

# The Commercial and FINANCIAL CHRONICLE

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## The Financial Situation

The "international monetary fund" idea, like a bad coin, has turned up again. It is the "consensus of opinion of the experts of the United and Associated Nations who have participated in these discussions [recently held in Washington] that the most practical method of assuring international monetary cooperation is through the establishment of" such a fund. To this pronouncement is added a set of principles "designed to constitute the basis for this fund." One is left to suppose that the "experts" have formulated the "principles" and agree among themselves about them, although a close reading of the official announcement discloses that nothing of the sort is said, and gives rise to some doubt as to whether it is in fact the case. Indeed, we suspect that the "experts" have in truth agreed upon very little.

### "Experts"?

What is quite certain is that the mere fact of their agreement, whatever its nature or extent, means relatively little. It all depends upon who the "experts" are—or, perhaps, who it is that picks them and dubs them "experts." Readers of the "Chronicle" can scarcely fail to realize from the long series of discussions which have taken place in these columns that many who have at least as much right to be called "experts" as any of those in Washington entertain views which differ, often quite radically, from those embodied in the pronouncement now made public. It would be entirely possible to assemble a substantial number of people who might by many be considered "expert" who would agree to almost any scheme of this sort—we had almost said, provided it is wild enough.

The first suggestion we can make therefore is that the word "expert" be divested of its magic, and that this plan be considered on its merits precisely as it would be if it had been formulated, not by self-styled experts but by one of

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## The Way To Establish Prosperity Is To Produce More: William Green

**AFL President Asserts Markets For The Produce Of Agriculture And Industry Must Be Maintained By Keeping The National Income And The Purchasing Power Of Our People At High Levels—Advocates Amending Social Security Act So That Disemployed War Workers And Demobilized Servicemen Can Derive Sufficient Income In Accordance With Their Family Responsibilities To Carry Them Over The Transition Period To The Time Jobs Will Be Available For Them**

William Green, President of the American Federation of Labor, in his address to the organization's Post-War Forum held at the Commodore Hotel, New York City, on April 12-13, expressed the opinion "that attempts to induce scarcity in order to wipe out surpluses, as followed by the Government during the pre-war days, was proceeding the wrong way."



William Green

"We know now," he stated, "that the only way to establish sound and continuous prosperity in our country is to produce more, not less, and to create wider markets for our production by more bountiful and effective distribution among the great masses of consumers."

Continuing his remarks, Mr. Green said: "This great truth has been recognized here by spokesmen for industry and agriculture, as well as of labor. The major functional groups of our domestic economy are in complete agreement. That agreement embraces these outstanding points:

"1. That full production is essential to the national well-being from every constructive, economic,

political and social point of view. "2. That maximum employment in productive jobs and services must be provided so that every American family can earn a good living and be able to consume the expanded output of our farms and factories.

"3. That free enterprise for industry, labor and agriculture must be assured in order to stimulate the greatest possible free and voluntary effort by all concerned for the realization of a progressively higher standard of American living.

"But we must remember that full production, maximum employment and the preservation of free enterprise must depend upon the structure of a balanced economy. The power to buy must always match and even exceed the power to produce. Markets for the produce of agriculture and

industry must be maintained by keeping the national income and the purchasing power of our people at high levels. The whole program is interdependent.

"We offer this economic platform to the nation as the basis on which we can best proceed toward establishing and maintaining prosperity in America in the post-war period.

"Furthermore, labor, industry and agriculture are united not only in purpose but in a deep sense of responsibility for making good. We say to America: 'This is our job. We know how to do it. We are determined to do it. Give us the assignment.'

"We say to the Government: 'Give us a voice in the determination of policy. After all, we are the ones who will have to do the job. Do not tie us down with unnecessary and impractical restrictions on our free enterprise. Do not obstruct our know-how with unwise and bureaucratic regulations.'

"This is a point I want to emphasize as strongly as I can. The amazing production achievements of our war program were made possible to a large degree by the free and voluntary cooperation of the major functional groups—labor, industry and agriculture. We all enlisted for the duration. The results attest more eloquently than words to the value of this

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## Morganthau Reports On Plans For International Monetary Fund

The reaching of agreement by technical experts of the United Nations upon "a set of basic principles for an International Monetary Fund" was made known by Secretary of the Treasury Morganthau before a group of Senate and House Committees on April 21, at which time he made available a joint statement of technicians representing some 30 nations regarding the principles agreed upon. Mr.

