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## The Financial Situation

It is most fervently to be hoped that most of the "popular" discussion of post-war conditions, prospects, and ideals is making little or no impression upon the public. Otherwise, deep and all but universal disappointment is inevitable when the fighting has ceased, disappointment of a sort which might well affect public policy in a way to make a bad situation much worse. Precisely why so many men and women, some of them ordinarily reasonably endowed with common sense, should have chosen the post-war era as a subject upon which to grow silly and sentimental is not clear, but it is certain that they are likely to do mankind a disfavor in proportion to their influence.

### Least Harmful

Fantastic lists of new devices, gadgets or "comforts," and equally fantastic forecasts of improvements in familiar things, are perhaps among the least harmful of the long list of strange things predicted. Common sense should warn us all that whatever has been learned in science or in production technique during the war, it all has been to date, and probably will be until the end of the war, wholly devoted to the defeat of our enemies. Only after the war will it be possible for manufacturers to get down to real business in applying such things to the production of peacetime goods—and, for that matter, often determining what can be done with some of these things to meet the needs of ordinary times. But even if the public does permit itself to be bewitched with all this fine talk about things out of Wonderland, the resulting disappointment is not likely to give rise to great damage and, in any event, as time passes in the post-war era, a reasonable proportion of these predictions will come true no doubt.

### Dangerous Doctrine

Much more dangerous is the impression likely to be given the rank and file that the production records estab-

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## Hold World Peace Body Offers Only Assurance Against Wars

Deplores "Defeatist Attitude" Of Those Who Cite League Of Nations' Failure In Arguing Against Success Of Further Efforts To Prevent Conflicts Through International Organisms—Sees Potential Industrialization Of China And India Threat To "White Supremacy" In Asia And Indicative Of Urgent Need For Unremitting Efforts To Establish World Medium To Preserve Peace

Editor, "Commercial and Financial Chronicle":

Dear Sir:—Alexander Wilson's communication in the "Chronicle" of March 9 on the subject, "Why a New League of Nations Will Not Ensure Permanent Peace," gives evidence of so much sincere and painstaking research that one can only regret the utter futility of his conclusions.

Mr. Wilson devotes several columns to demonstrating: (1) that man is by nature a quarrelsome and bloodthirsty brute; (2) that all great Powers, our own country included, are imperialistic and devoted first and foremost to the pursuit of their own selfish interests; and (3) that any attempt to set up a world organization to keep the peace is bound to fail because the nations lack the "moral character" to live up to the high purposes of a League of Nations.

The most we can hope for, according to Mr. Wilson, is "gradual acceptance and slow development of a Super-World Court for arbitration," and the organization of a glorified debating society, "along the lines of the Pan-American Union," "to collaborate in a

general international understanding to promote post-war peace by re-creating good will . . . and respect for each other's rights."

Therefore, says Mr. Wilson, "Why chase rainbows? To sentimentalize, moralize or dogmatize about peace is dangerous and will be fatal to America in the world to come."

Nevertheless, after this completely pessimistic, not to say cynical, review of history, he ends his thesis on an entirely different note by quoting the words of Jesus: "Blessed are the Peacemakers, for they shall be called the Children of God."

Was this astounding juxtaposition of ideas intended as sarcasm, or is Mr. Wilson merely naive?

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## Dr. Spahr Sees Danger In Declining Federal Reserve Ratios And Treasury Domination In Financial Affairs

Dr. Walter E. Spahr, Professor of Finance at New York University, in a bulletin issued on February 29th by the Economists' Committee on Monetary Policy of which he is Executive Secretary, indicates that he thinks it is "time for some red flags" in our monetary situation. "When our Federal Reserve credit structure reached the cracking point in May, 1920," he states, "the ratio of reserves against both Federal Reserve notes and deposits in the Federal Reserve banks stood at 42.2 (May 14). Eight of the Reserve banks paid tax penalties for deficiencies in reserves in that year.



Dr. Walter E. Spahr

"On Feb. 23, 1944, the Reserve ratio stood at 62.4. If the decline continues for another 16 months — to June, 1945 — at the same rate as in the past 13 months, we will be down to the 42% of May, 1920. Sixteen months ago — on Oct. 21, 1942 — the reserve ratio stood at 83.1.

"If the downward trend in this reserve ratio continues at anything like the rate of the past 16 months, all the talk and agitation regarding the putting of several billions of dollars of our gold at the disposal of other countries will become academic indeed, unless members of Congress fail to notice the danger signals in these declining reserve ratios and lead this country into a program that can quickly become extremely dangerous and possibly disastrous.

"If, today, \$5,000,000,000 of our gold were set aside for one or all of the international banking pro-

grams, and not counted as part of the reserves of the Federal Reserve banks, our reserve ratio would stand at approximately 47% — not far above the cracking point of 1920.

"What economist can demonstrate in any convincing manner that the trend between now and June, 1945, will not be as sharply downward as it has been since October, 1942?

"Recent experience calls for a great prudence now. From here on we should regard the declining reserve ratios as red flags of warning.

"Let every thoughtful person consider what the situation will be if, by June, 1945, our reserve ratio reaches 42%! What if Government bonds crack as they did in 1920? A drop of ten points in the prices of Government bonds would wipe out the capital surplus, and undivided profits of many, perhaps most, of the large banks in this country. A radical devaluation of the dollar would probably follow. A financial collapse and chaos could well be the result.

"Sixteen months are not a long time; and it looks as though they

are going to be a vital 16 months in the financial affairs of this nation.

### The Matter of Treasury Domination in Financial Affairs

"There is another aspect in this financial picture that calls for serious consideration: that is the important part played by the Treasury in the foreign exchange and domestic money markets and in the operations of the Federal Reserve System.

"In general, these Treasury policies involve artificialities of a sort that promise to be unhealthy in the long run; and the unhealthiness of some of them has been apparent for too long a time.

"Foreign exchange rates are chiefly in the hands of the Treasury, operating through the Stabilization Fund. The British pound is pegged at what is doubtless an artificially high rate which means that we are subsidizing Britain in this respect.

"The artificially low interest rates maintained by the Treasury have operated to remove from the Reserve authorities the power to exercise effective control over credit in the money markets in which the Reserve authorities normally would exercise controls. Furthermore, these low money rates will make it inviting for foreign balances to move out at the

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## From Washington Ahead Of The News

By CARLISLE BARGERON

Congress is showing increasing irritation over the political activities of the CIO and the indications are pretty definite that it will look into them soon. A vehicle for this is provided in the new tax law which requires that labor and other tax-free organizations give an accounting of their receipts and expenditures. Inasmuch, however, as the next few months are likely to be devoted to a simplification of tax returns, it is doubtful

if this provision will serve to give an airing to the CIO's operations before the next election. Thus, it is probable that a committee will be set up to conduct an investigation.

The Leftist press has been shouting bloody murder over this prospect and even a portion of the more Conservative press has been asking why the organization's right to go into politics should be questioned. This isn't the question at issue.

It is really a story of one of the most amazing gambles, by a few men, with other people's money that the country has experienced in a long time. And it is being done in collusion with the Government.

It should be borne in mind that fully 70% of the CIO's membership is made up of temporary, or war industrial workers. They have no background or traditions in unionism. They are from the farms, the soda counters, the white collar class, drawn to the war industries by the high wages. Presumably, they will go back to these pursuits when the war is over. Certainly they won't con-

tinue to work in the war plants. Their unionization has not come about through their own initiative. They are the victims, though they have no feeling on the subject, of the Government's more or less forcing them into the union.

Now, to a lesser extent, this is true of the American Federation of Labor. It, too, holds these temporary workers under rigid closed shop contracts. But there is a distinct difference. They constitute the froth of the AFL's membership. They constitute, on the other hand, the bulk, by far, of the CIO membership.

Now the CIO politicians are assessing these workers to support the Fourth Term campaign, along with various and sundry collateral enterprises. In a not so roundabout way, it is a case of the Government siphoning off the "excess" earnings to fill its campaign kitty. Before the war they were making as low as \$5 a week. Now they are making from \$60 to \$100 or more a week. It is as if the New Dealers figure that having been responsible for these

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## Congress And The People

Government has been monopolized by "one single group in our national life," according to Joseph W. Martin, Jr., Republican leader of the House, and Congress is the "only" remaining government agency "not under their control."

"This probably is the explanation of the New Deal anti-Congress tirades and propaganda against the peoples' representatives," he added. "If they could reduce Congress to an impotent forum of discussion they could reach out and through the use of blank checks control the purse of the nation; through power to make regulations they could make the administrative laws of the nation; through shaping the tax bills they could absolutely control and dictate the life of all industry and of every individual."

"Seeing this unwise trend, Congress has moved to stop it. Congress would curb the dictums of the bureaucrats and retain for the people control of this vast power. This has brought about the clash between the bureaucrats and Congress."

"The people will be on the side of Congress."

Certainly the people "will be on the side of Congress" the moment they are satisfied that that body is functioning effectively as contemplated in our scheme of things.

It has been supine; it has been "balky"; it has apparently grown openly resentful; let it now show that it can be really constructive.

There would then be no need to worry about public support.

## The State Of Trade

Most of the heavy industries showed gains last week, with the steel industry reporting the second highest level on record this week. Carloadings showed up well again and electric power production reflected a fair weekly gain. The retail trade was reported as more active, but volume continued below the high level of a year ago. Department stores revealed a gain in sales of 1% for the week.

Production of electricity increased to 4,464,686,000 kilowatt hours in the week ended March 4, from 4,444,939,000 in the preceding week, according to the Edison Electric Institute. This was a gain of 13.1% over the year ago total of 3,946,630,000. Consolidated Edison Company of New York reports system output of 215,900,000 kilowatt hours in the week ended March 5, an increase of 27.5% over the 1943 total of 169,300,000.

Carloadings of revenue freight for the week ended March 4 totaled 788,255 cars, according to the Association of American Railroads. This was an increase of 5,792 cars from the preceding week this year, 39,329 cars more than the corresponding week in 1943 and 17,770 cars above the like period two years ago. This total was 119.64% of average loadings for the corresponding week of the 10 preceding years.

Steel production in the United States is at the second highest level on record for the industry this week, according to the American Iron & Steel Institute. Output is scheduled at 99.1% of rated capacity, equivalent to 1,775,200 net tons of ingots and castings. This compares with operations at 98.8% and output of 1,769,800 tons last week and is a peak since the industry established its record of 1,781,300 net tons in the week beginning Oct. 11, 1943, when, however, a smaller capacity was available. Increased requirements for steel for war purposes continue to delay the long-time plea for steel for civilian goods, according to the magazine "Steel." A survey by the publication shows backlogs are accumulating in most major products. This is particularly noticeable in hot and cold rolled sheets and in narrow strip.

In spite of reduction in small arms contracts and continued decline in machine tool requirements, bar deliveries have become more extended recently, after easing considerably in early weeks of this year. Aircraft requirements for bars have increased after a period of con-

servative buying. Railroad buying has increased and miscellaneous consumption shows a gain. Sheetmakers for the most part are booked into late third quarter, with little opportunity to obtain August delivery promises, some mills offering September and October as their best.

Retail trade turned more active last week, but volume continued below the high level of a year ago, Dun & Bradstreet, Inc., reported. Because of the uncertainty of delivery schedules, retailers have not put as much promotional efforts behind pre-Easter sales as in previous years, according to the review. However, piece-goods departments, backed by the "sew-and-save" promotions are doing heavy business. The chief concern of wholesalers remained the tight delivery situation. Most buyers in the market were interested in checking on deliveries of spring goods and ordering available fall merchandise. Retailers were reported stocking up on handbags and jewelry items in anticipation of "beat-the-tax" consumer buying. Retail volume for the country as a whole was estimated at 2 to 5% below the corresponding week last year.

Department store sales on a country-wide basis were up 1% for the week ended March 4, compared with the like week a year ago, according to the Federal Reserve System. Sales for the four weeks' period ended March 4 were down 10% compared with the like period last year. Department store sales in New York City in the week ended March 11 were 7% larger than in the like week last year, according to a preliminary estimate issued by the Federal Reserve Bank of New York. In the four weeks ended March 11 sales were unchanged compared with the like period a year ago. In the previous week ended March 4, sales of this group of stores were 2% less than in the corresponding 1943 period.

Chain store and retail mail order house sales in January were about \$1,100,000,000, or 5% above those of the corresponding month

## Donald Nelson Advocates Government Control Of War-Born Companies In Peace Time

Donald M. Nelson, head of the War Production Board, advocated on March 9 Government control of war-born companies to hold them out of civilian goods manufacturing until established firms can return to peace-time production. Advices to this effect were contained in an Associated Press dispatch from Washington, on March 9, published in the New York "Sun," which added:

"Restrictions on 'new' companies which want to enter an industry for the first time will undoubtedly be needed," he wrote Senator Maloney (D., Conn.) "until the now critical components and materials are in easy supply."

"Certainly, so long as wartime controls are retained, materials and components should not be allocated to these 'new' firms until firms already established in the affected industries, and which are in a position to resume production of their former products, have received their just allocations."

The letter, virtually a blueprint for the coming industrial switch to peace-time production, was placed in the Congressional Record by the Connecticut Senator.

Mr. Maloney had asked Mr. Nelson if WPB had a specific policy concerning firms which "desire to enter production of particular civilian items even though such firms did not produce such items before the war?"

Declaring the Government should not attempt to prevent new competition, Mr. Nelson said Government industrial controls should be relaxed whenever they cease to be necessary to war production, but added:

"However, the need for controls is obviously going to continue for some time. Even in the case of material which is in good supply today, if suddenly the controls were relaxed another shortage would be likely to occur, injuring production for war."

Mr. Nelson said the supply of manpower, materials and parts were the controlling factors in permitting industries to get into civilian production when their war contracts are cut back, adding:

"Our policy is to expand civilian production as it becomes pos-

sible to do so without interference with the over-all war program, and particularly in concerns whose war orders have been cut back."

To Senator Maloney's question whether national producers will be given an even start on civilian production, Mr. Nelson said:

"It would certainly be convenient as well as fair to allow all manufacturers in each industry to resume production at the same time, but this is, of course, a physical impossibility."

"It goes without saying that the tremendous impact of war on the economy is bound to produce hardship for some business concerns, as well as for other elements in the society. Obviously, the Government cannot entirely prevent such hardships. . . ."

"If without interference with the war effort we can give a manufacturer in a non-critical manpower area materials and parts to resume production of things the civilian economy needs, I think it is to the public interest that we do so without waiting until another concern in a critical area is permitted to resume production."

Mr. Maloney asked if it would be practicable to require firms first returned to civilian manufacturing to market part of their goods through other companies still working on war contracts.

"There may be certain instances in which this can soundly be done," Mr. Nelson said, "and if so I am in favor of doing it. In some industries, however, serious practical obstacles would have to be overcome before such an arrangement could be put into effect. This is a problem requiring individual consideration of and by each industry involved."

## NY Bankers Ass'n Opposes Permitting Reserve Members To Absorb Exchange Charges

The New York State Bankers Association, representing the 700 commercial banks throughout the state, lodged on March 11 a formal protest against legislation pending in Congress to permit Federal Reserve member banks to absorb exchange charges made by non-par clearance banks for clearing and collecting checks. In the House the Brown bill embodying the new legislation, was passed on March 2 by a voice vote; a reference to the proposed legislation appeared in our issue of March 2, page 921, in which it was noted that the Board of Governors of the Reserve System had been urged in a resolution of the Federal Advisory Council to firmly oppose both the Brown Bill, and its companion bill in the Senate, viz., the Maybank Bill. The legislation, it is stated, is designed to prevent the Reserve System from enforcing the regulation (known as Q) intended to check absorption of exchange charges by member banks.

Before the House on March 2, Chairman Spence (Dem., Ky.), of the Banking Committee, said, according to Associated Press advices, that "Congress had never intended under the Banking Act of 1933 to delegate to the Federal Reserve Board the power to interpret the act so as to forbid the absorption of exchange." The press advices added:

"Little banks have said they will be destroyed unless this bill is passed," the Kentuckian added. But Representative Wolcott (Rep., Mich.), declared that passage of the bill would "induce loose fiscal policies that might affect banking throughout the United States."

The Association's protest against the legislation was sent to Senator

last year, according to the Department of Commerce.

The Association in its announcement in the matter March 11, says:

"The controversy into which the Association has entered started last September when the Board of Governors of the Federal Reserve System ruled that absorption of exchange charges is a violation of the Board's Regulation 'Q.'"

"The attempt to establish the right of member banks to absorb exchange charges was at first localized to the dozen or so States where there are still many non-par banks. The opposition has grown to national proportions because of the introduction of this legislation to legalize the practice. Opponents of the Brown and Maybank Bills contend that many correspondent banks which follow the practice of absorbing exchange charges as a means of rewarding non-par correspondents, build up large demand balances and thereby draw deposits away from natural trade areas and trade streams."

"Memory has often proved short," said Mr. Gersten. "These bills have in them potentialities for a repetition of events of the 1920's when many banks attracted disproportionately large demand deposits by competitive payment of high rates of interest. The withdrawal of such funds, particularly by large depositors sometimes referred to as 'smart' money, is a simple matter requiring only the drawing of a check. In contemplating the dangers lurking in the proposed legislation, it is well to recall the days when wholesale withdrawals and transfers of demand deposits led to the weakening of banks in many sections of the country and brought on the hysteria that was cured only by the 1933 bank holiday. Regulation 'Q' was designed to prevent artificial accumulation of demand deposits by banks to which such funds would not normally flow. Hence, Section 19 should not be weakened."

The Association also says: "In a recent case cited by the Federal Reserve Board, a small bank ran its deposits up from \$800,000 to over \$8,000,000 in less than a year. Of this, \$6,800,000 or 82% represented correspondent bank accounts. Another case involves a bank in a town with population of a few hundred with balances of \$73,750,000. Other cases on record show growth in correspondent bank balances up to as high as 625% largely as a result of this practice of absorbing exchange charges."

"According to a bulletin recently published by the Board of Governors of the Federal Reserve System, only 2,529 banks out of 14,030 in the United States are on a non-par clearance basis."

The Association's message to members of the Senate Committee on Banking and Currency said in part:

"It is the opinion of the New York State Bankers Association that the pertinent provision of Section 19 of the Federal Reserve Act, as amended, which reads, 'No member bank shall directly or indirectly, by any device whatsoever, pay any interest on any deposit which is payable on demand,' and Regulation 'Q' based thereon, are sound and in furtherance of conservative banking."

"Though these bills (Brown and Maybank) deal directly with the interpretation of Section 19, the inherent danger is that they provide an opening wedge for artificially building up large demand deposits. Thus, their passage will tend to bring about abuses and ultimately harmful effects upon our banking economy."

"Be assured that we are sending this communication to you with the thought that it may constructively reflect to you the views of the banks throughout the State, and we trust that your committee, in reaching a decision regarding this matter, will feel justified in taking action to defeat the proposed measures which we referred to above."

## U. S. Calls Upon Neutral Eire To Oust German And Japanese Representatives

### Impossible For Irish Government To Comply, Says de Valera

A request by the United States to neutral Eire "that the Irish Government take appropriate steps for the recall of German and Japanese representatives in Ireland," was made by the State Department at Washington, but knowledge of this did not become public until March 10, when the reply of the Irish Government, written by Prime Minister de Valera, was also released by the Irish Legation in Washington. In his reply Mr. de Valera said:

"The note of the American Government was handed to me by the American Minister on Feb. 21. I informed him at once that the request it contained was one with which it was impossible for the Irish Government to comply. The Irish Government have since given the matter careful consideration and I now confirm the reply which I then gave verbally."

In the note of the State Department it was stated that "we should be lacking in candor if we did not state our hope that this action will take the form of severance of all diplomatic relations between Ireland and these countries." The note further said:

"You will, of course, readily understand the compelling reasons why we ask as an absolute minimum the removal of these Axis representatives whose presence in Ireland must inevitably be regarded as constituting a danger to the lives of America's soldiers and to the success of Allied military operations."

"It is hardly necessary to point out that time is of extreme importance and that we trust your Excellency will favor us with your reply at your early convenience."

While it was stated in Associated Press Washington accounts March 11 that the need for early and decisive action was emphasized by an official statement, that, because of spy activities based on Ireland "not only the success of the operations but the lives of thousands of United Nations' soldiers are at stake." Mr. de Valera, it is pointed out in the same advice, contends that Ireland's counter-spy methods are effective and asserted that no American lives would be lost through any indifference or neglect of its duty on the part of his country. From these advices we also quote:

"He also made two other main points: That expulsion of German and Japanese officers would be a first step toward going to war with the Axis, which his country is determined not to do; and that he had received assurances from the United States that it did not intend invading Ireland."

"Thus for the first time it was officially revealed how gravely the Dublin Government had viewed events of the past few weeks, during which the world knew only that Ireland had been swept by waves of invasion jitters."

"Several further measures appear to be open to the United States and Britain, which had backed the American request to the limit. All of them and possibly others are believed to be under consideration here and in London. They include:

"1. Closing and fully guarding the border between Eire and Northern Ireland as an emergency military measure.

"2. Breaking diplomatic relations with the Dublin Government. This appeared to be the most improbable step of all since it usually creates more problems than it solves.

"3. Clamping down on economic collaboration with Ireland. The country is an integral part of the British economic system and dependent entirely on British and American shipping.

"From the text of the two notes it was clear that the aim on both sides was a friendly solution of the difficulties which have jeop-

ardized Eire's neutrality more directly than at any previous point in four and a half years of European war."

From the note of the State Department we quote the following:

"It has become increasingly apparent that despite the declared desire of the Irish Government that its neutrality should not operate in favor of either of the belligerents, it has in fact operated and continues to operate in favor of the Axis power, and against the United Nations on whom your security and the maintenance of your national economy depend. One of the gravest and most inequitable results of this situation is the opportunity for highly organized espionage which the geographical position of Ireland affords the Axis and denies the United Nations."

"Situated as you are in close proximity to Britain, divided only by an intangible boundary from Northern Ireland, where are situated important American bases, with continuous traffic to and from both countries, Axis agents enjoy almost unrestricted opportunity for bringing military information of vital importance from Great Britain and Northern Ireland into Ireland and from there transmitting it by various routes and methods to Germany. No opportunity corresponding to this is open to the United Nations, for the Axis has no military dispositions which may be observed from Ireland."

"We do not question the good faith of the Irish Government in its efforts to suppress Axis espionage. Whether or to what extent it has succeeded in preventing acts of espionage against American shipping and American forces in Great Britain and Northern Ireland is, of course, impossible to determine with certainty. Nevertheless, it is a fact that German and Japanese diplomatic and consular representatives still continue to reside in Dublin and enjoy the special privileges and immunities customarily accorded to such officials. That Axis representatives in neutral countries use these special privileges and immunities as a cloak for espionage activities against the United Nations has been demonstrated over and over again."

In his reply Prime Minister de Valera had the following to say in part:

"From the beginning, by the establishment of strong observation and defense forces, by a wide and rigorous censorship of press and communications, by an extensive anti-espionage organization and by every other means within our power, we have endeavored to prevent the leakage through Ireland of any information which might in any way endanger British lives or the safety of Great Britain."

"Since the United States entered the war the same spirit of scrupulous regard for American interests has been shown. American officials have had an opportunity of seeing the measures which have been taken—they have indeed made favorable comments on their effectiveness—and it is satisfactory to observe that in the note itself not a single instance of neglect is alleged and no proof of injury to American interests is adduced. Should American lives be lost it will not be through any indifference or neglect of its duty on the part of this State."

## N. Y. Trade Board Supports Amendment Limiting Income And Inheritance Taxes To 25%

The New York Board of Trade through its President, Matthew G. Ely, has petitioned the New York State Legislature to pass the resolution supporting the 22nd Amendment to the United States Constitution. This Amendment would limit income and inheritance taxes to 25%. The Board stated that "such action would be incontrovertible evidence that we intend to preserve free enterprise when this war is over. It would assure reconversion to a peace-time basis and full employment by industry itself."

