar deposits, but in the volume of letters of credit," it was announced by Mr. Dewey. He added: "This increase in business was obtained in spite of our Government's rectificions on constitutions. ernment's restrictions on export shipments. It is anticipated that when Governmental restrictions and regulations are relaxed and and regulations are relaxed and merchandise again becomes available for export from this country in something approaching normal quantities, we can look forward to a sharp gain in export and import credits with Latin America. Inquiries coming to us from a large number of North American firms indicate a widespread interest in post-war opportunities in terest in post-war opportunities in Latin America."

SEC Adopts Rules Under Investment Co. Act

The Securities and Exchange Commission announced on Jan. 6 the adoption of three rules under the Investment Company Act of 1940

Commission's explanation

"One of the rules adopted, Rule N-4, authorizes the incorporation by reference in registration stateand cash, is about 80%, another stockholder was informed. Further questioning brought out that the average yield of the \$950,-41,228 Treasury obligations in the portfolio is 1.14%, and that other of the incorporation by reference in registration state-the average yield of the \$950,-41,228 Treasury obligations in the portfolio is 1.14%, and that other of the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the incorporation by reference in registration state-the average yield of the \$950,-41, authorizes the inc

statement or report filed pursuant to any of the Acts which the Commission administers. The new rule is of general application and, in line with similar general rules previously promulgated by the Commission under the Securities Act of 1022 and the Commission. Ities Act of 1933 and the Securities Exchange Act of 1934, is intended to eliminate duplication in reports and statements filed with

reports and statements filed with the Commission.

"Rule N-2A-3, the second rule, excludes a bank from the definition of 'investment adviser' of an investment company, for purposes of Section 12 (d) (3) of the Investment Company Act. This rule will permit a registered investment company or any company controlled by it to purchase the securities of a bank which is acting as an investment adviser of an investment company, provided investment company, provided that the bank is not the invest-ment adviser of the purchasing

company.
"Rule N-10F-2 relates to the "Rule N-10F-2 relates to the exercises of warrants or rights received by a registered investment company. Section 10 (f) of the Investment Company Act prohibits a registered investment company from purchasing securities during the existence of an underwriting or selling syndicate in such securities, if any principal underwriter of the issue is an officer or a director or is otherwise affiliated with the investment company. An exception is procompany. An exception is pro-vided in the case of issues as to which the investment company is itself a principal underwriter and the Commission is authorized to grant further exemptions by rule or order. The new rule will exempt from Section 10 (f) the purchase of securities pursuant to the exercises of warrants or rights provided they were offered or granted on the same basis to all stockholders and they do not exceed 5% of the total amount of warrants or rights issued."

S. Sloan Colt Named To N. Y. Money Market

Allan Sproul, President of the Federal Reserve Bank of New York, announced on Jan. 13 the appointment of S. Sloan Colt as a member of the General Commit-tee of the New York Money Market, which was organized at the outbreak of the European War in 1939. Mr. Colt is President of the Bankers Trust Co., and on Jan. 6 took office as a director of the Federal Reserve Bank of New York for a three-year term.

At the same time it was an

At the same time it was announced that August Ihlefeld, President of the Savings Bank President of the Savings Bank Trust Co., who has been serving on the General Committee as alternate of Charles A. Miller, former Chairman of the Savings Banks Trust Co., has been appointed a member of the committee succeeding Mr. Miller, who resigned his office with the Savings Banks Trust Co. last year. Mr. Sproul's announcement further says:

ther says:
"The General Committee of the
New York Money Market was organized in August, 1939, to provide a ready means of bringing together representatives of the principal factors in the market for consultation, among themselves consultation among themselves and with the Federal Reserve Bank and Treasury authorities. It has been necessary for the committee to meet only infrequently since its organization because of the stability and strength of the the stability and strength of the financial markets of the country during the war years, but the committee did serve effectively to mobilize opinion and action in the market at the time of the out-break of the war in Europe and again when this country was attacked and entered the war in December, 1941."

Biddle Orders Inquiry Into Alleged GIO Violation Of Anti-Strike Law

An investigation into charges that the Congress of Industrial Organizations has violated the criminal provisions of the Connally-Smith anti-strike law, with respect to political contributions, was ordered on Jan. 13 by Attorney General Francis Biddle. Representative Smith (Dem., Va.), co-author of the law, is said to have asserted in a letter to Mr. Biddle that Philip Murray, President of the CIO, had admitted a "flagrant violation" or

admitted a "flagrant violation" of the law's criminal provisions in an article in the February issue of "The American Magazine" which revealed "an initial contribution of \$700,000" to the CIO Political Action Committee by CIO unions. Washington advices of Jan. 13 to the New York "Times," from which we quote, further reported: "Section Nine of the Connally-Smith Act," Mr. Smith, its co-author, wrote, "makes it unlawful for 'any labor organization to make a contribution in connection with any election, at which Presiwith any election, at which Presidential and Vice Presidential Electors or a Senator or Representative in, or a delegate or resident commissioner to Congress are to be voted for and provides that an officer of any labor organization who consents to any contribution by the organization shall be fined not more than \$1,000 or imprisoned not more than one year or both.

"Mr. Murray is President of the CIO. The article is a defiant con-fession of the violation of the statute. CIO.

"A number of other officers of the union are named in the article as parties actually engaged in carrying on the unlawful enter-

"I respectfully request that you present the whole matter to a Federal grand jury forthwith, with a view to the indictment and prosecution of those engaged in this conspiracy to control the national elections of 1944."

vision, to begin the investigation

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at once

A CIO spokesman said the organization's political activity had been planned, according to a recent statement by its counsel, Lee Pressman, on the premise that the Connally-Smith act did not prohibit labor unions from generalize hibit labor unions from spending money on behalf of the campaigns of individual candidates "provided the money is spent directly by such labor organizations and not by agreement or pre-arrangement with the candidates or their political parties or the parties or their political parties or their parties ical parties or their political committees.'

Representative Smith told press conference, however, that the law was plain and "as written, it's going to be pretty hard to get away from." Meanwhile he introduced a bill

to outlaw unions that engage in wartime strikes, as provided by the original Smith anti-strike bill, which was passed by the House Dec. 3, 1941, but was not acted upon by the Senate. Such a provision was also contained in the Connally-Smith bill as it passed the House, but was deleted by the Senate. Senate.

The new bill stipulates that any local union involved in a strike "shall forthwith cease to be entitled" to the status of a labor organization under the National La-bor Relations Act and that all officers or representatives of such a union shall cease to be entitled to represent or bargain for workers, under provisions of the National Labor Relations Act or "any order Attorney General Biddle instructed Tom G. Clark, Assistant Attorney General and Chief of the Justice Department's Criminal Displayed by the Company of the War Labor Board or any agreement with the employer."

President Galls On People To Pledge **International Cooperation After War**

President Roosevelt, in a New Year's statement, urged on Jan. 1 that the American people pledge continued cooperation with other nations, both for winning the war and for establishing and maintaining peace in the years to come.

The President recalled that the concept of the United Nations came into being "on another and infinitely bleaker New Year's Day two years ago" when these countries were on the defensive, but added that "today we are on the defensive that the declaration offensive".

offensive".

The text of Mr. Roosevelt's

statement follows:
"Many of us in the United States are observing this first day States are observing this first day of the new year as a day of prayer and reflection and are considering the deeper issues which affect us as part of the family of nations at a crucial moment in history. It is fitting on this day that we direct our thoughts to the concept of the United Nations which came into being on another and infinitely bleaker New Year's Day two years ago. years ago.

Leon Fraser, President First National Bank, Vice-Chairman; Winthrop W. Aldrich, Chairman Chase National Bank; S. Sloan Colt, President Bankers Trust Co.; Gordon S. Rentschler, Chairman National City Bank; J. C. Traphagen, President Bank of New York

resident Bank of New York.

Representing Investment Bankers—Harold Stanley of Morgan Stanley & Co. (alternate of Henry S. Morgan, who is serving with the armed forces).

the armed forces).

Representing Savings Banks—
August Ihlefeld, President Savings
Banks Trust Co.

Representing Stock Exchange—
Emil Schram, President New York
Stock Exchange.

Representing Insurance Companies — Frederick H. Ecker,
Chairman Metropolitan Life Insurance Co.; George L. Harrison,
President New York Life Insurance Co.

"It was but three weeks after Pearl Harbor that the declaration by United Nations was promul-gated at Washington. Twenty-six nations subscribed immediately, eight more have adhered subse quently, all pledging themselves to stand together in the struggle against common enemies

against common enemies.

"Two years ago the United Nations were on the defensive in every part of the world. Today we are on the offensive. The walls are closing in remorselesly on our enemies. Our armed forces are gathering for new and greater assaults which will bring about the down-fall of the Axis aggressors.

"The United Nations are giving attention also to the different kind of struggle which must follow the military phase, the strug-gle against disease, malnutrition, unemployment and many other forms of economic and social dis-

To make all of us against future aggression and to open the way for enhanced well-being of nations and individuals

being of nations and individuals everywhere, we must maintain in the peace to come the mutually beneficial cooperation we have achieved in war.

"On the threshold of the New Year, as we look toward the tremendous tasks ahead, let us pledge ourselves that this cooperation shall continue both for winning the final victory on the battlefield and for establishing an international organization of all international organization of all peace-loving nations to maintain peace and security in generations to come."

Handy & Harman's Review Of Silver Market New High Record For Use Established

A new high record was established for the use of silver in the arts and industries in the United States in 1943, according to the annual review of the silver market by Handy & Harman, in which it is estimated that 125,000,000 ounces of silver were used, an increase of 10,000,000 ounces or about 9% over the previous high of 115,000,000 ounces used in 1942. The review made available Jan 17 indicates ounces used in 1942. The review, made available Jan. 17, indicates

that the consumption of silver fore all purposes in the United States in 1943 was more than four times the average amount for the five years prior to 1941, which was the first year in which there was an appreciable use of silver for the war effort. Of all the silver used in the United States in 1943, some 55% went into war production or 65% went into war production or the purposes classified as essential by the War Production Board.

The review observes that war conditions necessitated the continuance of Government control, both at home and abroad, over the price of the white metal, and over its allocation for industrial and monetary purposes, and it states that "the only significant development during the year was the action taken by the United States Congress which made Government curved silver available for sale or owned silver available for sale or lease, subject to certain restrict-tions." It is also noted that when Congress convened in January, 1943, numerous bills on the subject were introduced. After much discussion, the bill sponsored by Senator Green of Rhode Island Senator Green of Khode Island was finally passed and signed by the President. The selling price of silver was fixed at 71.11c an ounce. The leasing of Treasury silver was restricted to use within the United States for a period limited to six months after the way and the use of leaned silver. war, and the use of loaned silver was permitted as backing for silver certificates. It thus became possible to release silver from Treasury stock for consumption in industry. It is likewise observed:

"The making available of Treasury silver came at a most oppor-tune time, since there had been a shortage of newly mined metal for several months and the situation threatened to become progressive-ly more acute. The passage of the act was particularly fortunate because of the shortage of both for-eign and domestic silver, the foreign silver shortage being due to Mexico's withholding their sup-plies for coinage purposes, while the domestic shortage was due to an actual decline in the produc-tion of silver, due to scarcity of mine supplies and labor. On July 29th the War Production Board, acting under the terms of the Green Act, published the neces-sary regulations to release Treasury silver for consumption in in-dustry. Three lists were created, as follows: List A (foreign silver) for medicine, photography, elec-trical contacts and certain prior-ity-rated orders; List B (domestic silver) for various uses considered non-essential to the war effort; List C (Treasury silver) for en-gine bearings, brazing alloys, sol-ders and official military insignia.

"There is no gainsaying the fact that the imposition of regulations as to the use and price of silver was indispensable to orderly marketing and manufacturing under-war conditions. Because no Treas-ury silver was allotted for nonessential use, it might erronously be assumed that the Green Act had proved of no benefit to the silverware and jewelry industries. Such is not the case, since every ounce of Treasury silver distributed for List C purposes released an expense of departure of released an ounce of domestic silver for non-essential use. The importance to non-essential industry of the supplies thus made available may be measured by the fact that some 20,000,000 ounces of Treasury silver were actually of 1943. "For the first year since the in-

auguration of the silver purchasing program in 1934, United States Government holdings of silver showed a decline. No foreign silver was bought during 1943

and acquisitions of newly mined domestic silver amounted to only 5,400,000 ounces. On the other hand, substantial quantities of bullion were released from Treasury stocks for various purposes and nearly 4,000,000 ounces of "silver ordinary" were sold to industry. of "silver ordinary" were sold to industry. Official figures disclose that for the last eleven months of 1942 17.218.000 ounces were sold under the Green Act and that 40, 000,000 ounces were lend-leased This action, however, was not made under the Green Act, but was carried out under regular lend-lease procedure. It is understood that the latter amount was the result of direct transac-tions between the United States and other governments. It seems likely that Great Britain and In-dia were the principal beneficiar-

ies of the lend-lease silver.
"According to the Treasury's
Daily Statement, dated December 31, 1943, there were 1,175,000,000 ounces of Governmet owned silver bullion which remained unpledged as backing for silver certificates. It is indicated that of this silver, the Defense Plant Corporation, etc., held 829,000,000 ounces or 242,000,000 more than was held in

1942.
"In 1943 the United States used more silver for domestic coinage than in any prior year. Official figures for the first eleven months show that 95.818.000 ounces were so consumed, or 17,000,000 ounces more than the full year record established in 1943.

"There was a considerable in-crease during the past year in the production of silver-lead solders to conserve tin in the lead-tin soft solders ordinarily employed in the canning industry. Larger quantities of silver were also used for brazing alloys, which continue to have most diversified use in war production. They are being util-ized to make joints between metal parts of such war materiel as ships, planes, tanks, guns, bombs, shells, rockets and torpedoes, as well as for many items of general equipment and various types of instruments.

"In the non-essential field, the manufacturer of silverware and jewelry was limited throughout 1943 to using domestic silver only, and since February 25th the amount of silver for these purposes has been under quota restrictions of the War Production

Board.
"The price at which manufacturers could obtain silver has inturers could obtain silver has increased during the past year and a half from the pre-war level of 35c per ounce to 45c per ounce and for many purposes, to 71.11c per ounce. This higher price has reounce. This higher price has retarded the use of silver to some extent, but less than might be expected because of the wartime emphasis on performance rather than cost. However, under competitive conditions after the war, a 71 lie price will understadly be a 71.11c price will undoubtedly be a serious deterrent to the use of silver in the arts and industries."

Male Citizens Of U.S. Living In Canada Must Register For Draft

A Press dispatch from Ottawa, on Dec. 12th, to the Toronto "Globe and Mail" reported that it was stated at the United States Embassy that a considerable proportion of United States male citizens of military age living in Canada have thus far failed to register for United States Selec-

30 that male United States citizens living in Canada who were born after Dec. 31, 1898, and on or before Dec. 31, 1925, and who had not previously registered, were required to do so at the United States consular

The period for such registration was set as extending from Nov. 16 through Dec. 31.

The Embassy announcement said with over half the period gone a relatively small number of those estimated as affected by this order have been reported as regis-

tering.
"Although many American citi-Although many American chargens living in Canada are assumed to have complied with registration in some other manner, it is nevertheless felt that large numbers have failed to register through failure to understand the order or through procrastination," the analyse many said

The penalty for failure to comply with the order is the same as in the United States—not more than five years' imprisonment or a fine of not more than \$10,000, or both or both.

Marine Midland 1943 Net Of \$1,439,642

At the annual meeting of the stockholders of the Marine Midland Trust Co. of New York, held on Jan. 12, James G. Blaine, President, reported net earnings of \$1, 439,642 for the year 1943 for the year 1943, which was \$401,792 in excess of 1942, and the largest in the history of the company. The increase in net earnings, it is announced, was due to interest earned on a much larger investment portfolio in 1943 and increased interest on loans which also were in excess of the previous year.
Gross earnings were \$3,737,478,

Gross earnings were \$3,737,478, an increase of \$386,211 over 1942. Operating expenses were \$1,-987,331, an increase of \$76,164 over the previous year. Taxes were \$310,504.99. Net earnings were equal to \$2.88 per share, \$10 per yelle earning \$2.88 per share, \$10 per yelle earning \$2.80 per yelle \$2.80 par value, against \$2.08 earned in 1942. Dividends for the year amounted to \$600,000, or 41.7% of earnings, leaving a balance of \$339,642, which was added to undivided profits. This, plus a transfer of \$345,000 from reserves. accounts for the net increase \$1,184,642 in surplus and udivided profits for 1943.

Mr. Blaine reported that earnings did not include profits or losses on the sale of investments or charge-offs or recoveries on loans.

On Dec. 31, 1943, total assets of On Dec. 31, 1943, total assets of the trust company were \$366,-886,306, compared with \$212,-231,000 one year previous. Cash and due from banks totaled \$66,-532,424, compared with \$58,-305,703. Investments totaled \$112,892,475 at Dec. 31, 1943, against \$91,890,687 one year previous. U. S. Government obligations amounted to \$107,788,499, an tions amounted to \$107,788,499, an increase of \$29,327,493, and 95.48% of the total portfolio are U. S. obligations; 1.66% are obligations. of instrumentalities of the U.S. Government; 1.01% are State and municipal obligations, and the reremaining 1.85% is made up of various securities. U. S. Government obligations are carried at par or cost, whichever is lower, and 89.55% of the total mature within five years.

Investments had a market value f \$920,970 in excess of book of \$920,970 in excess of book value. In addition the trust company has a reserve for depreciation on investments amounting to \$687,838, so that the appreciation \$687,838, so that the appreciation plus the reserve totaled \$1,608,808. The average rate earned on investments for 1943 was 1.21%, compared with 1.17% for the previous year. Profits on the sale of investments were \$381,153. Recoveries on investments previously written down amounted to \$334,677. Writedowns on investments were \$123,943. Losses on investments sold were \$55,697 all register for United States Selective Service.

From the Toronto paper we also quote:

The Embassy announced Oct. Investments were \$331,133. The unit is esponsibilities of the will be coveries on investments previously written down amounted to larger than at any time in the history of the bank. We shall do ments were \$123,943. Losses on our best to meet those responsitives investments sold were \$55,697, all bilities effectively."

Dr. Staley Defends UNRRA Program As Sound Investment For U.S.

Defending the program of the United Nations Relief and Rehabilitation administration, Dr. Eugene Staley, UNRRA staff member, declared on January 5 that prompt relief for regions liberated from Axis domination is not only an important military measure that will hasten ultimate victory but that it will also help prevent an economic depression in this country after the war.

Speaking before an onen meet.

Speaking before an open meeting of the New York University rapidly as possible in order to make the residents of these regions independent of relief and them to contribute ecotion, Dr. Staley described in de-tail the program of the UNRRA and cited instances of how prompt economic relief in North Africa has already aided the Allied cause.

The primary objective of the UNRRA program, Dr. Staley said, is to revive local industries as

of these amounts being entered to valuation reserves. Loans and discounts totaled \$82,672,073, an discounts totaled \$82,072,073, an increase of \$25,083,133 over the figures of one year previous. The average rate earned on loans for 1943 was 2.10%, compared with 2.57% in 1942. Capital funds total \$17,033,248, a net increase of \$1.184,642 over the figures of one \$1,184,642 over the figures of one

year ago.
Gross deposits totaled \$248,-171,513, compared with \$195,-320,004 one year previous. Excluding U. S. war loan deposits the figures represent an increase of \$39,013,344.

In his annual report to the directors Mr. Blaine presented the results of the year's operations in the attached short form, saying "that in so far as I know, this is the first time that any bank has made use of the short form in its annual report." This income accounts for the year ending Dec. 31

was submitted as follows:
"Net income for the year y \$1,439,642, the largest in its history. Our total volume of business for 1943 exceeded the previous year by about 22%. The receipts derived from the sale of company's goods and ser ices to its customers provided the payment of labor, purchase of materials for the conduct of our business, the payment of taxes, the payment for the use of the (assets) owned by the stock holders.

"The customers were therefore the employers of both the labor and the tools.

"The results of the year's operations are set forth in the following short form:

"Received from customers, \$3,-737.478.16

"These rece of as follows: receipts were disposed

Payment for goods and services purchased from others for the conduct of our business.
Wages and salaries.
**All taxes to Governments.
**Payment for use of tools (assets) 1,148,464 491,656 1.439.642

*Total taxes increased 83% over 1942.

"Payment for use of the tools (assets) was disposed of as follows

"To the owners of the trust company for the use of their tools, dividends amounting to \$600,000. "There was retained in the busi-

ness for future needs, \$839,642.12."
In his report to the stockholders Mr. Blaine declared that the man agement is giving serious thought to the post-war period as it may affect the banking business and The Marine Midland Trust Co and are devoting particular atten tion to customers who may confronted with the termination of contracts and the need for free working capital with which to

also stated:
"When peace comes the ensuing problems will be far greater than those born of the war. Your man-agement is conscious of the fact that its responsibilities to

enter peace-time business. He

to enable them to contribute eco-

nomically to the military needs of the United Nations. In his re-marks Dr. Staley said: "The advancing United Nations armies have stable civilian con-ditions in their rear. Troops must be protected from epidemics of disease, which can originate in a disease, which can originate in a malnourished population lacking adequate clothing, soap, medicines, or means of repairing and restarting their own equipment for producing these things. The more quickly local production can be revived in liberated areas, the less will be the strain on military supply lines and the more adesupply lines and the more adequate will be the materials and equipment that can be made available to our men at the fighting front. This will save the lives of our soldiers and shorten the war.

'Also, the fact that prompt aid is known to be forthcoming to liberated peoples will encourage and inspire those still unliberated to increase their resistance, and further weaken the enemy, hastening his ultimate military collapse. If a well planned and well organized and previously and nounced program of relief and rehabilitation helped to shorten the war by only one week, the straight dollars and cents savings and would be a tremendous return on the investment, not to speak of the much more important matter of the lives of our soldiers and

civilians that would be spared."

Discussing the post-war aspects of foreign relief work, Dr. Staley pointed out how the promp eco-nomic recovery of liberated coun-

tries would help provide a market for American products. He further said:

"One thing people are always forgettting, is that if you help others to produce more it also makes it possible for them to consume more after the product of the said of th sume more. A man who is healthy and equipped with good tools and a member of a well-functioning economy is both a better competi-tor and a better customer than a man who is handicapped by malnutrition and disease and who has to work with poor tools, Amer-ican producers need not worry about being cut out of markets by foreign competition after the war, if world income is high, so that world markets are large and pros-perous. American industry is amply able to take care of itself perous. American industramply able to take care of in a world where there is a lively demand for all kinds of products. The thing America and every other trading nation has to guard against is getting back into the world situation of the thirties where even the most efficient business had a hard time because the customers were not able to buy from anyone."

FDR Sees Victory In 1944

President Roosevelt declared in telegram to the French Consultative Committee in North Africa that "1944 will be the year of victory," the Algiers radio said on Jan. 18. according to an Associated , Press London dispatch.

Mr. Roosevelt's telegram, in reply to one sent him by the assembly said: "I share your hope and your confidence. 1944 will be the year of victory which will make it possible for France and the oppressed nations to breathe again the air of liberty."

CCC Spent \$3.5 Billion In 1943 To Stimulate Production Of Food Of U.S. Comm. Chamber

The Commodity Credit Corp. spent more than \$3,500,000,000 during the 1943 fiscal year in establishing support prices and subsidies to facilitate increased food production and help stabilize the consumer cost of living, it was reported on Dec. 25.

The review of CCC operations was contained in a report by J. B. Hutson, President of the corporation, to War Food Administrator Marvin Jones.

In United Press Washington advegetable oils, meats, milk and ices, it was stated:

CCC loans and purchases were The CCC report said prices were vices, it was stated:

vices, it was stated:

CCC loans and purchases were up \$1,900,000,000 over 1942 expenditures, and went largely to stimulate production of war-essential foods — vegetable oils, dairy products, poultry and meats. "The increase represented by the fulfillment of commitments to farmers to support prices at higher levels than in 1941-42 in consideration of larger costs on an unprecedented volume of production," the report said.

Mr. Hutson said the subsidies cipally tobacco to aid domestic paid by CCC "helped to maintain growers' foreign markets and cot-OPA ceiling prices" on sugar, ton that went to lend-lease.

U. A. W. Proposes Drive For Nation-wide Wage Agreement In Industry

R. J. Thomas, President of the United Automobile Workers, Congress of Industrial Organizations affiliate, said on Jan. 8 that the union will undertake a drive for a nation-wide wage agreement in the industry based on equal pay for equal work, regardless of geographical location of plants or products being manufactured. Advices to this effect (Associated Press) from Chicago Jan. 8, were reported in the New York "Herald Tribune," which went on to say:

| To handle priorities for cities, Such an agreement as he [Presitowns, counties and states, and dent Thomas] said, would apply to shortly after the War Production.

Such an agreement as ne irresident Thomas] said, would apply to 1,400,000 workers now covered by U. A. W. contracts. He added 95% of these workers could be incorporated into the proposed master wage plan. master-wage plan.

'Our present contracts cover 1,200 plants, entailing 1,200 separate negotiations," the union leader continued. "This has slowed er continued. "This has slowed down War Labor Board proce-dures and has created unfair wage differentials."

Mr. Thomas said the U. A. W. executive board was of the opin-ion a master wage agreement would speed up war production and lessen unrest within the industry.

A survey of wage agreements and labor conditions within the industry is to be undertaken im-

industry is to be undertaken immediately, he said.

The board also recommended that steps be taken to insure industry-wide application of the following five points: A 48-hour guaranteed work week or 48-hour guaranteed weekly wage; creation of a post-war employment security fund provision for seversecurity fund; provision for severance pay; \$1 per hour minimum and provisions for establishment of a guaranteed annual wage.

Maverick Heads Small War Plants Corp.

Donald M. Nelson, Chairman of ne War Production Board, announced on Jan. 9 the appointment of Maury Maverick of San Antonio, Texas, as Vice-Chairman of the WPB in charge of the nounced Smaller War Plants Corporation and as a member of the Board of SWPC. Mr. Maverick has been serving as chief of the Govern-ment Division of WPB, which he organized shortly after WPB's inception.