Morganthau in his statement to the Congressional group noted that "the tentative proposals that have been under discussion by the technical experts are part of a program for cooperation on international economic problems among the United Nations," the objectives of which, he said, "are the expansion and development of international trade, the restoration of international investment for productive purposes, the maintenance of stable and orderly exchanges." He termed the establishment of an International Monetary Fund and a Bank for Reconstruction and Development as important steps in the attainment of the objectives of the program. It was also emphasized



Sec. Morgenthau

by Secretary Morganthau that "the discussions up to now have all been of a technical nature and exploratory in character." The United States, he added, "is not in any way committed until Congress has taken action."

A joint statement by the experts, also made public on April 21, recommends, it was explained by Mr. Morganthau to the Congressional group, "that all of the United and Associated Nations subscribe approximately \$8,000,000,000 to the fund in the form of gold and local currency" to be available in helping member countries to maintain exchange stability and correct maladjustments in their balance of payments.

According to Mr. Morganthau, "the par value of currencies of member countries would be expressed in gold and could be changed only at the request of member countries after consultation and approval of the Fund." Mr. Morganthau also observed that the purposes set forth in the joint statement "have long been the international monetary policies of the United States." He

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## From Washington Ahead Of The News

By CARLISLE BARGERON

Mr. Roosevelt has definitely told a close friend, a Senator, that he feels it his duty to run again. There has never been a any doubt in our mind that this was his plan, but insofar as we know, it is the first definite knowledge of his having unqualifiedly told anybody of it. For some weeks, however, the word has been going out from his White House aides to State leaders, charged with the job of tying up delegates, giving them the green light to tie the delegates to Roosevelt.

However, there are two possibilities of the immediate future which might give the President pause. They would be the defeat of two of his most loyal Senate followers, Lister Hill of Alabama and Claude Pepper of Florida. Both are up against two hot primary fights and both are so frightened that they are shouting for aid. The recent Supreme Court decision holding that Negroes could participate in Southern Democratic primaries has thrown the Southern States into political tumult. You can't help laughing over Claude Pepper's predicament. It is seldom that a more "advanced" political mind ever came out of the South. He tied up with the New Dealers at the outset; in fact, Jimmy Roosevelt and WPA helped elect him six years ago. So advanced was he in contrast with other Southern Senators that he sponsored the anti-poll tax bill which is a red flag to the South.

Now you ought to hear him. He excells Cotton Ed Smith of South Carolina, in shouting about "white

supremacy." Here they are referring to him as Cotton Ed Pepper. Incidentally, it had looked as though the New Dealers might get the original Cotton Ed this time, after their unsuccessful effort to purge him six years ago. But the Supreme Court decision is considered as having saved him. "White supremacy" is Cotton Ed's main, mostly his only issue.

Out in North Dakota, a battle of the century is revolving around the New Dealers' efforts to eliminate Gerald Nye in the Republican Senatorial primary. Inasmuch as Nye would be the Chairman of Senate Appropriations Committee in a Republican controlled Senate, he is claiming that big Eastern money is being used against him to prevent North Dakota's Senator having such a powerful position. The New Dealers, mostly the CIO Political Action Committee, is supporting Congressman Burdick. The funny thing about it is that both were pre-Pearl Harbor isolationists. Burdick now claims he realizes he was wrong but that Nye won't

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## Landon Supports Hull's Policies And Urges Closer Relations With Latin America

In an address commemorating Pan American Day at Kansas City, Mo., Alfred M. Landon, former Republican candidate for President, expressed general approval of Secretary of State Hull's principles as outlined in the latter's radio address on April 9. The Secretary's "greatest contribution towards a national policy," he stated, "was the recognition of the need of bringing bi-partisan committees of both houses of



Alf M. Landon

Congress into international post-war discussions." "There is no such thing as 'one world' politically," continued Mr. Landon. "There can be economically, if private enterprise is free to trade in all countries. Flourishing commerce and prosperity for all peoples means economic progress and hygienic progress. Only when a healthy competition between all peoples can be brought about can we have any semblance to world order or unity." He suggested that "both political parties reverse their tariff policies."