This action is being urged by the Legislatures of other States, and the New York Board of Trade hopes that New York will be put on record by this session of the Legislature in favor of such a move. A spokesman for the Board stated:

"This is the first step in putting a ceiling on Government

spending in relation to the national income. It gives the first promise within recent years of an approach to a balanced budget and putting Federal financing on an even keel." A resolution to accomplish this purpose was introduced in the Senate by Senator Walter J. Mahoney, and in the Assembly by Justin C. Morgan. The resolution is now in the Rules Committee.

## FHA Official Sees 350,000 To 400,000 Residential Units First Peace-Time Year

It was estimated at a meeting of the Mortgage Bankers Association of America at Chicago March 3 by Curt C. Mack, Washington, D. C. director of underwriting, Federal Housing Administration, that in the nation's first-peace-time year after the war, some 20,000 builders will construct between 350,000 and 400,000 dwelling units costing around two billion dollars. Mr. Mack spoke at the closing session of the Association's two-day mortgage conference at the Drake Hotel which was attended by more than 350 mortgage bankers, real estate men, Government officials, commercial bankers and title and trust company men from all over the country.

"But there won't be any revolutionary changes in building at the outset," he said. "Custom and tradition are potent market factors." This will be partly the result of the fact that buyers are still thinking generally in terms of the familiar cottage and not of some brand new kind of house regardless of how efficient functionally it may be, Mr. Mack pointed out.

It will be in the middle and upper middle price brackets where the most substantial production of houses will occur immediately after the war, he predicted. He added that "basically, however, the long-term continuing demand will be for the minimum cost house which will meet modern

American living requirements. Experience has shown that the low-priced home has the greatest continuing market with correspondingly less mortgage risk."

Price range must be considered in relative terms because nobody yet knows the dollar amounts which will be applicable to these relative post-war prices, he explained.

In making plans for the post-war period, Mr. Mack pointed out that FHA has recommended that Title VI be dropped after the emergency. Much of the privately-financed war-time housing has been built under this section of the National Housing Act.

If the post-war building boom develops along the lines now being generally predicted, the country may likely find that while the demand for new construction is heavy, the demand for old houses will be proportionately light. H. O. Walther, Vice-President, Bell Savings and Loan Association,

be regrettable if any incident now should alter that happily result.

"The Irish Government are therefore safeguarding, and will continue to safeguard, the interests of the United States, but they must in all circumstances protect the neutrality of the Irish State and the democratic way of life of the Irish people. Their attitude will continue to be determined not by fear of any measures which could be employed against them, but by goodwill and the fundamental friendship existing between the two peoples."

From London March 13 the Associated Press reported that Great Britain had adopted tight restrictions on travel between Great Britain and Northern Ireland and Eire to prevent seepage of information, in a swift aftermath to Prime Minister Eamon de Valera's refusal to oust Axis diplomatic representatives from Eire. These advices added:

"Just two days after disclosure of the diplomatic exchange between Eire and the United States, the British Government announced that effectively immediately, no more permits or visas for travel between the two islands will be granted except for business or work of national importance."

"It was reported widely at London that this was only the first step decided upon by Britain and the United States in a move to isolate neutral Eire. It was reported that closing of Eire's border with Northern Ireland was under consideration and that supplies of gasoline, wheat and coal for Eire were to be cut sharply to release every available ton of Allied shipping for invasion operations."

Chicago, said in his address. Mr. Walther was a member of a panel of four Chicago mortgage bankers which reported the results of a survey made by 12 members of the Chicago Mortgage Bankers Association especially for this meeting. The purpose of the study was to use Chicago as a "guinea pig" to determine the extent of the price rises for various kinds of real estate here in recent years and consider what the present market may mean for the future.

## Business Failures Higher

February business failures, contrary to the trend that has been in evidence for some time, are higher in both number and the amount of liabilities involved. Business insolvencies in February, according to Dun & Bradstreet, Inc., totaled 132 and involved \$3,108,000 liabilities as compared with 120 involving \$1,708,000 in January and 422 involving \$4,163,000 in February a year ago.

The increase in the number of failures in February over January took place in all of the divisions of trade into which the report is divided except the wholesale and retail groups which had fewer failures. When the amount of liabilities is considered, only the wholesale group had a smaller amount of liabilities involved in February than in January.

Manufacturing failures last month numbered 32, involving \$2,032,000 liabilities, compared with 31 in January with \$893,000 liabilities. Wholesale failures decreased from 13 to 10 and liabilities from \$223,000 in January to \$107,000 in February. In the retail trade section, insolvencies were lowered from 50 to 49 but liabilities rose from \$304,000 to \$391,000. Construction failures numbered 19 with \$209,000 liabilities in February, which compares with 13 with \$183,000 liabilities in January. Commercial service failures numbered 22 in February as compared with 13 in January and liabilities \$369,000 in February as against \$105,000 in January.

When the country is divided into Federal Reserve Districts it is seen that the Chicago, St. Louis, Kansas City and San Francisco Reserve Districts had more failures in February than in January, the Minneapolis Reserve District had only one, the same as in January, the Dallas Reserve District again did not report any failures while all the remaining districts reported fewer failures. When the amount of liabilities is considered, it is found that the Boston, New York, Chicago, Kansas City and San Francisco Reserve Districts had more liabilities involved in February than in January, while the remaining districts, with the exception of the Dallas Reserve District, which did not have any, had smaller amounts of liabilities involved in February than in January.

## Mail Service To Corsica

Postmaster Albert Goldman at New York announced on March 7 that information has been received from the Post Office Department that, effective at once, regular (postal union) mail and parcel post service is resumed to Corsica. The rates and conditions applicable to mails for Corsica shall be the same as those applicable to mails for Algeria. Postmaster Goldman's announcement also says:

"As in the case of Algeria, regular mail articles and parcel post for Corsica may be of normal weight and dimensions without restriction as to the frequency of mailing. Mail intended for transmission by air shall be limited to letters in their usual and ordinary form weighing not in excess of 2 ounces, as provided by order No. 18605 of September 4, 1942."

"The licensing requirements of the Foreign Economic Administration (formerly the Office of Economic Warfare) are applicable to articles for Corsica."

## The Financial Situation

(Continued from first page)

lished during the war are rich with meaning for the peacetime life of the nation in the future. It is indeed little short of criminal to teach the public to believe that there is any way under the sun by which we could produce precisely what the public wants in the relative amounts it wants at any such rate as we have been producing guns, tanks, planes and ships. It is still worse to add, as some have been doing, that this efficiency in production will enable manufacturers to sell goods at prices far below any common prior to the war.

This idea that "never again" are we to permit unemployment of much consequence, or poverty on a substantial scale, but, on the contrary, are somehow to overcome the shortcomings of the ages simply because "we must" in order "to save private enterprise," is a dangerous one to be teaching. There is no way in which we can accomplish the things we say we are going to accomplish, that we "must" accomplish, and we have already suggested what is to be done in the event we fail. That is, to enter upon some sort of state socialism which can never do nearly so well as we have always done. There is no need to be figuring how many houses, how many automobiles, how much of this and that will be "needed" in the first two or three peace years. We shall "need" a good deal more than we shall have under any system that we may adopt—that is, many people will want more and often, doubtless, would be more comfortable with more. There will likewise be many individuals who will not earn more. If they are determined to introduce some new social system in this country because they do not get what they do not earn, and if the rest of us are ready to permit them to do so, then there is not very much hope left of moving forward in this country in the future as in the past.

### "Helping" Business

Quite possibly the most dangerous of all these current suggestions about post-war policy is the thought that private enterprise may need help to create the conditions we in our wisdom have concluded are essential. The notion appears to be the unthinking to be so plausible, the error in the reasoning is so subtle, and the approach is one which the enemy of free enterprise can use without doing injury to the feelings of the friend of the American system—the friend who is likely if he is not on the alert to pay for his credulity through the nose. The New Deal has made the idea so

commonplace that the Government by spending large amounts of money helps or stimulates business.

The fact of the matter is, of course, that programs of the sort here under discussion do not, and cannot help, but must act as a handicap to legitimate private enterprise. It is true, of course, that certain concerns, sometimes possibly certain branches of business are given a considerable fillip in this way. Office machine makers, for example, certainly have reaped a direct and an indirect harvest from the New Deal and all its works. Not only does the Government itself require many times as many such machines as ever before, but all the accounts and forms and reports required of private business multiply the need for such machines. This, however, is a vastly different thing from saying that business as a whole has benefited.

### The Reasons Why

The reasons why business can not be stimulated as is thus proposed are not far to seek. In the first place, no matter what field the Government enters (apart from road building and a few other similar activities) it is almost certain to be competing directly or indirectly with private enterprise. Now private business can not operate upon the President's quarterback theory. It must invest substantial sums of money in its enterprises, and it must be able to see conditions reasonably favorable to its operations for a number of years to come at the very least. If it is eternally fearful that the Government may move into its field and operate without a profit, or at a substantial loss in competition with it, there is no basis upon which it may proceed. Again, the Government, if it is to "aid" private enterprise in the way mentioned, must have the funds with which to do so. This means that it must either tax them away from private enterprise or create them by fiat. Either procedure must of necessity discourage, not encourage private business. The most valuable assistance Government can give private business is to keep the rules under which it must operate as simple, as just and as stable as possible—and then keep out of the way. Any other program, no matter by what name it may be called, will not help, but hurt business.

Another strange set of ideas are those which assign peculiar roles to our foreign policy in creating this wonderful new world envisaged by the dreamers. "Industrialization" has become a word to conjure with. India, Africa, and, indeed, nearly all parts of the globe which have not already

## National Bank Receiver May Collect Assessment From Holding Cos. For Bank's Creditors

The United States Supreme Court in a 5 to 4 decision on March 8 held that a receiver of a national bank may collect an assessment from stockholders of a holding company for the benefit of the bank's creditors. The four minority Justices in criticizing the views of their five colleagues declared that "the Court is not enforcing a policy of Congress; it is competing with Congress in creating new regulations in banking, a field peculiarly

within legislative rather than judicial competence." The minority opinion, written by Associate Justice Robert H. Jackson, with Associate Justices Owen J. Roberts, Stanley Reed and Felix Frankfurter concurring, contended in their dissent that they had been unable to find that Congress "ever announced a legislative policy such as the Court announces." The Associated Press, Washington advices, further indicated as follows the views of the minority:

"Congress nowhere has said that the stockholders of a corporation that is not a banking association shall be liable to assessment because the latter corporation held some or all of the stock of a national bank," the dissent declared. "Indeed, the history of banking legislation shows that Congress has considered the problems created by the holding company and not only has failed to adopt such a policy as the Court is declaring but has made other provisions inconsistent with such a policy."

Associate Justice Jackson declared that if it were within the province of the Court "we could be at liberty candidly to exercise discretion toward the undoing of the holding company." But he said the dissenters were of the opinion that "no such latitude is confided to the Judges."

The Court, he asserted, is professing to impose the liability "not as a matter of Judge-made law but as a matter of legislative policy" when "it cannot cite so much as a statutory hint of such policy."

By its decision, he said, the Court is making the holding company a "windfall" to bank creditors "by extending the liability to persons never otherwise reachable." He predicted that it would take a lot more decisions to clarify the one made today.

In the majority ruling it was held that shareholders of a bank-stock holding company are subject to double liability under Federal laws, although the charter of the bank-stock company provided that stockholders "should not be subject to the payment of corporate debts to any extent whatever." Advice to the New York "Journal of Commerce" from its Washington bureau March 6 in reporting this also had the following to say regarding the conclusions of the majority:

"The policy underlying double liability is an exacting one," the Court said. "Its defeat cannot be encouraged through the utilization of financial devices which put a premium on ignorance."

The Court denied that a State's chartering powers can "endow its corporate creatures with the power to place themselves above the Congress of the United States and defeat the Federal policy concerning national banks which Congress has announced."

undergone the process, must, so these planners seem to suppose, be industrialized at once to the immense profit of the American and the happiness unbounded of the native. That this is a childish conception of the situation need scarcely be asserted. Industrialization may or may not be profitable to any one, depending upon many considerations—and certainly worldwide industrialization of the sort suggested these days would leave us looking for markets.

The Supreme Court's decision was handed down, with the Justices dividing 5 to 4, on the question raised in A. M. Anderson, receiver of National Bank of Kentucky, against Katherin Kirkpatrick Abbott, et al.

The case involved Banco Kentucky Co., chartered in Delaware, and organized by the management of the National Bank of Kentucky and the Louisville Trust Co.—both Louisville banking houses. Banco acquired most of these banks' shares in exchange for its own. In November, 1930, a receiver was appointed for the Bank of Kentucky as well as for Banco. The following year the Comptroller of the Currency assessed the bank's shareholders for \$4,000,000 and notified Banco's stockholders that he planned to proceed against them for collection of any amounts which could not be obtained from the bank.

Subsequent to this, the receiver of the bank sued Banco's stockholders to recover from each his proportionate share of the Comptroller's assessment.

The Court held that a receiver may sue the record owner or the actual owner of shares of a national bank on the statutory assessment. That the creation of Banco constituted a "sham" or an effort to avoid double liability was not involved, the Court said. But it reasoned that "one who is legally irresponsible cannot be allowed to serve as an insulator from liability, whether that was the purpose or merely the effect of the arrangement."

The majority decision, written by Justice Douglas, denied that the effect of its ruling was that every stockholder of a national bank who sells his shares remains

liable because his transferee turns out to be irresponsible or impecunious.

"But where after the sale he retains through his transferee an investment position in the bank, including control, he cannot escape the statutory liability if his transferee does not have resources commensurate with the risks of those holdings."

"In such a case he remains liable as a 'stockholder' or 'shareholder' within the meaning of these statutes to the extent of his interest in the underlying shares of the bank. For he retains control and other benefits of ownership without substituting in his stead any one who is responsible for the risks of the banking business."

The point on which the minority sharply attacked the Court's decision turned on the fact that double liability was applied not only to Banco stockholders who held their securities in exchange for the bank's stock, but to non-bank stockholders who purchased Banco shares for cash.

"Stock purchasers for cash have at no time owned a stock that purported to carry double liability," the minority Justices declared. "On the contrary, by the terms of the stock certificates and by the law of the corporation's being, their shares were fully paid and non-assessable. These stockholders cannot be said in any way to have assumed any express or implied contractual assessment liability."

"No statute of the United States and no applicable State statute then or since has purported to impose a double liability upon these holding company shares. No controlling precedent in this Court at the time these stockholders purchased or since (until today) purported to attach a double liability to such shares."

While the minority stated that holding companies "as utilized in this country" have been "with a few exceptions, a menace to responsible management and sound finance," the Court is given no such "latitude" as is here exercised.

## To Confer On Present And Post-War Problems Of Air Commerce At N. Y. Meeting

For the first time in their history, foreign freight forwarders, customs brokers, carloaders, and others interested in shipping by air, will hold a luncheon conference with air cargo experts of the various airlines serving New York, Railway Express Agency and other transportation agency officials on Thursday, March 28th at the Downtown Athletic Club. Attendance is expected to be large due to the uniqueness of the approach to the pres-

ent and post-war problems on Air Commerce. A panel of experts from the airlines and interested trade groups are being brought together by the Aviation Section of the New York Board of Trade, under whose auspices the conference is being held.

John F. Budd, editor and publisher of "Air Transportation" and chairman of the Aviation Section, will preside. Among the foreign trade and commerce leaders chosen for the panel are: Harry K. Barr, President of Barr Shipping Co. and President of Steamship Freight Brokers Association, Inc.; Fred Bennett, partner of M. J. Corbett & Co. and President of the New York Foreign Freight Forwarders and Brokers Ass'n, Inc.; Theodore Mercer, Vice-President of the Hudson Shipping Co. and Vice-President of New York Customs Brokers Ass'n, Inc.; Walter Hedden, Director of Port Development, and James Buckley, principal economist of Port of New York Authority; George F. Bauer, international trade consultant on air commerce; Chester M. Mayer, President of Air Express International Agency, Inc.; Herbert Lyall, eastern traffic manager of American Airlines and Chairman of the Aviation Section's Committee on Airline Operations; Lyle C. Ray, Executive Vice-President of the Aviation Packaging Co.; J. D. Malcolmson, technical director of the Robert

Gair Co. (shipping containers); J. H. Butler, traffic executive, Railway Express Agency, and others.

The advices from the New York Board of Trade state: "The occasion will serve to break down some false conceptions about air cargoes, their size, place in shipping and amount of possible traffic and to give the airlines a trade acquaintanceship with the men who actually do the business in air shipping. Handling of air cargoes on a large scale within the Port of New York will also be told by authorities from the New York City Department of Marine and Aviation and the Port of New York Authority."

### On Mpls. Reserve Staff

Appointment of Oscar F. Litterer as statistician of the Minneapolis Federal Reserve Bank was announced on March 5 by Dr. Arthur R. Upgren, Vice-President and economist of the bank, according to the Minneapolis "Journal," which further said: "At the same time he named Franklin L. Parsons as agricultural economist of the bank. Mr. Litterer formerly was research economist of the Committee for Economic Development of New York City, while Mr. Parsons has been Associate Professor of Economics at Kansas State College."

## International Conferences On Money, Oil, Shipping And Aviation Planned

Reporting that a half-dozen international conferences on the problems of post-war world reconstruction, many highly controversial, were emerging from diplomatic gossip into reality on March 8, advices from Washington on that date to the New York "World-Telegram" by John A. Reichmann, United Press Staff Correspondent, world peace, involve:

"1. Maintenance of adequate world petroleum reserves so that a civilization highly dependent on oil can survive despite the heavy consumption of oil in the war.

"2. Stabilization of world currencies to prevent peacetime economic warfare.

"3. Plans to assure the world 'freedom from want' and 'freedom from fear' through an enlightened approach to labor problems and social security.

"4. Maintenance of peace and order during the transition from war to peace by providing rehabilitation of liberated areas.

"5. Disposition of the world's shipping lanes and of the huge fleets created to move men and material to the fighting fronts in such manner as to safeguard the nations whose economy is built on world shipping.

"6. Arrangements for post-war aviation, a topic enlivened by the fact that in almost all countries a political issue is evolving around its own right to dip into world air traffic and to compete for trade on an equal basis."

The advices from which we quote added:

"The first meeting on oil reserves was announced yesterday by Acting Secretary of State Stettinius. It will be held in Washington soon and will be strictly Anglo-American.

"The monetary conference in early spring will involve chiefly this country, the United Kingdom and Russia.

"Freedom from want and fear will be dealt with in a quasi-official way at Philadelphia, beginning March 20, when the International Labor Office holds its 26th annual meeting. It will prepare resolutions to guide governments in dealing with post-war problems of unemployment and social security.

"A second meeting of the United Nations Relief and Rehabilitation Administration Council is scheduled for not later than June. It probably will meet in Montreal.

"Little is known about the shipping conference other than that it is under discussion.

"Joseph C. Grew, former Ambassador to Tokyo, will head the aviation conference."

## Dr. Spahr Sees Danger In Declining Reserve Ratios And Treasury Financial Domination

(Continued from first page)

first opportunity, and these movements may take the form of gold exports. In addition, our gold will tend to move out for a multitude of other purposes because of this same pressure.

"Most of these pressures are operating in the direction of a further and perhaps unexpectedly sharp decline in the reserve ratios in the Federal Reserve banks. The edging of the Federal Reserve banks, by the Treasury, out of proper performance of their functions is fundamentally an unsound piece of business. In the end, the American people apparently will have to learn this lesson the hard way. The Reserve banks should be in a position to exercise their normal controls, with very few war-time exceptions. Treasury domination and control and interference should be reduced and finally eliminated as rapidly as possible.

"If Treasury control and artificially low interest rates continue much longer, with the Reserve authorities merely the puppets of Treasury policy, we are headed for serious trouble.

"This picture, combined with the consideration of plans to have the Treasury contribute millions and billions of dollars to this program and that for international rehabilitation, currency stabilization, and so on, should suggest the wisdom of pulling up sharply and taking a good look at this trend of programs and policies.

### Watering or Diluting the Reserves of Federal Reserve Banks

"Another matter to which Congress has persistently shut its eyes is the diluting of the reserves of the Federal Reserve System. This is another instance of too much United States Treasury influence in the monetary picture—permitted or forced by Congress. As an

example for other agitating groups. It is a fact that the much-touted Farmers' Union gets its financial support from this CIO gravy. Along with its "parent" organization, the CIO, it has been agitating to maintain the Farm Security Administration which Congress would like to abolish.

It is a commentary on the operation of this well-greased "movement" that both the CIO and the "Farmers Union" professed indignation over the recent appointment of W. L. Clayton to be the surplus materials administrator under the Baruch report. Mr. Clayton, they pointed out, is or was the largest cotton producer in the world, a conservative who contributed to Willkie's 1940 campaign.

Nothing came of the protest and the shrewder observers of the Washington scene noted that the indignation seemed to be of the tongue in the cheek kind. Mr. Clayton's appointment was a very conservative one and undoubtedly made as a gesture to the conservatives. But the fact is, of course, that the question of who is surplus materials administrator will not be so important for several months and when it does become important, Mr. Roosevelt could very easily make a change. This is one of the reasons Congress is very determined to write its own reconversion program into law. The purpose of the CIO-Farmers' Union propagandists in protesting Mr. Clayton's appointment was to further advertise the conservative gesture involved and aid in the deception which the Administration is trying to play. It should be noted that Mr. Roosevelt has not yet announced the Baruch plan to be his own or the Administration's program.

If Congress should get into the CIO it would develop a very interesting story, indeed.

example of the latter, overvalued silver certificates have been going into the reserve structure rather steadily under pressure of the silver subsidy policy.

"Perhaps the most important case of bad practice permitted by Congress is the injection of \$660,000,000 of fiat paper money into the reserves of the Federal Reserve System by the manipulation of these notes by the Treasury and Reserve authorities, beginning Dec. 12, 1942.

"By that juggling, sleight-of-hand, 'retirement' before issuance transaction, the Federal Reserve Bank notes (National Currency notes) were made assets (lawful reserves) of these banks, and in the form of fiat money at that whereas under the law these notes are supposed to be Reserve Bank liabilities while they are being issued. While the Treasury and Reserve authorities gave the Reserve banks \$660,000,000 of fiat money for reserves—an illegal transaction on every count—the Treasury, by this same transaction, handed itself a deposit credit in the Federal Reserve banks to the extent of \$660,000,000—also an illegal transaction on every count.

"Watering down the reserves of the Federal Reserve banks with fiat money is a bad piece of business at any time; but it is doubly bad when the reserve ratio is falling rapidly and when reserves need to be good—not watered milk!

"The investigation made by a few members of Congress of this Federal Reserve bank note affair in January and February, 1943 was not competent. The Congressmen were overwhelmed with technicalities thrown at them by the Reserve and Treasury officials and effectively bluffed out of the picture.

"Let any Congressman take the *Federal Reserve Bulletin* for January, 1944, consult the table 'Kinds of Money in Circulation' (p. 67), look at the column of Federal Reserve Bank notes, and see how the volume of these notes in circulation has increased every month, beginning December, 1942 (The February, 1944, *Bulletin*, because of the changes in tables, is not so useful since it obscures the facts.) Then let him look at "Treasury Currency" on the same page and he will see that these notes are Treasury liabilities—not liabilities of the Reserve banks as they are legally supposed to be while being issued. Then the Congressman should look at the last line of the footnote at the bottom of the page: There he will find it said that "Federal Reserve Bank notes and national bank notes are in process of retirement." In short, the table will show him that the Federal Reserve Bank notes in circulation are steadily increasing while the footnote says they are "in process of retirement." Then the Congressman should ponder that!

"This conflict of assertion with fact grew out of the Reserve officials' contention, while being investigated in January-February 1943, that they 'retired' these notes before they were issued by the Treasury!

"Next, if he thinks it proper for the Treasury to issue these notes, let him read the Federal Reserve Act.

"Finally, if the Congressman thinks these notes are not fiat money, let him look at the admission of the then Acting Secretary of the Treasury, Daniel Bell, who conceded, under questioning by Representative Frank Keefe of Wisconsin, at hearings before the Subcommittee of the House Committee on Appropriations, Jan. 18, 1943, that they are precisely that—just like unsecured United States notes.