For 12 years, Mr. Mayerick was a lumber dealer and home builder in San Antonio, Texas, with ex-perience in the manufacture and retail sale of lumber and in mort-gage financing. He has served two terms as a member of Congress and one term as Mayor of San Antonio.

In August, 1941, Mr. Maverick entered the Office of Price Ad-ministration and Civilian Supply, handling prices and civilian sup-ply problems for the U. S. terri-tories. Later he transferred to the Office of Production Management page 2236.

to handle priorities for cities, towns, counties and states, and shortly after the War Production Board was set up he organized the WPB Government Division,

the WPB Government Division, which he has since headed.

The Smaller War Plants Corporation was set up by Act of Congress in June, 1942. This Act put the SWPC within the War Production Board, gave it a capitalization of \$150,000,000, and directed the Chairman of the War Production Board "to mobilize aggressively the productive capacity of all small business concerns" as a means of augmenting war production. Under the law, the Chairman of the Smaller War Plants Corporation is selected by the five-man board of directors from among their own number.

from among their own number.
Acting Chairman of the Smaller
War Plants Corporation at present
is Albert M. Carter. General Robert M. Carter. General Robert Johnson resigned as Chairman in October, 1943. Members of the Board in addition to Mr. Maverick are: Albert M. Carter, J. T. Howington, J. A. R. Moseley and S. Abbot Smith.

McCarthy Made Canadian Ambassador To U.S.

Leighton McCarthy presented his credentials to President Roosevelt on Jan. 12 as the first Can-adian Ambassador to the United States. Mr. McCarthy has served as Canadian Minister to this country for the past two years and his elevation to the new post results from the decision mode in results from the decision made in November to raise the legations of the United States and Canada to the status of embassies.

In presenting his credentials, Mr. McCarthy noted that his promotion in rank marks a further strengthening of the ties of friendship existing between the two countries.

The President, in his reply, also remarked on the long years through which Canada and the United States have been "confident of the good-will of the other" and said this country is determined to carry over the war cooperation into the peace to

The elevation of Ray Atherton from United States Minister to Canada to the rank of Ambassador was noted in our issue of Dec. 2,

Head Health Council

Eric A. Johnston, President of the Chamber of Commerce of the United States, announced on Jan. 12 the appointment of Dr. Lever the appointment of Dr. Lever-ett D. Bristol, Executive Director of the Hospital Council of Greater New York, as Chairman of the Chamber's Health Advisory Coun-cil, and Dr. Anthony J. Lanza, Chief of the Occupational Hygiene Section of the Office of the Sur Section of the Office of the Surgeon General, U. S. Army, as Chairman of the Council's Committee on Industrial Health. Dr. mittee on Industrial Health. Dr. Bristol succeeds Dr. James S. Mc-Lester, of Birmingham, Ala., who continues as a member of the Council but who has relinquished the general chairmanship because Council but who has relinquished the general chairmanship because of his increasing activity in the war service of the Federal Gov-ernment and the State of Ala-

Advisory Council was created last winter to operate with the Chamber's Insurance Department in advising business organizations throughout the country on industrial, individual and community health programs and in cooperating with national, State and local health agencies.

Dr. McLester, Chairman of the Council from its inception, has found it necessary to resign the general chairmanship because of additional resposibilities placed partment partment in advising business organizations throughout the

additional resposibilities placed on him by the Federal Govern-ment in connection with its war nutrition program and by Govnutrition program and by Governor Sparks, of Alabama, in connection with the development of a four-year medical school for that state. Dr. McLester is Professor of Medicine at the University of Alabama and a former President of the American Medical Association. Under the general chairmanship of Dr. McLester the Council, it is stated, has been particularly successful has been particularly successful in stimulating activities in the promotion of community and industrial health and in focusing attention to many current health needs for maintaining and speeding the nation's war production.

ing the nation's war production.
Dr. Anthony Lanza, who succeeds Dr. Bristol as Chairman of the Chamber's Committee on Inthe Chamber's Committee on Industrial Health, has been active in the field of industrial hygiene for the last 25 years. He was in charge of Industrial Hygiene for the United States Public Health Service, was Chief Surgeon of the United States Bureau of Mines, was special staff member of the Rockefeller Foundation on the International Health Board and prior to his present connection, was responsible for the industrial hygiene activities of the Metrohygiene activities of the Metropolitan Life Insurance Co. Dr. Lanza is a member of the Indus-trial Health Council, of the American Medical Association, and years of momentum of the Medical Committee of the Industrial Hygiene Foundation of Pittsburgh.

Cotton Spinning For Dec.

The Bureau of the Census announced on Jan. 19 that according to preliminary figures, 23,342,922 to preliminary figures, 23,342,922 cotton spinning spindles were in place in the United States on Dec. 31, 1943, of which 22,596,322 were operated at some time during the month, compared with 22,623,406 for November, 22,599,426 for October, 22,631,338 for September, 22,632,776 for August, 22,667,376 for July, and 22,923,406 for December, 1942. The aggregate numfor July, and 22,923,406 for December, 1942. The aggregate number of active spindle hours reported for the month was 9,905,-016,236. Based on an activity of 016,236. Based on an activity of 80 hours per week, the cotton spindles in the United States were operated during Dec., 1943, at 115.3% capacity. This percentage compares, on the same basis, with 125.3 for November, 129.5 for October, 127.5 for September, 122.5 for August, 120.0 for July, and 128.3 for December, 1942. The average number of active spindle hours per spindle in place for the month was 424.

Net Earnings Of Continental Bank & Trust For 1943 Reported At \$856.265

Hasler Sees Need Of International Agreement After War To Facilitate Exchange Of Goods

Frederick E. Hasler, Chairman of the Continental Bank & Trust Co., of New York, told stockholders at the annual meeting on Jan. 19 that while 1943, financially, had been the best year in the bank's 73 years of existence, it was recognized, in common with other banks, that increased earnings were due almost entirely to the war. "As the war effort tapers off, as it will when Germany is defeated," he warned, "there will need to be as sharp upturn in the commercial loan business to help compensate for decreased war earnings."

Federation Bank

In his report regarding the

In his report regarding the year's operating results of the institution, Mr. Hasler said:
"Measured by the standards of a war economy, I feel that the stockholders have real cause for gratification at the showing made. gratification at the showing made by their institution during 1943. The highlights of the year's record of the bank were: "Resources at the year-end

showed an increase of more than 20% over the close of the previous

year

"Deposits at the close of business on the last day of the year were more than 23% higher than on Dec. 31, 1942.

"Net earnings for the year increased 66% and the net from current operations 36%.

"Earnings per share of stock were \$2.14, compared to \$1.29 for 1942.
"The surplus fund was increased

rom \$3,000,000 to \$4,000,000.

"Surplus and undivided profits were \$536,265 higher.

"Holdings of United States Government obligations increased \$22,772,352.75."

Mr. Hasler also reported:
"Net earnings of the bank for the year amounted to \$856,265, equivalent to \$2.14 a share, as compared to \$515,214, equivalent to \$1.29 a share for the year 1942.
Net earnings from current operations are united to \$6.01,066 as one tions amounted to \$619,966 as compared to \$456,228 for the year pared 1942.

"Dividends paid to stockholders during 1943 amounted to \$320,000, leaving \$536,265 to be added to the undivided profits account. The sum of \$1,000,000 was transferred from the undivided profits account to the surplus fund account.

The surplus and undivided rofits at the end of the year profits totaled \$5,306,422, an increase over the previous year's total of \$536,265. Total deposits at the close of the year were \$119,437,879 —23% higher than a year ago. The bank's holdings of United \$255,000 for the convergence of the year were \$119,437,879 for the bank's holdings of United \$255,000 for the year were \$119,437,879 for the year we States Government obligations at States Government obligations at the year-end totaled \$56,140,330, an increase of \$22,772,353 over the close of 1942. Of the securities in the Government portfolio, 40% have maturities of less than five years and the balance maturities of more than five but less than 10

Referring in his report to postwar problems, Mr. Hasler said that a practical solution of the more intricate problems of economic and financial stability "must wait until the post-war aims of the United States Creek "must wait until the post-war aims of the United States, Great Britain and Russia have been more clearly defined and a rough pattern of future international cooperation can be blueprinted." He further said:

"Unquestionably, for our protection, we shall have to enter into an international agreement to facilitate exchange of goods and to provide currency with which to pay for them. The dollar has no

Operating Net

In his annual report to the stockholders, Jeremiah D. Maguire, President of the Federation. Bank & Trust Co. of New York, disclosed on Jan. 11 that the net operating income of the bank in 1943 was \$105,132 and that the total net income, including net profits on sales of securities, recoveries and miscellaneous credits, was \$150,250. The bank's total operating income for 1943 was was \$150,250. The bank's total operating income for 1943 was \$465,000 and operating expenses, including taxes and assessments, were \$359,868. Mr. Maguire reported that the net addition to the bank's undivided profits account in 1943 was \$37,776, bringing this figure, before transferring \$100,000 to surplus, to \$420,006. The addition of \$100,000 to surplus makes

dition of \$100,000 to surplus makes this item now stand at \$1,175,000. In his report Mr. Maguire stressed the fact that deposits from other than Government agencies increased by over \$3,000,000. The bank's deposits on Dec. 31, 1943, stood at \$23,712,154, against \$18,994,347 on Dec. 31, 1942. Of the almost \$13,000,000 of Government securities in the Government securities in the bank's portfolio, Mr. Maguire explained that the average maturity is approximately 38 months. The bank's average return on its loans and investments in 1943 was 2.08%, against 3.28% in 1942.

The bank's condition as of Dec. 31, 1943, was referred to in these columns Jan. 6, page 97.

Muench Is Secretary Of N. Y. Bankers Assn.

Albert L. Muench, Assistant Secretary of the New York State Bankers Association, has been ap-pointed Secretary, effective Feb. 1, pointed Secretary, effective rep. 1, to succeed Harold J. Marshall, who resigned to become Assistant Vice-President of the Bankers Trust Co. of New York, according Trust Co. of New York, according to an announcement made by the Association's President, E. Chester Gersten. Mr. Muench, who became identified with the Association in December, 1940, as Assistant Secretary, has also been made Secretary of the New York State Bankers Retirement System. He was formerly Manager and Secretary-Treasurer of the Westchester County Clearing House Association County Clearing House Association and Registrar of the Westchester County Chapter of the American Institute of Banking. He is a member of the class of 1944, Graduate School of Banking, Rutgers University.

The tasks accomplished by him as Assistant Secretary include the organization of the annual Farm Credit School and the Midwinter County Secretaries' Conference, handling of wage and hour legislation problems for the banks, research into wage and salary stabilization regulations, studies of thrift account interest computation, bank closing hours, and other matters involving management and policy. Mr. Muench's experience in banking includes eight years with the Washington Irving Trust Co. in Tarrytown as Assistant Secretary, and five years with the Railroad Cooperative Building and Loan, New York City.

Knox Proposes Year's Military Training For Youth On Reaching 17 Or 18 Years

Declaring that "there is no safety or peace in unpreparedness," Secretary of the Navy Knox advocated on Jan. 14 that a system of universal training be instituted to provide that "every boy, when he attains the age of 17 or 18, shall be required to spend at least one

way

year in training on land or sea."

In an address before the Greater Cleveland Council of the Boy Scouts of America, the Secretary said that this would be "one of the best measures we can take to insure that our individual liberties will be preserved and Scouts was unnecessary. The these American will remain lows and young men of those that free Americans will remain free." Mr. Knox urged that the machinery for such a system be set up "while the war is still on" so that a sufficient number of young men will be available to relieve those overseas "in the period of adjustment immediately following the close of hostilities." Other factors in favor of such program, Mr. Knox said, are the training facilities now available and the experienced instructors who might wish to stay in the

Secretary Knox said the neces sity of an adequate preparedness has been "driven home to us" by the unfitness of American youth. He cited figures showing that rejections have been more than 25% for the Army and Navy, adding that "we must, in the future, spend more time, thought, and money, in improving the physical qualities of our people. The Secretary also declared that the war "is still only at its begin-nings" and that, while he does not expect immediate action on his suggestion, the time is already here when we should be thinking about these things and getting ready to do something about them

At a press conference prior to his talk, Secretary Knox termed 'wishful thinking" any belief that the European conflict will soon through collapse of the German home front. He was quoted in Associated Press advices as

"A quick ending of the war is unlikely. Those who wishfully think for an early end of the war are necessarily doing a disservice to the war effort.

"There is no ground for hope that the German home front will collapse. It's a different kind of front from the last war, with the control Himmler and his Gestapo have over the people. "The German people realize

"The German people realize they are surrounded by enemies. They have the French on one side, Czechs and Poles on the other, and the Russians coming in. The prospect of Germans surviving at home if the military breaks down are not very rosy.

From the same advices we

Asked his opinion on national service legislation proposed by President Roosevelt, Mr. Knox

"I'm very hopeful Congress will enact a national service law. If we have the right to order a man into a fox hole to be killed by Japs, surely we have the right to order a man, as we needed him, into an airplane factory or ship-yard."

The full text of Secretary

Knox's address follows, according to the New York "Times" accord-

All around the world today All around the world today there are men fighting on the land and in the air and on the sea who learned their first lessons in love of country and flag, in devotion to their country's cause in peace or war, as Boy Scouts. Who can measure the proportions of the debt which the whole country owes in this hour whole country owes in this hour of greatest crisis to the Scout movement? Surely it cannot be gainsaid that those who learned the fundamentals of patriotism and citizenship as members of some troop of Boy Scouts are among those who know what

such an organization as the Boy Scouts was unnecessary. The boys and young men of those days learned the lesson of devo-tion and courage, and love of tion and courage, and love of flag and country in the hard

America consisted When most solely of sparse settlements, along our Atlantic seaboard, when men and women began their migration westward, through the mountains and across the praires, subduing a continent, the boys were taught to care for themselves in the open, to read the signs of nature in woods and fields, to handle a gun and to shoot straight, because that was the price of survival.

But, when the wide reaches of the West had been won, when great cities from the Atlantic to the Pacific had sprung up, when the days of Indian uprisings had disappeared, when creature comforts multiplied, with the growth of cities, and there was no longer a frontier to the westward— then some means of teaching young America to be self-reliant became necessary.

Obviously our boys and young men should not be permitted to grow up without those virile qualities which must always be a part of the equipment of free men. It was in the presence of this need that the Boy Scout movement was born, and throughout the long and successful life of the Boy Scout organization this need has been filled in some small degree The enlarged need of such training will grow more obvious as life in the United States leaves farther and farther behind the hard and dangerous living conditions of pioneer times.

There is no sounder truism than this—only the men who are fit to be free remain free. To put it another way, we shall remain free, in this great country of ours only so long as we are willing and able to fight to maintain our freedom. And this applies where the danger to our freedom comes from enemies freedom comes from enemies from without, who would conquer us by force, or enemies from within, who by subversive methods, by the wiles of demagogs, by the selfish pursuit of special privilege, strive to destroy our free institutions and take our liberties from us.

While this second danger from within is a real one, against which we must be militantly on guard, it is the first and main danger to which I would like to address myself tonight.

We shall be free from the danger of destruction and conquest, from without, only if we are sufficiently strong and sufficiently courageous to defeat force, from without, by the disposition and the employment of greater force of our own. of our own.

Only a few years ago, had I come to you and warned you that within the course of a few years we, in the United States of America, would be confronted by would-be conqueror, possessing immense military resources, and seeking world domination, against whom we should have to summon the last reserves of our strength in all-out war—had I come to you thus you would have looked upon the fundamentals of patriotism and citizenship as members of some troop of Boy Scouts are among those who know what they are fighting for.

In the early days of the republic, when our forefathers were into solve who is me with derision and laughed my words to scorn. And yet that is precisely where we find ourselves tonight, as I speak to you. Never have such dangers threatened the liberties of our people as during the past three or four

the very present.
At a time when we are straining every resource, shouldering a frightful burden of debt, sending millions of our young men to desperate battle in Europe, and in the Far East, building a huge fleet, strong enough to dominate the seven seas, and turning out in unprecedented numbers air-craft to sweep the skies, who, under these circumstances, will dare to say that such dangers will never come again?
Certainly it is the part of pru-

dence, a requirement for our ture safety, that we assume that they may. If this is true, then regard for our future safety demands that we shall so organize the lives of our men and women that they will never in the future be lacking in those stern qualities which free men and women must always possess if they are to realways pos main free.

Has it ever occurred to you, my riends, that under Divine Providence human affairs are so ordered that effort and sacrifice and discipline are inevitably and invariably the price of progress? God did not intend very evidently that the human family was go. that the human family was going to be "wafted to heaven on flowery beds of ease." He wisely ordained that the human race must fight its way to heaven, because, in His infinite wisdom, He knew that refinement of characters of soul was sould be sou acter and loftiness of soul was ex-clusively the fruit of sacrifice and labor and self-discipline. It has been so from the beginning of mankind, and I have no doubt will continue to be until the final chapter is written.

If you have followed m what I have said thus far you followed me go with me, I am sure, while I pursue this subject with reference so some of our domestic policies, the need for and the wisdom of which this devastating war has

high-lighted.

There is as you know, in the Navy Department, the United States Marine Corps. This is probably one of the finest fighting organizations the world has ever known. It has a wonderful tradi-tion and its officers and men have illumined with their courage and sacrifice many of the most glorious pages of our history. It undoubtedly has as fine an de corps" as may be found in any military organization anywhere.

And, as the basis for this in-domitable spirit, it has always been found necessary to have the foundation of physical fitness. So high are the physical, and other standards, required of marines that, in the present war, only one man in five, of the hundreds of thousands of young men who have applied for admission into the corps, were able to pass the rigorous requirements.

Here is unquestionably a danger signal which we should not ignore. Why is it that fewer than 20% of American youths could pass the examinations for admission to the Marine Corps? admission to the Marine Corps? Perhaps I can best answer that question by repeating a statement made to me by one of the officers of the Marine Training Station at New River, recently. He said:
"We are compelled to teach these men everything. They have forgotten how to walk, because it was easier to ride, and something to ride in was almost always

to ride in was almost always available. They can't carry a pack, because most of them have never known what it was to use

"They don't know how to take care of themselves out-of-doors, because almost all of them have never lived out-of-doors. Their muscular endurant because almost all of them have never lived out-of-doors. Their muscular endurance is trifling, because they have seldom used their muscles. They can't fire a gun because most of them have never handled weapons and they can't hit anything they shoot at because only a trifling fraction have ever been taught marksman-

ship.
"In a war like this," he con-

years—dangers which continue to the very present.

At a time when we are straining every resource, shouldering a frightful burden of debt, sending millions of our young men to desperate battle in Furney and in cossfully the Marines have at-

cessfully the Marines have attested at Guadalcanal, at Bougainville, at Tarawa, and only the other day at Cape Gloucester. Therefore, in the unfitness of American youth, so startlingly shown by the very high percent. age of young Americans who could not pass the reasonably moderate tests of service in the Army and Navy—more than 25% being rejected for physical reasons—there lies a profoundly important lesson for us. We must, in the future spend more time in the future, spend more time, thought, and money, in improv-ing the physical qualities of our people.

You here in Cleveland and the United States, who support the Boy Scout movement, are doing what you can, but it is far from enough. The task is one which cannot be discharged by a small properties of generous and percentage of generous and thoughtful people, who interest themselves in movements such as the Boy Scout movement. It is a problem so vast, and so impor-tant that it must engage the care-ful attention of the entire country, and be a public purse. and be supported out of the

Any program, having for its purpose the building of a strong and more virile race of American citizens, must find its beginnings in the care of mothers and in-fants. All too many American babies come into the world handicapped, at the very start, by the lack of that care at birth, and in young childhood, which supplies the foundation for vigorous adult

Most of the ills which disqualified the young men from military service in this war were the direct result of lack of care, or tary service in this war were the direct result of lack of care, or ignorance, or poverty, of the parents while they were children. Malnutrition, lack of care of the eyes, and teeth, and ears—these were the most prolific causes of physical disabilities among young men and young women of today.

Our first concern, therefore, in any program for national physical wellbeing, must be care for children. This can take many forms but certainly should informs but certainly should in-clude frequent medical examination, in the public schools, in order to correct physical deficiencies at their beginnings.

The second step is one which your organization is designed to supply. That is to teach the citybred boys and girls how to take care of themselves out-of-doors: to teach their legs how to walk, and to teach their arms how to lift and minds lift and carry, and teach their minds how to accommdodate themselves, in comfort, out under the open skies.

As we move farther and farther

from pioneer conditions, this sort of training for boys and girls be-comes more and more important. The lessons taught us in this war, if we take them seriously, ought to result in a swift upsurge in Boy Scout and Girl Scout work. Indeed, I am not sure that scout ing ought not to be made a part of our public school curriculum, and thus extend its benefits to all boys and girls, everywhere. Certainly the lessons which Boy Scout training can teach a boy boy are just as important as any other subject he may be taught in school.

And now, we come to the thimportant link in the task building a strong and virile America in the future. It has to do with the young man, when he reaches an age when military service can be expected of him, in time of war—say between 17 and 19 years of age. Normally, this would be about the age most boys finish high school, and either go to work, or go to college. That would be the ideal time, in a boy's life, when a year of his time should be given to his

country for the purpose of train-ing him physically, and mentally, and spiritually, for citizenship, the first duty of which is service in defense of his country in case emergency. Surely we must have learned

Surely from our present experiences that there is no safety or peace in unpreparedness. The unspeakable folly of the theory that we are more likely to resort to war or become involved in war because we are reasonably prepared against the danger of war has been made so plain that few will be found to deny it.

Therefore, I believe throughly that one of the best measures we can take to insure that our individual liberties will be preserved and that free Americans will re-main free is to require that every boy, when he attains the age of 17 or 18, shall be required to spend at least one year in training on land or at sea against the possibility that sometime in his younger manhood his services may be re-quired to help protect the country.

During such a year, especially if his period of service should chance to be in the Navy, he will be given training that will not only make him a good navy man but he will also be trained in one of many skills or crafts which could be useful in later life. The same is true, in lesser measure, of service in the land forces.

Certainly all of such young men would be given physical training of the highest value, would be in-structed in the expert use of firearms, would be taught how to live comfortably in the open and would be taught lessons in patriotism, love of country and devotion to flag, which are an essential part in the education of

every American.

Such a system of universal training is in complete harmony with the democratic ideal. one should be exempt; rich and poor boys from the city and boys from the farm, boys of all races and religions, all should be made to shoulder a common responsibility of personal preparedness, as a shield for the future security of

our country.

I can think of scores of benefits which would flow from an intelligent use of this principle. Properly used, a year's service with the colors would provide, for every young man, a chance to enjoy the benefits of occupational guid-

Under such expert direction many a boy would find himself, and pursue after that, that trainand pursue after that, that training best suited to his capacity and predisposition. Healthy habits could be instilled which would last for the rest of his life. Helpful education in democratic government could be imparted; the responsibility of citizenship under a popular form of government could be taught. The list might be prolonged. be prolonged.

I venture to say, if our people aventure to say, if our people have the wisdom, growing out of the experience of this war, to institute a system of universal training, we will reap, in that way, many highly valuable benefits from our war expenditures. It is my profound conviction that now is the time to begin the agi-tation for such a system of train-

ing.
As a people, we are still shocked to discover that more than half our young men are physically un-fit. We have just had driven home to us the necessity of an adequate preparedness. We now adequate preparedness. We now know that peace, of any worth-while duration, may only be expected, if we are prepared to put force behind it. The wisdom of the maintenance of an adequate navy, an adequate air force and an adequate army, is now widely

an adequate army, is now widely recognized.
Furthermore, the country will find itself, at the conclusion of hostilities, with five or six million men abroad, consumed with anxiety to get home. And yet, the retention of many of them, because of the unsettled nature of

the world, when hostilities cease, will be paramount.

It would be infinitely better, if we could set up the machinery for a universal training law, while the war was still on, and then say to these millions of world are not covered. young men overseas:

young men overseas:

"You have borne the heat and the burden of the war. You have won. You have earned the right to come home, and go back to the pursuits of peace. We are sending, to take your place, a sufficient number of young men, who have taken their military training, so that all of you, who want to return at once, can do so."

Such a plan would provide us instantly with enough young men, anxious and eager for the experience, to fill all our needs overseas, in the period of adjustment, immediately following the close of hostilities

And there is another factor which would tend to support a program of training to be instituted while the war is still on. All over the country we will find, when this war is finished, literwhen this war is finished, fiter-ally thousands of training camps, with adequate buildings and equipment, for the training of these young men. They are avail-able in more than ample propor-tions. They would provide ideal surroundings for the annual call

surroundings for the annual can to the colors for training under this principle.

Also, there will be available, at the close of hostilities, an abun-dance of the instructors and offi-cers, required by such a system of training; young men who

cers, required by such a system of training; young men who would be glad to stay in the service, if their service was made permanent, or reasonably so.

Of course, I do not expect immedate action on these suggestions. But I do know that the time is already here when we should be thinking about these things and getting ready to do something about them. I know you love your country. I know you are devoted to its principles, but love and devotion are not enough. We have got to find practical ways in which to display that love and effectuate that devotion.

devotion.

This great war, which is still only at its beginnings has shown us how, in one way, we can display our concern for our country's future—and the one way I emphasize tonight, is deliberately to set about correcting one of our more glaring weaknesses, which the war has disclosed—our physical weakness and our physical unreadiness. To this cause I summon you, not only as patriotic men and women, but as fathers and mothers.

men and women, but as fathers and mothers.

Surely all of us will admit how much greater is the enjoyment of life when good health is one of its assets. And so, I give you in my concluding thought, for the days of the future, a healthy young America; a young America that knows how to march, that knows how to carry a heavy load, that knows how to take care of itthat knows how to take care of itself out-of-doors, that knows how to handle a gun and become exor nancie a gun and become expert in its use; a young America that will not be deficient in that virile fitness which is the price of liberties maintained and free-

Connally Leaves OPA Post

Reagan P. Connally, Director of the Consumer Goods Price Division of the Office of Price Administration, has resigned in order to return to his duties as President of the Interstate Department Stores, N. Y. City, Chester Bowles, Price Administrator, announced on Jan. 10.