Turning next to Latin American relations, Mr. Landon remarked:

"So far, our relations with our fellow Americans on this hemisphere have alternated between indifference or positive attempts in cultivations, lacking much semblance of the approach on which lasting friendships are based. Our recent sudden attempts at buying this friendship through the greatest money-spending splurge in all history are not successful. We cannot buy the respect and the liking of the other great nations on this hemisphere. We have got to be as understanding of their ways as they are of ours."

In order to cultivate knowledge of Latin America and its peoples, Mr. Landon pointed out the value of the study of Spanish and Portuguese, the distribution of published materials for use in the schools, and a greater amount of communication and travelling to and from Latin American countries. Movements along these lines have already been inaugurated, and agencies of information, like the radio and press are giving more attention to Inter-American affairs. "Our industrialists are beginning to look south, and our airlines are leading the way in making better connections for us."

"If you ask me to interpret this—to say what is back of this awakening," continued Mr. Landon, "I would sum it up as the result of two problems and two opportunities."

"The first problem is that of establishing a truly sound policy towards Latin America—one based on interchange instead of spending or exploitation, on respect instead of condescension. Moreover, we and the Latin Americans want assurance that a sound policy once established shall continue. The only way to meet these needs, we believe, is to take over in our own region the management of our relations with Latin America and put them on the basis of personal acquaintance, friendship, and mutually beneficial economic relations."

"The second problem is that of lack of our knowledge about Latin America. As Americans are brought into contact with each other, we discover that the Latin Americans are educated, refined, and informed, and that our ignorance about them is appalling and embarrassing. Some of us do not know whether Honduras is in South America or Central Amer-

## Unemployment Benefits For N. Y. State Veterans

New York State veterans who have served at least 90 consecutive days may qualify for unemployment benefits if they are able to work and unable to obtain employment, according to the recently enacted veteran's unemployment benefit law which applies to all men and women released from active duty in the United States armed forces on or after Dec. 7, 1941.

According to Milton O. Loysen, Executive Director of the Division of Placement and Unemployment Insurance of the State Department of Labor, "eligibility requirements specify that claimants must have actually resided in this State for at least 90 consecutive days immediately prior to induction must now live here and be looking for work here, must not be entitled to a Federal total disability allowance or unemployment benefits from another State, and must be ready, willing and able to work, but unable to obtain a job," Mr. Loysen added.

"Such persons may qualify for a maximum of 20 benefit payments of \$18 each, regardless of their earnings before entering service. Heretofore only veterans who earned sufficient wages in employment covered by the Unemployment Insurance Law prior to induction could qualify, and their benefit rate might have been as low as \$10, depending on their previous wages. Now all eligible veterans will be given the \$18 maximum rate.

"Like all other claimants, veterans must serve the usual waiting period of eight effective days in not less than two weeks and report to their local employment and insurance offices as instructed. No veteran can collect more than \$360 in payments in a benefit year.

"Receipt of mustering-out pay up to \$300 does not affect the amount of unemployment benefits to which a veteran is entitled. If, however, such pay should be increased by future Federal legislation to a sum above \$300, corresponding deductions will be made from the maximum amount of benefits of \$360, otherwise payable in any benefit year.

"Totally disabled veterans receiving Federal total disability allowances cannot qualify for benefits under the new provisions. Those who are partially disabled may qualify for the difference between their Federal allowance and the \$18 benefit rate, if they are available for jobs. Veterans who do not qualify under these new provisions may be able to qualify under an amendment which was enacted two years ago 'freezing' the rights of all servicemen and women. Generally speaking, under this measure, if a person was eligible for benefits when he entered service he will be eligible to receive between \$10 and \$18 per payment when he is discharged."

Application for benefits should be made at the field offices of the Division of Placement and Unemployment Insurance in the various cities throughout the State. The cost of this program will be defrayed jointly by the State's general fund and the Unemployment Insurance Fund. Payments based on veterans' prior earnings in covered employment will, generally speaking, be charged to the latter and those to veterans with insufficient or no previous earnings to the former.

The program is designed to run through June 3, 1945, the end of the 1944-1945 benefit year. However, it will be immediately terminated if and when Federal legislation provides for unemployment benefits to veterans.

## Seven Goals To Seek

Roger W. Babson Discusses National Debt

BABSON PARK, MASS.—The U. S. is probably headed for \$300,000,000,000 debt which no one likes to think of. Yet, at 2½% interest this is not so bad if it can gradually be reduced. This interest all paid to the people of our country. None of it leaves the U. S. A. Every dollar received by us as interest, a certain proportion must be returned to the government as taxes. Hence, in a way, the debt will self-liquidating as well as a business stabilizer. Every cloud has a silver lining.