"With these facts and admission

## NY Trade Bd. Petitions Assembly To Pass Trade Practice Bill

Matthew G. Ely, President of the New York Board of Trade, has petitioned the Assembly to pass the Trade Practice Bill which would outlaw fake wholesalers and those who offer merchandise under other false pretenses. Mr. Ely acted by direction of the Board of Directors which, though representing many lines of business, voted overwhelmingly in favor of the principle of this bill.

The recommendation was made by the Board's Central Mercantile Section. Leonard Ginsberg, President of Hearn Department Stores, Inc., as Chairman of the Section's Executive Committee, presented the matter for action by the general body.

Speaking on this subject, Mr. Ginsberg stated: "This bill, if enacted, will protect the public, raise business standards and return to Government, the taxes due it. It will prevent deception and fraud now carefully concealed from those who are not specialists. The law will insist that businessmen 'tell the truth' in offering merchandise to prospective buyers. Honest businessmen have nothing to fear, but it will clamp down hard on those who pose as merchants but practice the wiles of the imposter. It will assure payment to the city, the State and the Federal Government of their share of sales taxes, business turnover taxes, income taxes and the like. The public, the merchant and Government have everything to gain and nothing to lose in the prompt enactment of this measure."

Mr. Ely's telegram to the members of the Rules Committee of the Assembly read as follows:

"The Directors of the New York Board of Trade by overwhelming vote unqualifiedly endorsed the purposes and principles of proposed New York State Trade Practice Bill which seeks to prevent serious diversion of business from legitimate channels of retail distribution. It would materially benefit consumer as well as large and small established retailers. It would protect Federal, State and City Governments from tax losses."

## February Construction Contracts Above Jan.

Construction contracts awarded during February totaled \$137,246,000 in the 37 eastern States, according to F. W. Dodge Corporation in a report made public March 13. This was an average of \$6,238,000 per working day and was slightly above the January daily average. The February total, however, was 65% below the corresponding month last year.

Contracts let for heavy engineering work were valued at \$55,116,000 as compared with \$50,333,000 in the preceding month and \$112,981,000 in February, 1943. Both building classifications were below January, 1944 and February, 1943 with valuation totals of \$57,269,000 for non-residential and \$24,861,000 for residential building. Numbers of new dwelling units created during the month, 7,138, also represented a drop from 10,577 in the preceding month and 24,703 in February a year ago.

available, Congress still let the Treasury and Reserve authorities get away with this manipulation—perhaps the worst one that has ever marred the monetary history of this country.

"It is a fine illustration of what administrative agencies can do right under the nose of Congress if there are sufficient technicalities thrown up to distract and confuse the busy Congressman."

## Life Insurance Companies Paid \$41,800,000 In Death Benefits To Service Men In 1943

Total death benefits of \$41,800,000 were paid in 1943 by American life insurance companies under 31,600 civilian policies owned by members of the armed forces and on March 7 by the Institute of Life Insurance. This brought the aggregate death claims on service men since the start of the war to \$59,400,000 under 43,500 policies. The announcement went on to say:

"The civilian life insurance owned by service men is making an important contribution to the security needs of dependents at home," the Institute said. "The service men own a large aggregate of this civilian life insurance, maintained from pre-war days, in addition to their National Service Life Insurance, the combined protection giving them a large bulwark of protection for those at home."

At the same time, the Institute pointed out, war-caused death claims on service men have not yet been an appreciable part of the total death benefits of the life insurance companies. Preliminary estimates indicate that the increase in civilian mortality on the home front contributed more to last year's increase in death benefits than did the war claims among service men.

Analysis of the claims paid during 1943 on service men shows that 13,940, involving \$16,100,000 in benefits, were on the lives of policyholders killed in action. These represent only 1.5% of total life insurance death benefits paid in the same period.

Deaths from accidents or other external causes resulted in 13,010 claims for a total of \$17,600,000 or 1.6% of total U. S. death benefits paid.

Deaths from diseases among the service men accounted for 4,650 claims in an aggregate of \$8,100,000 or 0.7% of total death benefits paid in the U. S.

Combined, the 1943 total death benefits paid under policies on the lives of service men amounted to 3.8% of the total U. S. death benefits paid under all life insurance in force.

More than 40% of the death benefits on the lives of service men was paid in the last six months of 1943. These payments have increased consistently since the start of the war, with \$17,600,000 paid under 11,900 policies in the entire period up to the end of 1942; \$17,500,000 under 12,200

policies in the first half of 1943 and \$24,300,000 under 19,400 policies in the last half of the year.

Claims on those killed in action increased from \$5,900,000 under 4,460 policies in the period up to the end of 1942, to \$6,500,000 under 5,100 policies in the first half of 1943 and \$9,600,000 under 8,840 policies in the second half of 1943.

## From Washington Ahead Of The News

(Continued from first page)

swollen wages, they should get in on the gravy.

They are in the same boat, the New Dealers and the CIO are. If Mr. Roosevelt fails in his Fourth Term try they both go down together. There are some old-timers in the CIO leadership, such as Phil Murray, who undoubtedly would fit into the AFL. The ones who would be sunk are the intellectuals—the professors, the sociologists and the economists who have saddled themselves on this "labor" movement to the disgust of the AFL trade unionists and who are responsible for its ambitious ramifications. These taxed war workers are, in fact, affording a haven for one of the most interesting collections you have ever seen, including defeated politicians and frustrated bureaucrats. Only recently it was announced that former Congressman McKeough, of Illinois, had become the CIO's "political" adviser. When Congress succeeded in getting C. B. "Beanie" Baldwin out of the Farm Security Administration, he landed up with the CIO. These are but two of the many New Dealers now in on this war bonanza.

The CIO has been in the forefront of the campaign against Congress. It was the spearhead of the soldier vote agitation and in the support of subsidies. There is the impression that it has, indeed, become the holding com-

## Revised List Of Essential Activities

A revised list of essential activities was released on Feb. 25 by the War Manpower Commission. All changes up to and including Jan. 15, 1944, are included, says the Commission, which states that announcement of the changes have been made from time to time but this is the first complete list published since December, 1942. The Commission likewise says:

The list serves as a general guide upon which manpower programs for allocating labor to the different needs are based. It is primarily designed for use of the United States Employment Service and the Selective Service System. The employment stabilization programs of WMC set forth the conditions under which workers may transfer from job to job, the conditions varying in accordance with whether or not the worker has been or is currently employed in an essential activity. The list is used by USES offices in determining the essentiality of the worker's employment. Selective Service Boards use the list in reviewing requests for occupational deferment.

An Interdepartmental Committee on Essential Activities was established by WMC in July, 1942, consisting of representatives of WMC, the Selective Service System, the War and Navy Departments, the War Production Board and the Department of Agriculture. This committee is authorized to make a continuous review of the activities and occupations classified as essential and to make recommendations as to the content and use of the list. Since its establishment it has met regularly to carry out its functions.

The Committee has followed the practice of requesting the participation of representatives of various governmental agencies in the consideration of activities and occupations in which the respective agencies have a special responsibility. Representatives of industry, trade associations, and other organizations wishing to make recommendations concerning the lists have been required to submit their recommendations in writing, although members of the committee and its technical staff have been available at all times for conferences. Provision is also made for hearings before a subcommittee so that such representatives may supplement and elaborate upon their recommendations.

The criteria followed in determining whether or not an activity is to be included in the List of Essential Activities are prescribed in WMC Directive No. 1. These criteria are as follows:

- (1) Activities directly engaged in the production of war materials such as ships, aircraft, guns, etc.;
- (2) Activities necessary for the maintenance of the production of war materials included in No. 1 above, such as mining, communication, transportation; or
- (3) Activities essential for the maintenance of national safety, health, and interest, such as medical, nursing, and welfare services.

The collateral tests taken into account after it has been decided that an activity meets one or more of the above criteria are:

- (1) Are the facilities and resources for maintaining the production of the item under consideration adequate to meet minimum wartime needs?
- (2) If the facilities and resources are adequate and urgent war needs are not being met, could such needs be met through the establishment of production and distribution controls?
- (3) If the facilities and resources are inadequate, is the shortage of manpower one of the factors that limit the production?

The list of activities constitutes the determination of those that have been declared essential on the basis of the above criteria.

The list consists of 35 broad categories. The specific references made to the products, services, and facilities are only generally

descriptive of the types of activities regarded as essential.

### List of Essential Activities

**1. Production of Aircraft and Parts**—The production, maintenance, and repair of aircraft, gliders, parachutes, dirigibles, balloons, aircraft engines, aircraft parts, pontoons, propellers, and similar products.

**2. Production of Ships, Boats, and Parts**—The production, maintenance, and repair of ships, boats, ship and boat parts and equipment.

**3. Production of Ordnance and Accessories**—The production, maintenance, and repair of firearms, guns, howitzers, mortars, gun turrets and mounts, tanks, sighting and fire-control equipment, torpedo tubes, and similar products.

**4. Production of Ammunition**—The production of bombs, mines, torpedoes, grenades, chemical warfare projectiles, explosives, fuses, pyrotechnics, as well as products such as glycerin which go into the manufacture of ammunition.

**5. Agriculture and Commercial Fishing**—(a) Agricultural Products—Lives: stock and livestock products, including beef cattle, dairy cattle, hogs, poultry, sheep, and goats; fiber, oil crops, and potatoes, including castor beans, American-Egyptian, Sea Island and Upland cotton, flaxseed and soybeans, hemp, peanuts, Irish potatoes, and sweet potatoes; field crops, including barley, dry field peas, oats, rye, wheat, alfalfa hay, alfalfa, hay seed, cover crop seed, broomcorn, corn for grain and silage, dry edible beans, green peas for processing, rice, sweet corn, hybrid seed corn, grain sorghum, tame hay and seed, wild or native hay; pineapples, tree fruits, small fruits and berries; medicinal, insecticide, and rubber plants; vegetables for fresh consumption and processing; vegetable plants and seeds; other food and special crops, including honey, tree nuts, sugarcane for sugar and syrup, sugar beets, sugar beet seed, sorghum and sorgo syrup, and tobacco.

(b) Agricultural Services—Agricultural, horticultural, and animal husbandry services such as: Commercial poultry hatcheries, seed processing, animal breeding, crop disease protection services, initial processing services such as ginning, compressing, threshing, cleaning, shelling and curing, irrigation services, farm repair and maintenance services, farm product assembly services, all of which are performed on a substantially year-round basis to essential activities related to essential crops and livestock enterprises indicated in Selective Service Local Board Release No. 164; grist milling (custom); ice harvesting.

(c) Commercial Fishing—Including fish hatcheries (conservation or commercial) and sponges; Gathering, bleaching, cutting, and trimming.

**6. Processing of Food**—Meat packing and slaughtering (including poultry), production of dairy products, eggs, fish and nuts, fruits and vegetables and their juices, soups, flour and other grain mill products, prepared feeds for animals and fowls, starch, cereals, rice, bread and other bakery products, sugar, leavening compounds, corn syrup, fats and oils, ice. Includes dried, preserved, dehydrated, frozen, canned, and other special-processed foods.

**7. Forestry, Logging, Lumbering, and Forest Industries**—Tim-

ber tracts and logging camps, cutting of pulpwood, wood for tanning extract, charcoal, sawmills, veneer, cooperage-stock, planing, and plywood mills, raising of tung oil trees; fire prevention, pest control; forest nurseries and reforestation services; gathering of gums and barks for the manufacture of naval stores and medicinal purposes.

**8. Construction**—Highway and street construction; marine construction; construction of approved industrial plants, houses, hospitals, and military projects; repair of such facilities; and services necessary to complete such construction.

**9. Coal Mining**—The mining of anthracite, bituminous, and semi-anthracite coal, lignite, and peat, and the operation of breakers or preparation plants. Includes also removing overburden and other such activities preparatory to coal mining operations.

**10. Metal Mining**—The mining of iron, copper, tin, lead, zinc, aluminum, mercury, manganese, chromium, molybdenum, tungsten, vanadium and similar ores, and the dressing of such ores. Includes also removing overburden, sinking shafts, and other such activities preparatory to metal mining operations.

**11. Nonmetallic Mining and Processing and Quarrying**—The mining, processing, or quarrying of salt, gypsum, phosphate rock, sulphur, potash, asbestos, graphite pyrites, graphite, borates and other salines, fluorspar, mica, talc, abrasive sands, calcite (optical), and similar essential products.

**12. Smelting, Refining and Rolling of Metal; Scrap Salvage**—Primary and secondary smelting, and refining, alloying, rolling, and drawing of iron, steel, copper, lead, zinc, magnesium, aluminum, brass, bronze, nickel, tin, cadmium, ferro-alloys, and any other metals used in the production of war materials; and scrap salvage.

**13. Production of Metal Shapes and Forgings**—The manufacture of castings, die castings, forgings, wire nails, chains, anchors, axles, pipe, springs, screws, bolts, tubing, stampings, pressings, structural shapes, and machined parts.

**14. Finishing of Metal Products**—Enameling, japanning, lacquering, painting, plating, galvanizing, aluminum coating, polishing, rust-proofing of metal products; sherardizing, retinning of cans and utensils.

**15. Production of Industrial and Agricultural Equipment**—Power boilers, wiring devices and supplies; agricultural implements; electric lamps; storage and primary batteries; pumps, compressors, and pumping equipment; recording, controlling and measuring instruments and meters; conveyors, industrial cars and trucks; blowers, exhaust and ventilating fans; mechanical power-transmission equipment, such as clutches, drives and shafts; mechanical stokers; tools, files, and saws; plumbers' supplies; professional and scientific instruments, photographic apparatus, and optical instruments; and all equipment necessary to operate plants producing essential commodities.

**16. Production of Machinery**—Engines and turbines; metal working machinery and equipment; electrical generating, distribution, and industrial apparatus for electric public utility, manufacturing, mining, transportation, and construction use, for use in manufactured products or in service industries; construction, mining, agricultural, oil field, smelting, and refining machinery, as well as all machinery necessary to produce, equip, and maintain aircraft, ships, ordnance, and other military equipment.

**17. Production of Chemicals and Allied Products**—Industrial organic chemicals: Coal and petroleum crudes, coal tar intermediates, dyes, color lakes and toners,

explosives and components of explosives, synthetic fibers, synthetic rubbers, plastics materials, non-coal-tar intermediates and solvents and miscellaneous organic chemicals; gum and wood chemicals, plasticizers, rubber chemicals, and tanning extracts. Drugs, medicines, and insecticides: Drug grinding; crude botanical drugs, botanical drugs, derivatives, and synthetic equivalents, biological products, drugs of animal origin, pharmaceuticals for use in proprietary remedies and prescriptions, insecticides, fungicides, fumigants, rodenticides, and laboratory animals for biological and pharmaceutical experimentation. Heavy inorganic chemicals: Acids, alkalies, carbonates, and miscellaneous heavy chemicals. Industrial, industrial fine and related inorganic chemicals; inorganic compounds. Fertilizer materials: nitrogenous, phosphatic, and potassic fertilizer materials, mixed fertilizers, organic nitrogenous materials, and agricultural liming materials. Paints, varnishes, pigments, and allied products: Color pigments, ester gums and resins, thinners, paint dryers, wood fillers and whitening. Compressed and liquefied gases: Gaseous hydrocarbons, elemental and nonhydrocarbon gases. Vegetable and animal oils and fats: Animal oils and fats; vegetable oils. Miscellaneous chemicals and chemical products: Bleaching compounds, boiler treating compounds, catalysts, chemical cotton pulp, emulsifiers, matches, oil treating compounds, photographic and pharmaceutical gelatin, synthetic resin adhesives and glue, analytical reagents, water treating compounds, and wetting agents, including sulfonated oils. (Fireworks, pyrotechnics, and flares are included with ammunition in Group 4, salt and crude sulphur in Group 11, and magnesium metal in Group 12.)

**18. Production of Rubber Products**—All rubber products.

**19. Production of Leather Products**—The production of shoe and belting leather; industrial belting for transmission of power; saddlery, harness, and accessories; military and rationed boots and shoes; infants' shoes (sizes through 4); gloves for military and industrial use; leather garments.

**20. Production of Textiles**—Production of textiles including the processing, manufacturing, bleaching, dyeing, printing, and other finishing of textile cordage, fabrics (excluding wool or fur felt for hats and fancy fabrics such as brocades, chiffons, damasks, laces, velvet, etc.), fibers, nets, rope, twine, yarns, made of or using any of the following materials: Animal hair (other than wool) such as bristles, alpaca, etc.; asbestos, cotton, fibrous glass, flax, hemp, henequen, jute, kapok, manila, nylon, rayon, rubber, silk, sisal, shearlings; waste (processed), wool, other synthetic filaments or fibers.

**21. Production of Apparel**—Apparel for the armed forces; work clothing; snowshoes; the following infants' and children's wear (woven and knit) when produced under War Production Board's "Critical Infants' and Children's Apparel Production Program No. 1": (1) Underwear and nightwear (a) through age 6—bands, crib blankets, diapers, gowns, kimonos, pajamas, panties, shirts, sleepers, training pants, wrappers; (b) age 6 through age 16—bloomers, briefs and/or shorts (boy's), pajamas, panties, sleepers, slips, union suits (heavy weight), vest pants; (2) outerwear (a) through age 6—coat and legging sets, snow suits, sweaters; (b) age 6 through age 16—jackets, long pants and/or slacks (boy's), mackinaws, short pants (boy's), sweaters; (3) Play togs (a) through age 6—overall (toddler's rompers and/or creepers), sun suits, wash suits; (b) age 6 through 16—polo shirts; (4) Utility garments (a) through age 6—anklets, coveralls, dresses,

dungarees, overalls, ribbed hose; (b) age 6 through age 16—coveralls, crew sox (boy's), dungarees, overalls, shirts (boy's), work gloves (small, medium, large).

**22. Production of Stone, Clay and Glass Products**—Scientific and industrial glass products; acid-proof brick, firebrick, and other heat-resisting clay products; chemical lime; abrasive wheels, stones, paper, cloth and related products; asbestos products including steam and other packing; pipe and boiler covering; crucibles and retorts; gypsum board; mineral wool (for insulation); porcelain electrical supplies; as well as parts of military apparatus.

**23. Production of Petroleum, Natural-Gas and Petroleum and Coal Products**—Drilling, rig-building, and maintenance service operation and petroleum refining. Includes also production of tar and pitch, coal gas, coke, and liquefied petroleum gas.

**24. Production of Finished Lumber Products**—Cork products such as life preservers; storage battery boxes; insulating material; cars; matches; crutches; caskets; wood preservation activities; buildings, portable and prefabricated; wood base hardboard. Includes also wooden parts of aircraft, ships, and other military equipment.

**25. Production of Transportation Equipment**—The production of motor vehicles such as trucks, ambulances, fire engines, busses and military motorized units; essential parts and accessories of such motor vehicles; motorcycles, bicycles, and parts; locomotives and parts; railroad and street cars, and equipment.

**26. Transportation Services**—Air transportation; line-haul railroad; switching and terminal; railway and air express; freight forwarding; rail inspection; maintenance and repair of railroad equipment, buildings, right-of-way, and rolling stock; local transit, rapid transit, interurban electric railway, and over-the-road bus; off-shore and intercoastal water transportation, including shore service such as stevedoring and harbor operations; pipeline transportation; transportation services on the inland waterways, Great Lakes, harbors, bays, sounds, and waters connected with the seas, including shore service such as stevedoring; trucking; warehousing; dry, open and cold storage of essential (perishable and non-perishable) commodities.

**27. Production of Pulp, Paper and Materials for Packing and Shipping Products:**

(a) Production of the following pulp, paper, paperboard, and converted products—Pulp (made from pulpwood and other substances); the following types of paper stock and paper board: Absorbent for impregnation, asphalt laminating, blueprint, box board, butcher papers (untreated and treated), cable and electrical insulation, carbonizing, chart and map (Government), condenser tissue, container board, drafting, filter, fruit and vegetable wrapping tissue, gasket, glassine, grease-proof, gumming, mandrel winding stock, pattern tissue, photographic and other sensitized, rope and jute, safety base stock, sanitary (sanitary napkin stock, toweling stock, napkin stock, toilet tissue stock, hospital wadding stock), shipping sacks stock, tabulating card stock, tracing, twisting and spinning, vegetable parchment, waxing, wet machine board, wrapping (machine finished and machine glazed); the following converted products from paper and paperboard: Ammunition and shell cases, carbon, envelopes used for shipping and preserving essential products, fiber drums, gummed paper tape, hospital wadding, laminated waterproof and heavy crepe, liquid tight containers and closures, mandrel wound mesh cloth and fabrics, napkins, nested paper

cups, nested paper food containers (excluding paper plates), paper-board boxes and shipping containers, sanitary napkins, shipping sacks, toilet tissue, towels, twine, waxed, waxed laminated and resin impregnated papers for food, munitions, and industrial wrapping.

(b) Production of Other Materials for Shipping and Preserving Essential Products — Bagging, jute, meat; bags, textile (except laundry bags); barrels, metal; baskets (Climax, fruit, vegetable); box shooks; boxes (metal, wooden and paperboards); cable, fiber; cans; cases, packing; containers (glass, metal, and wood; caps and closures for such containers); cooperage; cooperage stock (staves, headings, and hoops); cordage; crates; drums (shipping); excelsior; gummed cloth tape; hope; tin cans.

**28. Production of Communication Equipment**—Radios and radio equipment; radar; telephone, telegraph, cable television, signalling apparatus; electrical sound equipment; vinylite transcriptions; tel-autograph.

**29. Communication Services** — Magazines of general circulation which are devoted primarily to the dissemination of public information; newspapers and news syndicates; military, naval, and technical charts and maps, instructional and technical manuals, and training literature; production of motion pictures (including technical and vocational training films for the Army, Navy, and war production industries); motion picture film processing; news reels; development of sensitized film; protective signal systems which supplement fire and police protection to military, public, and private industrial and commercial establishments; radio broadcasting; radio communications (radio-telephone and radio-telegarph); cable service (land or submarine); telegraph; telephone; television; production for essential activities of continuous forms with or without one-time carbon; production for essential activities of snapout types of forms interleaved with one-time carbon, and produced on rotary equipment; and production of salesbook-type forms contracted for by governmental agencies.

**30. Heating, Power, Water Supply and Illuminating Services** — Electric light and power, water, and gas utilities; steam-heating services; sewage systems; tree trimming for power and communication lines; water-well drilling; installation and servicing of liquefied petroleum gas facilities.

**31. Repair Services**—Repair of: Vehicles, such as bicycles, motorcycles, automobiles, busses, trucks, taxicabs; tires; typewriters and business machines; elevators; shoe repairing; sewing machines; radios; refrigerators; clocks and watches; harnesses; tools; stoves; pneumatic tube systems; power laundry equipment; electric appliances and motors, engines, heating equipment scientific, commercial and industrial weighing machines; farm and other industrial and scientific equipment welding service; roofing, and electric, gas, and plumbing and heating installations in domestic, commercial, and industrial buildings; building alteration, maintenance and repair, installation of insulating material; blacksmithing; armature rewinding; locksmithing. It is intended that consideration be given only to individuals qualified to render all-around repair services on the types of equipment specified herein.

**32. Health and Welfare Services** —Offices of physicians, surgeons, dentists, oculists, osteopaths, podiatrists (chiropracist), sanitary engineers, and veterinarians; medical, dental and optical laboratories; pharmaceutical services; hospitals; nursing services; institutional care; mortuary services;

## Research To Develop New Products Viewed As Playing Vital Part In Post-War Prosperity

Research to develop new products will play a vital part in American post-war prosperity, according to a report issued March 7 by a committee on product development of the National Association of Manufacturers.

"From it will come new industries which will raise living standards and expand employment opportunities for workers released from the armed services and war production," said David C. Prince, Vice-President of the General Electric Company, Chairman of the Committee.

"Scientists say that more progress is being made in the application of science during a few war years than would normally take place in a quarter of a century," the report declares.

The report, following a year's study of the factors involved, is published as a "Guide to Post-War Product Development" for manufacturing companies and is the third in a series of five on post-war subjects, the others being on "Internal Organization," "Sales Planning," "Cost Study" and "Corporate Financial Planning."