Mr. Connally recalled that when he assumed his duties in August

An increase in circulation of notes issued by the Federal Reserve Bank of Cleveland of \$362,280,000 during 1943, is the outstanding change in the annual report of the bank for 1943, according to Matthew J. Fleming, President of the bank.

The increase, disclosed in the bank's 29th annual report issued Jan. 12, was from \$1,133,500,000 as of Dec. 31, 1942, to \$1,495,780,000 at the end of 1943. It brought the bank's 29th annual report issued Jan. 12 of 1943. It brought the bank's 29th annual report issued Jan. 12 of 1943. It brought the bank's 29th annual report issued Jan. 12 of 1943. It brought the bank's 29th annual report issued Jan. 12 of 1943. It brought the bank's 29th annual report is sued Jan. 12 of 1943. It brought the bank's 29th annual report is sued Jan. 12 of 1943. It brought the bank for 1943, according to Matthew Jan. 12 of 1943. It brought the bank for 1943, according to Matthew Jan. 1943. It brought the bank for 1943, according to Matthew Jan. 1943. It brought the bank for 1943, according to Matthew Jan. 1943. It brought the bank for 1943, according to Matthew Jan. 1943. It brought the bank for 1943. It brought th

at the end of 1943. It brought the total increase of currency in circulation issued by the Federal Reserve Bank of Cleveland since the outbreak of the war in 1939 to more than \$1,000,000,000. One reason for the increase of currency in circulation, President Fleming said, is that higher living costs necessitate the carrying of more money to pay for ordinary cash purchases.

"There is some hoarding too."

"There is some hoarding, too," he asserted, "but I prefer the word 'holding' rather than 'hoard-ing' of currency, since there is ing' of currency, since there is no evidence today of the scare hoarding of a decade ago.

"This fact is certain: despite the spending of personal funds for goods, bank deposits of indivi-duals and currency in circulation both continue to rise."

both continue to rise."

President Fleming also reported that checks of all kinds cleared last year by the Reserve bank reached an all-time record total of 165,916,586, with a dollar value of \$65,707,123,000. This compares with 152,599,565 checks valued at \$52,316,306,000 cleared during 1942. The volume of Treasury bills held by the Reserve bank under repurchase option—a relatively new form of obtaining retively new form of obtaining re-serve funds used mainly by the larger commercial banks in the district—increased nine-fold, he said, during the last year, from \$9,335,000 to \$86,403,000.

\$9,335,000 to \$86,403,000.

President Fleming said that during 1943, 26 banks in the Fourth District, with assets of \$7,000,000, were admitted to membership in the Federal Reserve System, compared with 17 admissions in 1942. A total of 707 state charter and national banks are members of the system out of are members of the system out of 1,189 banks in the district. Member banks have assets of more than \$8,000,000,000—about 85% of the resources of all banks in the district.

The report shows that total as

sets of the Federal Reserve Bank of Cleveland were increased by \$412,000,000 last year. The bank narrowly missed the \$3,000,000,000 classification, finishing with assets of \$2,898,404,000 compared with \$2,486,874,000 at the end of

with \$2,486,874,000 at the end of the previous year.

It further discloses that hold-ings of United States securities by the bank jumped \$671,000,000 from \$509,454,000 a year ago to \$1,180,153,000. The purchase of these securities by the Reserve bank is a form of credit exten-sion to the banking system, which found its reserves reduced by found its reserves reduced by greater demand for currency, and an increase in deposts, which are

subject to reserves.

Net earnings of the Cleveland
Reserve Bank for the year 1943
were \$5,181,774, against \$1,316,468 were \$5,181,774, against \$1,316,468 in 1942. Total earnings before the deduction of expenses were \$6,-750,584 in 1943, compared with \$4,975,031 in the previous year. Current net earnings for 1943 were \$2,558,187, compared with \$1,368,068 in 1942. The additions to current net earnings for 1943, including \$3,537,442 profits on sales of U. S. Government securities, were \$3,538,455, whereas in 1942 additions to current net earnties, were \$3,538,405, whereas in 1942 additions to current net earnings were \$337,371, including \$333,826 securities profits.

Distribution of the \$5,181,774 net earnings for 1943 was as follows: to reserves for contin-

ter Bowles, Price Administrator, announced on Jan. 10.

Mr. Connally recalled that when he assumed his duties in August it was with the understanding that it was for a limited period of service. In accepting this resignation the Administrator expressed great regret that Mr. Connally found it necessary to leave the agency at this time. Mr. ladden in the preparatory steps for a general retail regulation." Mr. Connally's successor that mr. Connally is successor that it was for a general retail regulation." Mr. Connally's successor that mr. Connally is mr. Connally is successor that mr. Connally is mr. Connally is

State quotas for war bond sales to individuals in the Fourth War State quotas for war bond sales to individuals in the Fourth War Loan drive were announced on Jan. 11 by Ted R. Gamble, National Director of the War Finance Division. From the opening day of the drive, Jan. 18, to Feb. 1 emphasis will be placed entirely on sales to individuals. The national quota for these sales is \$5,500,000,000. The overall goal is \$14,000,000,000. The advices from the Division said:

"Total quotas for individuals, partnerships and personal trust accounts, which include series E, F and G bonds and other securities, are, in terms of millions of dollars: Alabama, 51; Arizona, 20; Arkansas, 32; north California, 209; south California, 205; Colorado, 40; Connecticut, 124; Delaware, 19; District of Columbia, 53; Florida, 64; Georgia, 70; Idaho, 16; Illinois, 363; Indiana, 125; Lova.

ware, 19; District of Columbia, 53; Florida, 64; Georgia, 70; Idaho, 16; Illinois, 368; Indiana, 125; Iowa, 92; Kansas, 65; Kentucky, 56; Louisiana, 54; Maine, 31; Maryland, 93; Massachusetts, 258; Michigan, 253; Minnesota, 104; Missispipi, 35; Missouri, 136; Montana, 20; Nebraska, 53; Nevada, 7; New Hampshire, 20; New Jersey, 219; New Mexico, 11; New York, 911; North Carolina, 70; North Dakota, 17; Ohio, 312; Oklahoma, 58; Ore-North Carolina, 70; North Dakota, 17; Ohio, 312; Oklahoma, 58; Oregon, 54; Pennsylvania, 423; Rhode Island, 39; South Carolina, 33; South Dakota, 17; Tennessee, 65: Texas, 210: Utah, 22; Vermont, 8: Virginia, 78; Washington, 96, West Virginia, 40; Wisconsin, 113; Wyoming, 9

ming, 9.
"Total quotas for individuals in territories and possessions are: Alaska, \$2,000,000; Hawaii, \$12,-000,000, and all others, \$8,000,000." These quotas are based, Mr.

000,000, and all others, \$8,000,000."
These quotas are based, Mr. Gamble said, on relative incomes in the various States. He said:
"Allowing for Federal, State and local taxes on individuals of about \$22,000,000,000, individuals will have, after taxes, about \$126,000,000,000 to spend and to save in the fiscal year 1944. There will 000,000,000 to spend and to save in the fiscal year 1944. There will be only about \$90,000,000,000 worth of consumer goods and services. Therefore, consumers must save or fritter away in higher prices about \$36,000,000,000. Obviously every income earner can best service himself and his country by investing every dollar possible in war bonds."

Commodity Exchange Reclects Weld Pres.

Philip B. Weld was reelected for a second term as President of the Commodity Exchange, Inc. New York City, on Jan. 20. Floyd Y. Keeler was reelected Treasurer. The Vice-Presidents also reelected were Richard F. Teichgraeber, Milton R. Katzenberg, Paoling Garli and Ivan Reitler.

elected were Richard F. Teichgraeber, Milton R. Katzenberg, Paolino Gerli, and Ivan Reitler.

At the annual election of members of Commodity Exchange, Inc., the following Governors were elected to represent the various groups of the Exchange:

Commission House Group—Richard F. Teichgraeber, reelected; Hide Group—Henry M. McAdoo, reelected; Silk Group—Paolino Gerli, reelected; Nathan Lewis, reelected; John K. Voehringer Jr., elected to fill an unexpired term; Metal Group—Benno Elkan, elected to succeed Addison B. Hall; Rubber Group—Le Roy Scheinler, reelected; Non-Trade Group—Leon B. Lowenstein, reelected.

the world, when hostilities cease, Cleveland Reserve Bank's Annual Report For '43 Aldrich, Of Chase Bank, Confers in Washington On Hational War Fund

Warns Allegations Involving Interpretation of Foreign Exchange Regulations As "Ridiculous"

Winthrop W. Aldrich, Chairman of the Board of the Chase National Bank of New York, conferred with White House officials on Jan. 14 and said the subject was the National War Fund, which he

According to the Associated Press, Mr. Aldrich indicated that he was not seeing anyone as to charges against the bank, alleging viola-

makes no sense,
"All the acts complained of happened before Pearl Harbor and therefore before the United States entered the war. The Chase National Bank, like all other large banks, had many thousands of transactions which involved the interpretation of the foreign ex-

was not seeing anyone as to charges against the bank, alleging violation of Trading With the Enemy Act, and was leaving the matter to the bank's attorney. In a statement denying the charges, on Jan. 13, Mr. Aldrich said:

"The indictment of the Chase National Bank just announced by Attorney General Biddle simply makes no sense.

"All the acts complained of happened before Pearl Harbor and happ

High Court Asked To Decide Wage-Nour Issue

As Affecting Newspaper Distributors

The U. S. Supreme Court was asked on Dec. 17 to decide whether the Fair Labor Standards Act (Wage-Hour Law) applies to persons engaged in the local distribution of newspapers from the plant of publication to dealers and newspaper racks.

The following regarding the acceptance of the provided B.

The following regarding the case is from Associated Press ad-

The question was raised by Fred® Schroepfer, Charles R. Schroepfer and Abraham Berry, who said they were engaged in distributing securities were first offered. the Baltimore Sunpapers and contended they were entitled to over-time compensation provided by time compensation provided by the legislation. Berry also sought "unpaid minimum wages."

They appealed from a decision by the Fourth Federal Circuit Court, which held that they were not engaged in interstate commerce and hence not covered by the act.

"The movement of intelligence or information across State lines," their petition said, "is interstate commerce, and has been frequent-ly so held in decisions of this court.

"Petitioners' work was an integral part of the interstate gathering and distribution of news in which respondent (the A. S. Abell Company, Inc., publisher of the Sunpapers) is engaged, for the process which begins with the collection of news admittedly an inlection of news, admittedly an in-terstate activity, . . . does not end until the paper is placed in the hands of the customer or reader."

War Bond Redemptions Total But 7% Of Sales

Redemptions of Series E, F and G War Bonds up to Dec. 31, 1943, amounted to only 7% of sales since these issues were first offered to the American public, it was disclosed at the Treasury De-partment on Jan. 8. Sales, which began May 1, 1941, exceeded \$25,-000,000,000 and redemptions, inclusive of both cost and accrued interest, were \$1,763,000,000.

A slightly higher redemption rate—9.2% of sales—was reported for the Series E bonds alone. Sales of this "people's bond" between May 1, 1941, and Dec. 31, 1943, were \$17,500,000,000 and redemptions (or blue constant). demptions (cost plus accrued interest) totaled \$1,600.000,000. The advices from the Treasury Department further said:

"About 91% of the proceeds of the Series E Sales and 93% of the proceeds of the three series combined remained invested, therefore, at the start of the new year for continued war duty as

"Redemptions are heavier in lower denominations of Series E bonds than in the higher denominations. This, the Treasury said, is accounted for by two factors: Persons of limited means who buy bonds generally acquire only the \$25 denomination, and these persons are the ones first hit by emergencies that make it necessary for them to cash the bonds they have acquired; further, many persons who make substantial purchases of E bonds specify delivery in small denominations, so that if a redemption necessity arises, they will not have to cash a bond for a larger sum than they require.

"Redemptions naturally increase with increases in bonds sary for them to cash the bonds

crease with increases in bonds outstanding, the Treasury said, but the occasional peaks such as have been reached recently come as a result, in a vast majority of cases, of bond holders having no other liquid reserves to meet extraordinary or seasonal expendi-tures. This is why redemptions have been highest during taxpayment months, at Christmas time, and coincidental with the flu epidemic. In this connection, it is significant that redemptions follow the same pattern as sav-ings bank withdrawals," the Treasury report added.

Lumber Movement-Week Ended January 15, 1944

According to the National Lumber Manufacturers Association, lumber shipments of 449 mills reporting to the National Lumber Trade Barometer were 4.1% above production for the week ended Jan. 15, 1944. In the same week new orders of these mills were 15.1% greater than production. Unfilled order files of the reporting mills amounted to 106% of stocks. For reporting softwood mills, unfilled orders are equivalent to 38 days' production at the current rate, and gross stocks are equivalent to 33 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 2.8%; orders by 13.5%.

'fighting dollars.'

"Sales and redemption figures were reported on a cumulated basis, the Treasury explained, because bonds turned in for redemption in any one month consist of 32.2% greater; and orders were

Expansion and Revision of Social Security Urged By McNutt In Report to Congress

To provide what is termed "a comprehensive basic program of social security" the Social Security Board, in its eighth annual report sent to Congress on Jan. 17 by Federal Security Administrator Paul V. McNutt, urges revisions and extension of the present system. The report was submitted to Mr. McNutt by Chairman Arthur J. Altmeyer. The 5-point extension of the system proposed in the report would provide: provide:

1. Coverage under old-age and survivors insurance for more than 15,000,000 to 20,000,000 workers now excluded—farm and household workers, employees of public organizations and of nonprofit institutions, and the self-employed. Inclusion of, Federal, State, and local government employees should be made in such a way as not to endanger any rights of these workers under existing special systems and to increase, not lessen, the total insurance protection available to them."

"Whether one believes the war will end in one year or five," the reports says, "the time in which to build a stronger system of social security is short in view of the character of the changes and individuals and as a people."

"It is not the aim of social security to provide a life-time lonus," the Board says. "Social insurance represents, rather, a safeguard against economic hazards besetting the long road of self-support and family support, which is exclusive and in the character of the changes and individuals and as a people." Coverage under old-age and

iessen, the total insurance protection available to them."

2. Protection of social security rights of the millions of persons in the armed forces.

in the armed forces.

3. Insurance protection against total loss of income due to permanent or total disability.

4. Insurance to cover the costs of hospital and medical care. Such a provision, the board insists, must "preserve free choice of doctor or hospital and personal relationship between physicians and their patients, to maintain professional leadership, to insure adequate remuneration—very probably more nearly adequate than that in customary circumstances—to all practitioners and instituto all practitioners and institu-tions furnishing medical and health services, and to guarantee the continued independence of mongovernmental hospitals."

5. A national unemployment insurance system to replace the 51 separate State and territorial systems, and including the millions of wage and salary earners lions of wage and salary earners excluded under the State systems. "Even if the special stresses of post-war years were not impending," the board says, "the State-Federal basis of the unemployment compensation program yould have merited reconsidera-

would have merited reconsidera-tion and revision at this time." The Board's report urges a com-prehensive unified system of contributory social insurance covering part of wage losses due to unemployment, sickness, disability, old age, and death as well as a considerable part of the expense of hospital and medical services. Such a system would operate more simply and more economically, iron out present inequities, make protection available for all workers, and assure financial soundness. During the next dec-ade, the Board estimates, it would cost no more than 12% of covered pay rolls."

As compared with the present

As compared with the present scheduled rates for 1949 and thereafter, it would mean no increase for employers and an increase of 3% of taxable earnings for employees, if this cost were divided equally between employers and workers.

While the Board believes that

"social insurance is essentially national in character," public assistance lends itself better to State administration. The Board, however, urges larger than 50% Federal assistance grants to States with per capita incomes lower than the average. It urges that Federal grants-in-aid also be extended to the States to care for all their needy people as well as the aged, blind, and dependent children. The Board also would liberalize the aid to dependent children program so that the States could help more children and more adequately than at

"The present time," the Board's report says, "is singularly auspicious for strengthening and extending our system of social insurance and assistance." Taxable earnings are at record high. Higher insurance payments usual beer insurance payments would lessen current inflationary pressures resources against postwar readjustments.

"Whether one believes the war

ards besetting the long road of self-support and family support, which is arduous and risky for most in any working generation."

Officers Elected By Newark Clearing House

At the annual meeting of the Newark Clearing House Associa-tion, held on Jan. 18, the following

tion, held on Jan. 18, the following officers were elected:
President, W. Paul Stillman, President National State Bank, Newark; Vice-President, Robert G. Cowan, President National Newark & Essex Banking Co.; Treasurer, Carl K. Withers, President Lincoln National Bank; Secretary, T. L. R. Crooks, President Clinton Trust Co.

Ray E. Maybam retiring President

Ray E. Mayham, retiring President, who is President of the West Side Trust Co., and Horace K. Corbin, President of the Fidelity Union Trust Co., were elected to the Clearing House Committee.

the Clearing House Committee.
Mr. Stillman, the new President,
was Manager-Examiner of the
Clearing House from 1927 to 1931,
and has been associated with the
Association through membership
on various committees for the past
17 years. With approval of the
entire membership the following
standing committees were chosen
by Mr. Stillman for the year 1944:
Managing Committee—David J.
Connolly Vice-President and

by Mr. Stillman for the year 1944:
Managing Committee—David J.
Connolly, Vice-President and
Treasurer Federal Trust Co.; John
T. Corsa, Vice-President National
State Bank; Roy F. Duke, VicePresident Fidelity Union Trust
Co.; William Dunkel, Vice-President and Cashier Union National
Bank.
Committee on Admissions—

Committee on Admissions Ralph W. Crum, President United States Trust Co.; Fred J. Kugel-mann, Cashier National State Bank; Francis R. Steyert, Presi-dent South Orange Trust Co.

Advisory Committee — Arthur E. Kean Jr., Cashier Lincoln National Bank; Stanley J. Marek, Secretary - Tracsurer Empliis Secretary - Treasurer Franklin Washington Trust Co.; Gus E. Wiedenmayer, Vice-President and Cashier National Newark & Essex Ranking Co.

Banking Co.
Russel W. Lynn is Manager Examiner of the Association.

Earnings, Jobs & Hours At New Peak In November

Hourly and weekly earnings, employment, man-hours, and payrolls rose to a new peak in November, according to the regular monthly survey of 25 manufacturing industries by the National Industrial Conference Board. The work week, although the same as in the month hoften was longer in the month before, was longer than any other month since April, 1930.

The Board's announcement fur-

the Board's announcement further stated:
"Hourly earnings at \$1.041 in November were 0.5% higher than in October, 7.8% above November, 1942, and 76.4% above 1929. The increase since January, 1941, the large data of the Little Steel Little Stee.
Weekly base date of the Little Steel formula, was 37.2%. Weekly earnings reached a new peak at \$47.59, 0.2% above the month before, 12.0% above the correspond-that of 1941 by 29.2%."

Stetson Named Chairman Of Board Of Guaranty Trust-Operating Earnings \$16,617,544 In 1943

Government Withdrawal From Business Field Urged At the annual meeting of the stockholders on Jan. 19 of the Guaranty Trust Company of New York, the annual report was read by W. Palen Conway, Chairman of the Board. At a meeting of the Board of Directors immediately following the stockholders' meeting, Eugene W. Stetson was elected Chairman of the Board, succeeding Mr. Conway, who was elected Vice-Chairman of the Executive Committee. Mr. Stetson has been asso-

ciated with the Guaranty Trust are met, no fear need be felt that Company for 27 years, during the last three of which he has served as President. J. Luther Cleveland, post-war reconstruction." as President. J. Luther Cleveland, who has been associated with the Guaranty since 1923, and who has served in the capacity of Vice-President for the past 16 years, was elected President. William C. Potter was re-elected Chairman of the Frequency Committee. of the Executive Committee,

The annual report presented at the meeting was signed by Messrs Conway, Potter and Stetson. In discussing the wartime position of the banks the report stated that "despite high wartime taxes and determined efforts to encourage bond buying by non-banking in-vestors, a large part of the task of financing the war has fallen on the banks." It is added that "al-though efforts to encourage purchases of Government obligations chases of Government obligations by non-banking investors will un-questionably continue unabated and the public may be expected to respond on a scale comparable with that experienced thus far during the war period, it will probably be necessary to depend on the banks for a substantial part of the required funds." The report went on to say: report went on to say:

"It is highly essential that the greatest possible share of the total war cost be met from savings rather than from credit expansion and that every possible Govern-ment economy which will not actually interfere with the war effort be practiced.

"It is in connection with the post-war outlook that the principal uncertainties arise. The theory that prosperity can be induced by Government spending has been tried and found wanting. This does not mean, of course, that the Government can immediately relinquish its wartime participation and intervention in the business and intervention in the business field and leave the national economy to readjust itself. The Government's withdrawal should be carried on as rapidly as possible. But, after such a period of industrial dislocation, credit expansion, price regulation and genantic properties. eral economic regimentation as the nation is now passing through, the reestablishment of a foundation on which a sound peacetime economy can be built will re-quire the most painstaking care. It will necessitate every possible assurance that opportunity in the post-war era will be commensurate with the risk and that no unnecessary impediments will be placed in the way of honest enterprise. If these requirements

ing month in 1942, and 55.5% above January, 1941.

"Employment in these 25 manufacturing industries increased 0.1% from October to November, when it stood 5.6% above November, 1942, and 37.3% above January, 1941. The average work week for all wage earners in these industries was 45.5 hours, which is 1.8 hours, or 4.1%, higher than in November, 1942, but the same as in October of this year.

"The increase in the number of man-hours worked was 0.1% in November as compared with October, 10.1% as against November, 1942, and 113.9% against August, 1939.

"Real weekly earnings, or dollar weekly earnings adjusted for changes in living costs, advanced 0.2% in November to exceed the level of a year before by 8.5% and

The report shows that operat amounted to \$16,617,544 as compared with \$14,883,835 as reported for the year 1942. It is added that "as stated in the report of last year, \$2,500,000 of current reporting to the year of premiums. that "as stated in the report of last year, \$2,500,000 of current amortization of premiums on securities was charged against the Amortization Fund in 1942. In comparing these two figures, therefore, \$2,500,000 should be deducted from the 1942 earnings to show the figures on a comparable basis." basis.'

The above was preceded by the statement that "in 1943, the full amount of amortization of premiums on securities was charged miums on securities was charged against interest on securities, instead of charging a portion to the amortization fund as heretofore. Profits on the sale of United States Government Securities in the Investment Account, instead of being credited to the Amortization Fund as heretofore, were credited to undivided profits."

The cornings of the Company

The earnings of the Company for 1943 and 1942, are shown in the report as follows:

. 1943

Other current operating earnings		\$	\$
Interest on loans 9,234,436 8,883,696	Current Operating E	arnings-	
Curties	Interest on loans Interest and divi-	9,234,436	8,883,696
Total	curities Other current op-	20,042,263	16,196,397
Current Operating Expenses Interest paid 102,660 69,993 8,106,634 102,660 69,993 8,106,634 102,660 69,993 8,106,634 102,660 69,993 8,106,634 102,660 69,993		6,808,346	5,281,034
Therest paid		36,085,045	30,361,127
Salaries & wages 8,200,392 8,106,634	Tribust haid	102 660	69 993
Other current operating expenses 11,164,447 7,300,665 Total 19,467,501 15,477,292 Net current operating earnings 16,617,544 14,883,835 Reconcilement of Surplus and Undivided Profits 4,385,144 14,883,835 Miscellaneous credits 13,562,514 204,511,180 Less— Dividends declared 10,800,000 10,800,000 To general contingency reserve 1,000,000 1,000,000 Miscellaneous 10,000,000 1,000,000 Miscellaneous 10,000,000 1,000,000	Calaries Para	0 200 302	
Denses	Other current op-	6,200,392	0,100,034
Net current operating earnings	penses	11,164,447	7,300,665
ating earnings 16,617,544 14,883,835 Reconcilement of Surplus and Undivided Profits Surplus and undivided profits at beginning of year 192,547,059 189,470,857 Net current operating earnings (as above) 16,617,544 14,883,835	Total	19,467,501	15,477,292
Reconcilement of Surplus and Undivided Profits	Net current oper-	16 617 544	14.883.835
Profits			
vided profits at beginning of year 192,547,059 189,470,857 Net current operating (as above)	Reconcilement of P	rofits and	Unuividea
Net current operating earnings (as above) 16,617,544 14,883,835	Surplus and undi- vided profits at		
(as above) 16,617,544 14,883,835 Investment security profits 4,336,114 14,058 Miscellaneous credits 213,552,514 204,511,180 Less— Dividends declared 10,800,000 10,800,000 To general contingency reserve 1,000,000 1,000,000	Net current oper-	192,547,059	189,470,857
profits 4,336,114 14,058 Miscellaneous cred- its 51,796 142,430 213,552,514 204,511,180 Less— Dividends declared 10,800,000 10,800,000 To general contingency reserve 1,000,000 1,000,000 Miscellaneous	(as above)	16,617,544	14,883,835
tes 51,796 142,430 213,552,514 204,511,180 Less— Dividends de- clared 10,800,000 10,800,000 To general con- tingency re- serve 1,000,000 1,000,000 Miscellaneous	profits	4,336,114	14,058
Less— Dividends de- clared 10,800,000 10,800,000 To general con- tingency re- serve 1,000,000 1,000,000 Miscellaneous		51,796	142,430
Dividends de-		213,552,514	204,511,180
tingency re- serve 1,000,000 1,000,000 Miscellaneous	Dividends de-	10,800,000	10,800,000
	tingency re-	1,000,000	1,000,000
		360,660	164,121

Surplus and undi-vided profits at end of year___ 201,391,854 192,547,059

12,160,660 11,964,121

Regarding the general contingency reserve the report says: "At the end of the year the bal-"At the end of the year the balances in the Amortization Fund (\$10,430,009.19), the Deferred Profits Account (\$2,591,208.12) and certain other reserves (\$7,909,301.83) were transferred to the General Contingency Reserve which on December 31, 1942, amounted to \$11,445,315.50. In addition, during the year \$1,000,000 was transferred from earnings to General Contingency Reings to General Contingency Reserve and \$647,144.93 representing recoveries less various charges (including an increase of \$300,000 in the total reserve against Main Office banking premises) was also added to this reserve. After giving effect to the above, the balance in the General Contingency Reserve at December 31, 1943, amounted to \$34,022,979.57." pointed Assistant Cashier.