Roger W. Babson

### Stop Further Post - War Borrowing

On the other hand, we must not be too free with our money. We cannot expect to put the whole world on a New Deal. If the New Deal could not stand on its own feet here in this country, so we could not pay for it except with borrowed money, what can we do for the whole world? We are not justified in borrowing money to support millions in depressed countries with nothing back of them in industrial or farming facilities. Let us be generous with such money as we have, but not go into more debt to give away more money.

Also remember that if our cost of producing goods, including farm products, continues to increase, this will harm our American workers and farmers who are the backbone of our nation. It stands to reason that we cannot keep our social gains if we try to save the rest of the world by letting them send in their cheap goods that are made with cheap labor. If we do let in these cheap goods, millions of American workers are going to be out of jobs. Then our War Bonds could be a burden.

### The Real Solution

After the Peace Makers get under way with their trade agreements, international bank, etc. and when unemployment is rampant because of foreign competition, and after the borrowing comes to an end, what will happen? I assume that then the New Dealers will want to start new government WPA projects to provide housing, clothing and goods for these idle workers. Yet, there is no need for this.

The alternative is to keep the cost of goods down so as to be able to meet competition during the years ahead. What is the sense of now building our costs sky-high when we know they must tumble after the War. In the meantime, the ultimate consumer will pay the bill. This will happen in spite of any labor or other organizations. Only wise investors and those engaged in active business can pass these costs along.

### Things To Remember

To win the battle of production is the supreme task today of both employers and wage workers. Private enterprise must prove its real usefulness to the country at this time of crisis and demonstrate its right to survive. It is the responsibility of all groups to produce the best possible product in quantities as large as needed at the lowest possible cost consistent with fair wages and a fair return on money invested.

America needs a national philosophy of teamwork. For business this means teamwork within each concern and teamwork with labor, competitors, the public and the Government. Though alien armies may be conquered, alien philosophies can still overrun the land. Industry is one of the first targets. The true battle

line is between patriotic elements in management and labor on the one hand, and the self-seeking elements on the other.

### Seven Postwar Goals

1. Industry should give as much thought to building men as to producing materials. The exploitation of human beings is the certain road to revolution. Industry must win the battle against fear, hate and greed. As America has found the power to harness the forces of physical nature, so must now learn how to harness the forces of human nature. This is God's plan for a better world.

2. We all should cease talking about the abundant life and again teach that life is struggle. Home schools and colleges should once more put the emphasis on sacrifice, training and the good of all. But all must be given more equal opportunities, irrespective of color or creed.

3. Fewer laws should be enacted but greater emphasis will be put upon law enforcement. Accompanied with this there should be a movement to let natural law work more freely. There will be fewer subsidies to unfortunate farmers, inefficient manufacturers and independent merchants. There, however, will be a recognition that the safety of the nations depend upon prohibiting certain commercialized evils.

4. Big cities should be decentralized. This is the only known protection against bombing planes as well as against social hazards. This may be accomplished by some method of taxation that will encourage more people to live in the rural sections.

5. Voting some day should be restricted. Because one is of age he is not necessarily entitled to vote irrespective of character, intelligence or record. This does not mean that one must own property in order to vote; but it does mean that prospective voters should successfully pass certain fair tests to eliminate the unworthy.

6. Religion must again become a part of the nation's educational system. The Church, however, will be stripped of its superstitions, dogmatism and business enterprises. Churches are due for a rude awakening, severe taxation and a general purging; but the Church will come out of this more useful than ever.

7. Finally, biology and the importance of BLOOD and SOIL should be given greater consideration. Those who breed and best train the most children will ultimately control. In the meantime the autocratic countries will have become more democratic; while the democratic countries will have become more totalitarian.

## Women's Party Requests FDR TO Back "Equal Rights"

On April 15 the National Council of the National Women's Party adopted a resolution calling on President Roosevelt to use his efforts, toward bringing about the adoption of the proposed equal rights constitutional amendment. The resolution also requested the President to receive a delegation from the 27 National Women's Organizations supporting this measure.

At the April 16 session of the Council, Mrs. Ralph E. Hayden, of Iowa, Senator Guy M. Gillette of Iowa and Mrs. Hattie Caraway were scheduled to speak.