Besides Mr. Prince, the members of the Committee are Othom M. E. Loupart, Executive Vice-President of the North American Philips Company, Inc., of Dobbs Ferry, N. Y.; Dr. A. R. Olpin, Director of the Research Foundation of Ohio State University in Columbus, Ohio; L. E. Wilson, President of the Everite Pump and Manufacturing Company, Inc. of Lancaster, Pa., and H. T. Winner, President of the Winner Manufacturing Company, Inc., of Trenton, N. J. The report states:

"When wartime restrictions are released so that there is an opportunity for normal competition new scientific and technological developments will appear in peace-time products faster than ever before. The company which does not take advantage of these opportunities is likely to fall behind in the march of progress.

"New materials, including many plastics, improved light metals, new food products and new fabrics, will be available in greater quantity and at lower prices than formerly. Machine tools have been so greatly improved that many pre-war products will be considered crude by new standards to which industry has become accustomed.

"Furthermore, there are more skilled workers capable of fine workmanship as a result of precision experience on high quality war products, and there are also

auxiliary civilian welfare services to the armed forces; welfare services to civilians; church activities; accident and fire-preventive services; structural pest control services.

**33. Educational Services**—Public and private industrial and agricultural vocational training; elementary, secondary, and preparatory schools; junior colleges, colleges, universities, and professional schools; educational and scientific research agencies; United States Maritime Service Training Program; Civil Aeronautics Administration Civilian Pilot Training Program; armed forces contract flying, ground, and factory aviation schools; and the production of technical and vocational training films.

**34. Governmental Services**—Federal; other than Federal, cobelligerent.

**35. Technical, Scientific, and Management Services**—The supplying of technical, scientific, and management services to establishments engaged in war production; union-management negotiation services; publication of technical and scientific books and journals; and the services of Federal Reserve System district banks and branches (does not include services of member banks of the Federal Reserve System).

more practical engineers and scientists."

Great advances are indicated specifically in the fields of textiles and clothing, processing and fortifying of food products, and in electronics and other phases of physics which may create whole new industries. Indicating the possibilities of such research, the report cites several companies whose business just before the war showed strikingly the importance of new products developed in the preceding ten years or less. One large chemical manufacturer reported that 40% of its total sales receipts were from such products, a building material manufacturer scored 42% and a maker of cork products recorded 24%, says the advices from the Association.

Practical factors to be considered by a manufacturer in establishing or extending research for new products are summarized in the report. They cover research in his own plant or laboratory, by a university or research foundation, a private research laboratory or a trade association or other group project.

Suggestions, it is stated, are based on the experience of many companies in acquiring new products by purchase or patent license, analysis of sales possibilities, sub-contracting for manufacture of parts and for additional marketing, protection against patent infringements and improvement of present products, ingredients and packaging.

"There is no magic about new product development," says the report, "though new products can be highly dramatized. It is the result of the enterprise and initiative of individuals who seek profits by starting new projects or expanding old ones."

Commenting on the report, Norman W. Wilson, Chairman of the Corporation Peacetime Planning Committee of the National Association of Manufacturers, says in a foreword: "Coupled with the efforts of management to develop new products must be favorable national policies which encourage inventors to conceive new products, investors to invest in their development and manufacturers to produce them."

## Industrialists Advise Cleveland Reserve Dist.

Reappointment of five Cleveland industrialists to serve as the Industrial Advisory Committee of the Fourth Federal Reserve District was announced on March 9, by President M. J. Fleming of the Federal Reserve Bank of Cleveland. Members of the committee, which recommends with respect to industrial loans in which the Federal Reserve Bank is concerned, are:

D. C. Swander, President, Columbian Vise & Manufacturing Co., Chairman; H. P. Ladds, President, National Screw & Manufacturing Co., Vice-Chairman; C. F. Hood, President, American Steel & Wire Co., H. R. Neff, President, George S. Rider Co., and W. W. Withington, President, American Fork & Hoe Co.

The Bank states: "The reappointments were made by the board of directors of the Federal Reserve Bank of Cleveland and approved by the Board of Governors of the Federal Reserve System at Washington. Each term is for one year, beginning March 1, 1944."

## Fourth War Loan Oversubscribed

The Fourth War Loan Drive, which was formerly opened throughout the Nation on Jan. 18, with a goal of \$14,000,000,000, resulted in an oversubscription of \$2,730,000,000,—total subscriptions of \$16,730,000,000, having been announced on March 2 by Secretary of the Treasury Morgenthau.

The securities offered in the Fourth War Loan drive, which was brought to a close Feb. 15, consisted of Series E, F and G savings bonds; Series C savings notes; 2½% Treasury bonds of 1965-70; 2¼% Treasury bonds of 1956-59, and 7/8% Treasury certificates of indebtedness.

Feb. 15 Associated Press Washington advices stated that, although the drive ended for "big money" participation, war bond purchases reported to Federal Reserve Banks during the remainder of the month would be counted toward the final total to be announced by Treasury Secretary Morgenthau on March 2. These advices (Feb. 15) also stated:

The Treasury said it would continue to announce daily the individual purchase totals for the remainder of this month.

The drive opened officially January 18, but all war bond sales for both January and February will be counted.

With respect to the oversubscription made known March 2 by Secretary Morgenthau, the New York "Times" of March 3 said:

Figures released by Mr. Morgenthau on sales nationally, and by New York officials of the War Finance Committee on sales throughout the State and in this city, also reflected the complete success of the "little money" phase of the campaign, an enormous number of Series "E" bonds having been sold to individual purchasers.

According to Mr. Morgenthau, 60,000,000 individual "E" bonds were sold, amounting to \$3,187,000,000. New York State, alone was disclosed to have had 5,300,000 separate buyers, against a goal of 5,000,000.

W. Randolph Burgess, Chairman of the War Finance Committee for New York, and Nevil Ford, the committee's executive manager, announced that the over-all total sale of bonds was \$4,662,100,000, or 111.1% of the State quota. Books on sales were closed Tuesday night. The drive ended Feb. 15.

Issue—	(In millions of dollars)				Total—all investors
	Individuals, partnerships and personal trust accounts	Insurance companies and mutual savings banks	Other corporations, associations and investors	Dealers and brokers	
E bonds	3,187	—	—	—	3,187
F and G bonds	573	70	380	*	1,024
Savings	183	4	2,043	*	2,230
Certificates	496	342	3,931	266	5,036
2¼% bonds	517	1,829	827	158	3,331
2½% bonds	352	1,157	403	8	1,920
Total	5,309	3,403	7,585	433	16,730

\*Less than \$500,000.

Note—Sales of Savings Bonds and Savings Notes included in this tables since Jan. 1. Figures are rounded and do not necessarily add to totals.

The opening of the Fourth War Loan Drive was referred to in our issue of Feb. 3, page 504.

## Congress Can Retrieve Authority, Says Bridges

Senator Styles Bridges, Republican, in a speech on March 9, in the Senate declared that the constitutional balance between the executive and legislative branches of the Government "can be restored not by appeasement of the President, but by ordered and self-respecting restoration of the full rights and total functions of the Congress," according to the New York "Herald Tribune" of March 10. In its Washington advices March 9 the paper indicated added:

Congress itself, Senator Bridges said, "must share the blame for the fact that more and yet more blank-check powers have been concentrated in executive hands, and must devote itself "without delay" to retrieving "Congress-

The final figures on the Fourth War Loan Drive were given by Mr. Morgenthau in a nation-wide radio address from the studios of the Blue Network here.

Mr. Morgenthau hailed each of the 60,000,000 individual "E" bonds sold as "an expression of the will and the way of freedom." He paid particular tribute to the 5,000,000 volunteer war bond salesmen and said the Treasury Department was counting on all of them to participate in the Fifth War Loan.

"You are now a seasoned organization," he said. "Virtually the same group of leaders in the State committees and in Washington will remain. We'll all be on the job, ready to set new records, ready to sell more bonds to more people, especially 'E' bonds."

Mr. Morgenthau reported that in addition to the "E" bonds individuals bought \$2,122,000,000 in other securities for a total of \$5,309,000,000. That sum fell \$191,000,000 short of the individual goal, but corporate and other large money buyers topped their \$6,500,000,000 quota by \$2,921,000,000.

In announcing the success of the drive in New York State, Mr. Burgess and Mr. Ford praised the zeal and patriotism of the 500,000 volunteer bond salesmen.

The New York drive executives said the State's sales of "E" bonds totaled \$361,500,000, surpassing by 40% the \$258,000,000 of the Third War Loan, and by nearly \$200,000,000 the "E" bond sales in the Second War Loan.

The 5,300,000 individual purchases in the State, compared with 3,735,000 separate buyers in the Third War Loan and 2,600,000 in the Second War Loan.

The final report of subscriptions to Fourth War Loan by issues and by classes of investors as made public on March 4 by the office of the Secretary of the Treasury, Division of Research and Statistics follows:

sional authority that has been siphoned off." He declared he was detouring politics in his statement in order to "hew close to the line of fundamental principles."

"I propose to dedicate my best energies to the years I still have to serve in this Senate," he said, "to the restoration of the dignity of Congress and its protection against executive encroachment. I propose to persevere in this effort whether the present Chief Executive is re-elected or not."

Powers have been delegated without clearly defining administrative standards, he said, and administrative officers "must be brought into line." In the recent veto of the tax bill, Senator Bridges saw "the danger of Presidential concentration of the taxing power as well." The action of Senator Alben W. Barkley, of Kentucky, the Senate majority leader, in resigning his post in protest of the veto, Senator Bridges said, "thrilled citizens to the marrow as a demonstration of principle beyond partisanship."

## Sound Commercial Policy Is Essential To Stable Political Peace Structure: Hull

The action of the House Appropriations Committee in sending to the floor of that body on Feb. 16 legislation appropriating \$231,304,700 for the Departments of State, Commerce and Justice for the fiscal year beginning July 1, was the occasion also of the submission of voluminous printed testimony from various officials charged with the task of directing a far-flung foreign service and at the same time coping with war-born problems at home. One of those whose views were set out, it is learned from the Associated Press, was Secretary of State Cordell Hull who told the Committee at one point that it was too late in life for him to join "the bureaucrats," and from whom came a warning that the war is not all over but the shouting. It was likewise indicated that from Jesse Jones, Secretary of Commerce, came a statement that much of the \$2,700,000,000 invested by the Government in airplane and engine plants will have to be written off as a dead loss, and from J. Edgar Hoover, head of the FBI, an admonition that juvenile delinquency is "sweeping the country."

Reporting that Mr. Hull told the Committee that winning of a military victory was but one phase in the program of "bringing about peace and future world stability" the Associated Press Washington advices gave his observations as follows: "A durable, just and stable world order" was his definition of the final goal of the war. "A sound commercial policy—I mean by that an international program of mutually beneficial co-operation and a sound commercial policy—are one of the

cornerstones of any stable political peace structure," he said.

"We should not strive to get one-sided agreements at the expense of the other country. Such a policy will react disastrously on a nation following it and in the end everybody will suffer. . . . We want to make our policy fair, mutually desirable, and mutually profitable, so that we can fit in effectively with a suitable plan in regard to stabilization of phases of the monetary situation, the exchange situation, and the credit situation. . . . The truth, I believe, is that after the war, if we are to furnish employment to people who should have it and who are entitled to it, if we and other important parts of the world are to go forward, we must increase production, distribution and consumption. If we expect to sit back while each country makes itself a separate compartment in the economic world, as we did between these two past wars, we will find people employed in some localities and very much out of employment in others."

Mr. Hull defended the department's Good Neighbor policy with other American republics.

## Differences In OWI Between Davis And Sherwood Adjusted—3 N. Y. Executives Resign

An adjustment of differences between Elmer Davis, Director of the Office of War Information, and Robert Sherwood, OWI overseas Chief, was reached on Feb. 7, according to United Press advices from Washington, which indicated the clearing up of the dispute with resignation in New York of three executives whom Mr. Sherwood had refused to dismiss on Mr. Davis' order. They are Joseph Barnes, director of Atlantic overseas operations; James Warburg, head of psychological warfare, and Edd Johnson, chief of the overseas editorial board. The press advices from which we quote, added:

"It was understood that Mr. Sherwood will go to London to reorganize the OWI bureau there, another center of controversy.

"Mr. Davis was said to have felt the New York office was running away with OWI and that Messrs.

Warburg, Johnson and Barnes had failed to adhere to the policy line laid down in Washington."

President Roosevelt was said to have been asked to intervene in the dispute; as to this the United Press on Feb. 7 stated that it was not known whether Mr. Roosevelt was instrumental in obtaining the settlement, but he was reported to have refused to take sides.

## Factory Workers Hours And Earnings Up

A shorter average work-week, coupled with a decline in employment, resulted in 14½ million fewer hours of manufacturing time in the mid-week of December as compared with the mid-week of November, Secretary of Labor Frances Perkins reported on Feb. 21. The average number of hours worked per man per week in December declined to 44.9, reflecting the large amount of illness and other absenteeism which prevailed in all industries, together with a readjustment of production schedules in some industries. The net decline in employment amounted to 130,000 wage earners. Secretary Perkins further stated:

All the durable-goods groups reported fewer manufacturing hours in December than in November. In each case the drop in total hours reflected a shorter work-week and in all but 3 it was coupled with a decline in employment. Almost 3,500,000 less hours were put into the building of ships, planes, and tanks in the mid-week of December than in the mid-week of November. The drop in the average work-week of more than an hour per week and the decline in wage-earner employment of 19,000 combined to bring about this large drop in manufacturing time in the transportation equipment group.

The decline of 1,500,000 hours in the automobile group was due entirely to the work-week average going almost 2 hours less in December than in November. Many firms in the automobile group re-

ported data for a whole month rather than for the week ending nearest the 15th. Reports from these firms would include the Christmas holidays. Excessive absenteeism, however, was the most important reason for the shorter work-week in the automobile group as it was in every other group. The flu epidemic undoubtedly raised the absenteeism rate to its highest point in December.

While all but one of the non-durable goods showed some decline in their total manufacturing hours, the largest declines occurred in the chemicals and food groups. In both of these groups employment and average hours per week declined simultaneously. Factory workers in the non-durable group as a whole put in 5,000,000 less man-hours per week in December than in November.

Average weekly earnings in December amounted to \$44.68. The earnings in the durable-goods group where most of the war production is concentrated amounted to \$50.50 while the

## NAM Issues Guide To Post-War Cost Study

A thorough study of industrial operational costs, aimed at reducing the cost of manufactured goods to the public, was urged on March 9 by the National Association of Manufacturers in one of a series of corporation post-war planning guides. The guide calls to the attention of the manufacturer the complicated array of problems which he must face in dealing with new materials, surplus war supplies, and employment for returning war veterans. In the form of a check list, this guide takes up the 150 most important cost problems which must be met by all manufacturers, large and small, in returning to peace-time production. This Cost Study, fourth in the series of corporation post-war planning guides, follows publication of A Guide to Internal Organization, A Guide to Post-War Sales Planning and A Guide to Post-War Product Development. Fifth in the series, A Guide to Post-War Corporate Financial Planning, will be issued shortly.

"Cost reduction should be one of the primary objectives of company post-war planning," according to Norman W. Wilson, President of the Hammill Paper Co. and Chairman of the NAM Corporation Peace-Time Planning Committee. "It is vital to effective competition," he advises in the Cost Study Guide, "and when it makes price reductions possible, it is one of the most important factors in improving the standard of living. It has expanded markets so that millions enjoy goods and services which were formerly luxuries for only the wealthy."

The check list covers five subjects: cost of materials, cost of labor, manufacturing overhead, financial and administrative, and selling and distribution.

The subcommittee which produced this guide to post-war cost study was composed of Charles J. Dalton, director, Post-War Policy Division, American Type Founders, Inc., Elizabeth, N. J.; Nathaniel Barnes, Secretary, Association of Consulting Management Engineers, New York, N. Y.; Albert H. Foster, director, Route Survey & Marketing Analyses, Borden Farm Products, New York, N. Y.; G. C. Gridley, President, Mechanics Universal Joint Division, Borg-Warner Corporation, Rockford, Ill.; Carl Henrikson, Jr., regional business consultant, U. S. Dept. of Commerce, James Olson, partner, Booz-Allen & Hamilton; Joseph Ready, Electric Power & Light Corp.; Frank Sweetser, partner, Stevenson, Jordan & Harrison; Carey E. Tharp, Policyholders Service Bureau, Metropolitan Life Insurance Co.; C. Oliver Wellington, partner, Snovell-Wellington & Co.; A. L. Williams, Comptroller, International Business Machines Corp.; A. S. Wittnebel, President, Commonwealth Color & Chemical Co., all of New York City.

earnings in the non-durable group averaged \$35.61. None of the durable goods groups and only 4 of the non-durable-goods groups reported increases in weekly earnings. The increases in the weekly earnings in the food, printing and petroleum groups were due entirely to increases in average hourly earnings while the increase in the leather group reflects lengthening of the work-week as well as the rise in average hourly earnings.

The average hours per week in bituminous coal mining was 44.6 and in anthracite 41.4 in December 1943. Both of these industries have returned to normal operations after the scattered strikes which occurred during November."

## Appendix To Baruch-Hancock Post-War Report Summarizes Recommendations

Along with the issuance on Feb. 29 of printed copies of the Baruch-Hancock Post-War report, an Appendix was at the same time made available which had not accompanied the original copies of the report. According to Washington advices to the New York "Times" because of the assumption by some newspaper writers that the Appendix represented new matter, it was explained by aides of Mr. Baruch that the appendix in

no way changed the original report. All it did, they said (we quote from the "Times" Washington advices), "was to summarize for purposes of convenience recommendations scattered through the report but did not alter them in any way." In Associated Press advices from Washington appearing in the Chicago "Daily Tribune" it was stated that a recommendation that the War Production Board make the high policy decisions on what war contracts should be cancelled and what civilian production and employment is to be resumed is contained in the appendix. The advices from which we quote in part added:

If carried out, the Baruch proposal would leave to WPB the important decisions on which consumer industries should be restored to civilian production first, how long controls should be retained after the war, and whether new firms should be allowed to enter established fields of manufacturing in the immediate post-war era.

The appendix listed the major functions of the WPB and the Army and Navy in the reconversion of industry.

As outlined by Bernard M.

Baruch and John Hancock, who jointly prepared the report for the Office of War Mobilization, WPB's role would include these responsibilities:

To lay down the policies to guide the choices for canceling contracts of war goods no longer needed.

To work with the Army and Navy and War Manpower Commission in making the actual choice of which producers will be removed and which will be left in war production.

To guide the shifting of contracts to make use of facilities or manpower freed from war production.

To "decide what civilian production and employment is to be resumed as war needs slacken."

To review worthwhile local projects, deferred during the war, which may be cleared as war needs slacken.

The report urged that the Army and Navy should decide which weapons and military supplies are to be cut as the war changes, with the services informing WPB "as soon as such cuts are thought of."

Detailed reference to the Baruch-Hancock recommendations appeared in our Feb. 24 issue, page 817.

## Dewey Says Peace Must Be Based On 'Growing Sense Of Fellowship Between Peoples'

Governor Dewey, at a rally at Madison Square Garden, in New York City, opening the Red Cross War Fund Drive, on Feb. 29, warned that the peace that ends the present war "must not be the dictated result of personal conferences." The New York "Times" of March 1, in thus quoting him, reported further remarks of Governor Dewey as follows:

"Warning that the building of the peace will just have commenced when the peace treaty is signed, Governor Dewey told the gathering that the document "must be no paper peace." He said that it must not be a rigid, inflexible thing, but must "provide peoples everywhere with simple, understandable means of bringing an end to the horror of war."

"It must be the constant, daily beneficiary of the labors of men

of good-will, striving to make it work and sacrificing to make it endure," the Governor declared. "Most of all, it must be based upon a growing sense of fellowship between peoples. It must be built so strong that neither discouragement, selfishness nor the arrogant mouthings of ambitious men can again lead them into wars of conquest."

## Bowles Of OPA Indicates Improved Price Regulation Is Planned

According to Chester Bowles, Administrator of the Office of Price Administrator, a new, simplified and improved retail price regulation is being developed by the OPA to replace the general maximum price regulation, which has proved unsatisfactory, and that the new plan will be presented to the nation's retail merchants for consideration and criticism within the next few weeks. Mr. Bowles' announcement was made

on Feb. 29 at the annual meeting of the American Retail Federation held at the Waldorf-Astoria. According to the New York "Herald Tribune," Mr. Bowles termed the new regulation, which will apply to all commodities except food, as "a product of American retail trade itself"; the same paper stated that he indicated that the new regulation will meet all the objections of retailers to the regulations now in effect, with the possible exception of eliminating the highest price-line limitation. Even this, he said, will be discussed fully and the matter settled "once and for all" before the new regulation goes into effect. From the New York "Sun's" account of Mr. Bowles' remarks we quote:

"Mr. Bowles declared that if we do not succumb to the pressure of groups seeking to weaken price controls, the American people will, for the first time in any war in which they have participated, win the battle against inflation and prevent chaos and bankruptcies after the war."

"Our chief goal after the war, all speakers agreed, is high production and employment and full national security, and Senator Taft, citing the tremendous costs of this conflict, declared that in his opinion the American system could not survive another all-out modern war.

"Mr. Bowles declined to reveal any details of the proposed new regulations, but said that the OPA and leading merchants and retail experts had been working on the program since last September. No public announcement about the plan will be made until retail groups have had a chance to review it and offer suggestions for improvement.

"Warning that no price control regulation can ever be perfect, Mr. Bowles added: 'I believe, however, I can say with confidence that in the next 60 or 90 days you will agree with me that a major improvement has been made in the retail pricing system under which you are operating your businesses and your stores.'"

## Steel Production Again Rises—Civilian Supply Hopes Dimmed—Mill Backlog Grows

"Demand and production of steel for war are at such frenzied levels that problems of inadequate manpower, overburdened equipment and badly congested order books are returning rapidly and perhaps more forcefully than at previous periods in the past two years," says "The Iron Age" in its issue of today (March 13), further adding:

"Deluged by plate and sheet orders, several flat rolled producers report that their carryovers of scheduled but unrolled tonnage have risen recently despite record output. In addition to forcing acceptance by mills of large tonnages of sheets and plates, WPB is giving mills large amounts of semi-finished products to be produced during second quarter for lend-lease.

"The manpower pinch is growing tighter. The big drive by Selective Service, responding to the urging of the President, has resulted in cancellation of industry replacement schedules and other severe steps in some areas. The serious shortage is in common labor.

"WPB has decided to revoke its order stopping construction of the structural mill at Geneva, Utah. At the same time it is reported that completion of the South Chicago plant of Republic Steel Corp. has been approved. The first action is a source of good news to the western bloc in Congress, which has been exerting pressure against the stop order. The second action will give DPC a completed plant through expenditure of only a small amount of money, since the Chicago installation was almost completed, with its coke ovens consuming much gas.

"Admiral Emory S. Land on March 9 said that this year's shipbuilding program will run into 1945, although it is yet uncertain what exact tonnage will be built in the first half of next year. While it is conceded by WPB officials that the Maritime Commission will have all of the steel needed for 20,000,000 tons of shipping, the production goal for 1944, by the beginning of July, tentative discussions with WPB indicate that the Commission will require about 475,000 tons of plate a month in the third quarter. This would indicate a shipbuilding program of at least 10,000,000 tons is in prospect for next year, provided Maritime succeeds in building 2,000 ships this year. While first quarter allocations of plates to the Maritime Commission amounted to about 560,000 tons monthly, second quarter allocations were an estimated 525,000 tons monthly.

"After analyzing the Murray plan for assisting 20 of the smaller steel companies, opinion in the industry seems to be that legal problems concerning the use of DPC furnaces would be formidable, and that the small steel companies still would have no guarantee of adequate orders. It is pointed out that the history of the steel industry shows that when supplies are in balance or in excess of demand, so-called premium prices cannot be realized. Several of the smaller steel companies in the Illinois-Missouri area, queried concerning their reaction to the Murray plan, denied that they were confronted with a disastrous scrap shortage, and pointed out that increased labor rates had been as great a factor in raising their overall production costs as had the cost of raw material."