\$107 Million Repaid On Export-Import Bank Loans

Roads, steel mills, hydro-electric plants and other enduring ad-ditions to the productive facilities of Latin America are being built with the aid of credits from the Export-Import Bank of Washington, according to a release issued by the Office of the Coordinator of Inter-American Affairs.

Loans made by the bank to aid in this development of the hemisphere productive facilities and for expansion of inter-American trade now amount to \$212,000,000, according to figures recently made public by Warren Lee Pierson, President of the bank. Of this total, it is announced, approximately \$107,000,000 has been repaid.

"There are no loans to any Latin American country or political subdivision or agency thereof which are in default," Mr. Pierson reported. Since it was created in 1934, Mr. Pierson disclosed, the bank has authorized lines of credit aggregating \$779,000,000 for oper-ations in the other American republics. Of this amount, however, more than \$200,000,000 has been canceled or expired. The advices from the Office of the Coordinator also state:

"A substantial part of these great credits were made by the Export-Import Bank to aid in development of hemisphere re-sources under the program of the Rio de Janeiro Conference of American Foreign Ministers.

"Highway development is illustrated by the extension of \$30,-000,000 in credits to Mexico for its big road-building program, of which \$10,000,000 has been used.

"Expansion of hemisphere steel-"Expansion of hemisphere steel-making facilities with the aid of Export-Import Bank credits centers mainly in Brazil's great Volta Redonda plant, now building for completion in 1944-45. Some \$45,000,000 in credits have been made available for purchase of equipment and materials in the United States."

Columbia U. Is One Of City's Largest Taxpayers

The trustees of Columbia University are undoubtedly one of the versity are undoubtedly one of the largest real estate taxpayers in the city of New York; Dr. Nicholas Murray Butler points out in his annual report as President of the university. At the rate of 2.98 which then prevailed, the real central taxes for the approximation of the control taxes for the second of the control taxes for the second of the control taxes for the contr estate taxes for the year 1942-43 paid on land and buildings which Columbia owns amounted to approximately \$1,500,000, Dr. Butler says.

Dr. Butler visualizes the development of Morningside Heights, site of the university, as a cultural and religious center rivaling the Acropolis of ancient Athens and the Forum of ancient Rome.

Chicago Reserve Bank Changes In Staff

Simeon E. Leland, Chairman of the board of directors of the Federal Reserve Bank of Chicago, announced on Jan. 3 the following changes in the official staff: Walter S. McLucas, Chairman of the board of directors of the National Bank of Detroit, was reappointed a director of the Detroit branch of the Federal Reserve Bank of Chicago for a two-year term ending Dec. 31, 1945. Neil B. Dawes, John K. Langum, and Arthur L. Olson were promoted from the position of Assistant Vice-President to that of Vice-President. Edward D. Bristow, Chief of the collection department, was ap-

present.

Steel Production At Higher Rate—Invasion **Equipment Demand Still Heavy—Scrap Easy**

"Reflecting the emphasis being put on the expedited and enlarged landing craft program as well as other invasion equipment, national steel ingot operations this week are up one-half point," states "The Iron Age" in its issue of today (Jan. 27), which further adds:

"Plate and sheet mills continue to bear the brunt of the heavy

"Plate and sheet mills continue to bear the brunt of the heavy demand for invasion equipment, but requirements for components also are making themselves felt in heavier orders for certain products other than flat-rolled steel. There are indications that the landing craft program may be spread over a longer interval this year than appeared likely a few weeks ago. Another new development is the transfer of a war requirement from cold-rolled sheets to terne plate, with the vacated space on cold mill schedules likely to be taken by barrel stock orders to be taken by barrel stock orders which have been on hot mills

which have been on hot mills previously.

"Meanwhile, rising pressure in favor of a faster easing of limitation orders threatens to make WPB's unenviable task of holding down the lid upon civilian production more difficult as time goes on. As a matter of fact, despite official announcements stating that controls will be maintained for the time being, allotments have been issued recently for steel in small amounts for several consumer items which a few weeks sumer items which a few weeks ago never would have been applied for or approved. About Feb. 1 an experiment in producing civilian goods in three areas on a limited scale is scheduled to start

"Shortly after the meeting of the Steel Advisory Committee adjourned last week, WPB an-nounced that it had recommended to the Defense Plant Corp. term-

to the Defense Plant Corp. termination of work on seven steel plant expansion projects.

"Figures released simultaneously with the news of the proposed cutbacks showed the severe decline in demand for alloy steel over recent months. September output at 1,024,000 tons was about 200,000 tons below the peak reached last March and in December production was down to about

ber production was down to about 800,000 tons. "Several leading steel companies "Several leading steel companies recently have taken steps which will help protect post-war tonnage in an important consuming field, the steel barrel industry. Acquisitions by Bethlehem Steel Corp. and U. S. Steel Corp. have been announced during recent months. Previous acquisitions placed Inland, Republic and J. & L. among the steel makers operating barrel concerns. National output of drums in 1943 was about ing barrel concerns. National output of drums in 1943 was about 10,000,000 units over the 1941 level of around 18,000,000 units. Heavy demand from the Navy is a feature of this market recently, with the cold rolled sheets being furnished with oxidized finish. "The Government's recent move permitting steel companies to use more low alloy scrap in carbon steel heats does not appear likely to cause a substantial increase in use of this overabundant material. Meanwhile, an unofficial estimate

Meanwhile, an unofficial estimate places iron and steel scrap con-sumption in 1943 at approximately 55,900,000 gross tons, a total 4% greater than the previous peak of 53,807,000 gross tons consumed in 1942."

The American Iron and Steel Institute on Jan, 24 announced that telegraphic reports which it had received indicated that the had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry-will be 99.4% of capacity for the week beginning Jan. 24, compared with 99.0% one week ago, 86.3% one month ago and 97.4% one year ago. The operating rate for the week beginning Jan. 24 is equivalent to 1,727,900 tons of steel ingots and castings, compared to 1,720,900 tons one week ago, 1,504.200 tons one month ago, and 1,686,700 tons one year ago.

despite the fact that in general shipments are as far extended as in any major product. New orders continue to more than offset cancelled tonnage and deliveries are being extended on most major products.

"While pressure for landing craft material, mainly plates, may pass its crest during February, considerable urgency is likely to be noted for some time after. Meanwhile; this program is not only pushing shipyard activity to a high peak, but also providing many fabricating shops with needed business in sub-assemblies. It also is creating added demand for heavy sheets, bars and structurals, in addition to plates. Mainly due to this work, plates and heavy sheets are the tightest steel products.

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and heavy sheets are the tightest steel products.

"Tin plate production currently is at about 50% of capacity, with electrolytic lines considerably lower. First quarter schedule is being met closely, but no word has been received as to second quarter, which is expected to show little change.

"Idle and excess steel from war plants is becoming a factor in the

plants is becoming a factor in the market, especially to warehousemen, though much of it is in forms and analyses difficult for them to handle. Estimates as to tonnage vary widely.

"Little effect is felt from the beauter from the statement of the property of the plants of the property of the plants."

"Little effect is felt from the change from allocations to a free market in pig iron and supply is sufficient to meet all demands. Melters are covering for the entire quarter instead of the single month allowed under allocations, but no rush to buy has developed. Many consumers are seeking to build inventory somewhat higher than has been possible recently, as a matter of convenience and safety in case of a rise in price. Melt is somewhat restricted in foundries because of man-power shortage and limitations against production of civilian goods.
"Scrap supply in general is ample for all needs, and in some grades a surplus develops occa-

grades a surplus develops occa-sionally."

1943 War Expenditures At \$65.1 Billions

War expenditures by the United States Government in 1943 amounted to \$85,135,000,000, as compared to the \$52,406,000,000 expended in 1942, an increase of \$2½%, the War Production Board

32½%, the War Production Board announced on Jan. 15.

The average daily rate of war expenditure in 1943 rose 61.4% over 1942, from \$139,100,000 to \$272,900,000. The daily rate is based on the 310 days in 1942 and the 312 days in 1943 on which hecks were cleared by the Treasury.

Treasury.

The WPB announcement added:
"During the month of December expenditures for war purposes amounted to \$6,951,000,000, a de-

mounted to \$0,931,000,000, a decrease of 10.8% from the high of \$7,794,000,000 in November. "The daily rate in December averaged \$267,300,000 as compared to \$299,800,000 in November. The

ginning Jan. 24 is equivalent to 1,727,900 tons of steel ingots and castings, compared to 1,720,900 tons one week ago. 1,504.200 tons one week ago. 1,504.200 tons one work ago, and 1,686,700 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Jan. 20 stated, in part as follows: "Various changes in the war program continue to bring sidaries for war purposes."

"Jack stated that he will fight in the courts the \$7,000,000 Treasury Department contract renegotiation assessment made against his company, the Associated Press on that date adding:

"Mr. Jack coupled his challenge with a declaration that America was heading for a socialized form of government and a dictator-ship greater than any ever seen.

First Post-War Automobile May Be Built By Aircraft Industry, Stout, of Vultee, Declares 1943 Earnings Higher

No one should be surprised if the first "real" motorcar after the war is built by the aircraft industry and not by an automotive manufacturer, William B. Stout, designer and engineer, told the United Press in an interview in Detroit on Jan. 23. These advices report that Mr. Stout, head of the Stout Research Division of Consolidated-Vultee Aircraft, said there are two reasons for this:

"1. Automobile manufacturers are trailing far behind the aircraft bile industry in engineering and research.

"The aircraft industry has given

with gradient and the payments doesn't will tell you that de luxe models always sell better, anyway."

Speaking of the post-war automobile, Mr. Stout said it is not surprising that the first model produced by the industry when civilian manufacture is resumed is expected to resemble closely the 1942 models. 1942 models.

"It's got to be that way," he said, "because automobile manufacturers are tied down to a lot of expensive tools. Moreover, they've got to move fast with a new car, and you can't do it if you have to retool completely. But if they mistake the period of brisk demand right after the war as something permanent instead of temporary in my opinion the whole

industry in engineering and research.

"2. The automotive industry is shackled financially and production-wise to outmoded tools and dies worth millions of dollers."

The United Press dispatch further qouted Mr. Stout as follows: \$1,000,000 on research to every \$1,000 spent by the automotive industry. The automobile industry can't make drastic changes in cars because of the expensive tooling set-up."

This situation, Mr. Stout said, provides the aircraft industry with "a grand opportunity to come in with the first real motor car." He said a few airplane manufacturers are thinking seriously of "doing just that."

ously of "doing just that."
"If they do," he said "they'll put the engine in the front or back, on the roof or in the wheels —wherever it's best to put it from an engineering standpoint. They'll fight weight, but they won't build a small car. Americans want room in their automobiles, and you can give them a lot of it without in-creasing the size of the present car.

Mr. Stout predicted that the car of the future will be "half way between the present car and a station wagon."

"It will be powered by a small, it could a simplane engine." he

retool completely. But if they mistake the period of brisk demand right after the war as something permanent instead of temporary, in my opinion the whole industry will be sunk."

Mr. Stout said that the aviation industry is as far ahead of the automobile industry in engineer
"It will be powered by a small, air-cooled airplane engine," he said. "It will give you better economy—22 to 25 miles to a gallon of gasoline. It will be a lot lighter. We should be able to make a car with 125-inch wheel base weigh less than 2,000 pounds after the war."

N. Y. Reserve Bank

Net earnings of the Federal Reserve Bank of New York, after all additions and deductions, amounted to \$15,331,000 in 1943, which compares with net earnings of \$4,568,000 for 1941, according to the Bank's 29th annual statement, issued on Jan. 10 by Allan Sproul, President. The total earnings of the Bank for 1943 are reported at \$17,998,000, contrasting with \$14,078,000 in 1942, and the net expenses during the year were \$10,034,000 against \$8,880,000 last year, leaving current net earnings year, leaving current net earnings in 1943 of \$7,954,000, compared with \$5,198,000 in 1942. Total adwith \$5,196,000 in 1942. Total additions to current net earnings in 1943 were \$10,245,000, nearly all (\$10,217,000) representing profits on sales of U. S. Government securities, and compared with additions in 1942 of \$974,000, of which \$967,000 was profits on securities. curities.

The total deductions from current net earnings in 1943 were \$2,878,000, consisting of provisions for the retirement system and the special reserve on bank premises, as against deductions of \$1,604,000 in 1942 in 1942.

From the net earnings for 1943 From the net earnings for 1943 the Reserve Bank paid dividends of \$3,280,000, transferred \$12,-033,000 to surplus under Sections 7 and 13-B of the Federal Reserve Act, and paid the United States Treasury \$18,000 under Section 13-B of the Reserve Act. A year ago the Bank paid dividends of \$3,184,000 and transferred \$1,-350,000 to surplus. The Bank's surplus at the end of 1943 stood at \$70,012,000, compared with \$58,001,000 at the end of 1942.

During 1943 the total assets of

During 1943 the total assets of the New York Federal Reserve Bank increased to \$9,537,938,000 on Dec. 31 from \$9,048,863,000 on Dec. 31, 1942. Reserves declined during the year to \$6,001,376,000 from \$6,930,038,000, while holdings of H. S. Government securing ings of U. S. Government securities amounted to \$3,000,110,000 on Dec. 31, 1943, comparing with \$1,697,229,000 at the end of 1942. Total deposits on Dec. 31, 1943, were \$5,320,745,000, against \$5,-845,664,000 at the end of 1942.

The Bank's profit and loss account for 1943, together with 1942 figures, follows:

The following is the Bank's profit and loss account for the cal-endar years 1943 and 1942 (in

thousands of dollars):	
EarningsNet expenses	1943 \$17,998 10,034	1942 \$14,078 8,880
Current net earnings.	\$7,964	\$5,198
Additions to current net earnings Profits on sales of U.		
S. Government Secs.	\$10,217 28	\$967 7
Total additions	\$10,245	\$974
Deductions from current net earnings:		
Retirement system Special reserve on	\$2,389	\$1,122
bank premises	482 7	482
Total deductions	\$2,878	\$1,604
Net earnings	\$15,331	\$4,568
Paid United States Treasury (section 13b)	\$18	\$34
Dividends paid Transferred to surplus	3,280	3,184
(section 13b) Transferred to surplus	22	
(section 7) Surplus (section 7) be-	19 011	1,350
ginning of year	\$58,001	\$56,651
Addition as above	12,011	1,350
Surplus (section 7) end of year	\$70,012	\$58,001
	The second second second	Total Control of the

compares with 12,936,375 bales of lint and 51,783 bales of linters on Nov. 30, 1943, and with 13,573,163 bales of lint and 83,676 bales of linters on Dec. 31, 1942.

There were 22,596,322 cotton

Nov. 30, 1943, and with 2.549,911 There were 22,596,32 bales of linters on Dec. 31, 1942.

On hand in public storage and at compresses on Dec. 31, 1943, there were 12,649,909 bales of lint and 60,879 bales of linters, which spindles active during December, 1943, which compares with 22, 623,406 active cotton spindles during November, 1943, and with 22,923,406 active cotton spindles

Sees Roosevelt Administration Headed For Socialized Form Of Government

W. S. Jack, President of Jack & Heintz, manufacturers of aircraft parts, said on Jan. 14, according to the Associated Press, that the Roosevelt administration was "flirting with a revolution," as he commented on a War Department order to reduce by \$7,000,000 the cost of products his company sold the Government during 1942. The Associated Press advices from Cleveland, went on to say:

"The Roosevelt administration is if lirting with a revolution when the men come home from the war," the Cleveland News quoted Mr. Jack as saying. "Our soldiers are coming home expecting jobs in American factories. But our factories will not be left a dime for the post-war period.

"How will we ever have a new world tomorrow," he asked at a week end company banquet, "if the present form of government, which is a dictatorship, is to continue in office?"

Dec. Cotton Consumption

dime for the post-war period. What do you think these men are going to think when they are offered new and glorified WPA jobs? I tell you they are coming home to the worst mess in the nation's history."

nation's history."
Asked whether Jack & Heintz might suspend operations after the war, Mr. Jack replied:
"It certainly will not. We've just been called to the rescue of equipment for the big bomber. Of course we'll go. We wouldn't think of halting now or ever.
"We need additional capital of \$10,000,000 to \$15,000,000 for our safety. My auditors tell me I

safety. My auditors tell me I have about \$600.000. I'll put that in, everything I have, to carry on. We'll ask associates (employees) for subscriptions. We'll do our part."

It was further reported from Cleveland on Jan. 17 that Mr. Jack stated that he will fight in

Dec. Cotton Consumption

The Census Bureau at Washington on Jan. 14 issued its re-

ington on Jan. 14 issued its report showing cotton consumed in the United States, cotton on hand, and active cotton spindles for the month of December.

In the month of December.

In the month of December.

1943. cotton consumed amounted to 852,016 bales of line and 107,-559 bales of linters, as compared with 858,813 bales of lint and 109,987 bales of linters in November. 1943. and with 935,870 bales. ber, 1943, and with 935,870 bales of lint and 108 457 bales of linters

in December, 1942.

In the five months ending with Dec. 31. cotton consumption was 4.271.407 bales of lint and 553, 751 bales of linters, against 4.706.523 bales of lint and 575 462 bales of linters in the same five months.

months a year ago.

There were 2,400.170 bales of lint and 457,919 bales of linters on hand in consuming establishments on Dec. 31, 1943, which compares with 2,388,772 bales of lint and 437,930 bales of linters on Nov. 30, 1943, and with 2,549,911

Changes In Holdings Of Reacquired Stock Of H. Y. Stock & Curb Listed Firms

The New York Stock Exchange issued on Jan. 18 the following tabulation of companies reporting changes in the amount of stock held as heretofore reported by the Department of Stock List:

Shares Shares

		Previously	Per Lates	t
	Company and Class of Stock—	Reported	Report	1 100
	Company and Class of Stock— Allegheny Ludlum Steel Corp., common	2,546	2,350	(1)
		2,212	3,212	
		79,600	79,700	
	American Hide and Leather Co., 6% cm. cv. pfd. American Ice Co., 6% preferred	None	700	7.151
	American Ice Co., 6% preferred	43,200	1,300	(2)
	Armour and Co., common	31/2	5	1
,		41,522	43,235	
		657 31,543	None 44,567	75 7 14
	Atlas Corp., common	13	None	(3)
	6% preferred Atlas Powder Co., common	7,370	7,371	
	Atlas Powder Co., common	13,926	14,606	NAME OF
w	Barker Bros. Corp., 51/2 % cumulative preferred	58,032	58,332	A Hely
5	Belding Heminway Co., commonBorden Co., The, capital	87,958	92,958	(4)
	Carriers & General Corp., capital	None	500	400 76
		1,208	1,127	
	Chicago Preumatic Tool Co cum prior preferred	7,031	7,281	
		40,269	40,569	
		5,000	None	100
	Connerweld Steel Co 5% cum cv breierred	8,659	9,149	Sede:
	Cuban-American Sugar Co., The, 5 % 6 cv. preferred	36,120	42,015	
	Davers Stores Corp., common	16,450	16,750	(6)
	5% cumulative preferred	3,325	100	(6)
	Distillers CorpSeagrams, Ltd., cum. pfd. 5% series	None	1,450	War de
		11,186	11,830	
		47,275	75,475	
	Fruehauf Trailer Co., common	2,448 720	2,748 810	
	5% convertible preferred			
	General American Transportation Corp., common	630	3,300	
		848,524	873,409	
	General Motors, Inc., \$6 cumulative preferred Interstate Department Stores, Inc., 7% preferred Jewel Tea Co., Inc., common	8,211 6,121	9,711 6,471	Action (
	Interstate Department Stores, Inc., 1% preferred	2.546	2,506	
	41/4 % preferred	1,400	1.450	361.0
	Weith Albee Ornheum Corn 7% cm cy preferred	None	28	100
	Keith-Albee-Orpheum Corp., 7% cm. cv. preferred Lehman Corp., The, common	14,700	20,900	
	Madison Square Garden Corn canifol	- 29,200	30,000	
1	Mead Corn preferred \$5.50 series B	3,217	3,373	100
	National Department Stores Corp., 6% preferred	4,845	10,373	2044
	National Steel Corp., capital	1,730	1,680	
	Newport News Shiphuilding and Dry Dock Co.— \$5 cumulative convertive preferred	00 500	00.500	
		20,700	22,500	479.5
	Norfolk and Western Railway Co., adj. preferred	7,212	7,907	ar-1.
	Plymouth Oil Co., capital	11,384	12,784	11.4
	Pullman Inc., capital	15,500	51,000	
	Purity Bakeries Corp., common	32,569 9,300	32,469 9,690	
	Radio-Keith-Orpheum Corp., 5% preferred Safeway Stores, Inc., 5% cumulative preferred	89.5	90.7	,
	Schenley Distillers Corp., 5½% cumulative preferred	6,940	7,090	
	Sinclair Oil Corp., common	440,838.25		0
	Starling Drug Inc. canital	33	34	Article (
	Texas Co. The capital	792,812	813,925	
		1,217,992	1,218,000	To a Vi
,	United States Gypsum Co., common. United States Leather Co., The, prior preferred.	55,049	54.681	
	United Aircraft Corp., 5% cumulative preferred	None	None	(5)
	United States Leather Co., The, prior preference	6,922	7,062	75.7%
		450	1,950	9.43
	United States Rubber Co., common	17	18	1 1 5
	Willys-Overland Motors, Inc., 6% cm. cv. pfd.	20,600 97,695	20,800	
	Wilson & Co., common	7,836.17		414
	Preferred		65 1,552.4	

NOTES

Acquired 54; disposed of 250.
Acquired 7,000; cancelled 48,900.
Acquired 3, disposed of 16.
Acquired 5,690; issued 690 shares covering purchase of Fluid Milk Business in Marion, Ohio.
Acquired 1,200; disposed of 1,200.
Acquired 1,200; disposed of 3,325.

The New York Curb Exchange has issued the following list of issuers of fully listed securities which have reported changes in their holdings of reacquired stock:

Company and Class of Stock—	Previously Reported	Per Latest Report	
Air Investors, Inc., convertible preference	2,835	None	
American Cities Pw. & Lt. Corp., A opt. div. ser. 1936	2,800	None	
Convertible A optional division series	783	None	
Convertible A optional division series American General Corp., common	382.569	385.113	8
American Writing Paper Corp common	37.762	40,862	
Automatic Products Corp., capital	400	1,400	
Cooper-Bessemer Corp., \$3 prior preference	208	None	
Coro Inc. common	19.633	19.833	
Coro, Inc., common	18,506		1
Dennison Manufacturing Co., A common		18,706	
Equity Corp., \$3 convertible preferred	9,754	10,869	1
Esquire, Inc., capital	54,423	55,073	
Esquire, Inc., capital Fuller (Geo. A.) Co., 4% convertible preferred	24,663	29,463	
\$3 convertible stock	6,989	7,189	
\$3 convertible stock	23	24	
Calleran	212	214	
Gellman Manufacturing Co., common	11,105	11,755	
Hearn Department Stores, Inc., 6% preferred	24,324	24,824	
Ken-Rad Tube & Lamp Corp., A common	9,950	10,000	12
Ken-Rad Tube & Lamp Corp., A common_ Knott Corp., common_	10,212	10,312	12
MOCK, JUGSON, VOENTINGER CO. Inc. common	16.867	17.307	
North Central Texas Oil Co., Inc., common	33,000	33,200	
North Central Texas Oil Co., Inc., common Seeman Brothers, Inc., common	20,600	20,800	
beleeted industries. Inc. \$5.50 div prior stock	1,500	None	
Sterchi Bros. Stores, Inc., 6% 1st preferred	680	910	
Sterchi Bros. Stores, Inc., 6% 1st preferred5% 2nd preferred	660	715	
Sunray Oil Corp. 51/2 % convertible preferred	1.268	1,368	
Trunz, Inc., common	17,559	18,464	
United Chemicals, Inc., \$3 part, preferred	942		
United Clgar-Whelan Stores Corn common	12,208	1,042	
Utility Equities Corp., \$5.50 div. prior stock		12,213	7
Prior Block	10,900	11,100	- 1

Investment In War Loan Of Idle Funds **Urged By President Sproul Of Reserve Bank**

Incident to the start of the Fourth War Loan Drive for \$14,000,000,000 on Jan. 18, Allan Sproul, President of the Federal Reserve Bank of New York, urges banks to invest temporarily idle funds in Treasury bills or other appropriate short-term securities. Mr. Sproul in his advices to banks and trust companies states:

"Since there are no reserve requirements with respect to such accounts for the period of the war."

and for six months thereafter,

this transfer will normally result in a decline in the required reexcess reserves.

"As the experience of banks in connection with the Second and Third War Loans has demonserves of the banks having such accounts and an increase in their serves will be only temporary. serves will be only temporary, established for them by the Fed-Government funds in war loan eral Reserve Banks."

Electric Output For Week Ended Jan. 22, 1944, Shows 14.0% 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. 22, 1944, was approximately 4,531,662,000 kwh., compared with 3,974,202,000 kwh. in the corresponding week a year ago, an increase of 14.0%. The output of the week ended Jan. 15, 1944, was 14.8% in excess of the similar period of 1942.