## King Appointed Aide To Col. Johnson Of ODT

The appointment of Homer C. King, Director of the Bureau of Service of the Interstate Commerce Commission, as Executive Assistant to Col. J. Monroe Johnson, Director of the Office of Defense Transportation, was announced by Col. Johnson on April 10.

It is announced that Mr. King, has had extensive transportation experience. In his youth he worked as a railroader in New Mexico and served for 18 months in France during the last war with the 21st (Railroad) Engineers. After the war, he returned for a time to railroad work and in 1922 became associated with the Interstate Commerce Commission. He joined the staff of the Bureau of Service, ICC, in 1931 and became director of the bureau in 1938. Mr. King lived in Georgia for some time and has been a member of the Georgia bar since 1926. In 1935 he was admitted to practice before the U. S. Supreme Court. As Director of the Bureau of Service, Mr. King has worked with Col. Johnson in administering the Interstate Commerce Commission's wartime transportation measures.

Mr. King, as executive assistant, and Joseph L. White, who continues as executive officer of the ODT, will both be closely associated with Col. Johnson in shaping the future policies of the agency.

## Private UNRRA Donations Are Deductible From Tax

Commissioner of Internal Revenue Joseph D. Nunan, Jr., stated on April 18, in response to numerous inquiries, that private donations to the United Nations Relief and Rehabilitation Administration are eligible for income tax deductions as charitable contributions. The Treasury Department in announcing this, also stated:

"Mr. Nunan said he has been advised by UNRRA that it is authorized to supplement with contributions from private sources the funds appropriated by the Allied Governments for the world-wide relief activities of the organization."

## A Timely Warning

"Yes, the same forces who carried America down the road to communism prior to the present world war are active today. They have no intention of abdicating. You cannot change their minds or their philosophy.

"I warn you that those who used the power of bureaucratic patronage, financed by the American taxpayers, to the tune of building a national debt which in all its phases amounted to approximately \$60,000,000,000 before we ever entered the war, intend when this war is over to go forward and complete their original plans.

"I warn you that the soothing voice of Jacob, who preaches to you the philosophy of social security from the cradle to the grave and freedom from fear right up to the Pearly Gates, is backed up by the hand of Esau busily engaged in picking the pockets of the American taxpayers and mortgaging the oncoming generations of American citizens.

"I warn you that there is only one hope of maintaining America for Americans, of maintaining a government by law instead of a government by edicts, directives and executive orders, and that is for the great rank and file of the people of America to again declare in ringing terms that philosophy of government announced by Gen. Sam Houston when he said: 'Our only ambition is to obtain and maintain liberty.'"—Senator W. Lee O'Daniel.

This is excellent advice. We cannot afford to "forget" such matters "for the duration" because the schemers will not.

## The State Of Trade

Post-war planning again enjoyed a fair share of the news last week and obscured to a degree the more prosaic activities of trade and industry. Of particular interest was the monetary plan of treasury experts of 34 nations and the announcement of their agreement in broad outlines, for a proposed \$8,000,000,000 gold-based stabilization fund designed to place international finance on a firm basis and promote world trade and prosperity.

The agreement was looked upon as a clear-cut American victory over British proposals to relegate gold to a minor role in post-war currency stabilization.

One other bit of news, this of comfort to small business, was the statement by Maury Maverick, head of the Smaller War Plants Corp., in which he contended before a Senate Military subcommittee considering war contract termination and reconversion the past week, that a policy of enforcing war controls and restrictions until such time as big and small business can reenter civilian production simultaneously, would joint the road to ruin of small business in this country. As for the week's activity on the industrial front, steel production was well maintained and established a new high record in the U. S., with improvement also noted in soft coal production, carloadings, retail trade and commodity prices. Electric output, while lower the past week, reflected a gain over last year.

In the field of electric production, results reveal that output of electricity dropped to approximately 4,307,498,000 kwh. in the week ended April 15 from 4,361,094,000 kwh. in the preceding week, as reported by the Edison Electric Institute. The latest figures, notwithstanding the decline from the previous week, represent a gain of 10% over one year ago, when output reached 3,916,794,000 kwh. Consolidated Edison Co. of New York reports system output of 197,900,000 kwh. in the week ended April 16, and compares with 178,100,000 kwh. for the corresponding week of 1943, or an increase of 11.1%.