The American Iron and Steel Institute on March 13 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 99.1% of capacity for the week beginning March 13 (the second highest level on record), compared with 98.8% one week ago, 97.7% one month ago and 99.3% one year ago. The operating rate for the week beginning March 13 is equivalent to 1,775,200 tons of

steel ingots and castings, compared to 1,769,800 tons one week ago, 1,750,000 tons one month ago, 1,719,500 tons one year ago.

"STEEL" of Cleveland, in its summary of the iron and steel markets, on March 13 stated in part as follows:

"Expectation of easier demand for steel for war purposes and resulting larger provision for civilian goods seems more remote each week as requirements for the former press more heavily.

"Backlogs of orders are accumulating in most major steel products and while in some cases they are not increasing as rapidly as a short time ago, in others they have taken a spurt. Within the past fortnight hot and cold-rolled sheet backlogs have increased appreciably and better activity is noted in narrow strip.

"In addition to the heavy call for sheets for the landing barge program current inquiries for 40,000 tons of 12 and 14-gage sheets for the new-style shipping containers are being placed and fabrication is under way by some plants. Another inquiry for 40,000 tons of sheets for conventional containers has just come out.

"In spite of reduction in small arms contracts and continued decline in machine tool requirements, bar deliveries have become more extended recently, after easing considerably in early weeks of this year. Aircraft requirements for bars have increased after a period of conservative buying. Railroad buying has increased and miscellaneous consumption shows a gain.

"Sheetmakers for the most part are booked into late third quarter, with little opportunity to obtain August delivery promises, some mills offering September and October as their best. Plates are quoted generally for late August and September, through universal plates can be had in June. Plate-makers are still receiving many directives for second quarter, which discourages the outlook for easing in the monthly carryover.

"Reaction to the proposal of Philip Murray, President of the United Steelworkers of America, that the Government sell pig iron and scrap below ceiling prices to certain small semi-integrated steel-makers is not yet clear, but as to scrap the situation is said to be distorted."

## War Finance Committee Of New York Meets

W. Randolph Burgess Retires

The War Finance Committee for New York at a meeting on Mar. 9, at its quarters at 1270 Sixth Ave., adopted resolutions in tribute to two members of the Committee who died since the last meeting. The late members of the Committee who were cited were Arthur Kudner, former Chairman of the Public Relations Committee, and Karl D. Gardner, who, at the time of his death was Chairman of the Community Sales Division.

At the meeting members were informed of the retirement of W. Randolph Burgess as State Chairman, and of the appointment of Nevil Ford to that office. Reference to Secretary Morgenthau's announcement of the change in the State Chairmanship appears elsewhere in these Columns today.

## Holds World Peace Body Offers Only Assurance Against Wars

(Continued from first page)

**A New Situation**  
and the many others who think as he does, as I see it, is that their thoughts are turned to the past, whereas it is on the present and the future that we need to concentrate our attention. An entirely new situation has arisen within the past few years which threatens the very existence of civilization as we have known it. Are we to sit supinely by and do nothing about it, just because our first fumbling efforts to organize world peace ended in failure?

**Facing the Facts**  
Mr. Wilson invites his countrymen to "face the facts, the cold facts of history, and be realistic." Very well then, as Al Smith used to say, let's look at the record.

Down to the beginning of this century wars were fought by "armies" of a few thousand men, on "battlefields," with relatively simple and inexpensive weapons, and rarely involved more than a few nations at any one time.

In the First World War the armies were larger, more countries were involved, the first primitive airplanes and tanks made their appearance, but the brunt of the fighting was still borne by soldiers; a few miles back of the front civilian life and industry went on pretty much as usual; there was practically no bombing of cities from the air. We called it a "world war," and it was pretty terrible, but the concept of "total war" was yet to come.

A new factor, however, had come into being which was destined to revolutionize the art of war and change the whole course of history. The development of the internal combustion engine had made possible the airplane, the tank, the submarine, self-propelled artillery, truck-mounted infantry, and all the other devilish devices which make this war different from and more terrible than any other ever fought. These new instruments of warfare required for their production a highly developed heavy industry, which existed in only a few of the larger countries. At one stroke, therefore, all other countries, and particularly the smaller countries, were to all intents and purposes disarmed, and put completely at the mercy of the few highly industrialized states which could turn out fighting machines on a mass production basis.

While England and America slumbered, and France, still thinking in terms of World War I, poured billions of francs into the Maginot Line, Germany grasped the full significance of the new weapons and concentrated on developing a "mechanized" army. The result is now history. Germany's mechanized divisions rolled over the face of Europe in a matter of weeks, and were not halted until they came up against another army whose leaders had also forecast the future and prepared to fight machines with machines. Thanks to the sacrificial fighting of the Red Army and the stubborn courage of the English people, the democratic countries were granted time in which to convert their industries and create mechanized forces to meet the German challenge.

**The Nature of Total War**

But "total war" can only be fought with total mobilization. So great are the demands of a modern mechanized army that all human, material and financial resources must be concentrated on the one task of production for war. For the first time in history wars are fought not by armies but by entire populations. The "home front" has become as important, and as dangerous, as the fighting

front. There have been more casualties among civilians than among soldiers, more destruction of property behind the front than at the front. Great bombers drop their lethal loads on crowded cities hundreds of miles back of the front, killing, burning, maiming, women, children, old and young, indiscriminately. Whole cities are wiped out, their populations destroyed or left homeless. The accumulated wealth and cultural monuments of civilization are being wiped out.

And to achieve this total mobilization, it has been found necessary, even in the democracies, to endow government with such concentration of power, and to subject the citizens to such regimentation and control, that the distinction between "dictatorship" and "democracy" has been largely obliterated.

So great is the drain on accumulated capital and natural resources—especially metals and oils—and so great the destruction of life and property, that even the "victors" must come out of such a struggle impoverished, decimated, and staggering under a crushing burden of debt.

This is total war, and it is to 'his prospect that Mr. Wilson would consign mankind without a struggle to avert it.

**Peace or Chaos**

Granting the difficulty of creating an effective organization for world peace; granting the failure of our first halting steps in that direction; granting the weakness and limitations of human nature, still, the effort must be made, and if necessary made again and again! The alternative is too terrible to contemplate. And because the United States is one of the most powerful countries in the world, we must be prepared to do our part. If we do not—if we are content to seek an ignominious safety behind our ocean barriers, leaving the rest of the world to struggle with the problem of shackling war without our aid—we shall deserve what will be undoubtedly come to pass. We shall be left alone and friendless when the next storm breaks over the world, easy pickings for some future Fuehrer who may succeed where Adolph failed.

**The New "Yellow Peril"**

One other possibility I would like to suggest in closing. The white races were the first to discover and apply modern science, and this knowledge, translated into weapons of war, enabled the white man to conquer and exploit the teeming millions of Asia. For two hundred years or more the

white races have lorded it over the yellow and brown, until we have come to look upon ourselves as their natural superiors, and upon them as mere objects of exploitation. But these yellow and brown races are not inferior to white people in mental capacity. They have civilizations far more ancient, and in some respects perhaps superior to our own. And now they are becoming possessed of a knowledge of western science and of the industrial techniques necessary to create heavy industry. Japan is, of course, the outstanding example, but China also is beginning to industrialize herself, and India is stirring with unrest. In those three countries live one-half of the human race. China alone has more people than all of Europe outside of Russia, and vast undeveloped resources.

How much longer will the white races be able to maintain the fiction of "white supremacy" in Asia? In one century Japan raised herself from a backward feudalism to one of the most potent and aggressive military and industrial powers in the world. Some think she is our most dangerous antagonist today. And yet Japan has only about seventy million people. What will be the potentiality of China, when she becomes industrialized, with 450 million intelligent, thrifty and industrious people? And what of India, with 360 millions?

The time may come when the "Yellow Peril" will be a reality and not just a nightmare; when the white races may have to pool all their resources to hold their own against the "rising tide of color."

Sooner or later the white man is going to lose his privileged position in Asia, and that will have tremendous economic repercussions in the colonial empires. Instead of being dumping grounds for European and American manufactured products, Asia will furnish the keenest of competition once she is industrialized. There will be problems to be solved then, all sorts of problems, and it will be well for us, and for them, if there is in existence an organization and a technique to solve those problems peacefully, instead of in a war in which we may find ourselves hopelessly outnumbered by people who also know how to make planes, and tanks, and submarines.

So let us have done with the defeatist attitude that because a thing never has been done, therefore it never can be done. New times require new measures. Let us strive rather to measure up to the tasks which destiny has laid upon our generation. And the foremost of these is the problem of organizing the world for peace.

WM. GARFIELD LIGHTBOWNE,  
Bogota, N. J.  
March 15, 1944.

## Ratio Of Bank Profits To Capital Funds In St. Louis Reserve District Higher In 1943

Net profits of all member banks of the Federal Reserve Bank of St. Louis in 1943 averaged 8.4% of invested capital funds, according to a statement issued March 10 by Chester C. Davis, President of the bank.

The average rate of return, it is indicated, was about 30% higher than in 1942, and above that for 1941. Banks in all deposit size groups showed gains in net earnings except the very smallest banks having deposits of \$500,000 or less. Deposits at nearly all banks have increased substantially since the beginning of the war. Only 36 of the nearly 450 member banks in the district now have deposits of \$500,000 or less, whereas in 1939 there were 95 banks in this group. Mr. Davis' announcement likewise says:

"Cash dividends averaged 3% on capital funds and the remaining profits were retained by the banks to strengthen their capital structures. As a result of increased holdings of Government securities, income from investments has become of growing im-

portance as a source of bank income. Interest and dividends on securities accounted for 38.2% of the total operating earnings in 1943 as compared with 28.8% in 1942. Interest and discount on loans dropped to 43.8% of total operating earnings as against 54.5% the previous year.

"Although current expenses in 1943 were higher than in 1942 they rose less than earnings. Consequently, expenses absorbed 70.4% of total earnings as compared with 73.6% in 1942.

Reference to the 1942 figures appeared in these columns Mar. 4, 1942, page 845.

### Civil Engineering Construction \$117,878,000 In February

Civil engineering construction volume in continental United States totals \$117,878,000 for February. This volume, not including construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 25% lower than in January, 1944, down 62% from the February, 1943, total, and is the lowest reported to "Engineering News-Record" since September, 1935. The report made public on March 9 continued in part as follows:

Private construction for February, \$28,875,000, tops last month by 19%, but declines 21% from the month last year. Public work is 33% below January due to the 34% drop in Federal volume and the 2% decrease in State and municipal. Public construction is 67% under the corresponding 1943 month as a result of the 69% decrease in Federal work. State and municipal construction is up 55% compared with its February, 1943, total.

Civil engineering construction volumes for February, 1943, January, 1944, and the current month are:

Table with 3 columns: Category, Feb., 1943 (Four Wks.), Jan., 1944 (Four Wks.), Feb., 1944 (Four Wks.). Rows include Total U. S. construction, Private construction, Public construction, State and municipal, Federal.

February construction brings 1944 volume to \$274,396,000 for the two months, a decrease of 48% from the \$533,068,000 reported for the corresponding 1943 period. Private construction, \$53,231,000, is 2% higher than for the opening two months of last year. Public work, \$221,165,000, is 54% below last year. State and municipal volume declines 11%, and Federal work is down 56% and is primarily responsible for the decrease in public construction.

#### New Capital

New capital for construction purposes for February totals \$11,629,000, an increase of 5% over the volume for the corresponding month last year. Of the volume, \$10,129,000 is in State and municipal bond sales, and \$1,500,000 is in RFC loans for private industrial construction.

The February new capital total brings 1944 volume to \$158,801,000, a figure 922% above the \$15,539,000 reported for the opening two-month period in 1943. Federal appropriations for war and departmental construction accounts for \$90,832,000, Federal loans for industrial and public improvements for \$5,575,000, and private investment for \$62,394,000.

### Electric Output For Week Ended Mar. 11, 1944, Shows 12.2% 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 Mar. 11, 1944, was approximately 4,425,630,000 kwh., compared with 3,944,679,000 kwh. in the corresponding week a year ago, an increase of 12.2%. The output for the week ended Mar. 4, 1944, was 13.1% in excess of the similar period of 1943.

#### PERCENTAGE INCREASE OVER PREVIOUS YEAR

Table with 4 columns: Major Geographical Divisions, Mar. 11, Mar. 4, Feb. 26, Feb. 19. Rows include New England, Middle Atlantic, Central Industrial, West Central, Southern States, Rocky Mountain, Pacific Coast, Total United States.

#### DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Table with 6 columns: Week Ended, 1944, 1943, % Change over 1943, 1942, 1932, 1929. Rows include Jan. 1, Jan. 8, Jan. 15, Jan. 22, Jan. 29, Feb. 5, Feb. 12, Feb. 19, Feb. 26, March 4, March 11, March 18, March 25.

### Latest Summary Of Copper Statistics

The Copper Institute on Feb. 11 released the following statistics pertaining to production, deliveries and stocks of duty-free copper:

SUMMARY OF COPPER STATISTICS REPORTED BY MEMBERS OF THE COPPER INSTITUTE

(In Tons of 2,000 Pounds)

Table with 6 columns: U. S. Duty Free Copper, Production (Crude, Refined), Deliveries to Customers (Domestic, Export), Refined Stocks, Stock Increase (+) or Decreases (-). Rows include Year 1939-1944, 2 Mos. 1944, July 1943, Aug. 1943, Sep. 1943, Oct. 1943, Nov. 1943, Dec. 1943, Jan. 1944, Feb. 1944.

\*Mine or smelter production or shipments, and custom intake including scrap. †Beginning March, 1941, includes deliveries of duty paid foreign copper for domestic consumption.

‡At refineries, on consignment and in exchange warehouses, but not including consumers' stocks at their plants or warehouses.

\$Corrected.

### Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES (Based on Average Yields). Table with columns: 1944 Daily Averages, U.S. Govt. Bonds, Ave. Corporate rate, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R. R., P. U., Indus.). Rows include Mar. 14, 13, 11, 10, 9, 8, 7, 6, 4, 3, 2, 1, Feb. 25, 18, 11, 4, Jan. 28, 21, 14, 7, High 1944, Low 1944, High 1943, Low 1943, 1 Year ago, Mar. 13, 1943, 2 Years ago, Mar. 14, 1942.

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices). Table with columns: 1944 Daily Averages, U.S. Govt. Bonds, Ave. Corporate rate, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R. R., P. U., Indus.). Rows include Mar. 14, 13, 11, 10, 9, 8, 7, 6, 4, 3, 2, 1, Feb. 25, 18, 11, 4, Jan. 28, 21, 14, 7, High 1944, Low 1944, High 1943, Low 1943, 1 Year ago, Mar. 13, 1943, 2 Years ago, Mar. 14, 1942.

\*These prices are computed from average yields on the basis of one "typical" bond 3 1/4% coupon, maturing in 25 years) and do not purport to show either the average level or the average movement of actual price quotations. They merely serve to illustrate in a more comprehensive way the relative levels and the relative movement of yield averages, the latter being the true picture of the bond market. †The latest complete list of bonds used in computing these indexes was published in the issue of Jan. 14, 1943, page 202.

### Moody's Common Stock Yields

The annual average yields for the years 1929 to 1941, inclusive, and monthly yields for 1941 are published on page 2218 of the June 11, 1942, issue of the "Chronicle." Monthly yields for 1942 are published on page 202 of the Jan. 14, 1943, issue.

#### MOODY'S WEIGHTED AVERAGE YIELD OF 200 COMMON STOCKS

Table with columns: Industrials, Railroads, Utilities, Banks, Insurance, Average Yield. Rows include Year 1941, Year 1942, Year 1943, January 1943, February 1943, March 1943, April 1943, May 1943, June 1943, July 1943, August 1943, September 1943, October 1943, November 1943, December 1943, January 1944, February 1944.

### Stockholders' Derivative Suits Usually False According To N. Y. Chamber Survey Urges Legislation Designed To Curb Baseless Actions Against Corporate Owners And Officers

Indications that the vast majority of stockholders derivative suits against officers and directors of publicly held corporations are proved ultimately to be unfounded and are prosecuted "principally for the benefit of the plaintiffs' attorneys" have resulted from an 18-months survey of such litigation, during the period running back as far as 1932 and through 1942, conducted in behalf of the Chamber of Commerce of the State of New York.

The survey was under the direction of the Special Committee on Corporate Litigation headed by Thomas I. Parkinson, President of the Equitable Life Assurance Society of the United States and former President of the Chamber. The two other members of the Committee are Richard W. Lawrence, another former President of the Chamber, and Arthur M. Reis, a member of the Executive Committee. Franklin S. Wood, attorney, of 20 Exchange Place, and his staff conducted the survey for the committee. As set forth in a report which came before the Chamber at the monthly meeting on March 2, and was adopted on that date, the survey was undertaken "with a view to proposing measures to correct wrongdoing in corporate affairs and at the same time avoid

baseless, costly litigation against innocent officers and directors and save the time of the courts consumed by such actions at the expense of the taxpayers."

The findings of the survey, as outlined in the report presented by Mr. Parkinson follow:

- 1. That the vast majority of such actions brought against officers and directors of publicly-held corporations are proved ultimately to be unfounded. 2. That such actions are brought by stockholders who frequently purchased their shares immediately prior to commencing suit. 3. That such stockholders hold so few shares of the corporations that they have no personal interest in the subject matter of the action or in the outcome of the litigation. 4. That such actions are prosecuted principally for the benefit of the plaintiffs' attorneys. 5. That such ill-founded, speculative litigation has become costly and burdensome to corporate investors both by reason of the time required of officers and directors in the defense of such actions and the expense of such defense which, under section 61-a of the General Corporation Law, is imposed upon the corporation.

Along with the report, adopted on March 2, the following resolution was adopted by the chamber at the same time:

"Whereas, it is the conclusion of the Special Committee on Corporate Litigation, based on the results of the survey, that the undesirable features of stockholders' actions against corporate officers, directors and others, would be measurably mitigated by: (a) adopting the rule applied in Federal Courts throughout the country requiring stock ownership by the plaintiffs in derivative actions at the time of the transactions complained of, and (b) by requiring plaintiffs in such actions, if holding less than 5% of the stock of the class they claim to represent, unless the stock so held shall have a value in excess of \$100,000, to give security for the costs and expenses which at present are saddled upon the corporation and the investing public when such actions prove groundless; now, therefore be it

Resolved, That the Committee recommends the introduction of a bill in the Legislature of the State of New York to amend the General Corporation Law of the state by the addition of a new section to be known as 61-b which, in effect, would (1) require stock ownership by the plaintiffs at the time of the transaction on which the complaint is based and (2) require plaintiffs in such actions holding less than 5% of the class of stock they claim to represent, unless the stock so held shall have a value in excess of \$100,000, to post in advance of the trial of such action security, for the costs and expenses, including attorneys' fees, to which the corporation shall have recourse in the event that such actions prove baseless, and at the discretion of the court further require the plaintiffs from time to time to increase the amount of the security upon showing that the security provided is or may become inadequate.

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### Moody's Daily Commodity Index

Table with 2 columns: Date, Index Value. Rows include Tuesday, March 7, Wednesday, March 8, Thursday, March 9, Friday, March 10, Saturday, March 11, Monday, March 13, Tuesday, March 14, Two weeks ago, Feb. 29, Month ago, Feb. 15, Year ago, March 13, 1943 High, April 1, Low, Jan. 2, 1943 High, March 14, Low, Jan. 5.

## Market Value Of Stocks On New York Stock Exchange Higher On Feb. 29

As of the close of business Feb. 29, there were 1,240 stock issues aggregating 1,491,580,259 shares listed on the New York Stock Exchange with a total market value of \$48,494,092,518. This compares with 1,237 stock issues, aggregating 1,490,445,442 shares, with a total market value of \$48,396,650,695 on Jan. 29.

In making public the Feb. 29 figures the Stock Exchange further said:

As of the close of business Feb. 29, NYSE member total net borrowings amounted to \$811,244,373 of which \$502,299,323 represented loans which were not collateralized by U. S. Government issues. The ratio of the latter borrowings to the market value of all listed stocks, on that date, was, therefore, 1.04%. As the loans not collateralized by U. S. Government issues include all other types of member borrowings, these ratios will ordinarily exceed the precise relationship between borrowings on listed shares and their total market value.

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

	Feb. 29, 1944		Jan. 31, 1944	
	Market Value	Average Price	Market Value	Average Price
Amusement	521,491,820	22.51	530,555,182	22.90
Automobile	4,080,762,172	33.79	3,981,424,465	32.97
Aviation	607,203,350	17.15	585,939,459	16.54
Building	557,799,534	26.76	566,148,000	27.24
Business and Office Equipment	412,941,844	31.96	416,293,137	32.35
Chemical	5,911,910,832	61.58	5,959,738,654	62.30
Electrical Equipment	1,556,672,721	38.05	1,604,317,636	39.21
Farm Machinery	778,864,548	56.92	788,399,056	57.62
Financial	968,479,626	19.39	967,198,407	19.36
Food	3,126,662,339	37.43	3,163,256,760	37.78
Garment	45,445,586	27.18	45,026,384	26.93
Land & Realty	29,542,107	6.07	30,422,981	6.25
Leather	243,159,025	28.85	236,148,920	28.02
Machinery & Metals	1,677,737,684	23.83	1,679,926,803	23.97
Mining (excluding iron)	1,371,623,101	22.26	1,374,070,601	22.29
Paper & Publishing	502,656,619	21.54	495,224,300	21.65
Petroleum	5,937,944,656	29.41	5,995,488,320	29.55
Railroad	3,843,937,174	35.74	3,721,101,844	34.53
Retail Merchandising	2,624,039,683	36.05	2,625,078,296	36.05
Rubber	572,871,142	53.88	522,731,814	51.34
Ship Building & Operating	97,276,908	17.63	96,963,967	17.58
Shipping Services	17,710,387	10.30	15,891,900	9.22
Steel, Iron & Coke	2,151,472,947	42.53	2,164,961,036	42.79
Textiles	512,872,142	34.25	518,682,000	34.64
Tobacco	1,252,848,117	46.01	1,268,497,443	46.58
Utilities:				
Gas & Electric (Operating)	2,243,349,880	21.67	2,233,290,855	21.57
Gas & Electric (Holding)	1,210,513,607	12.29	1,204,834,697	12.23
Communications	3,712,792,304	88.28	3,675,626,085	87.49
Miscellaneous Utilities	117,938,658	20.18	117,636,245	20.13
U. S. Cos. Operating Abroad	776,029,713	22.81	781,678,180	22.95
Foreign Companies	846,187,233	20.91	874,723,054	21.62
Miscellaneous Businesses	153,329,059	26.12	155,374,208	26.47
All Listed Stocks	48,494,092,518	32.51	48,396,650,695	32.47

We give below a two-year compilation of the total market value and the average price of stocks listed on the Exchange:

1942—	Market Value		Average Price		1943—	Market Value		Average Price	
	\$	\$	\$	\$		\$	\$	\$	\$
Feb. 28	35,234,173,432	24.02	Mar. 31	45,845,738,377	31.20				
Mar. 31	32,844,183,750	22.36	Apr. 30	46,192,361,639	31.45				
Apr. 30	31,449,206,904	21.41	May 29	48,437,700,647	32.96				
May 29	32,913,725,225	22.40	June 30	48,878,520,886	32.27				
June 30	33,419,047,743	22.73	July 31	47,577,989,240	32.17				
July 31	34,443,805,860	23.42	Aug. 31	47,710,472,858	32.04				
Aug. 31	34,871,607,323	23.70	Sept. 30	48,711,451,018	32.82				
Sept. 30	35,604,809,453	24.20	Oct. 30	48,178,040,869	32.44				
Oct. 31	37,727,599,526	25.65	Nov. 30	45,101,778,943	30.33				
Nov. 30	37,374,462,460	25.41	Dec. 31	47,607,294,582	31.96				
Dec. 31	38,811,728,666	26.39							
1943—			1944—						
Jan. 30	41,410,585,043	28.16	Jan. 31	48,396,650,695	32.47				
Feb. 27	43,533,661,753	29.61	Feb. 29	48,494,092,518	32.57				

## Civil Engineering Construction Up 13% In Week Private Volume Tops Last Week And 1943 Week

Civil engineering construction volume in continental United States totals \$44,579,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 13% higher than in the preceding week, but declines 51% from the total reported to "Engineering News-Record" for the corresponding 1943 week and made public on March 9. The report went on to say:

Private construction is 10% above last week and 220% above last year as a result of the increased activity in large-scale private residential building. Public construction is up 14% compared with a week ago, but is 65% below a year ago.