PI	RCENTAGE	INCREASE	OVER PI	REVIOUS —Week E	YEAR nded———	
Major Geographic	al Divisions	Jan 22	Jan	. 15	Jan. 8	Jan. 1
New England	ar Divisions			5.3	6.0	5.0
New England Middle Atlantic	Control of the State of the	13.0		1.5	16.1	14.9
Central Industrial		9.9		0.3	8.3	8.2
West Central				1.4	4.6	5.9
Southern States		16.7		7.4	20.1	18.8
Rocky Mountain		11.5		2.8	18.1	15.4
Southern States Rocky Mountain Pacific Coast		29.4		0.9	32.9	30.7
cacific Coast		23.4				
Total United State	g	14.0	14	1.8	15.6	14.7
Week Ended-		1942	1943 over 1942	1941	1932	1929
Nov. 6		3,761,961	+17.3	3.368,690		
Nov. 13	4,482,665	3,775,878		3.347,893		
Nov. 20	4.513.299	3,795,361		3.247,938	1,475,268	1,818,169
Nov. 27		3,766,381	+16.9	3,339,364		
Dec. 4		3,883,534		3,414,844		1,806,225
Dec. 11		3.937,524		3,475,919		1,840,863
Dec. 18		3,975,873	+16.0	3,495,140		1,860,021
Dec 25		3,655,926	+17.5	3,234,128		1,637,683
	. 1,200,100	0,000,000	% Change	S. A. Francis		
Week Ended-	1944	1943	over 1943	1942	1932	1929
Jan. 1		3.779.993	+14.7	3,288,685	1,619,265	1,542,000
Jan. 8		3,952,587		3,472,579		1,733,810
Jan. 15		3,952,479		3,450,468		1,736,721
Jan. 22	4.531.662	3,974,202	+14.0	3,440,163		1,717,315

Moody's Bond Prices And Bond Yield Averages

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

		M (F	OODY'S	BOND	PRICES e Yields	,			
1944—	U.S.	Avge.	Light - Part						
	Govt.	Corpo-	Co	rporate	by Ratir	igs*	Corpor	ate by (Froups'
Averages		rate*			A	Baa	R. R.	P. U.	Indus
Jan. 25	119.54				111.07	100.16	104.31	113.31	116.4
24	119.57				111.07	100.16	104.14	113.31	116.4
22	119.58	111.07	118.40		111.07	100.16	104.31	113.31	116.4
21	119.58		118.40		111.07	100.16	104.31	113.31	116.4
20	119.58	111.07	118.40	116.22	111.25	100.00	104.14	113.31	116.4
19			118.60	116.41	111.25	99.84	103.97	113.31	116.6
18	119.55			116.41	111.25	100.00	104.14	113.31	116.6
17				116.41	111.25	99.84	103.97	113.31	116.6
15		111.25			111.25	99.84	104.14	113.50	116.6
14					111.25	99.84	104.14	113.50	116.4
	119.57			116.41	111.07	99.68	103.97		116.4
12		111.07			111.07	99.52	103.97	113.50	116.4
11		111.07		116.41	111.25	99.36	103.97	113.50	116.23
10					111.07	99.36	103.97	113.50	116.2
8		111.07			111.07	99.36	103.80		116.2
7							103.80		116.2
6	119 65	110.88	118 60	116.22	111 07	99.36	103.64	113.50	116.23
5	119.59	110.88	118.40	116.22	111.07			113.50	
4		110.70	118 40	116.22	110.88	99.04	103.47		116.0
	119.48		118.20		110.88		103.30		116.2
3 1		EXCHA			Markey			Sept 5.	907.034.
High 1944					111.25	100.16	104.31	113.50	116.6
Low 1944					110.88		103.30		116.0
digh 1943					111.81	99.36	103.47	114.27	117.4
Low 1943							97.16		
1 Year ago					V. 1- 1- 1-1-1			4 10	17 18 7
Jan. 25, 1943_	117.05	108 52	117.40	114.85	109.60	94.41	98.88	112.37	115.2
2 Years ago						2777			
Jan. 24, 1942_	117.38	106.92	116.22	114.08	107.62	91.91	97.31	110.52	113.7
		MOOD	TO BON	D VIET	DAVED	ACTE		A House	

		(Based o	on Indiv	idual C	losing P	rices)	Lindkahi.		dobal up
1944—	U.S.	Avge.		Charles and					
Daily	Govt.				y Rating				Groups*
Averages	Bonds	rate*	Aaa	Aa		Baa	R. R.	P. U.	Indus.
Jan. 25	1.86	3.10	2.73	2.83	3.11	3.74	3.49	2.99	2.83
24	1.86	3.11	2.73	2.84	3.11	3.74	3.50	2.99	2.83
22	1.86	3.11	2.73	2.84	3.11	3.74	3.49	2.99	2.83
21	1.86	3.10	2.73	2.83	3.11	3.74	3.49	2.99	2.83
20	1.86	3.11	2.73	2.84	3.10	3.75	3.50	2.99	2.83
19	1.86	3.10	2.72	2.83	3.10	3.76	3.51	2.99	2.82
18	1.86	3.10	2.72	2.83	3.10	3.75	3.50	2.99	2.82
17	1.86	3.10	2.72	2.83	3.10	3.76	3.51	2.99	2.82
15	1.86	3.10	2.72	2.83	3.10	3.76	3.50	2.98	2.82
• 14	1.86	3.10	2.72	2.83	3.10	3.76	3.50	2.98	2.83
13	1.86	3.11	2.71	2.83	3.11	3.77	3.51	2.98	2.83
12	1.86	3.11	2.71	2.83	3.11	3.78	3.51	2.98	2.83
11	1.86	3.11	2.71	2.83	3.10	3.79	3.51	2.98	2.84
10	1.85	3.11	2.71	2.83	3.11	3.79	3.51	2.98	2.84
8	1.85	3.11	2.72	2.83	3.11	3.79	3.52	2.98	2.84
7	1.85	3.11	2.72	2.83	3.11	3.79	3.52	2.98	2.84
6	1.85	3.12	2.72	2.84	3.11	3.79	3.53	2.98	2.84
5	1.86	3.12	2.73	2.84	3.11	3.80	3.53	2.98	2.84
4	1.86	3.13	2.73	2.84	3.12	3.81	3.54	2.98	2.85
3	1.87	3.13	2.74	2.84	3.12	3.81	3.55	2.99	2.84
1	STOCK	EXCHA	NGE CL	OSED.	\$175 G.			2.00	
High 1944	1.87	3.13	2.74	2.84	3.12	3.81	3.55	2.99	2.85
Low 1944	1.85	3.10	2.71	2.83	3.10	3.74	3.49	2.98	2.82
figh 1943	2.08	3.31	2.81	2.96	3.23	4.25	3.93	3.07	2.93
Low 1943	1.79	3.09	2.68	2.80	3.07	3.79	3.54	2.94	2.78
1 Year ago	1000	AND STATE			Acres 1		Selv Heren	i Same	4.07
Jan. 25, 1943_	2.06	3.25	2.78	2.91	3.19	4.11	3.82	3.04	2.89
2 Years ago	4. 75 5		1970	71205	相关的	fred 44	Sept of the	er gode byt	
Jan. 24, 1942_	2.03	3.34	2.84	2.95	3.30	4.28	3.92	3.14	2.97

*These prices are computed from average yields on the basis of one "typical" bond 334%—coupon, maturing in 25 years) and do not purport to show either the average evel or the average movement of: actual price quotations. They merely serve to flustrate in a more comprehensive way the relative levels and the relative movement of yield averages, the latter being the true picture of the bond market.

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

deposit accounts will be drawn down gradually, private deposits will rise again, and the required reserves of the banks will in-

crease,
"In the circumstances, banks are urged to invest these temporarily idle funds in Treasury bills or other appropriate short-term securities. Treasury bills are particularly suitable for this purpose because of the fixed buying rate, with a repurphase outlon. rate, with a repurchase option

Commodity Index

5	Tuesday, Jan. 18	.241.4
	Wednesday, Jan. 19	247.4
	Thursday, Jan. 20	247.3
3	Friday, Jan. 21	247.4
1	Saturday, Jan. 22	247.8
	Monday, Jan. 24	247.7
9	Tuesday, Jan. 25	247.8
	Two weeks ago, Jan. 11	
*	Month ago, Dec. 24	
5	Year ago, Jan. 25	244.4
,	1943 High, April 1	249.8
	Low, Jan. 2	
	1944 High, Jan. 22	
	Low, Jan. 5	

From Washington

(Continued from first page) they had a perfect meeting of minds. So we were told. It was a darned good thing we had a man like Mr. Roosevelt who could accomplish these things. And it followed that we could never let him go because manifestly we ould not replace a man who understood the language of Stalin and whose language was understood by Stalin in return. It was sort of silly for the Republicans to run a candidate for the Presidency dency.

This contention that he has understandings with these foreign statesmen that he can't possibly tell anybody else about is his principal bid for a Fourth Term. Of the foreign statesmen Stalin was the hardest nut to crack. But FD did. His persuasive abilities are so good that he persuaded Stalin to meet him and then perstatin to meet him and then persuaded him to reach an understanding. It seems to be so important that Stalin understands us, that Mr. Roosevelt's Fourth Term sailing seemed to be going along smoothly, indeed.

Then, of a sudden, the "Pravda" article figuratively kicks him in the pants.

That is what was embarrassing about it, not that it bore on the future relations between two peoples, because they are very definitely grooved and not to be turned by hokum designed for domestic political use. It was very embarrassing on this score because it was something on which people generally could nut their fingers and conclude "We are being kidded somewhere." As it is, it would seem that developments in Eastern Europe, in themselves, will sooner or later bring a realization to the American people embarrassing to Mr. Roosevelt's That is what was embarrassing embarrassing to Mr. Roosevelt's Fourth Term aspirations. But there is a reluctance on the part of the Republicans to take Stalin's name in vain or discuss him in any way and thus help the realization develop, so it will apparently have to come slowly. The have to come slowly. The "Pravda" article pointed the thing up and therefore Mr. Roosevelt and his Fourth Term managers are glad it has blown over

are glad it has blown over.

Yet, the relief to them is likely to be only temporary. Something else like this is sure to come along. You, can't escape the impression that Stalin has a contempt for the way our politicians perform. He probably considers that if we didn't have our crazy system they wouldn't have to do that way.

If you will recall he kicked

If you will recall, he kicked Mr. Hull in the pants right at the height of his being a national hero. His Ambassador in Mexico City, Oumansky, slyly said that we seemed to be mistaken about what constituted the Polish border. No reason to say this at the particular time when we were reder. No reason to say uns at marticular time when we were rejoicing that understanding and goodwill had been reached.

The experience of one of our distinguished visitors to Moscow may throw some light on Stalin's attitude. He explained that he was not a politician, just a business man.

"I don't like politicians," he quoted Stalin as saying.

Subsequently Stalin turned to him and said:

"Mr. Blank, we like to have you Americans visit us. You don't come to us as aristocrats."

This was taken as a slap at Churchill. But Mr. Roosevelt is also an aristocrat. We don't know, but we wouldn't be surprised if Stalin is annoyed with a man who plays at revolution. Why doesn't he go ahead and have it without so much indirection, Stalin may think. As a first class revolutionist, you can see that he might feel contemptuous amateurs.

Givil Engineering Construction \$25,500,000 For Week—Private Work Gains Over 1943 Week

Civil engineering construction volume in continental U.S. totals \$25,500,000 for the week. This volume, not including the construc-\$25,500,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 74% lower than a week ago, and 62% below the total reported for the corresponding 1943 by "Engineering News-Record" on Jan. 20, which also added:

Private construction is up 30% compared with a year ago, but declines 12% from a week ago. Public construction is 67 and 78% lower, respectively, than last year and last week.

The current week's volume brings 1944 construction to \$145,777,-000 for the three-week period, a decrease of 21% from the \$184,971,-000 for the corresponding 1943 period. Private construction, \$16,-870,000 is 47% higher than last year, but public construction, \$128,-907,000, is down 26% as a result of the 61% decrease in State and municipal work, and the 23% decline in Federal volume.

Civil engineering construction volumes for the 1943 week, last week, and the current week are:

		Jan. 21, '43	Jan. 13, '44	Jan. 20, '44
5	Total U. S. Construction	\$67,930,000	\$98,680,000	\$25.500,000
ŕ	Private Construction	3,497,000	5,145,000	4,542,000
	Public Construction	64,433,000	93,535,000	20,958,000
E:	State and Municipal	3,426,000	965,000	1,095,000
	· Federal	61,007,000	92,570,000	19,863,000
	하게 하는 그는 사람들이 어려워 보다를 즐겁게 하고 있다면 하다고 있었다.	Maria Carlotta Maria		the state of the state of the state of

In the classified construction groups, gains over last week are in sewerage, industrial buildings, and earthwork and drainage. Increases over the 1943 week are in sewerage, bridges, industrial and commercial buildings, and earthwork and drainage. Subtotals for the week in each class of construction are: waterworks, \$497,000; sewerage, \$453,000; bridges, \$114,000; industrial buildings, \$1,357,000; commercial building and large-scale private housing, \$3,009,000; public buildings, \$15,384,000; earthwork and drainage, \$310,000; streets and roads, \$841,000; and unclassified construction, \$3,535,000.

New capital for construction purposes for the week totals \$10.

New capital for construction purposes for the week totals \$10,-175,000, a gain of 326% over a year ago. The current week's new financing is made up of \$4,300,000 in corporate security issues, \$3,-975,000 in State and municipal bond sales, and \$1,900,000 in RFC loans for private industrial construction.

New construction financing for 1944 to date, \$143,796,000, compares with \$3,066,000 for the opening three-week period in 1943.

December Civil Engineering Construction \$176,460,000-Private Work Tops '42 Month

Civil engineering construction volume in continental U. S. totals \$176,460,000 for December, an average of \$35,292,000 for each of the five weeks of the month. This average volume, not including the construction by military engineers abroad, American contracts outside construction by mintary engineers abroad, American contracts outside the country, and shipbuilding, is the lowest reported to "Engineering News-Record" since September, 1935. It is 31% lower than the average for the four weeks of November, 1943, and 53% below the average for five weeks of December, 1942. The report made public on Jan. 14 went on to say:

On the weekly average basis, private construction tops the December, 1942, volume by 210%, but declines 55% from the preceding month's average. Public work is down 62% compared with the 1942 month, and is 17% lower than a month ago. Both State and municipal work and Federal volume, which combine to make up the public total, are below last year, but State and municipal construction is up 16% above last month, while Federal is down 19%.

Civil engineering construction volumes for the three months are:

	Dec., 1942	Nov., 1943	Dec., 1943
	(5 weeks)	(4 weeks)	(5 weeks)
Total U. S. Construction	\$373,622,000	\$203,632,000	\$176,460,000
Private Construction	13,279,000	73,195,000	41,199,000
Public Construction	360,343,000	130,437,000	135,261,000
State and Municipal	15,448,000	7,373,000	10,647,000
Federal	344,895,000		124,614,000
	New Canita		

New capital for construction purposes for December, 1943, totals \$7,996,000, a volume 47% lower than that reported for the corresponding month last year. The current month's new financing is made up of \$7,273,000 in State and municipal bond sales, \$203,000 in corporate security issues, and \$500,000 in RFC loans for public improvements.

The December new construction financing total brings 1943 new financing to \$3,073,080,000 for the 52-week period, a volume that is 69% below the \$10,219,318,000 reported for the 53-week 1942 period.

Wholesale Commodity Index Advanced 0.1% During Week Ended Jan. 15, Labor Dept. Reports

The U. S. Department of Labor announced on Jan. 20 that higher prices for fruits and vegetables, particularly apples, citrus fruits and potatoes, brought the Bureau of Labor Statistics' index of commodity prices in primary markets up 0.1% during the week ended Jan. 15. The all-commodity index, at 103.0% of the 1926 average, has fluctuated within a very narrow range during the past year. It is 0.1% over the corresponding week of December and 1.4% higher than at this time last year.

The Department's announcement further said:

"Farm Products and Foods-Average prices for farm products in primary markets rose 0.2% as a result of higher quotations for fresh fruits and vegetables, for most grains, and for sheep. Egg prices in many markets were lower. Cattle declined about 21/2% and hogs dropped 1% as heavy marketings continued. Lower prices were also reported for certain types of imported wools.

"The increased prices for apples, citrus fruits and potatoes accounted for most of the rise of 0.2% in average prices for foods. An advance of 2.4% was reported in prices for rye flour. The only important price decrease in foods was a seasonal drop of 2.5% for eggs.

"Industrial Commodities-A further slight advance in prices for

anthracite caused the fuel and lighting materials group index to rise 0.1%. Average prices for metals and metal products declined 0.1% as quotations for quicksilver weakened because of large supplies for which there was little demand. In the building materials group, higher prices for rosin and turpentine were offset by lower prices for sewer pipe and the group index remained unchanged."

The following notation is made:

During the period of rapid changes caused by price controls, materials and 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 Dec. 18, 1943, and Jan. 16, 1943, and the percentage changes from a week ago, a month ago, and a

		1926==]	.00)			Tell P T B			
Commodity Groups—	1-15 1944	1-8 1944	1-1 1944	12-18 1943	1-16	Percenta Jan. 15 1-8 1944	1944	from-	16
All commodities	*103.0	*102 9	\$103 A	*102 O	101 6	0 1	101		-
Farm products	122.1	121 9	122 1	101 0	116 6	+0.1	+0.1	+ 1	.4
Farm products Fcods Hides and leather products	104.8	104 6	105.1	105.7	104 0	+0.2			
Hides and leather products	117.9	117.9	117.9	1170	1104	10.4	0.9		1
Hides and leather products Textile products Fuel and lighting materials	97.2	97.2	97.2	97.2	96.7	0	0		1.4
							+01	1 3	0.0
							-0.1	- 0	1
						0.1	0		3.1
						+0.1	+ 0.1		0.9
									0.3
							0		
						0			0.6
All commodities at her then	*100.4	°100.4	°100.3	*100.4	100.3		0	+ (
farm productsAll commodities other than							0	+ (0.6
farm products and foods	*97.9	*97.8	*97.8	*97.8	96.3	+0.1	+0.1	+ 1	1.7

Commercial Paper Outstanding

The Federal Reserve Bank of New York announced on Jan. 14 that reports received by the bank from commercial paper dealers show a total of \$202,000,000 of open market paper outstanding on Dec. 31. This was a decline of \$1,300,000 from the revised Nov. 30 total of \$203,300,000, and a decline of \$27,900,000 from the Dec. 31, 1942 total of \$229,900,000.

Following are the totals for the last two years:

	1943—	\$	1942—		1
	Dec 31	202,000,000	Dec 31	229,900,000	13
	Nov 30	203,300,000	Nov 30	260,600,000	
	Oct 30	187,800,000	Oct 31		
	Sep. 30	169,500,000	Sep 30	271,400,000	
	Aug 31	156,200,000	Aug 31	281,800,000	
	July 31	149,800,000		297,200,000	
	Jun 30		Jun 30	305,300,000	
	May 29	150 600 000	Mor 90	315,200,000	
	Apr 30	179,000,000	May 29	354,200,000	
	Mar 31	170,300,000	Apr 30	373,100,000	
•	Feb 27	200,600,000	Mar 31	384,300,000	١.
,	Jan 30	209,100,000	Feb 28	388,400,000	
١	Jan 30	220,400,000	Jan 31	380,600,000	V

Bank Debits For Month Of December

The Board of Governors of the Federal Reserve System issued on Jan. 11, its usual monthly summary of "bank debits," which we give below:

SUMMARY BY FEDERAL RESERVE DISTRICTS

Federal Reserve District—	Total Control		-3 Mont	hs Ended-	-
rederal Reserve District—	Dec.	Dec.	Dec.	Dec.	8
Boston	1943	1942	1943	1942	1
Boston	3,584	3,690	10,212	9,792	2
New York	31,489	28.242	83,214	70,646	1
Philadelphia	3,600	3.212	9,453	8,417	3
Cleveland	5.186	4.847	14,086	12.803	9
Richmond	2,803	2,669	8.017	7,570	- 6
Atlanta	2,672		7,370	6.380	13
Chicago	12,026		32,804	28,382	5
St. Louis	2,222	2.056	6,444	5.939	M.
Withfieapons	1,531		4,386	3,627	34
Kansas City	2,582	2,342	7.083	6.310	1
Dallas	2,249	2,002	6.077		91.
San Francisco	6,555	5,694	18,646	5,442 15,621	2
그러워 그렇게 되는 것이 없는 그렇지요? 그리고 하는 것이 없는 것이 되었다.	-			20,022	11
Total, 334 centers	76,499	68,822	207,792	180,929	9
New York City*	28,936	25,897	76,252	64.232	
140 other centers*	40,155	36,077	110,984		8
193 other centers	7,409		20,554		2
*Included in the national series covering 141			20,004	15,001	1

Net Operating Earnings Of \$6,836,818 Reported By Chemical Bank & Trust Co.

Sees Peak of Deposits Reached for War Period

Ponting out that "it has been our practice" in the annual report "to comment on the economic situation and the policies of our Government," Percy H. Johnston, Chairman of the Board of the Chemical Bank & Trust Co. of New York, told the stockholders at the annual meeting on Jan. 19 that "as long as we are at war we shall refrain from doing so, other than to say we hope, when this conflict is ended, we shall not have led the remain. our own population may be gain-der of the world to believe that we will, or can, supply all their needs and desires."

Mr. Johnston went on to say that "our own debt will be so great our own debt will be so great and our requirements so vast we costly and we must back our Government,"

Mr. Johnston went on to say that our own debt will be so great ad our requirements so vast we shall have our hands full supply-ing the wants and necessities of our own people. If we are to maintain our standard of living, we shall have to economize in every possible way in order that

costly and we must back our Government with all our energy, loyalty and resources. We again pledge this historic Institution's facilities and its man-power for that purpose."

In his report also Mr. Johnston reasons."

noted that the bank's operations

are greatly changed from peace time, and, he said:
"During the year, the bank has taken a leading part in the financtaken a leading part in the financing of the war and its principal effort has been directed to that end. War industry loans and commitments made amounted to \$222,729,296.00 and in the three Government Bond Campaigns, its Team, No. 7, procurred 64,722 subscriptions amounting to \$818,331,600.00. On its own account, this Bank has purchased \$335,900,000.00 in War Bonds. Its holdings of United States Government obligations at the end of 1943 amounted to \$657,728,405,67.

"The bank operated with average excess reserves of \$4,600,-984.57,"

"We are inclined to the opinion," said Mr. Johnston, "that the peak of New York City bank deposits of New York City bank deposits has been reached for the war period. In a large measure, the vast amount of money being used to finance the war goes to the heavy manufacturing districts over the country and by the time the funds flow back to New York, further war bond campaigns will absorb such deposits."

Stating that "the bank had

Stating that "the bank had another excellent year with substantial earnings," Chairman Lohnston stated: Chairman³ Johnston stated:

Johnston stated:

"The regular dividend of \$3,-600,000 was earned and paid to the Bank's shareholders and provision made for all expenses and losses. The amount of \$2,017,000 was provided for Income, Franchise and other taxes and \$788,024 was paid for Federal Deposit Insurance. There was also charged against current income \$5,639,-496 for amortization of bond preagainst current income \$5,639,-496 for amortization of bond premiums; \$60,000 for reduction of the banking house on West 51st Street (adjoining Rockefeller Plaza); \$822,979 in reduction of the book value of the office building at 270 Broadway (erected on the side of our former banking home); \$358,900 for employee welfare, after which \$2,013,289 was added to the Bank's net worth."

The bank's operating earnings figures for 1943 were reported as follows by Mr. Johnston: Operating Income-

Interest on loans Interest and dividends on	\$3,657,203.30
securities	9,191,050.47
Fees, commissions and other income	2,353,608.77
	\$15,201,862.54
Operating Expenses— Salaries and wages— Other operating expenses—	3,582,286.19 4,782,758.84
	\$8,365,045.03
Net operating earnings	report we

Reconciliation of Capital, Surplus and Undivided Profits

Dividends
To reserve for contingencies 3,600,000.00 \$5,586,253,24 Net addition to undivided profit account

Capital, surplus and undivided profits, Dec. 31, '43 \$82,469,652.31

In the New York "Times" it was observed that more than 200 stockholders of the bank were present at the meeting, representing 70% of the institution's capital stock. From the same paper we quote:

"At the conclusion of the meeting, a resolution was passed by the stockholders changing the annual meeting date from the third Wednesday in January to the second Tuesday in January. The latter date was used from 1863 to., 1929 when the back absorbed a trust company and adopted the latter's meeting date for fiscal

Fairchild Publications Retail Price Index

Showed Sight Increase In December

The Fairchild Publications retail price index increased 0.1% during December, after having remained unchanged for three months. This reflects slight movements in two of the major groups, women's apparel and men's apparel. It is also 0.1% above Jan. 1, 1943, at which time prices had not yet undergone any ceiling adjustments. After July 1, 1943 the index remained unchanged for eight consecutive months, before any adjustments in ceiling prices took effect. The index is 27.3% above the low of 1939, the pre-war period.

Under date of Jan. 14, the Fairchild announcement further stated: "Both men's and women's apparel increased 0.1% during the month, with the other major groups remaining unchanged. In comparison with last year all the groups remained unchanged with the exception of men's and women's apparel which increased 0.1% and 0.6% respectively. The advance in women's apparel reflects continuing increases in furs, and that in men's apparel reflects a slight increase in shirts. Of the major groups piece goods advanced the most over the period immediately preceding the European war, and infants' wear the least.

"Three of the individual commodities recorded a change from Dec. 1, 1943, furs, men's shirts, and blankets and comfortables. There have been increases in fur index since April 1, 1943, and they advanced 0.6% during December. However, for the first time in many months there have been slight changes in blankets and comfortables, and in men's shirts, a decrease of 0.1% in the first, and an increase of 0.2% in the second. Furs have advanced the most over the 1939 pre-war level, and women's shoes the least.

"During the next few months there will continue to be only slight movements recorded by the index, according to A. W. Zelomek, economist under whose supervision the index is compiled."