Operations of steel mills last week were well maintained, and fears in some quarters of a shortage of scrap metal in the months ahead are not being borne out by current indications, since the present supply of the metal is sufficient, with no evidence of a crisis in the offing. The Pacific Coast enjoys a surplus, and this reservoir can be utilized in the event of pressing needs in the

Middle West; further shipments from that source are in the plans, says "Steel." Expectations of an increased supply of steel immediately available for civilian purposes are not well founded, in view of current conditions, and until the pattern of requirements after the invasion of Europe becomes well defined, the likelihood of war needs diminishing on a scale sufficient to release steel for civilian production seems remote, says "Steel." Capacity of the mills is being strained to the utmost, and with practically one-third of the year behind us, orders for flat-rolled steel "cover nearly all capacity almost to the end of the year, and in other products, bars, wire and the like, backlogs are being increased," according to the magazine.

"Due to the fluidity of war requirements emphasis on various products is shifting constantly. At the same time Washington is disposed to use directives only as a last resort. Every pressure is being put on contractors and subcontractors to exhaust all possible sources of supply, surplus steel and warehouses, before directives are allowed. Nevertheless, many directives are found necessary to obtain wanted delivery, resulting in considerable rescheduling and confusion.

"In advance of the actual invasion, military procurement agencies are preparing for all possible contingencies and are building up supplies at top speed. Promptness or delay in establishing a foothold in Europe will affect the nature of further needs of the armed forces and have a strong effect on demand for various types of steel," states "Steel."

As for the rate of steel production, the American Iron and Steel Institute places scheduled output for the week beginning April 24 at 100% of rated capacity, equivalent to 1,791,300 tons of steel ingots and castings, a new high in the U. S. for the second successive week. This compares with operations at the rate of 99.5%, and output of 1,782,300 tons a week ago. For the week beginning

April 24, last year, steel output totaled 1,731,700 tons, and the rate was at 100% of capacity.

Carloadings of revenue freight for the week ended April 15 totaled 799,965 cars, the Association of American Railroads announced. This was an increase of 10,641 cars, or 1.3% above the preceding week this year, and an increase of 19,057 cars, or 2.4% above the corresponding week of 1943. However, in a comparison with a similar period in 1942, a decrease of 46,540 cars, or 5.5%, is shown.

Air transportation is assuming an increasing share of passenger travel; mail and freight, these days when speed is so essential. The Air Transport Association of America, touching upon this type of transportation service, reported that the domestic airlines flew 468,500,000 revenue passenger miles during the first three months of this year, a rise of 40% above the 331,273,000 for the 1943 quarter. Mail carried during the period exceeded 36,000,000 pounds against 23,618,983 pounds a year ago, with mail-pound miles up to 22,500,000,000 compared with 15,058,722,057 last year. Express poundage was up 51% to 19,500,000, and express-pound mileage rose more than 40% to 9,500,000,000.

Production of bituminous coal for the year continues to exceed 1943 tonnage to date, although output for the week ended April 15 declined 270,000 tons from the preceding week and was below the comparable period of a year ago as well, the National Coal Association reported. From incomplete car loadings reports, the Association places production in the United States for the week ended April 15 at approximately 11,750,000 net tons, against 11,818,000 tons for the corresponding week of last year. Only twice in the last six weeks has bituminous coal output run above the 12,000,000-ton mark. For the year Jan. 1 through April 15, production stood at 186,252,000 tons, and compares with 181,571,000 tons last year. As reported by the Solid Fuels Administration for War, production of bituminous coal for the week ended April 15 was estimated at 11,730,000 net tons, or a decrease of 290,000 tons, or 2.4% below the previous week.

Paper output for the week ended April 15 was equal to 85% of capacity, against a revised figure of 88.2% in the preceding week and 89.3% for the week ended April 17, 1943, the American Paper & Pulp Association's index of mill activity indicates. As for paperboard, production for the same period was reported at 92% of capacity, against 94% in the preceding week.