The current week's construction brings 1944 volume to \$358,386,000 for the 10-week period, a decrease of 49% from the \$709,277,000 reported for the 1943 period. Private work, \$30,550,000, is 30% higher than last year, but public construction, \$27,836,000, is 57% lower due to the 60% decline in Federal volume.

Civil engineering construction volumes for the 1943 week, last week, and the current week are:

	Mar. 11, 1943	Mar. 2, 1944	Mar. 9, 1944
Total U. S. construction	\$90,400,000	\$39,411,000	\$44,579,000
Private construction	4,483,000	12,984,000	14,335,000
Public construction	85,917,000	26,427,000	30,244,000
State and municipal	2,089,000	9,151,000	1,592,000
Federal	83,828,000	17,276,000	28,652,000

In the classified construction groups, gains over last week are in waterworks, sewerage, commercial building and large-scale private housing and public buildings. Increases over the 1943 week are in waterworks, industrial buildings, commercial building and large-scale private housing, and earthwork and drainage. Subtotals for the week in each class of construction are: waterworks, \$752,000; sewerage, \$560,000; industrial buildings, \$2,660,000; commercial building and large-scale private housing, \$11,328,000; public buildings, \$19,544,000; earthwork and drainage, \$424,000; streets and roads, \$897,000; and unclassified construction, \$8,414,000.

New capital for construction purposes for the week totals \$13,908,000. It is made up of \$9,908,000 in state and municipal bonds sales, and \$4,000,000 in corporate security issues. The week's new construction financing brings 1944 volume to \$173,861,000, a total 196% above the \$53,759,000 reported for the ten-week period in 1943.

## National Fertilizer Association Price Index Advances Fractionally

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public March 13, advanced slightly to 137.0 in the week ending March 11 from 136.8 in the preceding week. A month ago this index registered 137.0 and a year ago 135.4, based on the 1935-1939 average as 100. The Association's report continued as follows:

The increase in the general level of the all-commodity price index was due primarily to higher quotations for both light and heavy hogs, which in turn caused a marked rise in the livestock and farm products index numbers. A sharp rise in raw cotton was another contributing factor to the fractional advance in the all-commodity index. Raw cotton was also the cause of the textiles group moving into higher ground. The foods group continued to decline for the third consecutive week as lower prices were quoted for white potatoes and eggs. All other group indexes remained unchanged at the previous week's level.

During the week price changes in the index were evenly balanced with three price series advancing and three declining; in the preceding week three price series advanced and six declined; and in the second preceding week the price changes were again evenly balanced with five advances and five declines.

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

% Each Group Bears to the Total Index	Group	Latest Preceding		Month Ago	Year Ago
		Week	Week		
25.3	Foods	137.8	138.0	139.0	137.6
	Fats and Oils	146.1	146.1	146.1	148.5
	Cottonseed Oil	159.6	159.6	159.6	160.1
23.0	Farm Products	157.4	156.3	155.9	154.9
	Cotton	199.8	198.3	197.5	199.8
	Grains	164.8	164.8	164.8	141.4
	Livestock	148.2	146.8	146.3	151.2
17.3	Fuels	130.1	130.1	130.1	121.7
10.8	Miscellaneous commodities	131.4	131.4	131.4	130.4
8.2	Textiles	151.9	151.6	151.5	151.2
7.1	Metals	104.4	104.4	104.4	104.4
6.1	Building materials	152.4	152.4	152.4	152.2
1.3	Chemicals and drugs	127.7	127.7	127.7	127.1
3	Fertilizer materials	117.7	117.7	117.7	117.6
3	Fertilizers	119.8	119.8	119.9	119.8
3	Farm machinery	104.2	104.2	104.2	104.1
100.0	All groups combined	137.0	136.8	137.0	135.4

\*Indexes on 1926-1928 base were: March 11, 1944, 106.7; March 4, 106.6, and March 13, 1943, 105.5.

## Finished Steel Shipments By Subsidiaries Of U. S. Steel Corporation New High For February

Shipments of finished steel products by subsidiaries of the United States Steel Corp. in February were the highest on record for that month it is announced. The daily average deliveries were slightly under those of the corresponding month last year, when there were 24 working days, against 25 this year.

Deliveries last month totaled 1,755,772 net tons, an increase of 24,985 net tons over January, and 64,180 net tons more than shipped in February, 1943. Shipments in February, 1942, were 1,616,587 net tons, and in the same month of 1941, they totaled 1,548,451 net tons.

For the 25 working days in February this year the average was 70,231 net tons, compared with 70,483 net tons in the like month of last year. In January the average was 66,568 net tons for 26 working days.

From January 1, to February 29, the total was 3,486,559 net tons, the highest in history for those two months, and an increase of 108,974 net tons over the 3,377,585 net tons delivered in the corresponding period of 1943. A daily average of 68,364 net tons was reached for 51 days in the first two months of this year, compared with 67,551 net tons for 50 days in 1943.

In the table below we list the figures by months for various periods since January, 1939:

	1944	1943	1942	1941	1940	1939
January	1,730,787	1,685,993	1,738,893	1,682,454	1,145,592	870,866
February	1,755,772	1,691,592	1,616,587	1,548,451	1,009,256	747,427
March		1,772,397	1,780,938	1,720,366	931,905	845,108
April		1,630,828	1,758,894	1,687,674	907,904	771,752
May		1,706,543	1,934,127	1,745,295	1,084,057	795,689
June		1,552,663	1,774,068	1,668,637	1,209,684	607,562
July		1,650,762	1,765,749	1,666,667	1,296,887	745,364
August		1,704,289	1,788,650	1,753,665	1,455,604	885,636
September		1,664,577	1,703,570	1,664,227	1,392,838	1,086,683
October		1,794,968	1,787,501	1,851,279	1,572,408	1,345,855
November		1,660,594	1,665,845	1,624,186	1,425,352	1,406,205
December		1,719,624	1,849,835	1,846,036	1,544,623	1,443,969
Total by mos.		20,244,830	21,064,157	20,458,937	14,976,110	11,752,116
Yearly adjust.			*449,020	*42,333	37,639	*44,865
Total			20,615,137	20,416,604	15,013,749	11,707,251

\*Decrease.

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

## United States Refrains From Entering Into Diplomatic Relations With Argentine Govt.

Acting Secretary of State Stettinius made known at Washington, on March 4 that the United States has decided to refrain from entering official relations with the new Argentine regime pending developments. "This" said Mr. Stettinius "is the present status of our relations with the existing Argentine regime." The disclosure that diplomatic relations would not be entered into with the new regime, followed the transfer of power on Feb. 25 from the Government of President Pedro Ramirez to that of Gen. Edelmiro J. Farrell,—the latter according to Buenos Aires, being designated "Vice-President in exercise of the Executive Power." In the Washington "Post" of March 5 it was stated by staffwriter Ben W. Gilbert that Mr. Stettinius in his state-

ment of March 4 hinted that the State Department has evidence that the new government came into power with the support of pro-Axis elements. From the account indicated in the Washington "Post" we also quote:

As a base for Axis operations in this hemisphere by listing five things the Argentine government could do which he said it had not done, including:

1. Intern Axis diplomats, military attaches and other agents who are still at liberty, even though the nation has severed diplomatic relations with Germany and Japan.

2. Clean up Axis espionage rings in Argentina. Mr. Stettinius recalled that former President Gen. Pedro Ramirez, who yielded his office to Vice-President Gen. Edelmiro Farrell on Feb. 25, had described the nation as a hotbed of Axis espionage activity.

3. Enforce the prohibition against the smuggling of critical goods to the Axis.

4. Further control communications—which apparently still exist fairly openly—between the Axis agents and Axis territory.

5. Prevent business transactions by Argentine institutions designed to aid Axis interests.

Information from London indicated that the British are following an identical policy with respect to Argentina.

The March 4 statement of Mr. Stettinius as given in a Washington dispatch to the New York "Times" follows:

"The foreign policy of the United States since the beginning of the war has been governed primarily by considerations of support to the prosecution of the war. That applies to our relations with any country. That is the single uppermost point in our policy, and must remain so.

"Prior to Feb. 25, the Argentine Government had been headed by General Ramirez. On Jan. 26, 1944, his Government broke relations with the Axis and indicated that it proposed to go farther in cooperating in the defense of the Western Hemisphere and the preservation of hemisphere security.

"Suddenly, on Feb. 25, under well-known circumstances, General Ramirez abandoned the active conduct of affairs. This Government has reasons to believe that groups not in sympathy with the declared Argentine policy of joining the defense of the hemisphere were active in this turn of affairs.

"The Department of State thereupon instructed Ambassador Armour on that date to refrain from entering official relations with the new regime pending developments. This is the present status of our relations with the existing Argentine regime.

"In all matters relating to the security and defense of the hemisphere, we must look to the substance rather than the form. We are in a bitter war with a ruthless enemy whose plan has included conquest of the Western Hemisphere. To deal with such grave issues on a purely technical basis would be to close our eyes to the realities of the situation.

"The support by important elements inimical to the United Nations war effort of movements designed to limit action already taken could only be a matter of grave anxiety.

"The United States has at all times had close ties with Argentina and the Argentine people. It has consistently hoped, and continues to hope, that Argentina will take the steps necessary to bring her fully and completely into the realm of hemispheric solidarity, so that Argentina will play a part worthy of her great traditions in the world-wide struggle on which the lives of all of the American countries, including Argentina, now depend. The policies and types of action, present and future, which would effectuate this full cooperation are fully known in Argentina, as in the rest of the hemisphere."

## Weekly Coal And Coke Production Statistics

The Solid Fuels Administration for War, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended March 4, 1944, is estimated at 12,050,000 net tons, a decrease of 525,000 tons, or 4.2%, from the preceding week. Soft coal output in the week ended March 6, 1943 amounted to 12,256,000 tons. Total production for the current year to date is 4.9% in excess of that for the same period last year.

According to the U. S. Bureau of Mines, output of Pennsylvania anthracite for the week ended March 4, 1944, which includes Sunday, February 27, was estimated at 1,404,000 tons, an increase of 58,000 tons (4.3%) over the preceding week. When compared with the production in the corresponding week of 1943, there was an increase of 161,000 tons or 13.0%. The calendar year to date shows an increase of 7.7% when compared with the corresponding period last year.

The Bureau of Mines also reported that the estimated production of byproduct coke in the United States for the week ended March 4, 1944 showed a decrease of 6,200 tons when compared with the output for the week ended February 26, 1944. The quantity of coke from beehive ovens decreased 5,200 tons during the same period.

### ESTIMATED UNITED STATES PRODUCTION OF COAL

	Week Ended				January 1 to Date		
	Mar. 4, 1944	Feb. 26, 1944	Mar. 6, 1943	Mar. 4, 1944	Mar. 6, 1943	Mar. 6, 1943	
Bituminous coal and lignite	12,050,000	12,575,000	12,256,000	114,525,000	109,191,000	95,339,000	
Total, incl. mine fuel	2,008,000	2,095,000	2,043,000	2,094,000	1,985,000	1,737,000	
Daily average	286,400	299,375	292,000	299,143	280,833	249,583	

\*Revised. †Subject to current adjustment.

### ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

	Week Ended			Cal. Year to Date		
	Mar. 4, 1944	Feb. 26, 1944	Mar. 6, 1943	Mar. 4, 1944	Mar. 6, 1943	Mar. 9, 1937
Penn. anthracite	1,404,000	1,346,000	1,243,000	11,694,000	10,862,000	15,042,000
*Total incl. coll. fuel	1,348,000	1,292,000	1,193,000	11,227,000	10,428,000	13,959,000
†Commercial production	1,267,500	1,273,700	1,220,900	11,658,900	11,298,700	14,949,000
‡Byproduct coke	150,600	158,800	162,700	1,442,500	1,449,000	1,670,000

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

### ESTIMATED WEEKLY PRODUCTION OF COAL BY STATES

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

State	Week Ended			
	Feb. 26, 1944	Feb. 19, 1944	Feb. 27, 1943	Feb. 27, 1937
Alabama	393,000	400,000	379,000	304,000
Alaska	5,000	5,000	6,000	2,000
Arkansas and Oklahoma	93,000	94,000	111,000	50,000
Colorado	180,000	186,000	179,000	197,000
Georgia and North Carolina	1,000	1,000	1,000	1,000
Illinois	1,568,000	1,552,000	1,568,000	1,493,000
Indiana	574,000	575,000	546,000	500,000
Iowa	50,000	58,000	69,000	116,000
Kansas and Missouri	183,000	184,000	200,000	192,000
Kentucky—Eastern	992,000	925,000	1,048,000	916,000
Kentucky—Western	365,000	335,000	343,000	322,000
Maryland	37,000	36,000	40,000	42,000
Michigan	8,000	6,000	4,000	23,000
Montana (bituminous and lignite)	87,000	113,000	93,000	68,000
New Mexico	38,000	36,000	40,000	45,000
North and South Dakota (lignite)	60,000	61,000	55,000	71,000
Ohio	660,000	686,000	642,000	653,000
Pennsylvania (bituminous)	2,977,000	2,990,000	2,920,000	2,813,000
Tennessee	165,000	165,000	166,000	119,000
Texas (bituminous and lignite)	3,000	3,000	4,000	16,000
Utah	144,000	136,000	127,000	112,000
Virginia	423,000	404,000	454,000	307,000
Washington	26,000	33,000	36,000	46,000
*West Virginia—Southern	2,322,000	2,218,000	2,517,000	2,052,000
†West Virginia—Northern	1,009,000	992,000	974,000	731,000
Wyoming	211,000	195,000	197,000	157,000
‡Other Western States	1,000	1,000	1,000	1,000
Total bituminous and lignite	12,575,000	12,390,000	12,718,000	11,348,000
§Pennsylvania anthracite	1,346,000	1,432,000	1,279,000	718,000
Total all coal	13,921,000	13,822,000	13,997,000	12,066,000

\*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. §Data for Pennsylvania anthracite from published records of the Bureau of Mines. ¶Less than 1,000 tons. \*\*Revised.

## Income Payments To Individuals In December At Record Figure According To OWI

Income payments to American individuals during December reached a record high of \$13,500,000,000, the Office of War Information said on March 2, in releasing the fifth of a series of monthly economic stabilization summaries based on data from the Department of Commerce, War Production Board, Treasury Department, the Labor Department's Bureau of Labor Statistics, and the Federal Reserve Board. The advices from the OWI state:

"Available statistics indicate that Americans are increasing their earnings at a more rapid rate than they are spending them on consumer goods and services. Income payments to individuals during 1943, for example, totaled nearly \$142,000,000,000, an increase of 22.4% over the \$116,000,000,000 total for 1942. At the same time, expenditures for goods and services increased from \$82,000,000,000 in 1942 to \$90,600,000,000 in 1943, or 10.4%. However, this was the greatest amount ever spent for goods and services in any one year, OWI pointed out, the 1942 figure being the previous peak.

"Expenditures for consumer goods alone totaled \$12,335,000,000 for November and December—including Christmas holiday spending—as against \$11,104,000,000 for the same two-month period in 1942. This represented an increase of 11%.

"Record payments to individuals were a contributory factor in bringing money in circulation to the record total of \$20,400,000,000 in December, the 46th consecutive month to show an increase. The comparable figure for December, 1942, was \$15,400,000,000.

"Bureau of Labor Statistics figures showed that the general cost of living increased 3.3% between December, 1942, and December, 1943, while wholesale prices for the same period were held to a 2.2% rise. The same statistics showed that the cost of food rose slightly more than 3.3% during the same period."

The following summary is made available by the OWI:

### FACTORS AGAINST STABILIZATION

(In billions of dollars unless otherwise noted. Figures for 1943 based on latest Government estimates available. Annual, monthly and quarterly figures are actual, unless otherwise designated.)

	1942	1943 (Est.)
Income payments to individuals	116	142
Consumer goods and services available	82	90.6
Excess of income over consumer goods and services available (after taxes)	27	33.4
War expenditures	52.4	85.1
December war expenditures	6.1	7
Amount of War Bond redemptions (December)	48 Million	200 Million
Money in circulation (Dec. 31)	15.4	20.4
Money in checking accounts (Dec. 31)		
(Federal Reserve reporting member banks)	28.3	33.9

### FACTORS TOWARD STABILIZATION

Personal taxes (Federal, state, local)	7	18
War Bond sales (Dec.) (sales to commercial banks excl.)	*1,014 Million	853 Million
Individuals making payroll savings (December)	24.5 Million	26.8 Million
Amount purchased through deductions (December)	355 Million	460 Million
E F and G bonds outstanding (Dec. 31)	11,447	23,746
Life insurance premiums collected (October)	260.4 Million	283.2 Million

\*Including First War Loan Drive.

### INDEXES

	Dec., 1943	Nov., 1943	Dec., 1942
Cost of living	124.4	124.2	120.4
Cost of food	137.1	137.3	132.7
Wholesale prices	103.2	102.9	101
Farm products	121.8	121.4	113.8
Retail sales adjusted index (1935-39=100)	171.1	175.5	153.9
Weekly earnings in manufacture	44.68	45.27	40.27
Straight time hourly earnings	90.1 (cents)	90.6 (cents)	84.2 (cents)

\*Does not allow for shifts in occupation since October, 1942.

The Treasury Department pointed out that War Bond redemptions vary from month to month because of emergencies such as medical expenses as well as anticipated major expenditures and fixed financial commitments.

## Non-Ferrous Metals — MRC Ends Premium Price Contracts For Tungsten—Lead Buying Fair

"E. & M. J. Metal and Mineral Markets," in its issue of March 9, stated: "Termination of premium payments for tungsten ore was announced by WPB during the last week, reflecting a comfortable supply situation. The regular market for the ore remained unchanged, but the price outlook became uncertain pending developments at the mines. Production and imports have been in excess of requirements for some time. The price at which"

Canada is selling aluminum to the United States has been reduced, it was stated officially. This move is not expected to influence the domestic market for the light metal. Deliveries of copper are of record proportions." The publication further goes on to say in part:

### Copper

Producers are convinced that the excellent bookings for the current month will result in the largest monthly deliveries of copper on record. In some quarters it is estimated that deliveries of domestic and foreign copper for March will total between 160,000 and 165,000 tons. Requests for April copper are coming through, and that month also promises to be an active period for fabricating.

### Lead

Buying of lead was in fair volume during the last week, involving 5,850 tons, against 8,212 tons in the preceding seven-day period. Call for lead is expected to increase from now on until requests for foreign metal to round out April needs are due for consideration in Washington later this month. March requirements are about covered, but purchases against April's demands are estimated at much more than 25%.

### Zinc

Despite recent improvement in the demand for zinc, production continues in excess of consumption. The statistics for February, about to become available, will show another increase in stocks on hand. Restrictions on use of zinc for civilian needs are being lifted very slowly. Galvanizing has picked up a little. During the last week, WPB authorized the use of zinc in the manufacture of slide fasteners.

### Aluminum

Munitions Minister Howe of Canada announced last week that the price of aluminum sold by the Aluminum Co. of Canada to the United States and the United Kingdom has been reduced. The extent of the decline in the price was not revealed.

Metals Reserve purchased approximately 1,300,000,000 lb. of aluminum from the Canadian producer for delivery during 1942, 1943, and 1944. The price originally agreed upon was somewhat

metal was nominally as follows, in cents a pound:

	March	April	May
March 2	52.000	52.000	52.000
March 3	52.000	52.000	52.000
March 4	52.000	52.000	52.000
March 6	52.000	52.000	52.000
March 7	52.000	52.000	52.000
March 8	52.000	52.000	52.000

Chinese, or 99% tin, was unchanged at 51.125c. all week.

### Quicksilver

Activity in quicksilver was described as routine in character and the situation underwent little or no change in the week that ended yesterday. Quotations in New York continued at \$130 to \$1135 per flask.

With stocks of quicksilver large, amounting to about a two-year supply, curtailment in output and imports is necessary to stabilize prices, WPB officials contend. However, WPB feels that to safeguard stocks and to provide against all possible contingencies, at least a segment of the domestic producing industry should be kept in continuous and substantial operation.

### Silver

The London market for silver was quiet and unchanged at 23½d. The New York Official for foreign silver continued at 44¼c., with domestic metal at 70¾c. The Treasury's quotation for foreign silver held at 35c.

### Daily Prices

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

## Mortgage Clinic To Be Held In New York

The second 1944 "mortgage clinic" of the Mortgage Bankers Association of America will be in New York at the Hotel Biltmore April 13 and 14 and sponsored in cooperation with the Northern New Jersey and Philadelphia Mortgage Bankers associations, H. G. Woodruff, Detroit, President, announced on March 11. W. A. Clarke, Philadelphia, who will act as moderator at the meeting, George B. Underwood, Irvington, N. J. regional Vice-President for the Eastern states, and John C. Thompson, Newark, a member of the Board of Governors, will direct the two-day conference. Members of the Northern New Jersey and Philadelphia associations met on March 8th in Newark to make preliminary arrangements. Other Eastern associations to participate are the Baltimore and Pittsburgh organizations. More than 500 mortgage and commercial bankers, real estate men, title and trust company officers, life insurance executives and government agency officials, mostly from Eastern states, are expected. The Association held its first 1944 clinic in Chicago March 2 and 3 which was attended by about 450 representatives of lending institutions.

The program on Apr. 13-14 will be devoted primarily to problems affecting real estate financing now and in the post-war period. How private capital can participate in financing housing for the low income groups, federal housing policies after the war and the extent and kind of the new building the country will see in the post-war period are some of the subjects to be reviewed.

Contrary to past custom, the Association is opening the meeting to non-members interested in new building and real estate financing. This is being done, said Mr. Thompson, to secure representative views of the various interests influencing the role of private enterprise in construction financing and related fields after the war.

## Trading On New York Exchanges

The Securities and Exchange Commission made public on Mar. 11 figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended Feb. 26, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Feb. 26 (in round-lot transactions) totaled 1,314,279 shares, which amount was 15.18% of the total transactions on the Exchange of 4,328,350 shares. This compares with member trading during the week ended Feb. 19 of 1,509,229 shares, or 15.98% of the total trading of 4,721,580 shares. On the New York Curb Exchange, member trading during the week ended Feb. 26 amounted to 344,825 shares; or 13.91% of the total volume on that exchange of 1,239,195 shares; during the Feb. 19 week trading for the account of Curb members of 314,770 shares was 14.86% of total trading of 1,088,820 shares.

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

WEEK ENDED FEB. 26, 1944		Total for Week	%
<b>A. Total Round-Lot Sales:</b>			
Short sales	98,110		
Other sales	4,230,240		
<b>Total sales</b>	<b>4,328,350</b>		
<b>B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:</b>			
<b>1. Transactions of specialists in stocks in which they are registered—</b>			
Total purchases	333,400		
Short sales	43,810		
Other sales	266,000		
<b>Total sales</b>	<b>309,810</b>	<b>7.43</b>	
<b>2. Other transactions initiated on the floor—</b>			
Total purchases	231,510		
Short sales	6,600		
Other sales	175,890		
<b>Total sales</b>	<b>182,490</b>	<b>4.78</b>	
<b>3. Other transactions initiated off the floor—</b>			
Total purchases	135,469		
Short sales	5,740		
Other sales	115,860		
<b>Total sales</b>	<b>121,600</b>	<b>2.97</b>	
<b>4. Total—</b>			
Total purchases	700,379		
Short sales	56,150		
Other sales	557,750		
<b>Total sales</b>	<b>613,900</b>	<b>15.18</b>	

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

WEEK ENDED FEB. 26, 1944		Total for Week	%
<b>A. Total Round-Lot Sales:</b>			
Short sales	11,600		
Other sales	1,227,595		
<b>Total sales</b>	<b>1,239,195</b>		
<b>B. Round-Lot Transactions for the Account of Members:</b>			
<b>1. Transactions of specialists in stocks in which they are registered—</b>			
Total purchases	72,985		
Short sales	7,560		
Other sales	81,910		
<b>Total sales</b>	<b>89,470</b>	<b>6.55</b>	
<b>2. Other transactions initiated on the floor—</b>			
Total purchases	44,045		
Short sales	3,500		
Other sales	37,840		
<b>Total sales</b>	<b>41,340</b>	<b>3.45</b>	
<b>3. Other transactions initiated off the floor—</b>			
Total purchases	43,805		
Short sales	200		
Other sales	52,980		
<b>Total sales</b>	<b>53,180</b>	<b>3.91</b>	
<b>4. Total—</b>			
Total purchases	160,835		
Short sales	11,260		
Other sales	172,730		
<b>Total sales</b>	<b>183,990</b>	<b>13.91</b>	
<b>C. Odd-Lot Transactions for the Account of Specialists:</b>			
Customers' short sales	0		
Customers' other sales	47,471		
<b>Total purchases</b>	<b>47,471</b>		
<b>Total sales</b>	<b>47,471</b>		

\*The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners.