THE FAIRCHILD PUBLICATIONS RETAIL PRICE INDEX

THE FAIRCHILD PUBLICATIONS RETAIL PRICE INDEX JAN. 3, 1931=100 CONVERGED: 1943 Febriebild Naws Savuice

Copyright	1943 Fair	rchild Ne	ws Servic	e		
	1933	Jan. 1, 1943	Oct. 1, 1943	Nov. 1, 1943	Dec. 1, 1943	Jan. 1, 1944
Composite Index	69.4	113.1	113.1	113.1	113.1	113.2
Piece Goods	65.1	112.2	112.2	112.2	112.2	112.2
Men's Apparel	70.7	105.3	105.3	105.3	105.3	105.4
Women's Apparel			113.1	113.1	113.2	113.3
Infants' Wear	76.4	108.1	108.1	108.1	108.1	108.1
Home Furnishings	70.2	115.5	115.5	115.5	115.5	115.5
Piece Goods				2.18. 2017		
Silks	57.4	84.7	84.7	84.7	84.7	84.7
Woolens		108.0	108.0	108.0	108.0	108.0
Cotton Wash Goods	68.6	143.8	143.8	143.8	143.8	143.8
	00.0	145.0	143.0	143.0	143.0	143.0
Domestics Sheets						
	65.0	126.8	126.8	126.8	126.8	126.8
Blankets & Comfortables	72.9	135.0	135.0	135.0	135.0	134.9
Women's Apparel						
Hosiery		94.1	89.2	89.2	89.2	89.2
Aprons & House Dresses		140.5	140.5	140.5	140.5	140.5
Corsets & Brassieres	83.6	111.2	111.2	111.2	111.2	111.2
· Furs	66.8	134.5	142.6	142.7	143.0	143.9
Underwear	69.2	102.7	102.7	102.7	102.7	102.7
Ehoes	76.5	92.4	92.4	92.4	92.4	92.4
Men's Apparel						(indirectly
Hosiery	64.9	108.0	108.1	108.1	108.1	108.1
Underwear	69.6	114.8	114.8	114.8	114.8	114.8
Shirts & Neckwear		99.1	99.1	99.1	99.1	99.3
Hats & Caps	69.7	94.3	94.3	94.3	94.3	94.3
Clothing incl. Overalls	70.1	105.9	106.0	106.0	106.0	106.0
Shoes	76.3	109.6	109.6	109.6	109.6	109.6
				105.0	105.0	103.0
Infant's Wear Socks	74.0	114.5	114.6	114 6	1110	****
Underwear	74.3	103.7	103.7	114.6	114.6	114.6
Shoes		106.0	106.0	103.7	103.7	103.7
Furniture		129.2	129.2	106.0	106.0	106.0
Floor Coverings	79.9	146.8		129.2	129.2	129.2
Radios	50.6	66.8	146.9	146.9	146.9	146.9
Luggage	60.1	94.7	66.8	66.8	66.8	66.8
Electrical Household Appliances	72.5		94.7	94.7	94.7	94.7
China	81.5	93.5 110.6	93.5	93.5	93.5	93.5
	61.5	110.6	110.6	113.6	110.6	110,6
STATES OF THE ST			STATE OF STATE OF			

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

National Fertilizer Association Commodity Price Index Advances Fractionally

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public Jan. 24, advanced to 137.0 in the week ending Jan. 22 from 136.7 in the preceding week. This index has reached a new high and is 2.3% higher than the corresponding period of 1943. A month ago this index stood at 136.4 and a year ago at 133.9, based on the 1935-1939 average as 100. The Association's report went on to say:

The increase in the general level of the all-commodity price index was due principally to higher quotations for livestock. Although prices for wheat and rye were lower, the farm products group advanced as higher quotations were noted for cattle, lambs, and sheep. Both cotton and fluid milk advanced fractionally. Cotton has advanced to the highest level in three months. The foods group showed a slight upward trend due to higher quotations for potatoes and fluid milk. The average of industrial commodities remained unchanged.

During the week 7 price series in the index advanced and 2 declined; in the preceding week 5 advanced and 5 declined; and in the second preceding week 5 advanced and 7 declined.

WEEKLY WHOLESALE COMMODITY PRICE INDEX

WEEKLY WHOLESALE COMMODITY PRICE INDEX.

Compiled by The National Fertilizer Association

1935-1939-100°

Sears to the	Group	Latest !	Preceding	Month	Year
otal Index	Group	Week	Week	Ago	Ago
		Jan. 22,	Jan. 15,	Dec. 25.	Jan. 23
25.3	Foods	1944	1944	1943	1943
20.0	Fats and Oils	139.9	139.7	139.8	138.0
The Property	Cottonseed Oil	146.1	146.1	146.1	148.5
23.0	Farm Products	159.6	159.6	159.6	159.0
20.0	Farm Products	155.2	154.2	154.1	150.7
Α.	Cotton Grains Livestock	191.4	190.1	187.8	195.2
157	Tittoria de	164.8	165.1	164.3	133.2
17.3		146.4	145.0	145.5	147.7
10.8	Fuels	129.5	129.5	127.6	120.0
8.2	Miscellaneous commodities	131.4	131.4	131.4	129.3
7.1	Textiles	150.6	150.4	150.1	150.5
6.1		104.4	104.4	104.4	104.4
1.3	Building materials	152.4	152.4	152.4	151.4
.3	Chemicals and drugs	127.7	127.7	127.7	127.6
3	Fertilizer materials Fertilizers	117.7	117.7	117.7	117.6
.3		119.9	119.9	119.8	119.1
	Farm machinery	104.2	104.2	104.2	104.1
100.0	All groups combined	-	-		
	All groups combined	137.0	136.7	136.4	133.9
3, 1943, 104	on 1926-1928 base were: Jan. 22, 194	14 106 7-	Ton 15	100 5	1 7

Statutory Debt Limitation As Of Dec. 31, 1943

The Treasury Department made public on Jan. 5 its monthly report showing the face amount of public debt obligations issued under the Second Liberty Bond Act, (as amended) outstanding on Dec. 31, 1943, totaled \$171,202,306,893, thus leaving the face amount of obligations which may be issued, subject to the \$210,000,000,000 statutory debt limitation at \$38,797,693,107. In another table in the report, the Treasury indicates that from the total face amount of outstanding public debt obligations (\$171,202,306,893) should be deducted \$6,493,469,301 (the unearned discount on savings bonds), reducing the total to \$164,708,837,592, but to this figure should be added \$1,168,441,401 (the other public debt obligations outstanding but not subject to the statutory limitation). Thus, the total gross debt outstanding as of Dec. 31, 1943, was \$165,877,278,993.

The following is the Treasury's report for Dec. 31:

The following is the Treasury's report for Dec. 31:

Statutory Debt Limitation as of Dec. 31, 1943

Section 21 of the Second Liberty Bond Act, as amended, provided that the face amount of obligations issued under authority of that Act, "shall not exceed in the aggregate \$210,000,000,000 outstanding at any one time."

The following table shows the face amount of obligations outstanding and the face amount which can still be issued under this limitation:

Total face amount that may be outst Outstanding as of Dec. 31, 1943: Interest-bearing:	anding at any o	ne time	\$210,000,000,000
Bonds— Treasury *Savings (maturity value)—— Depositary Adjusted service	\$67,944,415,000 33,856,250,325 406,157,250 719,305,107		
Treasury notes Certificates of indebtedness Treasury bills (maturity value)_	\$26,960,936,225 27,845,870,000 13,072,182,000	\$102,926,127,682 • 67,878,988,225	
Matured obligations, on which intere Bearing no interest:	st has ceased	\$170,805,115,907 194,115,325	
U. S. savings stamps Excess profits tax refund bonds	203,064,261	203,075,661	171,202,306,893
Face amount of obligations issuable	under above aut	hority	\$38,797,693,107
RECONCILEMENT WITH DAILY ST	ATEMENT OF T DEC. 31, 1943	THE UNITED STA	TES TREASURY
Total face amount of outstanding nu			

Total face amount of outstanding public debt obligations issued under authority of the Second Liberty Bond Act_____ \$171,202,306,893

Deduct unearned discount on Savings Bonds (difference between current redemption value and maturity value) 6,493,469,301

7,930,645 964,568,036 1.168,441,401 Total gross debt outstanding as of Dec. 31, 1943____

\$165,877,278,993 Approximate maturity value. Principal amount (current redemption value) according to preliminary public debt statement \$27,362,781,024.

Non-Ferrous Metals—February Allocation Of **Copper Larger—Quicksilver Declines Sharply**

"E. & M. J. Metal and Mineral Markets," in its issue of Jan. 20 "E. & M. J. Metal and Mineral Markets," in its issue of Jan. 20 stated: "Distribution of copper will be larger in February than in the preceding month, based on allocation certificates released during the last week. Though consumption of copper, lead, and zinc remains at close to the peak level, the stockpiles for all three metals are increasing, traders believe. So far as prices were concerned, interest last week centered in equicksilver. The quotations in feeling exists in some quarters New York as the week ended ranged from \$150 to \$160 per flask, which compares with \$190 to \$193 at the end of 1943. Canada last week eased its restriction on both aluminum and magnesium." The publication further went on to the process of the property of the process of the supply situation continues easy. Unless civilian continues easy Unless civilian continues easy. Unless civilian continues easy.

publication further went on to say in part:

Copper

February certificates for copper came through on schedule. Sufficient metal appears to have been allocated by the Copper Division to absorb the domestic output, plus a fair tonnage of foreign origin metal. However, some consumers are taking their time about accepting copper allotted to them, which tends to make the final result a little uncertain. Fabricators are on the alert for further cutbacks. came through on schedule. Suffi-

further cutbacks.

Mine production of copper in the United States in 1943 was 1.087,630 tons, according to a pre-liminary estimate by the Bureau of Mines. This compares with 1,080,061 tons in 1942.

The market for zinc was inactive. The supply situation continues easy. Unless civilian consumption of zinc is permitted to increase, the stockpile will continue to grow, the trade believes. Just as long as the government continues to absorb the surplus, concern over the stability of the price structure is not likely to develop, market observers contend. Production is being maintained at a high rate. a high rate.

Mine output of zinc in the Eastern States in 1943 was estimated by the Bureau of Mines at 198,500 tons, against 199,908 tons in 1942. New Jersey contributed 92,500 tons; New York 46,000 tons; Tennessee 41,700; and Virginia 18,300 tons.

Aluminum

Tin

Excepting that exporters were cautioned about observing the of-ficial regulations in reference to conducting business with Bolivia, the entire situation remains un-changed. Supplies necessary to maintain production of tin con-centrates are to go forward on schedule schedule.

schedule.

WPB is allocating tin at about the same rate as in recent months, indicating that its conservative views on the supply of the metal have not changed. The market for Straits quality tin continued at 52c, a pound. Forward material was nominally as follows:

	Personal	Jan.	Feb.	March
January	13	52:000	52.000	52,000
January	14	52.000	52.000	52,000
January	15	52.000	52.000	52.000
January	17	52.000	52.000	52.000
January	18	52.000	52.000	52.000
January	19	52.000	52.000	52,000
100 198			100	7.7.7

Chinese, or 99% tin, was un-changed at 51.125c. all week.

Quicksilver

Offerings of quicksilver by producers not qualified to sell their output to the Metals Reserve conoutput to the Metals Reserve continue to depress the market almost daily. Most sellers regard the price as wholly nominal, particularly in reference to quantity business extending over a period of months. Consumers share in this view, and most buyers remain on the side lines pending clarification of the price situation. During the last week most sellers in New York lowered their selling basis to \$160 per their selling basis to \$160 per flask, but business was placed as low as \$150, prompt delivery.

Statistics issued during the last week confirmed earlier reports that production in 1943 amounted that production in 1943 amounted to 53,500 flasks (as compared with 50,846 in 1942). The New Idria mine, operating in California, made the outstanding record, increasing its production over 1942 by possibly 75%, the Bureau of Mines reports

Mines reports.

Silver

During 1943, consumption of silver in the United States in the
arts and industries amounted to
125,000,000 oz., according to an
estimate by Handy & Harman, a
new high record and an increase
of 10,000,000 oz. over the record of
1942. Consumption was more than
four times the average annual four times the average annual amount for the five-year period prior to 1941. Approximately 65% went into war production or for purposes classified as essential by WPB.

The London market for silver was unchanged last week at 23½d, The New York Official for foreign silver continued at 44%c., with domestic metal at 70%c.

Daily Prices

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

Colombia Signs Pact Of United Nations

Colombia's adherence to the Declaration by the United Nations was pledged on Jan. 18 when President Alfonso Lopez signed the document at the White House in a ceremony witnessed by President Roosevelt.

By this action Colombia pledges its complete resources for the prosecution of the war and prom-Lead

Sales of lead for the week ended Jan. 19 totaled 13,317 tons, against 9,217 tons in the preceding sevenday period. As requests for foreign lead for delivery next month must be submitted to the TinLead Division of WPB before the end of the current week, to round out any supply deficiencies that may exist, the increased volume of business was expected by producers. Though demand for lead has been holding up well, the

As of the close of business Dec. 31, 1943, there were 1,096 bond issues aggregating \$90,840,915,406 par value listed on the New York Stock Exchange with a total market value of \$90,274,071,634, the Stock Exchange announced on Jan. 11. This compares with 1,098 bond issues, aggregating \$90,969,856,933 par value, with a total market value of \$90,076,888,558 on Nov. 30, 1943.

In the following table listed bonds are also iffed by covernment of the preceding week and 523,050 barrels per day more than recorded in the recorded

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

	——Dec. 31, 1	943	Nov. 30,	1943
		Average		Average
Group—	Market Value	Price	Market Value	Price
U. S. Government (incl. N. Y.		Φ.	•	•
State, Cities, etc.)	73,952,811,196	103.32	73,949,210,192	103.32
U. S. companies:				
Automobile	9,206,516	101.70	10,596,509	100.42
Building	13,293,750	101.48	13,201,250	100.77
Business and office equipment.	15,637,500	104.25	15,712,500	104.75
Chemical	47,087,000	102.59	47,094,000	102.16
Electrical equipment	36,325,000	103.79	36,281,250	103.66
Financial	54,655,020	103.05	54,708,777	103.16
Food	267,510,530	105.75	265,706,217	104.81
Land and realty	11,250,518	85.50	11,250,518	85.50
Machinery and metals	36,075,683	101.82	37,360,663	101.99
Mining (excluding iron)	89,833,297	62.97	89,279,644	62.23
Paper and publishing	38,487,664	102.84	38,887,317	103.26
Petroleum	590,347,354	104.01	588,944,574	103.63
Railroad	7,435,733,259	75.27	7,238,107,742	72.75
Retail merchandising	11,996,015	86.87	11,808,723	85.52
Rubber	71,060,830	103.48	70,663,295	102.90
Ship building and operating	11,805,405	102.91	12,059,940	105.13
Shipping services	21,680,199	80.74	21,725,313	80.91
Steel, iron and coke	481,957,980	101.80	483,231,098	101.57
Textiles	38,180,069	105.37	37,830,069	104.40
Tobacco	173,245,145	105.66	172,319,902	105.09
Utilities:		N 2 8 C		100
Gas and electric (operating)_	3,266,375,073	108.35	3,257,394,991	107.64
Gas and electric (holding)	59,760,000	106.71	59,180,000	105.68
Communications	1,188,897,215	110.77	1,215,304,854	109.47
Miscellaneous utilities	103,364,376	71.25	98,022,535	67.57
U. S. companies oper. abroad	137,976,333	76.73	138,456,348	77.00
Miscellaneous businesses	31,088,240	105.28	30,904,236	104.66
Total U. S. companies	14,242,829,971	86.89	14,056,032,265	85.09
Foreign government	1,340,401,129	65.44	1,332,839,530	64.94
Foreign companies	738,029,338	89.32	738,806,571	89.17
All listed bonds	90,274,071,634	99.38	90,076,888,558	99.02
	The state of the state of the	The state of the state of		w

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

and the transport of the first of the	Average	The state of the s		Average
1941—	Market Value Price	1942-	Market Value	Price
	8 8		\$	\$
Nov. 29	54,812,793,945 94.80	Dec. 31	70,583,644,622	96.70
Dec. 31	55,033,616,312 94.50	1943		
1942—		Jan. 30	71.038,674,932	97.47
Jan. 31	56,261,398,371 95.24	Feb. 27	71,346,452,852	97.79
Feb. 28	57,584,410,504 95.13	Mar. 31	71,575,183,604	98.24
Mar. 31	58,140,382,211 95.97	Apr. 30	71,857,596,488	98.69
Apr. 30	57,923,553,616 95.63	May 29	81,048,543,830	99.47
May 29	59,257,509,674 95.64	June 30	80,704,321,646	99.64
June 30	59,112,072,945 95.50	July 31	80.352,221,151	99.35
July 31	61,277,620,583	Aug. 31	80,109,269,964	99.23
Aug. 31	62,720,371,752 96.08	Sept. 30	80,149,558,292	99.37
Sept. 30	62,765,776,218 96.18	Oct. 30	90.501.768.934	99.45
Oct. 31	64,843,877,284 96,48	Nov. 30	90,076,888,558	99.02
Nov. 30	64.543.971,299 96.11	Dec. 31	90,274,071,634	99.38
		a series you be a received to the	many and the second of the con-	to the said was

December Department Store Sales In New York Federal Reserve District 1% Below Year Ago

The Federal Reserve Bank of New York announced on Jan. 20 that December sales of department stores in the Second (New York) Federal Reserve District decreased 1% below a yar ago. The combined sales for January through December were 6% higher than in the full year of 1942. Stocks of merchandise on hand in department stores at the end of December were 8% below December, 1942.

The apparel stores in the New York Reserve District reported a gain of 25% in net sales in December. Their stocks on hand at the close of the year were 13% above the end of 1942.

The following is the bank's tabulation:

DEPARTMENT STORE TRADE BY MAJOR LOCALITIES DECEMBER, 1943

			· ·				Perc		hanges from a earlier
	100			是和常			Net S	Sales	
	2 11 15			7. 185	all the first		J	an. thru	Stock on hand
Department Stores	S			1	die i		Dec.	Dec.	Dec. 31, 1943
New York City					2.5	William Co.	0	4 7	_ 8
Northern New Jersey		A					- 8	- 2	-15
*Newark				May to			_ 9	_ 2	-16
Westchester and Fairf	ield (Countie	28				_ 7	- 3	-10
Bridgeport	***	- 1	fall day	6.4	1000	A. W	10	- 6	- 5
Bridgeport Lower Hudson River Va	alley_	-	4011 A.A.		(100	+ 3	+ 7	- 2
Poughkeepsie	0.35	1.4					4.7	4 9	X I for " All
Upper Hudson River V	Talley.		1.5	3 1			_ 4	_ 1	4
Albany				10			_ 2	4	-1,
Albany Schenectady	41000	M 1			our actions		_ 4	1 2	+ 2
Central New York State	4.3.00			1. 4 4			1. 2	+11	+ 1
Monawk River Valley	11 miles						+ 3	+11	-15
Utica							1 7	+13	10
Utica Syracuse Northern New York St	100		3. 10. 10.				7 2	+ 11	+ 10
- Northern New York St.	ate		1.00	111		***************************************	T 3	T 11	+ 10
Southern New York St	tate						T 2	T 3	
Binghamton	0400						1 4	+14	- 2
Binghamton Elmira			7777				T 2	7 14	
*Western New York St	ate	15.7		7			1 4		
Buffalo	2 4.4	100	1000				01 7	+11	3
*Niagara Falls							+ 5		+ 3
*Niagara Falls Rochester				10787			7 0	7 24	+ 3
*All department st	tores					-	- 1	T 6	
*Apparel stores	001032				******			+ 21	- 8
							7 20	T 21	+ 13
Subject to revision	on.	a det			345.5				The profes

INDEXES OF DEPARTMENT STORE SALES AND STOCKS
Second Federal Reserve District
[1935-39 average = 100]

			0			124	1942		* 41	1943		
	1"	-		1 100	17.0	1.4	1344			.1943		,
			1.3	W 100 W 100		1 (a)	Dec.		Oct.	Nov.	Dec.	ď
- 1	Sales	(average	daily),	unadju	sted		†229		156	181	226	
	Sales	(average	daily),	seasons	illy ac	ljusted_	124	*	136	148	123	
1			7.	1.9	1923-	25 averag	e == 100	10		40		
1	Stocks,	unadjus	ted			1	†119		131	+132	110	
8	Stocks,	seasona	lly adju	sted			†121		119	†115	113	
	*II	ndexes re	vised fr	om 1919	to da	ate; avail	able upo	n	equest.	†Revised.		

Market Value Of Bonds On H. Y. Stock Exchange Daily Average Grude Gil Petroleum For Weck 1943 Rayon Gulput

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Jan. 15, 1944, was 4,372,550 barrels, an increase of 7,700 barrels per day in excess of the preceding week and 523,050 barrels per day more than recorded in the week ended Jan. 16, 1943. However, the current figure is 57,050 barrels less than the daily average figure recommended by the Petroleum Administration for War for the month of January, 1944. Daily output for the four weeks ended Jan. 15, 1944, averaged 4,364,300 barrels. Further details as reported by the Institute follow:

follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,203,000 barrels of crude oil daily and produced 12,682,000 barrels of gasoline; 1,481,000 barrels of kerosine; 4,231,000 barrels of distillate fuel oil, and 8,459,000 barrels of residual fuel oil during the week ended Jan. 15, 1944; and had in storage at the end of that week 78,405,000 barrels of gasoline; 8,907,000 barrels of kerosine; 39,099,000 barrels of distillate fuel, and 54,529,000 barrels of residual fuel oil. The above figures apply to the country as a whole and do not reflect conditions on the East Coast.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

Actual Production

*State

Oklahoma Kansas Nebraska	*P. A. W. Recomme dations January 328,000 285,000 1,300	n+ ables Begin, Jan. 1, 325,000 269,400	Week Ended Jan. 15, 1944 †318,800 †273,600 †1,300	from	4 Weeks Ended Jan. 15, 1944 326,750 268,800 1,500	Week Ended Jan. 16, 1943 347,400 300,650 2,650
Panhandle Texas North Texas West Texas East Central Texas			97,900 140,200 364,600	— 450	96,150 141,800 359,600	88,300 136,200 200,300
East TexasSouthwest TexasCoastal Texas			116,400 366,200 293,550		121,650 366,200 292,150	101,600 327,600 166,300
Total Texas	1,892,000	‡1,909,52 6	1,899,650	450	1,898,200	308,500
North Louisiana Coastal Louisiana		7 - 10 - 10 - 10 - 10 - 10 - 10 - 10 - 1	77,300 280,900	— 600 — -	77,850 278,200	92,800 247,100
Total Louisiana	343,700	368,200	358,200	- 600	356,050	339,900
Arkansas Mississippi Illinois Indiana	76,900 48,000 215,000 14,400	77,891	79,700 46,750 206,800	+ 300 + 1,100 — 4,100	79,500 46,650 209,950	75,150 58,550 228,300
Eastern— (Not incl. Ill., Ind.,			12,150		12,550	14,550
Ky.) Kentucky Michigan	72,900 26,000 56,000		69,150 23,550 57,100	+ 2,400 + 2,300 + 11,000	69,400 22,350 49,550	74,200 16,300
Wyoming Montana Colorado	100,000 23,500		87,800 21,100	- 2,150	87,300 20,700	62,400 88,400 22,550
New Mexico	7,000 110,600	110,600	7,800 112,900	+ 50 - 50	7,450 112,900	6,700 98,000
Total East of Calif. California	3,601,300 828,300	§828,300	3,576,350 796,200	+ 3,200 + 4,550	3,569,600 794,700	3,064,500 785,000
Total United States	4,429,600	144 : T	4,372,550	+ 7,700	4,364,300	3,849,500

°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 derivities to be produced.

gas derivities to be produced.

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m., Jan. 13, 1944.

†This is the net basic allowable as of Jan. 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of certain other fields for which shutdowns were ordered for from 3 to 14 days, the entire state was ordered shutdown for 8 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 8 days shutdown time during the calendar month. \$Recommendation of Conservation Committee of California Oil Producers.

RUDE RUNS TO STILLS; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED JAN. 15, 1944

(Figures in Thousands of barrels of 42 Gallons Each)
Figures in this section include reported totals plus an estimate of unreported amounts and are
therefore on a Bureau of Mines basis—

	\$Gasoline							51S
	Daily Refining Capacity Poten-		Crude		roduction at Re- ‡Stock fineries Finishe Includ. and Ur		shed of Gas of R	
		% Re-		% Op-	Natural	finished	Oil and	sidual Fuel
District—	Rate	porting	Average	erated	Blended	Gasoline	Fuels	Oil
*Combin'd: East Coast Texas Gulf, Louis- iana Gulf, North Louisiana-Arkansas,								
and Inland Texas Appalachian—	100	89.0	2,049	83.7	5,792	35,506	19,543	16,150
District No. 1	130	83.9	105	80.8	340	1,786	906	171
District No. 2	47	87.2	55	117.0	174	1,101	92	174
Ind., Ill., Ky.		85.2	757	91.9	2,624	16.244	5,805	3,129
Okla., Kans., Mo Rocky Mountain—	416	80.1	359	86.3	1,361	7,186	1,874	1,083
District No. 3	8	26.9	11	137.5	39	75	20	29
District No. 4		58.3	101	71.6	294	1,511	355	602
California	817	89.9	766	93.8	2,058	14,996	10,504	33,191
Total U. S.—B. of M. basis Jan. 15, 1944_		86.6	4,203	87.0	12,682	†78,405	39.099	54,529
Total U. S.—B. of M. basis Jan. 8, 1944		86.6	14,221	87.4	12,630	77,654	41,509	55,731
U. S. Bur. of Mines basis Jan. 16, 1943_			3,575		10,365	83,585	42,007	71,773
*At the request o	f the	Petroleur	n Admin	istratio	n for W	or +Ein	3 1	

At the request of the Petroleum Administration for War. fFinished, 67,815,000 barrels; unfinished, 10,590,000 barrels. At refineries, at bulk terminals, in transit and in pipe lines. Shot including 1,481,000 barrels of kerosine, 4,231,000 barrels of gas oil and distillate fuel oil and 8,459,000 barrels of residual fuel oil produced during the week ended Jan. 15, 1944, which compares with 1,446,000 barrels, 4,434,000 barrels and 9,061,000 barrels, respectively, in the preceding week, and 1,265,000 barrels 7,986,000 barrels and 7,470,000 barrels, respectively, in the week ended Jan. 16, 1943. Revised in California district due to error by reporting company.

Notes—Stocks of kerosine at Jan. 15, 1944 amounted to 8,907,000 barrels, as against 9,340,000 barrels a week earlier and 8,689,000 barrels a year before.

District No. 1 inventory indices are: Gasoline, 42,0%: kerosine, 475%; gas oil

District No. 1 inventory indices are: Gasoline, 42.0%; kerosine, 47.5%; gas oil and distillate, 86.2%, and residual fuel oil, 67.9% of normal.