On Saturday of last week the SEC disclosed in its comprehensive study of profits and operations of more than 1,000 listed American corporations that such concerns, while they more than doubled their receipts in 1942 as compared with 1936, were able to retain little more than half as much of each dollar of income in 1942 as was possible six years ago. The burden of greatly increased taxes and higher production costs was reflected in the grand total of 75 manufacturing groups, embracing 872 listed corporations in 1936 and 1,086 in 1942. For the 872 corporations listed in 1936, net sales aggregated \$24,885,023,000. Out of this sum they were able to retain, as a final net profit after all charges and taxes, \$2,285,625,000, or 9.2 cents on the dollar. By 1942 net sales expanded to \$55,567,263,900, of which amount the 1,086 companies listed at that time were able to keep \$2,676,239,000, or less than \$400,000,000 more than in 1936. The foregoing represented 4.8 cents on the dollar, or little more than half the final net of 1936.

Revealing the great effect of war taxes on profits, the study shows that in 1936 net profit, before income taxes of the 872 listed companies was \$2,726,858,000, or

11% of net sales, while the net after income taxes for that year was \$2,285,625,000, placing income taxes at about \$441,000,000. For 1942 net income of the 1,086 corporations before income taxes was \$7,405,660,000, or 13.3% of net sales. This compared with a net of \$2,676,239,000 after income taxes, or 4.8% of net sales. The basis for the foregoing conclusions reached by the study were from documents filed by the companies with the Commission.

Instalment buying, which prior to the war has been a major factor of American retail business, was given consideration in post-war planning on Monday of this week by the National Retail Dry Goods Association at its third war-time conference. J. Gordon Dakins, Manager of its credit division, predicted that a substantial part of the probable increase in civilian production and consumer purchasing during the current year will be represented by instalment sales. A moderate increase in the volume of consumer credit is looked for in the current year despite the restraining influences of Government regulation. Citing the decline in consumer credit by 51% since September, 1941, Mr. Dakins stated that this reduction was not chiefly due to Regulation W, but rather to a decline in the supply of consumer durable goods available and to the enlarged consumer incomes which have permitted a rapid reduction of debts previously incurred. Revealing the marked decline in instalment sale credit, he pointed out that this type of credit decreased by 82%, or \$3,300,000,000, since the fall of 1941, while charge account credit dropped only 28%, or \$494,000,000. Reviewing the prospects of such credit in the post-war period, he noted that a nation-wide survey by the U. S. Chamber of Commerce, indicating a \$20,000,000,000 market for consumer goods in the first six months after the war, does not indicate that "most people are counting on buying these things for cash." The survey, according to Mr. Dakin, indicates that "the American habit of instalment buying will play a major part in post-war consumer buying."

Activity marked the trend of retail trade in New York City the past week. Sales compared favorably with the post-Easter trade of a year ago and, according to the Federal Reserve index, sales for the week declined by 11% over the same period of last year, which happened to be a pre-Easter week. For the four weeks ending April 15 they were up by 17%, and for the year to April 15 they were better by 5%. In the seasonal accessories line such as handbags and jewelry, consumer demand was heavy, suffering little if any from the imposition of new excise taxes. Signs were in evidence of retailers in the wholesale markets looking for staple fall goods for early fall disposal. In the shoe market buyers eagerly sought out available stocks of summer and fall shoes, while coat and suit manufacturers were getting their lines in order for the new season which opens early in May.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, dipped 11% for the week ended April 15, compared with the same week a year ago, which, it should be noted, was a pre-Easter week, while sales for the four weeks' period ended April 15 advanced 15% compared with a like period last year, and by 5% for the year to April 15 over a similar period in 1943.

As for commodity prices, the trend veered slightly upward for the week ending April 15, as noted by the Bureau of Labor Statistics' index of commodity prices in primary markets, the increase was placed at 1%. Higher prices for farm products, with emphasis on hogs, eggs and citrus fruits, were responsible for the rise. The in-

## N. J. Savings Banks Members Of FDIC

All New Jersey savings banks are now members of the Federal Deposit Insurance Corporation, it was indicated in the Newark "Evening News" of April 12 which stated that there are 22 mutual savings banks and one that is a stock company. Deposits in all these banks to \$5,000 are fully insured, and it was added:

This announcement was made today by Leo T. Crowley, President of FDIC, and Eugene E. Agger, State Commissioner of Banking and Insurance. They disclosed that nine mutual banks had just been admitted to the system. The others had been admitted previously. Commissioner Agger said the new admissions will add about \$200,000,000 to the resources of the insured banking institutions of the State.

The newly admitted banks are: Howard Savings Institution, Newark; Franklin Savings Institution, Newark; Dime Savings Institution, Newark; Bloomfield Savings Institution; Orange Savings Bank; Half Dime Savings Bank, Orange; Montclair Savings Bank; Morris County Savings Bank, Morristown, and Plainfield Savings Bank.