†In calculating these percentages the total of members' purchases and sales is compared with twice the total round-lot volume on the Exchange for the reason that the Exchange volume includes only sales.

‡Round-lot short sales which are exempted from restriction by the Commission's rules are included with "other sales."

§Sales marked "short exempt" are included with "other sales."

## Wholesale Commodity Index Declines In Week Ended March 4, Labor Dept. Reports

The Bureau of Labor Statistics' index of commodity prices in primary markets dropped 0.2% during the week ended March 4, chiefly because of lower prices for livestock, grains, cotton, and certain fruits and vegetables, says the U. S. Labor Department on March 9. It adds that quotations for principal industrial commodities were generally unchanged from the week before.

At 103.4% of the 1926 average, the all-commodity index is 0.3% higher than at this time last month and one-half of 1% above a year ago, the Department states, adding:

**"Farm Products and Foods**—The decline of 0.8% in farm products and the 0.1% decrease in average prices for foods were principally caused by sharp decreases in market quotations for oats and wheat, hogs and sheep, for cotton, eggs, and sweet potatoes, and for white potatoes in New York and Portland, Oregon markets. Higher prices were reported for rye, apples (New York market),

lemons and oranges, for onions and for rye flour and corn meal. Compared with the corresponding week in March, 1943, average prices for farm products are higher by 1%, while food prices are lower by 1.8%.

**"Industrial Commodities**—Markets for industrial commodities continued to show relative stability. Quotations for goatskins, rosin, and turpentine averaged slightly higher. Lower prices were reported for roofing tile, No. 1 common white oak, and spruce lumber. A substantial downward revision in refrigerator prices by one manufacturer resulted in a decline of 0.3% in the index for house-furnishing goods. Except for these changes prices of major industrial products remained unchanged from the preceding week.

The following notation is contained in the Department's announcement:

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

The following tables show (1) index numbers for the principal groups of commodities for the past three weeks, for Feb. 5, 1944, and March 6, 1944, and the percentage changes from a week ago, a month ago, and a year ago, and (2) percentage changes in subgroup indexes from Feb. 26 to March 4, 1944:

### WHOLESALE PRICES FOR WEEK ENDED MARCH 4, 1944 (1926=100)

Commodity Groups—	3-4			2-5			3-6			Percentage changes to March 4, 1944 from—		
	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1943	
All commodities	103.4	103.6	103.3	103.1	102.9	102.9	-0.2	+0.3	+0.5			
Farm products	123.2	124.2	122.8	122.1	122.0	122.0	-0.8	+0.9	+1.0			
Foods	104.5	104.6	104.1	104.2	106.4	106.4	-0.1	+0.3	-1.8			
Hides and leather products	117.6	117.5	117.7	117.7	118.4	118.4	+0.1	-0.1	-0.7			
Textile products	97.3	97.2	97.2	97.2	96.8	96.8	+0.1	+0.1	+0.5			
Fuel and lighting materials	83.7	83.7	83.7	83.2	80.9	80.9	0	+0.6	+3.5			
Metals and metal products	103.8	103.8	103.8	103.8	103.9	103.9	0	0	-0.1			
Building materials	113.7	113.7	113.7	113.5	110.1	110.1	0	+0.2	+3.3			
Chemicals and allied products	100.4	100.4	100.4	100.4	99.9	99.9	0	0	+0.5			
Housefurnishing goods	105.9	106.2	106.2	104.4	104.1	104.1	-0.3	+1.4	+1.7			
Miscellaneous commodities	93.3	93.3	93.3	93.0	91.0	91.0	0	+0.3	+2.5			
Raw materials	113.2	113.7	113.0	112.4	111.2	111.2	-0.4	+0.7	+1.8			
Semimanufactured articles	93.5	93.5	93.5	93.2	92.9	92.9	0	+0.3	+0.6			
Manufactured products	100.6	100.6	100.6	100.5	100.6	100.6	0	+0.1	0			
All commodities other than farm products	99.2	99.2	99.2	99.0	98.7	98.7	0	+0.2	+0.5			
All commodities other than farm products and foods	98.3	98.3	98.2	98.0	96.6	96.6	0	+0.3	+1.8			

### PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM FEB. 26, 1944 TO MARCH 4, 1944

Increases		Decreases	
Cotton goods	0.4	Paint and paint materials	0.2
Hides and skins	0.3	Cereal products	0.1
Livestock and poultry	1.1	Other farm products	0.6
Grains	0.7	Fruits and vegetables	0.3
Furniture	0.6	Brick and tile	0.2
Lumber	0.1		

## Bank Debits For Month Of February

The Board of Governors of the Federal Reserve System issued on Mar. 10, its usual monthly summary of "bank debits," which we give below:

### SUMMARY BY FEDERAL RESERVE DISTRICTS (In millions of dollars)

Federal Reserve District—	-3 Months Ended—			
	Feb. 1944	Feb. 1943	Feb. 1944	Feb. 1943
Boston	3,490	2,667	10,762	9,266
New York	30,028	23,044	90,993	74,698
Philadelphia	3,087	2,533	10,024	8,483
Cleveland	4,527	3,551	14,540	12,295
Richmond	2,487	2,057	7,862	6,935
Atlanta	2,467	1,872	7,603	6,251
Chicago	10,868	8,431	34,078	27,945
St. Louis	1,943	1,603	6,278	5,416
Minneapolis	1,350	984	4,337	3,372
Kansas City	2,232	1,882	7,257	6,216
Dallas	2,005	1,532	6,275	5,203
San Francisco	6,221	4,716	19,087	15,586
<b>Total, 334 centers</b>	<b>70,704</b>	<b>54,872</b>	<b>219,096</b>	<b>181,666</b>
New York City*	27,592	21,112	83,559	68,446
140 other centers*	36,481	28,437	114,586	95,237
193 other centers	6,631	5,323	20,952	17,983

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

## Cutting Cost Of Mortgage Money Discussed At Savings & Loan Institute Conference

### Jack E. Barry Elected Head of Group

The effective cost of mortgage money to the borrower may be cut in other ways than by decreasing the interest rate, it was pointed out at Chicago on Feb. 26 in a forum discussion at the War Conference of the American Savings and Loan Institute. Robert T. Souter, Chicago, Secretary-Treasurer of the Institute, which is the national educational organization of the business, said that such services as collecting money ahead of time for the property tax and paying the taxes for the borrower, and helping accumulate funds in readiness for repairs when they are needed, actually lower the cost of money to the individual.

Six savings and loan executives from coast to coast participated in the forum which it is stated brought out that one important, effective way to lower the cost of mortgage money in the post-war world will be by various devices which help reduce the natural risk involved in lending. Cited as ways of reducing risks were "builders' pool" mortgage plans which involve special reserve allocation until higher percentage loans are paid down to a more conservative percentage of the property value, and "excess reserve" plans which would guarantee that portion of the mortgage exceeding the traditional percentage of the loan to the value of the property, both of which are being discussed in savings and loan circles today. Also, it is stated, the devices to include in the monthly payment on the loan tax and property maintenance funds were cited as ways to make safer loans at a lower net cost to the borrower.

In a discussion of the appraisal of the personal security in a loan

## NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on March 11 a summary for the week ended March 4 of complete figures showing the daily volume of stock transactions for the odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

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

Week Ended March 4, 1944		Total for Week
Odd-Lot Sales by Dealers (Customers' purchases)		16,774
Number of orders		457,430
Number of shares		\$18,460,918
Dollar value		
<b>Odd-Lot Purchases by Dealers— (Customers' Sales)</b>		
Number of Orders:		
Customers' short sales	184	
Customers' other sales	17,102	
Customers' total sales	17,286	
Number of Shares:		
Customers' short sales	6,152	
Customers' other sales	427,430	
Customers' total sales	433,582	
Dollar value	\$14,180,839	
<b>Round-Lot Sales by Dealers—</b>		
Number of Shares:		
Short sales	60	
Other sales	124,090	
Total sales	124,150	
<b>Round-lot Purchases by Dealers—</b>		
Number of shares	151,530	

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

to a home-owner, Fred T. Backstrom, New Haven, Connecticut Savings and Loan Executive, said that a survey has shown that in normal peace times, the average home-owner stays in the same house about seven years.

Members of the panel besides Mr. Souter and Mr. Backstrom were: Walter F. McCaleb, Jr., Cleveland; Harry W. Allen, Philadelphia; R. W. Little, Los Angeles; Herbert N. Faulkner, Boston; and N. W. Mitchell, Winston-Salem, North Carolina. Elected to the Presidency of the American Savings and Loan Institute at its natural war conference in Chicago, held Feb. 21-22, was Jack E. Barry, Secretary-Treasurer of the Oklahoma City Federal Savings and Loan Association. He succeeds Charles L. Plumb, New York City. Other officers elected were: First Vice-President, G. VanderEnde, Berkeley, Calif.; Secretary of the Berkeley Guarantee Building & Loan Association; and Second Vice-President, Francis E. Ingalls, Assistant Treasurer of the Lincoln Cooperative Bank, Lynn, Mass.

Eight district Governors were elected for this national educational organization of the business: Warren L. Milliken, Assistant Treasurer, Norwood Cooperative Bank, Norwood, Mass.; Christian W. Staugaard, Executive Vice-President, South Bergen Savings & Loan Association, Wood-Ridge, N. J.; Nicholas W. Mitchell, Jr., Assistant Secretary-Treasurer, Piedmont Federal Savings and Loan Association, Winston-Salem, N. C.; Donald L. Adair, President, South Bend Federal Savings & Loan Association, South Bend, Ind.; S. E. Smith, Vice-President, Farm and Home Savings & Loan Association, Nevada, Mo.; Thomas J. Sewell, Interstate Building & Loan Association, Kansas City, Kan.; Edward O. Morgan, Secretary-Treasurer, Southern California Building & Loan Association, Los Angeles; and G. Ellwood Knapp, Executive Vice-President of the Friendship Federal Savings & Loan Association, Pittsburgh, Pa.

### Daily Average Crude Oil Production For Week Ended March 4, 1944 Decreased 10,550 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended March 4, 1944 was 4,412,725 barrels, a decrease of 10,550 barrels under the preceding week. It was, however, 525,525 barrels per day in excess of that recorded for the corresponding week of last year and 44,425 barrels per day more than the daily average figure recommended by the Petroleum Administration for War for the month of March, 1944. Daily output for the four weeks ended March 4, 1944 averaged 4,404,900 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,344,000 barrels of crude oil daily and produced 13,267,000 barrels of gasoline; 1,351,000 barrels of kerosine; 4,513,000 barrels of distillate fuel oil, and 8,590,000 barrels of residual fuel oil during the week ended March 4, 1944; and had in storage at the end of that week 86,091,000 barrels of gasoline; 7,013,000 barrels of kerosine; 33,145,000 barrels of distillate fuel, and 51,175,000 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)

	*P. A. W. Recommendations March	*State Allowables Mar. 1	Actual Production Week Ended Mar. 4, 1944	Change from Previous Week	4 Weeks Ended Mar. 4, 1944	Week Ended Mar. 6, 1943
Oklahoma	328,000	327,000	327,600	+ 3,100	326,200	342,300
Kansas	285,000	269,400	272,800	+ 6,900	275,550	299,100
Nebraska	1,000	---	11,300	---	1,200	2,500
Panhandle Texas	---	---	96,750	- 5,250	100,700	88,600
North Texas	---	---	141,450	+ 1,500	140,350	135,200
West Texas	---	---	349,150	-12,850	358,800	218,000
East Central Texas	---	---	116,700	- 150	113,500	99,800
East Texas	---	---	376,000	-14,600	386,950	323,400
Southwest Texas	---	---	290,550	+ 2,300	288,800	173,050
Coastal Texas	---	---	515,000	- 1,600	516,200	354,200
<b>Total Texas</b>	<b>1,838,000</b>	<b>1,854,302</b>	<b>1,885,600</b>	<b>-30,650</b>	<b>1,905,300</b>	<b>1,392,250</b>
North Louisiana	---	---	76,500	+ 400	76,750	89,500
Coastal Louisiana	---	---	283,650	+ 550	283,250	250,600
<b>Total Louisiana</b>	<b>347,700</b>	<b>372,700</b>	<b>360,150</b>	<b>+ 950</b>	<b>360,000</b>	<b>340,100</b>
Arkansas	76,700	78,591	79,300	+ 500	78,900	72,100
Mississippi	46,000	---	43,600	+ 250	43,400	54,950
Alabama	---	---	25	---	---	---
Florida	---	---	50	---	---	---
Illinois	215,000	---	218,300	+ 11,350	210,050	238,000
Indiana	13,600	---	13,100	- 50	13,250	16,400
Eastern—	---	---	---	---	---	---
(Not Incl. Ill., Ind., Ky.)	72,200	---	74,800	+ 2,550	71,300	70,400
Kentucky	24,000	---	23,050	+ 3,550	21,400	17,900
Michigan	52,000	---	52,500	+ 400	52,850	57,900
Wyoming	93,000	---	93,100	- 750	95,200	87,250
Montana	24,000	---	20,800	- 2,900	20,900	17,800
Colorado	7,000	---	8,250	+ 1,000	7,700	6,650
New Mexico	111,700	---	112,900	---	112,950	96,600
<b>Total East of Calif.</b>	<b>3,534,900</b>	<b>---</b>	<b>3,587,225</b>	<b>-14,750</b>	<b>3,596,150</b>	<b>3,112,200</b>
California	833,400	833,400	825,500	+ 4,200	808,750	775,000
<b>Total United States</b>	<b>4,368,300</b>	<b>---</b>	<b>4,412,725</b>	<b>-10,550</b>	<b>4,404,900</b>	<b>3,887,200</b>

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

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. March 2, 1944.

‡This is the net basic allowable as of March 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 3 to 20 days, the entire state was ordered shut down for 8 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 8 days shutdown time during the calendar month. §Recommendation of Conservation Committee of California Oil Producers.

### CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED MARCH 4, 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—

District—	Daily Refining Capacity Potent % Re-Rate	Crude Runs to Still Daily Average	Gasoline Production at Refineries % Crude Crated	Stocks of Gasoline Finished and Unfinished	Stocks of Gas Oil and Distillate Fuel Oil	Stocks of Residual Fuel Oil		
							Crude Crated	Blended
*Combin'd: East Coast Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and inland Texas	2,448	90.0	2,197	89.7	6,430	37,323	14,757	15,123
Appalachian—	---	---	---	---	---	---	---	---
District No. 1	130	83.9	95	73.1	309	2,105	1,102	175
District No. 2	47	87.2	56	119.1	164	1,291	361	222
Ind., Ill., Ky.	824	85.2	763	92.6	2,674	19,262	5,904	2,904
Okl., Kans., Mo.	416	80.1	333	80.0	1,252	8,277	1,521	1,274
Rocky Mountain—	---	---	---	---	---	---	---	---
District No. 3	8	26.9	12	150.0	38	82	21	30
District No. 4	141	58.3	84	59.6	300	2,054	347	545
California	817	89.9	804	98.4	2,100	15,697	9,132	30,902
<b>Total U. S. B. of M. basis March 4, 1944</b>	<b>4,831</b>	<b>87.1</b>	<b>4,344</b>	<b>89.9</b>	<b>13,267</b>	<b>186,091</b>	<b>33,145</b>	<b>51,175</b>
<b>Total U. S. B. of M. basis Feb. 26, 1944</b>	<b>4,831</b>	<b>87.1</b>	<b>4,377</b>	<b>90.6</b>	<b>13,183</b>	<b>85,248</b>	<b>33,766</b>	<b>51,387</b>
<b>U. S. Bur. of Mines basis March 6, 1943</b>	<b>---</b>	<b>---</b>	<b>3,595</b>	<b>---</b>	<b>10,034</b>	<b>92,765</b>	<b>34,005</b>	<b>69,044</b>

\*At the request of the Petroleum Administration for War. †Finished, 75,063,000 barrels; unfinished, 11,028,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,351,000 barrels of kerosine, 4,513,000 barrels of gas oil distillate fuel oil and 8,590,000 barrels of residual fuel oil produced during the week ended March 4, 1944, which compares with 1,726,000 barrels, 4,558,000 barrels and 8,952,000 barrels, respectively, in the preceding week and 1,438,000 barrels, 3,809,000 barrels and 7,023,000 barrels, respectively, in the week ended March 6, 1943.

Note—Stocks of kerosine at March 4, 1944 amounted to 7,013,000 barrels, as against 7,129,000 barrels a week earlier and 5,769,000 barrels a year before.

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

As of the close of business Feb. 29, there were 1,092 bond issues aggregating \$96,631,760,238 par value listed on the New York Stock Exchange with a total market value of \$96,837,573,171. This compares with 1,091 bond issues, aggregating \$90,741,549,801 par value with a total market value of \$90,544,387,232 on Jan. 31.

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

Group—	Feb. 29, 1944		Jan. 31, 1944	
	Market Value \$	Average Price \$	Market Value \$	Average Price \$
U. S. Government (Incl. N. Y. State, Cities, etc.)	80,045,819,625	103.27	73,949,486,971	103.32
U. S. companies:	---	---	---	---
Automobile	7,790,000	102.50	7,790,000	102.50
Building	13,322,375	101.70	13,249,000	101.13
Business and office equipment	15,750,000	105.00	15,787,500	105.25
Chemical	47,351,250	102.94	47,029,750	102.45
Electrical equipment	35,375,000	102.79	35,856,250	102.45
Financial	53,768,681	103.13	53,832,643	102.97
Food	266,763,922	105.83	267,277,754	106.03
Land and realty	11,712,303	89.01	11,411,051	86.72
Machinery and metals	36,186,967	102.13	36,133,571	101.98
Mining (excluding iron)	90,368,421	67.53	85,367,384	63.45
Paper and publishing	33,674,271	103.68	33,570,668	103.36
Petroleum	586,630,139	103.68	587,843,030	103.38
Railroad	7,918,110,121	80.72	7,729,873,814	78.59
Retail merchandising	12,694,050	91.93	12,348,824	83.43
Rubber	70,439,088	102.58	70,864,131	103.20
Shipping services	21,425,509	83.15	21,111,593	81.93
Steel, iron and coke	483,997,310	102.33	483,520,587	102.20
Textiles	37,825,438	104.39	37,869,188	104.51
Tobacco	173,613,178	105.88	173,608,349	105.88
Utilities:	---	---	---	---
Gas and electric (operating)	3,268,285,800	108.47	3,267,737,595	108.42
Gas and electric (holding)	59,380,000	106.04	60,330,000	107.73
Communications	1,132,336,106	111.29	1,132,372,174	112.85
Miscellaneous utilities	106,393,105	73.64	105,239,361	72.82
U. S. companies oper. abroad	139,177,560	78.42	140,928,823	78.77
Miscellaneous businesses	31,183,313	105.60	31,298,530	105.93
Total U. S. companies	14,703,813,967	90.35	14,512,250,570	88.98
Foreign government	1,335,120,611	66.11	1,334,429,352	65.66
Foreign companies	752,818,967	91.20	748,220,339	90.63
All listed bonds	96,837,573,171	100.21	90,544,387,232	99.78

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:

1942—	Market Value \$	Average Price \$	1943—	Market Value \$	Average Price \$
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	57,923,583,616	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	95.76	Aug. 31	80,109,269,964	99.23
Aug. 31	62,720,371,752	96.08	Sept. 30	80,149,556,292	99.37
Sept. 30	62,765,776,218	96.18	Oct. 30	80,501,768,934	99.45
Oct. 31	64,843,877,284	96.48	Nov. 30	80,076,889,558	99.02
Nov. 30	64,543,971,299	96.11	Dec. 31	90,274,071,634	99.38
Dec. 31	70,583,644,622	96.70	1944—	---	---
1943—	---	---	Jan. 31	90,544,387,232	99.78
Jan. 30	71,038,674,932	97.47	Feb. 29	96,837,573,171	100.21
Feb. 27	71,346,452,852	97.79	---	---	---

### Cottonseed Receipts To February 29

On March 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 seven months ended Feb. 29, 1944 and 1943.

State—	*Received at mills		Crushed		On hand at mills	
	Aug. 1 to Feb. 29 1944	1943	Aug. 1 to Feb. 29 1944	1943	1944	1943
United States	3,818,149	4,333,440	3,237,773	3,653,938	669,152	756,765
Alabama	256,706	248,278	222,995	218,611	35,906	33,000
Arizona	55,215	73,078	42,725	55,572	12,493	17,897
Arkansas	371,304	463,956	291,818	352,373	89,069	123,404
California	119,744	143,761	84,849	96,132	41,791	48,804
Georgia	341,926	327,728	289,945	306,809	54,219	24,976
Louisiana	193,857	159,521	184,140	155,157	10,260	5,108
Mississippi	697,394	733,478	537,903	569,086	171,031	170,633
North Carolina	218,862	257,111	190,062	223,963	29,865	34,805
Oklahoma	108,749	216,140	101,370	202,768	9,171	17,836
South Carolina	189,597	195,762	177,185	187,735	15,005	7,974
Tennessee	272,809	373,811	230,247	287,772	45,828	95,226
Texas	889,270	997,203	803,939	896,238	130,000	133,920
All other states	102,716	143,613	80,605	101,722	24,514	43,182

\*Includes 1,560 and 4,665 tons destroyed at mills but not 90,336 and 81,928 tons on hand Aug. 1 nor 38,030 and 39,520 tons reshipped for 1944 and 1943 respectively.

Item—	Season	Produced		Shipped out		On hand Feb. 29
		On hand Aug. 1	Aug. 1 to Feb. 29	On hand Aug. 1	Aug. 1 to Feb. 29	
Crude oil (thousand pounds)	1943-44	23,283	1,004,085	967,920	139,678	139,678
Refined oil (thousand pounds)	1943-44	34,460	1,130,219	1,092,670	138,545	138,545
Cake and meal (tons)	1943-44	310,191	938,392	---	324,721	324,721
Hulls (tons)	1943-44	190,100	1,497,273	1,446,403	69,412	69,412
Linters (trunning bales)	1943-44	44,116	751,828			

## Revenue Freight Car Loadings During Week Ended March 4, 1944 Increased 5,792 Cars

Loading of revenue freight for the week ended March 4, 1944, totaled 788,255 cars, the Association of American Railroads announced on March 9. This was an increase above the corresponding week of 1943 of 39,329 cars, or 5.3%, and an increase above the same week in 1942 of 17,770 cars or 2.3%.

Loading of revenue freight for the week of March 4 increased 5,792 cars, or 0.7% above the preceding week.

Miscellaneous freight loading totaled 375,977 cars, an increase of 9,265 cars above the preceding week, and an increase of 26,431 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 104,911 cars, an increase of 2,640 cars above the preceding week, and an increase of 11,182 cars above the corresponding week in 1943.

Coal loading amounted to 172,485 cars, a decrease of 6,075 cars below the preceding week, and a decrease of 2,132 cars below the corresponding week in 1943.

Grain and grain products loading totaled 48,281 cars, an increase of 197 cars above the preceding week but a decrease of 2,159 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of March 4 totaled 32,211 cars, a decrease of 838 cars below the preceding week and a decrease of 2,978 cars below the corresponding week in 1943.