N. Y. Federal Reserve Bank meeting on Jan. 20 selected John Designates Traphagen On Council

C. Traphagen, President of the Bank of New York, to serve during the year 1944 as the member Announcement is made by Allan Sproul, President of the Federal Reserve Bank of New York, that the directors of the bank at their District.

Production of rayon (yarn plus staple fiber) by United States mills in 1943 aggregated 663,144,000 pounds, states the "Rayon Organon," published by the Textile Economics Bureau, Inc., New ganon, published by the Textile Economics Bureau, Inc., New York. This total exceeded the previous record of 632,615,000 pounds produced in 1942 by 5%, the gain being due to increased war and civilian demands. The advices, under date of Jan. 20, further said: further said:

"Due to the continued expan-sion of the rayon tire yarn pro-gram in 1943, the output of viscose plus cuprammonium yarn amounted to 338,511,000 pounds, an increase of 9% compared with the 1942 production of 310,475,000 pounds. Rayon staple fiber output also increased 6% from 153,-285,000 pounds in 1942 to 162,019,-285,000 pounds in 1942 to 162,019,-000 pounds in 1943. The output of acetate filament yarn in 1943, on the other hand, declined 4% from 168,855,000 pounds in 1942 to 162,614,000 pounds in 1943; a shortage of essential raw materials was the principal factor causing the decrease in this branch of the industry."

Deliveries of rayon by Amera-

branch of the industry."

Deliveries of rayon by American mills in 1943 followed the same general pattern of production, states the "Organon," except that the viscose-cuprammonium filament yarn took the main burden of the Good Neighbor Rayon Export Program during the year. In the latter part of 1943, however, acetate filament yarn and rayon staple fiber exports were increasing. No figures are available for publication as to the volume of 1943 exports. Rayon imports during 1943 can again be considered as nil.

Locomotives Installed, Largest Since 1930

The class I railroads put 28,708 The class I railroads put 28,708 freight cars and 773 locomotives in service in 1943, the Association of American Railroads announced on Jan. 24. This was the smallest number of cars installed since 1940, but the greatest number of locomotives since 1930. The railroads placed 63,009 new freight roads placed 63,009 new freight cars and 712 new locomotives in service in 1942.

of the new freight cars installed in the calendar year 1943, there were 1,923 plain box, 356 automobile, 8.792 gondolas, 15,137 hopper, 2,446 flat, four refrigerator, three stock, and 47 miscellaneous cars.

The new locomotives installed in the past year included 429 steam, 15 electric, and 329 Diesel, compared with 308 steam and 404 electric and Diesel in 1942.

The class I railroads on Jan. 1, 1944, had 35,737 new freight cars on order, as against 27,061 on the same date last year. Of the total number on order on Jan. 1 this year, there were 10,944 plain box, 3,508 automobile box, 4,869 gondolas, 13,651 hoppers, 1,200 refrigerator, 200 stock, and 1,365 flat cars.

They also had 955 locomotives on order on Jan. 1, this year, which included 339 steam, three electric, and 613 Diesel locomotives. On Jan. 1, 1943, they had 888 locomotives on order which included 355 steam and 533 electric and Diesel.

The ODT also reported 33 new locomotives on order on Jan. 1, and 31 new locomotives installed in the year 1943 by other than class I carriers. This brings the total of new locomotives on order Jan. 1, to 988 and the number installed in 1943 to 804.

Weekly Goal And Coke Production Statistics

Weekly Goal And Goke Production Statistics

The Solid Fuels Administration for War, U. S. Department of the Interior, in its latest report, states that the total production of bituminous coal and lignite in the week ended Jan. 15, 1944 is estimated at 12,750,000 net tons, an increase of 500,000 tons, or 4.1%, over the preceding week. Output in the corresponding week last year amounted to 11,575,000 tons. Total production for the current year to date is 7.4% in excess of that for the same period in 1943.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Jan. 15, 1944 was estimated at 1,147,000 tons, an increase of 71,000 tons (6.6%) over the preceding week. When compared with the output in the corresponding week of 1943 there was an increase of 101,000 tons, or 9.7%.

The Bureau of Mines also reported that the estimated output of byproduct coke in the United States for the week ended Jan. 15, 1944 showed an increase of 5,000 tons when compared with the production for the week ended Jan. 8, 1944. The quantity of coke from beehive ovens increased 4,200 tons during the same period.

ESTIMATED UNITED STATES PRODUCTION OF COAL

ESTIMATED UNITED STATES PRODUCTION OF COAL

	-Week Ended	January 1 to Date
Bituminous coal Jan. 15,	*Jan. 8, Jan. 16,	
and lignite— 1944	1944 1943	
Total, incl. mine fuel_ 12,750,000	12,250,000 11,575,000	26,230,000 24,429,000 23,029,000
		2,065,000 1,879,000 1,771,000
*Revised. †Subject to current	t adjustment.	

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE

		(In Net		——Са	l. Year to D	ate
	§Jan. 15,		Jan. 16,	Jan. 15,	Jan. 16,	Jan. 19,
Penn, anthracite-	1944	. 1944	1943	1944	1943	1929
*Total incl. coll. fuel_	1,147,000	1,076,000	1,046,000		2,020,000	4,325,000
†Commercial production	1,101,000	1,033,000	1,004,000	2,144,000	1,939,000	4,014,000
Byproduct coke-		the owners.				A-100 100 16
United States total	1,261,000	1,256,000	1,217,100	2,687,600	2,767,900	1 y 1
Beehive coke-		£ 4.3°				
United States total	156,200	152,000	153,600	329,100	339,300	322,400

*Includes washery and dredge coal, and coal shipped by truck from autoperations. †Excludes colliery fuel. ‡Comparable data not available. §Subjrevision. ¶Revised.

그리아 하다 하다면 수 없어요? 그 이번 얼마나를 다 다 다.						
	Jan. 8,	Jan. 1,	Jan. 9,	Jan. 9,		
State	1944	1943	1943	1937		
Alabama	391,000	337,000	382,000	274,000		
Alaska	5,000	5,000	6,000	2,000		
Arkansas and Oklahoma	102,000	81,000	102,000	96,000		
Colorado	182,000	161,000	190,000	221,000		
Georgia and North Carolina	1,000	1,000	1,000	††		
Illinois	1,594,000	1,420,000	1,280,000	1,395,000		
Indiana	580,000	478,000	526,000	474,000		
Iowa	53,000	45,000	63.000	114,000		
Kansas and Missouri	175,000	160,000	208,000	205,000		
Kentucky-Eastern	935,000	885,000	885,000	892,000		
Kentucky-Western	311,000	282,000	302,000	227,000		
Maryland	35,000	30,000	27,000	41,000		
Michigan	3,000	3,000	6,000	21,000		
Montana (bituminous and		Um Linki, kawa				
lignite)	115,000	106,000	110,000	85,000		
New Mexico	38,000 -	35,000	40,000	43,000		
North and South Dakota	10 14 25 WES		Landing of the second			
	88.000	71,000	88,000	78,000		
(lignite)	634,000	498,000	628,000	626,000		
Pennsylvania (bituminous)	2.831.000	2,367,000	2,408,000	2,737,000		
Tennessee	153,000	137,000	141,000	114,000		
Texas (bituminous and lig-						
nite)	7,000	7,000	8,000	14,000		
Utah	134,000	113,000	131,000	117,000		
Virginia	427.000	354,000	382,000 *	307,000		
Washington	31,000	27,000	44.000	56,000		
*West Virginia-Southern	2,290,000	1,930,000	2,055,000	1.982,000		
tWest Virginia-Northern	944.000	792,000	890,000	669,000		
Wyoming	190,000	174,000	207,000	156,000		
Other Western States	1,000	1,000	201,000	1,000		
		1,000		1,000		
Total bituminous and lig-						
nite	12,250,000	10,500,000	11.110.000	10,947,000		
§Pennsylvania anthracite	1,076,000	896,000	922,000	1,188,000		
	1,010,000	030,000	522,000	1,188,000		
Total all coal	13 326 000	11 396 000	12 022 000	12 125 000		

*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. SData for Pennsylvania anthracite from published records of the Bureau of Mines. †Less than 1,000 tons.

New Capital Issues In Great Britain

The following statistics have been compiled by the Midland Bank Limited. These compilations of issues of new capital, which are subject to revision, exclude all borrowings by the British Government; shares issued to vendors; allotments arising from the capitalization of reserve funds and undivided profits; sales of already issued securities which add nothing to the capital resources of the company whose securities have been offered; issues for conversion or redemption of securities previously held in the United Kingdom; short-dated bills sold in anticipation of long-term borrowings; and loans of municipal and county authorities which are not specifically limited. In all cases the figures are based upon the prices of issue.

SUMMARY TABLE OF NEW CAPITAL ISSUES IN THE UNITED KINGDOM [Compiled by the Midland Bank, Ltd.]

Year—	£		£
1919	237,541,000	1932	113,038,000
1920	384,211,000	1933	132,869,000
1921	215,795,000		150,190,000
1922	235,669,000	1935	182,824,000
923	203,760,000	1936	217,221,000
924	223,546,000	1937	170,906,000
925	219,897,000	1938	118.098.000
926	253,266,000		66,294,000
927	314,714,000	1940	4.096,000
928	362,519,000	1941	2,326,000
929	253,749,000	1942	3,907,000
930		1943	8.583.000
1931	88,666,000		0,000,000

[Compiled by the Midland Bank, Ltd.]

			aphical distribu	tion—
	Total	United Kingdom	British overseas countries	Foreign countries
1935	182,824,000 217,221,000	161,934,000	18,038,000	2,852,000
1937	170,906,000 118,098,000	190,808,000 138,768,000	23,353,000 24,938,000	7,200,000
1939	66,294,000	92,746,000 43,335,000	21,284,000 18,313,000	4,067,000 4,646,000
1941	2,326,000	3,544,000 1,927,000	357,000 399,000	195,000
1943	3.907,000 8,583,000	3.871,000 7,059,000	36,000 645,000	879,000

Bankers' Dollar Acceptances Outstanding On Ruml Renews Plea For December 31 Increase To \$116,814,000

The volume of bankers' dollar acceptances outstanding on Dec The volume of bankers' dollar acceptances outstanding on Dec. 31 amounted to \$116,814,000, an increase of \$5,525,000 from the Nov. 30 total, according to the monthly acceptance survey issued Jan. 13 by the Federal Reserve Bank of New York. As compared with a year ago, the Dec. 31 total represents a decline of \$1,225,000. In the month-to-month comparison, domestic warehouse credits, dollar exchange and those based on goods stored in or shipped between foreign countries were lower, while in the yearly analysis only credits for imports and exports were higher.

The Reserve Bank's report follows:

BANKERS' DOLLAR ACCEPTANCES OUTSTANDING—UNITED STATES BY FEDERAL RESERVE DISTRICTS

	D- 01 140	Nov. 30, '43	Dec. 31, '42	14
Federal Reserve District—	Dec. 31, '43 \$21.083.000	\$19.835,000	\$21,370,000	4.
1 Boston 2 New York	71.133.000	65,458,000	71,729,000	e
		4.682.000	4,897,000	e
3 Philadelphia	1,699,000	1,681,000	1,919,000	
4 Cleveland	2,059,000	2,026,000	482,000	
5 Richmond 6 Atlanta		2,578,000	2,133,000	p
7 Chicago	3,634,000	4,620,000	4,170,000	n
8 St. Louis		548,000	314,000	f
Q Minneapolis	43.000	54,000	51.000	t
9 Minneapolis 0 Kansas City	43,000			L
1 Dallas	510,000	481,000	295,000	d
2 San Francisco	8,440,000	9,326,000	10,679,000	
Grand Total	\$116.814.000	\$111,289,000	\$118,039,000	a
			\$1,225,000	11
Increase for month\$5,	525,000 Decre	ase for year	-51,220,000	V
ACCORDI	NG TO NATURE OF	CDEDIT	SHANCE WELL VO	S
ACCORDI	NG TO WATORE OF	CIUDII		D

Imports	Dec. 31, '43 \$65,926,000	\$59,495,000	Dec. 31, '42 \$56,637,000 9,124,000	
Exports Domestic shipments Domestic warehouse credits	9,581,000 2,889,000	8,414,000	11,456,000 26,663,000	(
Dollar exchangeBased on goods stored in or shipped	64,000		361,000	
between foreign countries	8,864,000	9,448,000	13,798,000	1

BILLS HELD BY ACCEPTING BANKS

Total____\$90,059,000 Own bills____\$52,081,000 Bills of others___\$37,978,000 Increase for month___\$2,212,000

CURRENT MARKET RATES ON PRIME BANKERS ACCEPTANCES JAN. 13, 1944

Days	Dealers' Buying	Rates	Dealers'	Selling Rates	
30	1/2			16	
60	1/2			3 ⁷ 6	
90	1/2		Alton N	16	
120	18		and the same of	1/2	
150	5/8			16	
180	5/8			10	
reday relita gara.	The second selection				

The following table, compiled by us, furnishes a record of the volume of bankers' acceptances outstanding at the close of each month since Jan. 31, 1941:

1941—	\$	1942-	\$	1 1943	\$
Jan. 31	212,777,000	Jan. 31	197,278,000	Jan. 30	119,682,000
Feb. 28	211,865,000	Feb. 28	190,010,000	Feb. 27	127,062,000
Mar. 31	217,312,000	Mar. 31	182,675,000	Mar. 31	129,818,000
Apr. 30	219,561,000	Apr. 30	177,293,000	Apr. 30	128,350,000
May 31	215,005,000	- May 29	173,906,000	May 29	135,815,000
June 30	212,932,000	June 30	162,849,000	June 30	139,846,000
July 31	209,899,000	July 31	156,302,000	July 31	138,692,000
Aug. 30	197,472,000	Aug. 31	139,304,000	Aug. 31	130,244,000
Sept. 30	176,801,000	Sept. 30	123,494,000	Sept. 30	117,016,000
Oct. 31	184,806,000	Oct. 31	118,581,000	Oct. 30	114,883,000
Nov. 29	193,590,000	Nov. 30	116,067,000	Nov. 30	111.289,000
Dec. 31	194,220,000	Dec. 31	118,039,000	Dec. 31	116,814,000
THE STATE OF THE S		Comment of the Commen	TOTAL STATE OF THE PARTY OF	The state of the s	PARK MARKET STATE

Cottonseed Receipts To December 31

On Jan. 13, the Bureau of Census issued the following statement showing cottonseed received, crushed, and on hand, and cottonseed products manufactured, shipped out, on hand, and exported for the four months ended Dec. 31, 1943 and 1942.

COTTONSEED RECEIVED, CRUSHED, AND ON HAND (TONS)

*Received at mills Crushed On hand at mills

State—		Dec. 31	Aug. 1 to			. 31
	1943	1942	1943	1942	1943	1942
United States	3,621,382	4,048,307	2,446,800	2,725,758	1,263,358	1,401,320
Alabama	246,620	233,246	179,126	174,965	69,679	61 614
Arizona	39,688	47,188	25,890	31,400	13,801	16,179
Arkansas	357,432	444,297	212,996	255,197	154,019	200,975
California	99,298	96,822	43.008	53.324	63.186	44.673
Georgia	318,103	301.854	237,446	255,860	82.895	50,051
Louisianna	186,761	150,094	135,472	131,232	51,832	19,606
Mississippi	679.597	721.520	378.492	396.344	312.645	331,417
North Carolina	204,555	237,697	140,349	164,691	65,271	76,117
Oklahoma	104,548	202,013	85,243	143,290	21,097	- 63,187
South Carolina	173,977	175,286	140,379	155.392	36,191	19.841
Tennessee	262,433	358.236	173.685	201,802	92.014	165,621
Texas	853.048	946.996	641.985	693.807	255,732	286,144
All other states	95,322	133,058	52,729	68,454	44,996	65,895
*Does not include	90.336 and	81.928 ton	s on hand	Aug. 1 n	or 30.823 a	nd 29,218

tons reshipped for 1943 and 1942 respectively. Does include 1,560 tons destroyed for 1943 and 3,157 for 1942.

COTTONSEED PRODUCTS MANUFACTURED, SHIPPED OUT, AND ON HAND On hand

	The second secon		On mand	Liug. I w	nug. I to	On manu	
	Item—	Season	Aug. 1	Dec. 31	Dec. 31	Dec. 31	
	Crude oil	1943-44	*23,283	752,386	703,102	*148.107	
	(thousand pounds)_(1942-43	34,460	840,517	796,576	156,164	
n	Refined oil	1943-44	†207,409	\$586,021		†265,103	
n	(thousand pounds)_[1942-43	310,191	648,646		302,292	
n	Cake and meal	1943-44	18,542	1,127,355	1,078,243	- 67.654	
0	(tons)	1942-43	190,100	1,204,243	1,301,167	93,176	
n	Hulls	1943-44	11,964	569,256	548,344	32,876	13
2	(tons)	1942-43	44,118	655,284	649,981	49,421	
2	Linters	1943-44	135,927	\$727,690	578,467	\$285,150	
n	(running bales) (1942-43	43,295	817,503	634,317	226,481	
n	Hull fiber	1943-44	556	-12,790	12,230	1,116	
n	(500-lb. bales)	1942-43	229	16,760	15,051	1,938	
ĭ	Grabbots, motes, &c.	1943-44	14,106	27,370	23,434	18,042	
1	(500-lb. bales)	1942-43	23,644	34,288	23,556	34,376	

Exports and Imports of Cottonseed Products

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

Post-War Fiscal Policy

Beardsley. Ruml, Chairman of the Board of the Federal Reserve Bank of New York and Treasurer of R. H. Macy & Co., submitted to the House Public Buildings and Grounds Committee on Jan. 19 his nine-point post-war Federal fiscal program as an aid in securing high production and high employ-

program as an aid in securing high production and high employment and as a check on tendencies toward restrictive practices.

Mr. Ruml said that during the transition period the program itself cannot be expected to eliminate the need for some public expenditure for relief and rehabilitation, "but that it would provide a flow of purchasing demand, which springs authentically mand, which springs authentically from the tens of millions whose tax burdens will have been reduced."

duced."
"It will," he added, "express in a mosaic aggregate the popular interpretation of the American way of life as pictured in consumer preferences. Against this background the readjustments of employment and the reconversion of business and industry can more readily occur."

readily occur."
Mr. Ruml's nine-point program follows, according to Associated Press advices:

Press advices:

1. No public spending for its own sake and no projects merely because they support purchasing power in general. "Let us base our budget estimates on the efficient and economical carrying out of worth-while activities to accomplish our national purposes."

2. Lower tax rates "to the point where they will balance the budget at an agreed level of high employment. Taxes should be reduced where they will do the most good in creating demand and in encouraging private enterprise" prise

3. Then stabilize taxes "except 3. Then stabilize taxes "except as there are major changes in national policy. When employment goes beyond an agreed level, or if, with high employment, we have a boom in prices, let us hold the surplus or use it to reduce the national debt, not as an excuse for further tax reas an excuse for further tax reduction.

4. Retention of the principle of 4. Retention of the principle of progressive income taxes and estate taxes "as the best way of reversing the tendency of purchasing power to come to rest. Let us reduce the rates on the individual income tax to stimulate consumption and to make possible investment in new enterprise on a business hasis."

possible investment in new enter-prise on a business basis."

5. A planned public works program "not to balance the whole economy, but to help toward stabilizing the construc-tion industry."

6. "Let us neutralize the social

6. "Let us neutralize the social security programs as far as their fiscal influences are concerned. Since their beginning they have been highly deflationary; for old age security, let us set our rates and benefits so that they come somewhere near balancing, and for unemployment insurance, let us set our rates so that intake and outgo balance at high levels of employment."

7. Retain "important excise"

7. Retain "important excise taxes" for the time being "and get rid of the rest."

8. "Let us arrange our abroad, whether for stabilization, relief or long-time reconstruction, so that it will support rather than contradict fiscal policies adopted to strengthen our domestic economy."

9. Reorganization of the parts of the Federal Government that have to do with fiscal policy and administration. "We want clarity in policy, consistency in administration and cooperation between the executive and legislative the executive branches."

Reference to Mr. Ruml's most recent previous urging of this program was made in our issue of Jan. 20, page 315.

Revenue Freight Gar Loadings During Week Ended Jan. 15, 1944 Increased 17,221 Cars

Loading of revenue freight for the week ended Jan. 15, 1944, totaled 780,220 cars, the Association of American Railroads announced on Jan. 20. This was an increase above the corresponding week of 1943 of 24,722 cars, or 3.3%, but a decrease below the same week in 1942 of 31,107 cars or 3.8%.

Loading of revenue freight for the week of Jan. 15, increased 17,221 cars, or 2.3% above the preceding week.

Miscellaneous freight loading totaled 356,160 cars, an increase of 9,817 cars above the preceding week, but a decrease of 6,899 cars below the corresponding week in 1943.

Loading of merchandise less than carload let freight totaled 98,-888 cars, a decrease of 1,107 cars below the preceding week, but an increase of 12,196 cars above the corresponding week in 1943.

Coal loading amounted to 183,886 cars, an increase of 6,445 cars above the preceding week, and an increase of 18,071 cars above the corresponding week in 1943.

Grain and grain products loading totaled 57,442 cars an increase of 2,731 cars above the preceding week and an increase of 4,135 cars above the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of Jan. 15, totaled 40,730 cars, an increase of 1,361 cars above the preceding week and an increase of 3,366 cars above the corresponding week in 1943.

Live stock loading amounted to 17,167 cars, an increase of 19 cars above the preceding week, and an increase of 2,595 cars above the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of Jan. 15, totaled 12,350 cars, an increase of 236 cars above the preceding week, and an increase of 1,715 cars above the corresponding week in 1943.

Forest products loading totaled 37,828 cars, an increase of 280 cars above the preceding week but a decrease of 4,546 cars below the corresponding week in 1943.

Ore loading amounted to 13,404 cars, a decrease of 1,417 cars below the preceding week and a decrease of 961 cars below the corresponding week in 1943.

Coke loading amounted to 15,445 cars, an increase of 453 cars above the preceding week, and an increase of 131 cars above the corresponding week in 1943.

All districts reported increases compared with the corresponding week in 1943, except the Southern, but all districts reported decreases compared with 1942 except the Pocahontas, and South-

	1944	1943	1942
Week of January 1 Week of January 8	643,474	The second secon	676,534
Week of January 15	762,999 780,220	717,176 755,498	736,972 811,327
Total	2,186,693	2.093.847	2 224 833

The following table is a summary of the freight carloading for the separate railroads and systems for the week ended Jan. 15, 1944. During the period 78 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED JAN. 15

Railroads		otal Reven		Total Loads Received from Connections	
Eastern District—	1944	1943	1942	1944	1943
Ann Arbor	257	256	541	1,416	1,34
Bangor & Aroostook	2,058	2,227	2,301	255	24
Boston & Maine	6,490	5,800	8,565	14,564	14.95
Chicago, Indianapolis & Louisville	1,346	1,321	1,478	2,177	1,96
Central Indiana	26	31	35	33	53
Central Vermont	987	958	1,452	2,401	2,134
Delaware & Hudson	5,482	5,183	7,125	14,284	11,810
Delaware, Lackawanna & Western	7,340	6,346	9,656	10,389	11,817
Detroit & Mackinac	167	272	253	98	119
Detroit & Mackinac Detroit, Toledo & Ironton	2,278	1,563	2,404	1,898	1,522
Detroit & Toledo Shore Line	289	282	388	3,332	3,474
Erle	11,725	11,638	14,406	19,226	17.59
Frand Trunk Western	3,697	3,730	5,445	8,875	8,752
Lenigh & Hudson River	191	169	178	2,852	2,534
Lehigh & New England	1,797	1,879	1,837	1,412	1,397
Lehigh Valley Maine Central	8,264	7,902	9,482	16,636	11,348
Maine Central	2,246	2,207	3,363	3,973	3,694
Monongahela	6,322	5,896	6,149	322	280
Montour		2,565	2,358	15	30
New York Central Lines	46,438	42,928	48,500	53,991	54,202
N. Y., N. H. & Hartford	9,801	8,939	12,719	19,253	17,375
New York, Ontario & Western	1,098	915	911	2,867	2,660
New York, Chicago & St. Louis	6,446	6,867		15,890	15,901
N. Y., Susquehanna & Western	515	530	532	2,164	2,438
Pittsburgh & Lake Erie	7,643	7,383	8,036		7,279
Pere Marquette	4,429	4,262	5,440	8,213	8,008
Pittsburg & Shawmut		699	587	9	22
Pittsburg, Shawmut & North	1.056	293	408	293	205
Pittsburgh & West Virginia	352	901	909	2,365	3,997
Rutland	6,197	284	540	1,063	832
Wabash Wheeling & Lake Erie	4,518	5,372 5,012	6,069 4,912	12,590 3,983	12,179 5,892
Total	153,424	144,610	173,537	233,986	226,056
Allegheny District—	Mark Tall	rail eviet		d'wyka	and the first
	P10				
Akron, Canton & Youngstown	719 42.031	640	607	1,295	1,007
Baltimore & OhioBessemer & Lake Erie	2,915	35,967	38,553	26,807	26,092
Buffalo Creek & Gauley	2,915	2,888	3,074	1,597	1,851
Cambria & Indiana	1.869	354 1.767	332	. 3	4
Zentral R. R. of New Jersey			1,908	14	2
ornwall	564	5,572 564	7,593	19,419	20,795
CornwallCumberland & Pennsylvania	239	203	607	54	58
Agonier Valley	143	122	293	9	10
ong Island	1.257	964	130	28	42
enn-Reading Seashore Lines		1,387	795	3,556	2,906
Pennsylvania System	75 720	69,619	1,780	2,334	2,444
Panding Co	14 104		73,849	63,832	58,486
	20,497	14,385	16,408	28,219	29,000
Western Maryland	4,201	3,636	19,682	4,274 12,842	4,593 13,406
Total	173,041	158,976	174,653		
87	210,011	200,510	114,003	164,283	160,696
Pocabontas District-			1000		
hesapeake & Ohio	29,246	26,848	25,665	10,911	10,155
orioik & western	22,769	22,337	21,258	7,690	6,721
firginian	4,770	4,843	4,534	2,385	2,432
Total	56,785	54,028	51,457		-