Live stock loading amounted to 15,059 cars, a decrease of 589 cars below the preceding week, but an increase of 2,209 cars above the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of March 4, totaled 10,848 cars, a decrease of 609 cars below the preceding week, but an increase of 1,204 cars above the corresponding week in 1943.

Forest products loading totaled 43,184 cars, an increase of 624 cars above the preceding week and an increase of 3,685 cars above the corresponding week in 1943.

Ore loading amounted to 13,475 cars, an increase of 153 cars above the preceding week and an increase of 451 cars above the corresponding week in 1943.

Coke loading amounted to 14,883 cars, a decrease of 423 cars below the preceding week, and a decrease of 338 cars below the corresponding week in 1943.

All districts reported increases compared with the corresponding week in 1943 except the Pocahontas. All districts reported increases compared with 1942 except the Eastern and Northwestern.

	1944	1943	1942
5 Weeks of January	3,796,477	3,531,811	3,858,479
4 weeks of February	3,159,492	3,055,725	3,122,942
Week of March 4	788,255	748,926	770,485
<b>Total</b>	<b>7,744,224</b>	<b>7,336,462</b>	<b>7,751,906</b>

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended March 4, 1944. During the period 83 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED MARCH 4

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1944	1943	1942	1944	1943	1942
<b>Eastern District—</b>						
Ann Arbor	279	256	639	1,662	1,339	1,339
Bangor & Aroostook	2,477	2,309	2,314	264	285	285
Boston & Maine	6,641	6,176	8,006	17,111	15,627	15,627
Chicago, Indianapolis & Louisville	1,482	1,295	1,594	2,432	1,990	1,990
Central Indiana	33	55	23	35	63	63
Central Vermont	987	1,092	1,397	2,494	2,152	2,152
Delaware & Hudson	6,074	6,076	6,745	14,667	12,144	12,144
Delaware, Lackawanna & Western	7,666	7,353	8,804	10,808	11,171	11,171
Detroit & Mackinac	229	241	283	129	119	119
Detroit, Toledo & Ironton	1,763	1,617	2,063	1,776	1,918	1,918
Detroit & Toledo Shore Line	307	299	365	3,972	3,846	3,846
Erie	13,356	12,309	13,518	18,796	19,097	19,097
Grand Trunk Western	3,966	3,562	4,509	9,965	9,256	9,256
Lehigh & Hudson River	189	169	202	3,453	3,395	3,395
Lehigh & New England	1,944	1,916	1,983	1,479	1,553	1,553
Lehigh Valley	9,154	6,907	8,684	16,157	11,951	11,951
Maine Central	2,476	2,495	3,167	4,151	4,173	4,173
Monongahela	5,906	6,289	5,975	362	460	460
Montour	2,624	2,421	2,060	22	18	18
New York Central Lines	48,230	46,356	44,109	57,784	57,197	57,197
N. Y. N. H. & Hartford	10,818	9,463	11,964	21,819	19,243	19,243
New York, Ontario & Western	1,147	862	1,176	3,547	2,653	2,653
New York, Chicago & St. Louis	6,396	6,724	6,970	17,271	16,540	16,540
N. Y., Susquehanna & Western	503	432	551	2,927	2,919	2,919
Pittsburgh & Lake Erie	7,635	7,522	7,827	8,028	7,885	7,885
Pere Marquette	4,726	4,416	5,173	8,771	7,922	7,922
Pittsburgh & Shawmut	762	827	534	23	12	12
Pittsburgh, Shawmut & North	326	341	416	225	274	274
Pittsburgh & West Virginia	970	811	659	2,659	4,070	4,070
Rutland	400	323	507	1,182	976	976
Wabash	5,987	5,467	5,763	12,839	12,560	12,560
Wheeling & Lake Erie	5,083	4,955	4,732	4,566	6,216	6,216
<b>Total</b>	<b>160,546</b>	<b>151,336</b>	<b>162,712</b>	<b>251,376</b>	<b>239,904</b>	<b>239,904</b>
<b>Allegheny District—</b>						
Akron, Canton & Youngstown	699	681	725	1,264	1,383	1,383
Baltimore & Ohio	42,208	38,576	38,216	27,772	29,034	29,034
Bessemer & Lake Erie	2,061	2,876	3,359	1,384	1,401	1,401
Buffalo Creek & Gauley	314	258	248	2	2	2
Cambria & Indiana	1,757	1,938	1,854	2	1	1
Central R. R. of New Jersey	7,085	6,540	7,840	20,649	21,097	21,097
Cornwall	637	598	603	71	92	92
Cumberland & Pennsylvania	201	282	293	8	13	13
Ligonier Valley	108	130	109	40	44	44
Long Island	1,215	806	928	4,006	3,817	3,817
Penn.-Reading Seashore Lines	1,643	1,568	1,840	2,751	2,400	2,400
Pennsylvania System	78,232	70,830	77,038	66,958	62,264	62,264
Reading Co.	15,749	14,124	15,685	31,002	30,884	30,884
Union (Pittsburgh)	19,374	20,621	19,643	3,260	4,457	4,457
Western Maryland	3,993	4,004	3,831	14,520	14,405	14,405
<b>Total</b>	<b>175,276</b>	<b>163,832</b>	<b>172,212</b>	<b>173,689</b>	<b>170,302</b>	<b>170,302</b>
<b>Pocahontas District—</b>						
Chesapeake & Ohio	27,189	29,132	21,161	11,211	11,768	11,768
Norfolk & Western	21,231	22,888	19,254	7,895	7,006	7,006
Virginian	4,279	4,726	3,545	2,248	2,138	2,138
<b>Total</b>	<b>52,699</b>	<b>56,746</b>	<b>43,960</b>	<b>21,354</b>	<b>20,912</b>	<b>20,912</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
<b>Southern District—</b>					
Alabama, Tennessee & Northern	317	236	273	413	403
Atl. & W. P.—W. R. R. of Ala.	886	841	896	2,616	2,826
Atlanta, Birmingham & Coast	724	606	679	1,871	1,479
Atlantic Coast Line	14,327	14,364	13,012	11,987	11,504
Central of Georgia	9,291	4,045	4,271	5,139	5,025
Chesapeake & Western Carolina	417	469	368	1,772	1,911
Clintfield	1,758	1,658	1,176	3,192	3,182
Columbus & Greenville	313	312	241	280	216
Durham & Southern	118	117	170	746	538
Florida East Coast	3,716	3,577	2,291	2,069	1,599
Gainesville Midland	51	51	31	121	137
Georgia	1,201	1,064	1,217	2,809	2,917
Georgia & Florida	500	340	331	916	542
Gulf, Mobile & Ohio	3,779	3,342	3,880	4,114	5,789
Illinois Central System	28,107	24,352	27,997	18,570	15,191
Louisville & Nashville	23,890	23,880	23,903	13,300	11,376
Macon, Dublin & Savannah	168	157	186	999	908
Mississippi Central	278	221	165	620	448
Nashville, Chattanooga & St. L.	3,250	2,938	3,366	5,109	5,363
Norfolk Southern	957	1,098	1,116	1,673	1,770
Piedmont Northern	445	391	495	1,377	1,269
Richmond, Fred. & Potomac	375	397	444	11,746	11,610
Seaboard Air Line	11,316	10,403	9,858	9,570	9,619
Southern System	22,656	20,970	23,097	25,430	28,023
Tennessee Central	611	539	536	979	802
Winston-Salem Southbound	157	120	124	1,031	1,021
<b>Total</b>	<b>124,148</b>	<b>116,488</b>	<b>120,223</b>	<b>128,449</b>	<b>122,468</b>
<b>Northwestern District—</b>					
Chicago & North Western	15,712	14,700	17,793	14,708	13,368
Chicago Great Western	2,570	2,389	2,835	3,708	3,290
Chicago, Milw., St. P. & Pac.	19,978	19,353	21,579	10,862	10,530
Chicago, St. Paul, Minn. & Omaha	3,837	3,757	4,120	4,392	5,408
Duluth, Missabe & Iron Range	1,262	1,265	1,299	245	250
Duluth, South Shore & Atlantic	834	595	791	510	552
Elgin, Joliet & Eastern	8,788	9,050	10,081	12,343	9,821
Et. Dodge, Des Moines & South	407	421	539	122	109
Great Northern	12,618	10,762	12,140	5,427	5,864
Green Bay & Western	457	469	584	955	751
Lake Superior & Ishpeming	300	245	315	55	50
Minneapolis & St. Louis	2,121	2,130	2,324	2,401	2,137
Minn., St. Paul & S. S. M.	5,350	4,559	5,815	4,061	3,091
Northern Pacific	10,235	8,898	10,400	5,608	4,638
Spokane International	84	79	81	569	498
Spokane, Portland & Seattle	2,429	2,135	2,749	2,827	3,144
<b>Total</b>	<b>86,982</b>	<b>80,807</b>	<b>93,380</b>	<b>68,793</b>	<b>63,500</b>
<b>Central Western District—</b>					
Atch., Top. & Santa Fe System	21,417	19,837	20,929	12,199	12,531
Alton	3,033	2,738	3,426	4,132	3,709
Bingham & Garfield	517	472	588	99	74
Chicago, Burlington & Quincy	19,676	18,983	16,288	12,267	12,231
Chicago & Illinois Midland	2,952	3,094	2,807	1,030	940
Chicago, Rock Island & Pacific	11,026	12,416	11,667	12,420	13,952
Chicago & Eastern Illinois	2,641	2,375	2,882	5,693	4,942
Colorado & Southern	766	747	892	2,188	1,835
Denver & Rio Grande Western	3,385	3,612	3,161	6,256	5,750
Denver & Salt Lake	751	834	642	12	1
Fort Worth & Denver City	647	838	889	1,942	1,251
Illinois Terminal	2,126	1,787	2,063	1,667	1,583
Missouri-Illinois	964	908	1,230	486	536
Nevada Northern	1,764	2,047	2,002	113	134
North Western Pacific	708	766	971	739	651
Peoria & Pekin Union	18	36	20	0	0
Southern Pacific (Pacific)	28,163	26,094	27,926	13,773	12,858
Toledo, Peoria & Western	471	345	267	2,034	1,695
Union Pacific System	15,469	13,529	15,504	17,096	14,137
Utah	639	571	552	6	1
Western Pacific	1,511	1,880	1,748	3,935	3,454
<b>Total</b>	<b>118,644</b>	<b>113,969</b>	<b>116,454</b>	<b>98,087</b>	<b>92,294</b>
<b>Southwestern District—</b>					
Burlington-Rock Island	311	651	485	329	214
Gulf Coast Lines	7,804	4,892	5,273	2,887	2,401
International-Great Northern	1,668	1,810	2,319	3,718	3,524
Kansas, Oklahoma & Gulf	247	307	308	1,159	987
Kansas City Southern	5,873	4,343	3,701	3,860	2,756
Louisiana & Arkansas	2,802	3,028	2,713	2,605	2,311
Litchfield & Madison	263	301	291	1,216	1,196
Midland Valley	542	683	478	539	550
Missouri & Arkansas	187	145	186	465	476
Missouri-Kansas-Texas Lines	5,729	5,621	4,955	4,964	6,432
Missouri Pacific	15,433	16,138	15,919	19,874	17,552

## Items About Banks, Trust Companies

The Federal Reserve Bank of New York announces that the Great Neck Trust Company, Great Neck Plaza (P. O., Great Neck, N. Y.), New York, has become a member of the Federal Reserve System effective March 6; also that the Freeport Bank, of Freeport, N. Y., became a member of the System effective March 8.

At a recent meeting of the Board of Directors of the Flushing National Bank, of Flushing, Long Island, N. Y., Peter A. Farrah was named Vice-President.

Joseph R. Barrett, formerly Assistant Vice-President, has been elected a Vice-President of the County Trust Company of White Plains, N. Y., according to a statement issued by Andrew Wilson, Jr., President. Mr. Barrett is a graduate of Princeton University and before coming to the bank in 1939 was identified with the firm of Weil Pearson & Co. At the directors meeting on March 7, the Board authorized the payment on April 1 of a dividend of 37½ cents per share for the quarter ending March 31 to stockholders of record March 16 and fixed 37½ cents as the regular quarterly rate in lieu of 25 cents as heretofore.

John J. Rust, Vice-President of the Equitable Securities Corp., has been elected a trustee of the Yonkers Savings Bank, Yonkers, N. Y. Mr. Rust has been in the investment business in New York City for several years and is now President of the Municipal Forum of New York.

Arthur W. Lunn, manager of the Newark office of General Electric Co., has been elected to the board of managers of Franklin Savings Institution of Newark, N. J. This is learned from the Newark "News" from which we also quote:

His election increases the number of board members to 14. Mr. Lunn was born in Jersey City; he was graduated from Princeton in 1907 and took post graduate courses at Massachusetts Institute of Technology and Columbia University. He joined General Electric Co. in 1911.

Advices have come to us to the effect that at the annual meeting of the stockholders of the Firestone Park Trust and Savings Bank of Akron, Ohio, on Jan. 19 the corporate name was changed to the Firestone Bank.

At its meeting on March 10, the Board of Directors of the Boatmen's National Bank of St. Louis declared dividends of 40 cents a share, payable April 1 and July 1, 1944, to holders of record as of March 21 and June 20, respectively, and an extra dividend of 10 cents a share payable April 1 to holders of record as of March 21, to bring the payment during the first quarter up to 40 cents. A dividend of 30 cents a share was paid on Jan. 1.

In making the announcement, Tom K. Smith, President of the bank, said that if earnings presently indicated continued through the year, a dividend of 40 cents would be paid for the fourth quarter, making a total for the year of \$1.60 on the \$20 par shares. The regular dividend recently has been at the rate of \$1.20 per year.

He stated that it had been contemplated when the capital stock was increased to \$2,500,000 in 1941, that dividends would be held at a low level until the surplus fund equaled the capital, and undivided profits and reserve for contingencies amounted to \$1,000,000, and that that point had been reached approximately. He added that during the past ten years, over \$2,500,000 had been added to capital funds, in addition to a contribution of \$232,000 for past service in the Employees Retirement Annuity Plan, and that he thought a larger share of current earnings should be distributed in dividends.

The St. Louis Union Trust Co., of St. Louis, Mo., announced the promotions as follows at its recent annual meeting:

M. L. Hanley, Assistant Vice-President; John E. Gaskill, Jr., Trust Officer; C. W. Guskosky, Assistant Real Estate Officer; Samuel C. Davis, Jr., and Shelby F. James, Assistant Trust Officers, and K. H. Eggers, Assistant Secretary.

The Board of Governors of the Federal Reserve System announce that the Central Savings Bank & Trust Co., of Denver, Colo., a State member bank, has changed its title to the Central Bank & Trust Co., effective Feb. 18.

In furtherance of plans to increase the common stock of the Anglo California National Bank of San Francisco to \$10,000,000 through the declaration of a dividend of \$1,800,000, payable in common stock to common shareholders a special meeting of the stockholders will be held on Mar. 16 to consider the proposal and also to provide for changes in the bank's articles of association to properly reflect capital adjustments and preferred stock retirement requirements. According to the San Francisco "Chronicle" from which we quote: President W. H. Thomson states directors of the RFC agreed to the plans if the bank would retire another \$900,000 retrievable value of preferred stock. Accordingly, on Feb. 1, that amount of preferred was retired, reducing outstanding preferred to a retrievable value of \$16,500,000. The Comptroller of the Currency also indicated his approval of the plan.

## Gen. Somervell Tells What We Fight For

Lt. General Somervell, commanding general of the Army Service Forces, in answer to the question, "What is the Nation Fighting for?" gave the following answers which we take from Associated Press advices from Fort Belvoir, Va., on March 9, as appearing in the New York "Journal American."

"We fight for simple things, for the little things that are all-important. We fight for the right to lock our house doors and be sure that no bully with official sanction will break the lock.

"We fight for town meetings, for the soapbox in the public square, for the high school debating team, for open doors to cathedral and church and synagogue.

"We fight for the country editor and for the metropolitan daily and for the editor's right to say the wrong thing if he thinks it's right.

"We fight for the right to organize for any decent purpose; for labor; for employers; for the Grange and the Legion and the ladies' literary club and for lodge meetings in full regalia on Tuesday nights.

"We fight for our candidate for sheriff and for the other fellow's candidate, for the right to be sorry we elected him and to say so.

"We fight for free radio, for the right to listen to what we want and to turn off what we don't want.

"We fight for the high privilege of throwing pop bottles at the umpire. . . .

"For these things we fight," said Gen. Somervell today on the anniversary of the Army Service Forces.

## N. Y. Reserve Bank Ratio Of Profits To Capital Fund Increased In 1943

Allan Sproul, President of the New York Federal Reserve Bank, reports that "there was a considerable increase in profits realized by member banks in this District during 1943 following a decrease in 1942. As in the previous year," says the Bank under date of March 6, "profits were largely used to strengthen the capital structure of the banks." According to the Bank, Mr. Sproul further reports "all groups of banks participated in varying degrees in the increase in profits during 1943. For all banks the average rate on net profit after income taxes was 7.2% of total capital funds, compared with 4.4% in 1942, 5.5% in 1941, and a maximum for any year since the late 1920's of 8.9% in 1936.

"Dividends paid to stockholders were not materially increased as the banks generally followed the policy of adding a large part of their net profits to capital accounts (72% on the average), in view of the continued growth in their total assets and liabilities and their expectation that they will be called upon to assume larger credit risks in the post-war period. For all member banks covered by the study, cash dividends declared in 1943 averaged 2.0% of their total capital, compared with 1.8% in 1942, and 1.9% in the three preceding years. The large New York City banks, which for some years have been paying out larger proportions of their net earnings in dividends, reduced their dividends slightly in 1943, in proportion to capital funds, while some of the medium-sized banks outside New York increased their dividend distributions moderately.

"Total capital funds were increased by more than 5% through the retention of undistributed profits. Nevertheless, the average ratio of capital funds to total deposits declined further to less than 11% in 1943, compared with nearly 14% in 1942, over 15% in 1941, and 16% in 1940. The ratio of capital to assets other than cash assets and Government securities, however, increased from less than 29% in 1942 to 34% in 1943, reflecting in some small degree the moderate increase in capital funds out of earnings, but more largely the war-time shrinkage in loans (except at the large New York City banks) and the expansion in Government security holdings.

"The principal cause of the increase in net profits of banks in this District in 1943 was an excess of profits and recoveries on securities sold during the year over charge-offs on other assets. It was not due so largely, as might have been supposed, to increased income resulting from the banks' substantially increased holdings of Government securities; for the average bank net current earnings before income taxes were only moderately larger than in 1942, and probably somewhat smaller than in 1941. Investments in Government securities, it is true, increased substantially, and for the year averaged 47% of total assets compared with about 31% in 1942. The average yield on bank investments declined, however, owing to a shortening of the average maturity of Government security holdings, and to a reduction in holdings of higher yielding securities. Meanwhile loans, which for most banks yield a considerably higher rate of income than investments, declined from nearly

\*In the compilations published prior to 1943, taxes on net income were included in total expenses, thereby reducing net current earnings. For 1943 net current earnings were computed before deduction of taxes on net income which are shown as a separate item (with revised figures for 1942 for all banks combined), and a new item (No. 2) "Profits before income taxes" to total capital accounts has been added.

29% of total assets in 1942, to less than 19½% in 1943.

"In general, expenses absorbed nearly the same percentage of total current earnings in 1943 as in the previous year. Salaries took a slightly larger percentage of current earnings than in 1942 in the smaller banks, and a somewhat smaller percentage in the larger banks, but for the District as a whole there was no change. Interest on deposits and other expenses were slightly reduced in

relation to current earnings in most banks.

"Income taxes took about 22% of the net earnings after expenses of the large New York City banks in 1943, as compared with less than 16% in 1942 (about 10% of total earnings in 1943 and 6% in 1942). The large banks in other cities of the District also had marked increases in their income taxes during the past year, but the percentage of earnings required for tax payments remained substantially less than for the large New York City banks. Other groups of banks had not yet reached the point in 1943 where they were subject to material increases in income taxes. It is expected, however, that income taxes will become a factor of increasing importance to many banks during 1944."

The 1942 figures were referred to in these columns April 8, 1943, page 1292.

## ABA Urges Facilitation Of Warlike Contract Termination Settlements

Immediate consideration of U. S. Senate Bill S. 1718, which provides machinery for the prompt settlement of claims arising from terminated war contracts, has been urged as a means of avoiding post-war unemployment and inflation by the American Bankers Association in a letter addressed on March 2 to Senator James E. Murray of Montana by A. L. M. Wiggins, President of the Association.

The bill was introduced by Senator Murray and Senator Walter F. George of Georgia. In his letter Mr. Wiggins points out that "the immediate settlement of claims arising from terminated war contracts is absolutely necessary if we are to avoid a major post-war unemployment problem, and a post-war consumer market so short of goods that serious inflation will be invited. The unemployment phase is the major issue and of tremendous importance when we consider that it would occur at a time when service men are being returned to civilian life," he states. Mr. Wiggins further says:

"It takes time to get a program such as that prescribed in S. 1718 implemented and operating. It is of the utmost importance that such a plan be functioning at an early date, if our economy is to avoid critical dislocation. Industry is desirous of arranging financing for post-war reconversion requirements now. That it have adequate machinery to accomplish this purpose is essential."

Referring to Senate Bill S. 1730, which also embraces the subject of contract termination settlement and goes beyond that to provide for the disposal of surplus war property, Mr. Wiggins states that "while we appreciate that the disposal of Government property and such related matters are of extreme importance, we are of the opinion that some statutory provision for the settlement of claims arising from terminated war contracts is the immediate need.

"In the interest of our whole economy, we urge the immediate consideration of S. 1718 and that other related matters covered in S. 1730 be taken up at an early subsequent date."

## Newspaper Prices Up In Year Survey Shows 5 Cents Most Common Figure For Dailies

There has been a sharp decline since last year in the number of daily newspapers which sell for 3 cents a copy and an increase in the number of 4-cent papers, the American Newspaper Publishers Association reported on March 3 on the basis of a nationwide survey, according to the New York "Times" of March 4, which indicated that the survey showed that 5 cents was still the most common retail price for daily editions, with more than twice as many publications throughout the

country selling at that price as at any other. There was an upward trend in prices during the year among the lowerpriced daily papers. The "Times" reports further as to the survey:

"A total of 974 daily newspapers reported their retail price this year at 5 cents, compared with 899 last year. The number of 4-cent papers increased from 175 to 279 during the year, while the number selling for 3 cents fell from 556 to 398.

"The survey disclosed that the nation still has three daily newspapers which sell for 1 cent. One in Pennsylvania, one in Ohio and one in Wisconsin. Last year there were four penny papers and in 1942 there were nine.

"Cranston Williams, General Manager of the ANPA, who announced the survey findings, said the study included commercial dailies, but not Sunday editions of daily newspapers, nor foreign language newspapers. Several daily papers did not report their single-copy price and were therefore not included in the tabulation, Mr. Williams said. The report was made public at ANPA headquarters, 370 Lexington Avenue.

"This year's price figures included 1,725 daily newspapers. Last year's report covered 1,727 papers and the 1942 figures were for 1,777 papers.

"The number of publications which reported and their retail daily prices, for the three years, follow:

	1c	2c	3c	4c	5c	7c	10c	25c
1944	3	62	398	279	974	3	5	1
1943	4	84	556	175	899	3	5	1
1942	9	185	735	32	806	4	5	1

"The lowest price range was reported from Pennsylvania, where 129 daily newspapers filed their retail prices. Only seven dailies in that State sell for 5 cents, as against 54 at 4 cents, 57 at 3 cents, ten at 2 cents, and the lone penny sheet.

"In California, where 120 daily papers reported, 105 sell for 5 cents, three for 10 cents, one for 4 cents, ten for 3 cents, and one for 2 cents.

"The third largest number of daily newspapers reported from New York, as follows: Twenty-three sell at 5 cents, one at 7 cents, two at 10 cents, one at 25 cents, 38 at 4 cents, 29 at 3 cents, and seven at 2 cents. Of the 99 daily papers reporting from Texas, 97 sell at 5 cents a copy and the other two sell at 3 cents."