(Rauroads	Total Revenue Freight Loaded			Recei	Total Loads Received from Connections	
4	Southern District-	1944	1943	1942	1944	1943	
,	Alabama, Tennessee & NorthernAtl. & W. P.—W. R. R. of Ala	242 693	391 718	405	345	301	
	Atlanta, Birmingnam & Coast	647	756	888 715	2,497 1,282	2,736 1,524	
;	Atlantic Coast Line	12 569	15,058	11,940	10,799	11,739	
L.	Central of Georgia	3,516	3,886	4,307		4,321	
r.	Charleston & Western Carolina Clinchfield	341	405	422	1,654	1,868	
1	Columbus & Greenville	1,590 248	1,808	1,677	3,143	2,945	
	Durnam & Southern	98	332 96	262 180	216 873	290	
1	Florida East Coast	3,084	2,475	1,433		1,702	
	Gainesville Midland	42	43	41.	99	81	
	Georgia & Florida	964	1,344	1,370	2,429	3,539	
,	Gulf, Mobile & Ohio	333 3,513	389	443	575	488	
5	Illinois Central System	28,754	27,046	3,968	3,541 15,124	5,301	
	LOUISVILLE & Nachville	24,918	25,320	26,633	11,051	17,049	
	Macon, Dubin & Savannan	137	229	215	836	839	
	Mississippi Central Nashville, Chattanooga & St. L.	165	193	194	522	490	
	Norfolk Southern	3,012 779	3,451 989	3,197	4,399	5,257	
1	Piedmont Northern	368	315	1,178	1,740 1,466	1,652	
	Richmond, Fred. & Potomac	369	345	480	10,692	1,140	
	Seaboard Air Line	10,026	10,556	10,162	8,587	9,372	
	Southern System Tennessee Central	21,351	21,845	24,432	24,599	23,612	
	Winston-Salem Southbound	670 129	575 95	575 126	987	913	
	경기에게 되는 이 그리를 다른 이 가능이 있었다고 하고 있었다.	140	30	120	923	801	
,	Total	118,558	122,219	126,139	114,936	120,453	
		Charles to					
1	Northwestern District-		CA PORTS		1.5	4.64.3	
	Chicago & North Western	15,506	14,215	18,133	14,047	12,618	
1	Chicago Great Western	2,776	2,348	3,077	3,220	2,899	
1	Chicago, Milw., St. P. & Pac Chicago, St. Paul, Minn. & Omaha	21,763 4.300	19,769 3,856	23,883	11,253	9,774	
1.	Duluth, Missabe & Iron Range	1,356	1,134	4,962 1,135	3,617 260	3,434	
	Duluth, South Shore & Atlantic	832	652	733	450	482	
1	Elgin, Joliet & Eastern	8,893	8,071	10,153	10,263	10,067	
	Ft. Dodge, Des Moines & South	388	391	472	116	106	
	Great Northern Green Bay & Western	12,388 533	11,998 473	12,924	5,133	4,371	
	Lake Superior & Ishpeming	281	242	638 287	895	811	
	Minneapolis & St. Louis	2,407	2.015	2,146	2,086	2,021	
	Minn., St. Paul & S. S. M.	5,799	4,917	6,350	3,082	3,159	
	Northern Pacific	10,764	10,197	11,531	5,092	4,044	
	Northern PacificSpokane InternationalSpokane, Portland & Seattle	98 2,286	1 963	76	494	437	
	크리스, 조하나는 안 그리나 및 2000년 전 시간에 대한 사람이 있다.	2,200	1,963	2,366	2,981	3,347	
	Total	90,370	82,320	98,866	63,028	57,855	
1		Mary New York	Terror American	10 19 12 1 18 1			
1	Central Western District—					4 - 4 - 4	
4	Atch., Top. & Santa Fe System	21,849	22,435	22,705	11,175	11,966	
1	Bingham & Garfield	3,295 457	3,171 481	3,595 490	3,409	3,808	
1	Chicago, Burlington & Quincy	20,537	18,446	19,253	78 11,335	116	
1	Chicago & Illinois Midland	2,935	2,516	2,891	1,102	767	
1	Chicago, Rock Island & Pacific	11,544	12,508	12,722	11,878	12,483	
1	Chicago & Eastern Illinois Colorado & Southern	2,652 774	2,436	2,959	5,755	5,485	
1	Denver & Rio Grande Western	3,814	728 4,148	3,630	2,179 6,014	1,903 5,233	
1	Denver & Salt Lake	923	841	901	12	12	
1	Fort Worth & Denver City	713	1,349	1,147	1,396	1,228	
	Illinois Terminal	2,106	1,700	2,120	1,999	1,488	
1	Missouri-Illinois Nevada Northern	970 1,707	970 2,088	1,004 1,950	451 198	632	
1	North Western Pacific	712	1,277	1,146	800	137 563	
1	North Western Pacific Peoria & Pekin Union Southern Pacific (Pacific)	45	20	23	0	0.	
1	Southern Pacific (Pacific)	28,534	28,227	28,916	13,615	12,128	
1	Toledo, Peoria & Western Union Pacific System	17,443	294 15,903	210 16,970	1,764 15,737	1,483	
1	Utah	690	650	717	5	3	
1	Western Pacific	1,919	2,518	2,390	3,549	3,020	
1	Total	124,093	122,706	126,558	92,446	86,352	
1							
1	Southwestern District-						
1	Burlington-Rock Island	226	589	193	318	181	
1	Gulf Coast Lines	5,580	5,605	4,421	1,731	2,292	
1	International-Great Northern	1,273	540	2,118	3,182	3,086	
1	Kansas, Oklahoma & Gulf Kansas City Southern	233 *5,057	439 5,102	295 3,128	1,026 *2,030	1,060	
1	Louisiana & Arkansas	2,872	3,565	2,312	2,419	2,851 2,341	
1	Litchfield & Madison	330	270	368	1,177	1,035	
1	Midland Valley	731	675	834	453	293	
1	Missouri & Arkansas Missouri-Kansas-Texas Lines	153	146	204	357	349	
1	Missouri-Kansas-Texas Lines Missouri Pacific	4,831 15,885	5,949 16,655	4,944 16,951	4,572 18.812	17,738	
1	Quanah Acme & Pacific	81	113	120	302	206	
E	St. Louis-San Francisco	7,791	9,081	9,414	9,109	7,661	
1	St. Louis Southwestern	2,680	3,363	3,230	6,381	5,688	
1	Texas & New Orleans	11,767	11,125	7,456	4,675	4,826	
1	Texas & Pacific Wichita Falls & Southern	4,349 92	4,299 95	3,974	6,652	7,478	
1	Weatherford M. W. & N. W.	18	28	29	31	30	
1			AUSTRALISM TO A STATE OF	4 1 1 1 1 1 1 1 1 1	Value of the same of	40 A A A A A	

*Figures unavailable account wire trouble. Previous week's figures used. Note-Previous year's figures revised.

63,949 70,639 60,117 63.401

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 F	Orders	Percent of A	ctivity
1943—Week Ended	Tone		Tons	Current Cum	ulative
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	595,257	95	93
Oct. 23	144,254	147,883	588,399	94	93
Oct. 30	144,413	143,686	587.324	93	93
Nov. 6	172,441	147,467	608,782	93	93
Nov. 13	153,126	149,295	608,893	95	93 .
Nov. 20	126,726	146,286	587,715	94	93
Nov. 27	134,959	142,136	578,434	91	93
Dec. 4		149,803	602,789	95	93
Dec. 11	146,662	148,826	600,323	96	93
Dec. 18	139,654	148,431	589,659	96	93
Dec. 25		136,120	569,689	87	93
1944—					
Jan. 1	121,212	92,328	589.815	63	93
Jan. 8		138,381	612.043	86	86
July 15	153,097	146,596	614.215	93	90
- '					(50)

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.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Jan. 22 a summary for the week ended Jan. 15 of complete figures show-Jan. 15 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 DEAL-ERS AND SPECIALISTS ON THE N. Y. STOCK EXCHANGE

Week Ended Jan. 15, 1944

Odd-Lot Sales by Dealers	Total	
(Customers' purchases)	for Week	
Number of orders	20,428	
Number of shares	561.166	
Dollar value	\$21,345,000	
Odd-Lot Purchases by) 41 4 5	

dd-Lot Purchases by Dealers— (Customers' Sales) Number of Orders: Customers' short sales. *Customers' other sales. 18,487 Customers' total sales____ 18.689 Number of Shares: Customers' short sales____ *Customers' other sales___ Customers' total sales___ Dollar value 490,743 \$16,279,417 Round-lot Sales by Dealers— Number of Shares:

Short sales †Other sales 119,650 Total sales 119.710 Round-lot Purchases by Dealers— Number of shares—

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

New Notes Offered By Treasury For Clfs. Maturing Feb. 1. 1944

Secretary of the Treasury Morgenthau announced on Jan. 24 an offering, through the Federal Reserve Banks, of 0.90% Treasury Notes of Series D-1945, open on an exchange basis, par for par, to all holders of Treasury Certificates of Indebtedness of Series A-1944, maturing Feb. 1 in amount of \$2,211,161,000. The subscription books remained open through yesterday (Jan. 26). This exchange operation was conducted outside of the Fourth War Loan Drive, which started on Jan. 18, and the subscriptions received will not be a part of any ceived will not be a part of any quotas.

The Treasury's announcement explained:

'The notes will be dated Feb. 1, 1944, and will bear interest from that date at the rate of 0.90% per annum, payable on a semi-annual basis on Sept. 1, 1944, and March 1, 1945. They will mature March 1, 1945. They will not be subject to call for redemption prior to maturity. They will be issued in bearer form only, with two interest coupons attached, in denominations of \$1,-000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

"Pursuant to the provisions of the Public Debt Act of 1941, interest upon the notes now offered shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted.

"Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington, and should be accompanied by a like face amount of the maturing certificates. Subject to the usual reservations, all subscriptions will be allotted in full."

Items About Banks, Trust Companies

(Continued from page 421)

(Continued from page 421)

of his father's death, March 15, 1918. On April 2, 1918, he succeeded his father as Chairman of the Board of Directors. On June 3, 1919, he was elected President upon the resignation of Frank A. Vanderlip. Mr. Stillman resigned as President May 3, 1921. Mr. Stillman had a winter home in Havana, Cuba, and had planned to leave for his annual stay there within the next few days. Surviving are three sons, Lt. Alexander Stillman, U. S. N., formerly Assistant Cashier of The National City Bank of New York; James Alexander Stillman, Medical Corps of the U. S. Army; Lt. Guy Stillman, U. S. N., and a daughter, Mrs. Anne Stillman Davidson of Glen Cove, Long Island.

Stockholders of the Nyack Bank & Trust Co., Nyack, N. Y., approved on Jan. 11 an increase in the common stock from \$200,000 to \$400,000 through a 100% stock dividend. The bank also announced that during the past year the bank retired \$250,000 class A preferred stock, all of a balance held by the Reconstruction Finance Corporation. The Marine Midland Corp. owns a majority of the common stock. C. Bertrand Leitner, Nyack real estate and insurance agent, was elected a disurance agent, was elected a di-rector of the bank to succeed Stirling Tomkins, President of the New York Trap Rock Co., who is now overseas with the American Red Cross.

At the annual stockholders' meeting of the County Trust Co., White Plains, N. Y., held on Jan. 19, Andrew Wilson Jr., President, reported that for the year 1943 operating earnings, exclusive of profits from the sale of securities, amounted to \$181,454, or dishtly better than \$6 e share or ties, amounted to \$181,454, or slightly better than \$6 a share on the 30,000 shares of capital stock. Of this amount \$33,750 was paid out in dividends during the year, \$90,097 was added to undivided profits, and the remaining \$57,607 was transferred to various allo-cated reserves. Surplus and un-divided profits at the beginning of the year amounted to \$1,114,316 and at the end of the year \$1,-204,713. The capital funds of the bank as of Dec. 31, 1943, amounted to \$2,154,713.

Continuing, Mr. Wilson told the stockholders that all recoveries as well as profits from the sale of securities were transferred to various allocated reserves.

During the year 1943 the investment in U. S. Government obligations was increased from \$12,-613,197 to \$21,177,682. Forty-four members of the staff have entered members of the staff have entered the armed services of our country, four of whom have already given their lives. Substantially more than \$9,000,000 of series E, F and G war bonds and war savings stamps have been sold by the various offices of the bank to date.

The deposits of the bank to date. The deposits of the bank at the end of 1943 were \$34,285,504, compared with \$26,908,347 at the beginning of the period. Total assets were \$36,709,802, compared with \$29,071,813.

The stockholders elected the following directors: Henry H. Romer, Frederick C. McLaughlin, Charles C. Fagg, Edward M. West and Wilfred L. Richardson. It was announced that all of the offi-cers of the trust company were reelected at the directors' meet-ing, following that of the stock-bolders

The Pavilion State Bank, Pavilion, N. Y., has received authorization from the State Banking Department to increase its capital stock from \$25,000, consisting of 500 shares of \$50 par value, to \$50,000, made up of 500 shares of \$100 par value.

Plans for the merger of the First National Bank and the National Iron Bank, both of Mor-National Iron Bank, both of Morristown, N. J., were recently announced. They are two of the oldest banks in the State—the First National having been founded in 1865 and the National Iron in 1855. According to a joint statement issued by Frank D. Abell, President of the First National, and George A. Easley, President of the National Iron, the merger will give the community a bank with assets of over \$22,000,000—the largest bank in metropolitan New Jersey outside metropolitan New Jersey outside of Newark.

Benjamin Rush Jr., Vice-President of the Indemnity Insurance Co. of North America, was elected a director of the Land Title Bank Trust Co., Philadelphia, at the annual meeting of its stockholders on Jan. 11. The other directors were all reelected. Mr. Rush is a director and Chairman of the Executive Committee of the Morris Plan Bank of Philadelphia. He also is Chairman of the Southeastern Pennsylvania Chapter, American Red Cross, for which he American Red Cross, for which he directed last year's War Fund Drive that totaled \$4,043,749. The bank's report for 1943 was referred to in these columns Jan. 13, page 195.

Ellsworth A. Roberts was elected to the board of directors of the Pennsylvania Company for Insurances on Lives and Granting Insurances on Lives and Granting Annuties, Philadelphia, at the 131st annual meeting of shareholders held on Jan. 17. He is President of the Fidelity Mutual Life Insurance Co. and was Pennsylvania State Chairman of the Third War Loan Drive. Wm. Fulton Kurtz, President of the Pennsylvania Company, at the meeting, announced the following promotions: tions:

tions:
George E. Katzenbach, from Assistant Treasurer to Assistant Vice-President; H. G. Rheiner, to Assistant Treasurer; David E. Witham, to Manager of Mortgages; George Smith, from Registrar to Corporate Trust Officer; Cholmley Fox, from Assistant Registrar to Assistant Corporate Trust Officer, and Henry J. Wylie, from Assistant Registrar to Assistant Corporate Trust Officer. rate Trust Officer.

Sidney B. Congdon, President of the National City Bank of Cleve-land, reported to stockholders at lland, reported to stockholders at their recent annual meeting that operating earnings for the year 1943 amounted to \$1,392,527, equivalent to \$3.09 per share on the 450,000 shares of capital stock outstanding, after setting aside \$295,152, equivalent to 66 cents per share, for Federal income taxes. In the preceding year, Mr. Congdon said, operating earnings

ings of \$852,527 were retained in capital accounts, reflected in an increase in surplus of \$200,000, and an increase in undivided profits of \$652,527.

Mr. Congdon further said that the directors have decided to increase the dividend rate from the

crease the dividend rate from the \$1.20 rate, which has been in effect for the past seven years, to \$1.40 per share per year, in view of the bank's earning record. A dividend of 70 cents per share, with 35 cents payable Feb. 1 and May 1, has been declared. It is the intention of the board to continue the practice of declaring 35 cents quarterly dividends, subject

cents quarterly dividends, subject to changing circumstances.

The bank's statement of condition as of Dec. 31, 1943, shows that during the year deposits, including U. S. Government war loan account, amounted to \$393,-088,952, an increase of \$88,401,952, with 088,952, an increase of \$88,401,952, with ordinary deposits increasing \$55,512,908. This compares with an increase in ordinary deposits of \$49,924,747 in 1942. Loans amounted to \$70,360,900, an increase of approximately \$12,-000,000 during the year, while holdings of U. S. Government obligations now amount to \$222,-621,642, about \$67,000,000 above the end of 1942.

President Congdon announced on Jan. 11 that George Buffington, Vice-President of the bank, has been appointed Executive Vice-President. Mr. Buffington

has been appointed Executive Vice-President. Mr. Buffington entered the bank as Vice-Presientered the bank as Vice-President in August, 1943, after long years of experience in the investment banking field. From 1941 until he joined the staff of the bank, he was assistant to the Secretary of the United States Treasure primarily concerned with the ury, primarily concerned with the sale and distribution of war bonds. It was also announced that Francis H. Beam, Vice-President, had been H. Beam, Vice-President, had been placed in charge of the Banking Department. Mr. Beam came to the bank from the practice of law in January, 1943. The Trust Department remains in the immediate charge of Eugene S. Lindemann, Vice-President. He became associated with the bank in that capacity in June of 1943, having been for five years General Counsel for Union Properties, Inc.

Herbert F. Koch has been elected President of the Guardian Bank & Savings Co., Cincinnati, succeeding Warren E. Keplinger, who retired and became Chairman of the Board. Mr. Koch was formerly Executive Vice-President dent.

Gross earnings of the Manufacturers National Bank of Detroit for the year ending Dec. 31, 1943, were \$4,625,723, according to a report made by Charles A. Kanter, President, at the annual meeting of stockholders on Jan. 11. Operating expenses, including the estimated cost of remodeling the new main office and other non-recurmain office and other non-recurring items, were \$3,740,760, leaving net earnings of \$884,962. Dividends of \$240,000 were paid and \$500,000 was transferred to surplus, bringing the surplus figure to \$5,500,000. Undivided profits, as of Dec. 31, were \$1,641,258.

Deposits as of Dec. 31 were \$445,314,176. Assets were \$456,-913,762. Cash and Governments totaled \$405,833,335. In comparing year-end figures of 1942 and 1943, Mr. Kanter reported the following the last year. 1943, Mr. Kanter reported the following gains during the last year: \$10,373,319 increase in loans and discounts, including mortgage loans; \$99,059,219 increase in U. S. Government (direct and guaranteed), municipal and other bonds, notes, debentures and securities; \$104,601,077 increase in demand deposits; \$11,469,647 increase in time deposits.

the annual meeting of the stockholders and directors Paul Hansen was elevated to the position of Vice-President and Cashier from that of Cashier. W. Dean Vogel and Herbert H. Echtermeyer were also elected Vice-Presidents. They were both formerly Assistant Cashiers. Mr. Hansen began as a clerk in the bank in 1920. W. Dean Vogel has been associated with the bank since December, 1942, was for 11 years associated with the Atlantic State Bank of Atlantic, Iowa, and for a number of years owned and operated a finance company in operated a finance company in the same city. Mr. Echtermeyer began as a messenger in the bank at the age of 15.

at the age of 15.

In addition to the three abovenamed Vice-Presidents, the following officers were reelected:
Alvin E. Johnson, President;
Henry C. Karpf and R. H. Kroeger, Vice-Presidents, and L. V.
Pulliam, C. G. Pearson, Earl R.
Cherry and Tom J. Price Jr.,
Assistant Cashiers

Assistant Cashiers.

Assistant Cashiers.

The following directors were reelected: W. P. Adkins, H. B. Bergquist, L. S. Burke, Jas. J. Fitzgerald, T. E. Gledhill, Alvin E. Johnson, Henry C. Karpf, Leo T. Murphy, James L. Paxton Jr., Herman K. Schafer, Carl A. Swanson and J. L. Welsh. W. P. Adkins retires as Board Chairman. In his annual report to the stockholders Mr. Johnson pointed out that the deposits at the close of business Dec. 31, 1943, stood at \$53,770,050, as compared with \$37,812,927 at the close of business Dec. 31, 1942, and that the bank's \$37,812,927 at the close of business Dec. 31, 1942, and that the bank's capital, surplus and undivided profits, exclusive of reserves, was \$1,696,336, as compared with \$1,-481,642 Dec. 31, 1942. Edward Morris, a stockholder of Chicago, attended the meeting.

The McIlroy Bank, Fayetteville Ark., has become a member of the Federal Reserve Bank of St. Louis. The new member started operations as a private bank in 1871 and was incorporated in 1892. It has capital of \$100,000, surplus of \$100,000, and total are surplus of \$100,000, and total resources of \$3,273,677.

The South Texas Commercial National Bank, Houston, announces that E. F. Gossett, who has been President since May, 1941, became Chairman of the 1941, became Chairman of the Board at the annual meeting of the bank's directors on Jan. 11, and Sam R. Lawder, formerly First Vice-President of the First National Bank in Houston, has become President. Mr. Gossett has been a senior officer of the bank for 20 years, and as Chairman continues to head the institution in an active capacity. The man continues to head the listitution in an active capacity. The bank also announces the promotion of John F. Austin Jr. from Cashier to Vice-President; of E. W. Vogelpohl from Assistant Cashier to Cashier, and of George Darsey and Terrell Taylor to Darsey and Terrell Taylor Assistant Cashiers.

Assistant Cashiers.

It is also announced that Harris McAshan, First Vice-President; Malcolm G. Baker, Assistant Cashier, and Arthur Trum, Assistant Cashier and Assistant Trust Officer, are on leaves of absence, serving with the U.S. armed forces. armed forces.

At the annual meeting of the stockholders of Citizens National Trust & Savings Bank of Los Angeles, held on Jan. 11, four new directors were elected to the board, viz.: Dwight Clarke, Executive Vice-President Occidental Life Insurance Co.; Robert Hunter, Pasadena, former investment banker: William Simpson, President William Simpson Construction Co., and Donald Thornburgh, Vice-President Columbia Broad-Pavilion, N. Y., has received authorization from the State Banking Department to increase its capital stock from \$25,000, consisting of 500 shares of \$50 par value, to \$50,000, made up of 500 shares of \$100 par value.

The First National Bank & Trust Co., New Haven, Conn., an
Trust Co., New Haven, Conn., an
The State Good on said, operating earnings were \$1,058,973, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to 29 cents per share, for Federal income taxes. Dividends of \$1.20 per share were paid durative from the bank on Jan. 3 was along the bank on Jan. 3 was along to generating earnings were \$1,058,973, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to 29 cents per share, for Federal income taxes. Dividends of \$1.20 per share were paid durative from \$1.20 per share were paid durative from the bank on Jan. 3 was along to generating earnings were \$1,058,973, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to \$2.35 per share of capital stock, after setting aside \$130,570, equivalent to \$2.35 per share of capital stock. The opening of the new main of the bank on Jan. 3 was along the bank of \$2.50 per share were paid durative from the bank on Jan. 3 was along the bank of \$1.20 per share were paid durative from the bank of \$1.20 per share were paid durative from the bank of \$1.20 per share of capital stock. The deposits from the period of the new

Hall, William A. Innes, Samuel K.

Hall, William A. Innes, Samuel K. Rindge, William S. Rosecrans and E. C. Wilson.

In his report to stockholders President Ivey commented on the deposits of \$241,419,534, the largest total ever published, and upon the central surplus and undivided est total ever published, and upon the capital, surplus and undivided profits account of \$10,000,000, an increase of \$500,000 from the Dec. 31, 1942, report. This account, Mr. Ivey said, is now equal to \$40 per share, as compared with \$38 a share a year ago.

The Board of Directors at the organization meeting, held Jan. 13, reelected all of the present officers of the bank, and elected Samuel K. Rindge as Chairman of the Board. In addition the bank the Board. In addition, the board elected Attorney General Robert W. Kenny as a director to fill the vacancy created by the resigna-tion of Jesse B. Alexander, a di-rector of Citizens National Bank for over 25 years, and a member of the Executive Committee for over 22 years.

Reporting to stockholders of the Bank of America at the recent annual meeting in San Francisco, nual meeting in San Francisco, President L. M. Giannini said that a most constructive development of 1943 was the extent to which of 1943 was the extent to which the American people built up their individual backlogs of savings. "Depositors in this bank alone added over \$500,000,000 to their financial resources through additions to savings and purchases of war savings bonds," he said. "Such substantial savings will create business and jobs by providing purchasing power when consumer goods can again flow freely."

After reviewing the unprece-

After reviewing the unprecedented growth in Bank of America's resources, deposits and inica's resources, deposits and investments as revealed in the yearend statement of condition, Mr. Giannini warned that war progress in 1943 cannot be taken as meaning the worst is over. "It only means that we can eventually win victory—if we will," he asserted. "Hard won advantage must not now be lost by mistaking progress toward victory for victory achieved. In matters of protory achieved. In matters of production and self-sacrifice our first consideration must continue to be the needs of our fighting men, without any qualification whatsoever.

Declaring that post-war plan-ning is our present responsibility, he said that the goal of such plan-ning must be full employment, with a national income close to the present level. He stated that reestablishment of small business enterprises figures prominently in enterprises figures prominently in enterprises figures prominently in the bank's planning, and offered the view that prevailing values of labor, commodities and merchan-dise must be maintained. "Re-duced values for labor and goods, while increasing the purchasing power of the dollar, would, I ap-prehend, precipitate depression and endanger our nation's integ-rity," he declared.

He emphasized the need for

He emphasized the need for prompt settlement of war conprompt settlement of war contracts upon their cancellation to prevent perilous delay to peacetime production and employment adjustment. Changeover is a set of the contract of adjustment. Changeover in proadjustment. Changeover in production from war to civilian goods should be effected as uniformly as possible, both geographically and as to industries, or irreparable damage would be caused on the Pacific Coast by the property of the production of keeping its industries on full war production in the war's latter stages while the rest of the nation resumed civilian production. resumed civilian production.
Banks must be ready, and permitted, to exercise their normal functions of financing private enterprise without subsidized governmental competition. ernmental competition.

Stating that many of the people's prerogatives have been temporarily relinquished for war purposes, he declared that one right not to be relinquished even temporarily is the right to remain the form regimentation in the free from regimentation in the form of conscription of civilian