The Newark "News" further said:

The other mutual banks and the stock organization, the Paterson Savings Institution, have been for some time members of the insurance corporation. The Paterson Savings has resources of more than \$35,000,000.

The total assets of the mutual savings banks is about \$352,000,000 and they have deposits of about \$322,000,000, the highest in the State records.

The statement given today said negotiations for the insurance of all the institutions began several months ago after a program for insurance of the savings banks of New York was completed by the new Superintendent of Banks, Elliott V. Bell, an appointee of Governor Dewey.

Commissioner Agger today said the initiative in New Jersey toward extension of the insurance was taken by the nine banks that had not been members of the system. He said many of the banks are in the best financial position since their establishment. They have disposed of much real estate and other slow assets.

## N. Y. State Employees Are "Frozen" In Jobs

Governor Thomas E. Dewey issued an order on April 13 "freezing" the State's approximately 45,000 employees in their jobs, it was reported in a press dispatch from Albany to the New York "Herald Tribune" of the following day. The order placed all employees under the regulations of the Federal War Manpower Commission and notice to that effect was served on all departments and agencies of the State by J. Edward Conway, President of the State Civil Service Commission. The notice also observed that other employees may not hire state employees unless they have been properly released.

It was explained the notice meant that state employees who leave their jobs without permission of the Civil Service Commission are barred from other employment for 60 days, and that the state cannot hire new help without a release from the other employers.

Increase brought the Bureau's all-commodity index to 103.8% of the 1926 average.

## The Financial Situation

(Continued from first page)

those publicists who prefer pontifical pronouncements with a statement that the speaker knows nothing about his subject. Nor should the plea of Secretary of State Hull for this, or some similar arrangement to take effect prior to the end of the war, lead any one to deal differently with the subject. With all due respect to the Secretary, he can scarcely be regarded as an authority on the subject, or could be expected to be. Precisely why such a rather strange—and hurried—endorsement of the scheme should have issued from the State Department is not easy to understand. The American people could in this matter take a leaf from the notebook of the British Parliament, which even before the substance of the proposals had become known, insisted upon being assured that the British Government had not been committed to anything. Now, what is such a fund supposed to do? Let the experts answer:

The fund will be guided in all its decisions by the purposes and policies set forth below:

1. To promote international monetary cooperation through a permanent institution which provides the machinery for consultation on international monetary problems.

2. To facilitate the expansion and balanced growth of international trade and to contribute in this way to the maintenance of a high level of employment and real income, which must be a primary objective of economic policy.

3. To give confidence to member countries by making the fund's resources available to them under adequate safeguards, thus giving members time to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.

4. To promote exchange stability, to maintain orderly exchange arrangements among member countries and to avoid competitive exchange depreciation.

5. To assist in the establishment of multilateral payments facilities on current transactions among member countries and in the elimination of foreign exchange restrictions which hamper the growth of world trade.

6. To shorten the periods and lessen the degree of disequilibrium in the international balance of payments of member countries.

Now, may it not be that the broad objectives listed here would be best promoted if these experts were to go home and set themselves to work on some other task? There are a good many whose opinions are worthy of the utmost respect who believe such to be the case. We are, of course, well aware of all that has of late years been said of the "planlessness" of the system of free enterprise, and of what we have heretofore supposed to be economic and political freedom. We know full well that there are

many who suppose that any system which is planless is indefensible. It is evident to us, as well as to many others, that this kind of loose talk has been going on for so long, and been sponsored, if not engaged in, by so many with wide influence over the rank and file that it appears but little short of treason to express doubt of the "necessity" of "purposive" or "collective" planning or action in the sphere of economics, or kindred realms. Yet we doubt the validity of all this reasoning, and find in the present set of proposals about international financial relations an excellent illustration of the causes of these doubts.

### Central Purposes

The central purpose of this ambitious scheme is set forth in the second paragraph above, i.e., "to facilitate the expansion and balanced growth of international trade and to contribute in this way to the maintenance of a high level of employment and real income." Now we submit that "balanced growth of international trade," and all the blessings that accompany it are best sought, or, at least, most effectively attained, when each country seeks to obtain from any or all other countries no more goods and services than it is able to pay for either in current goods or services rendered, or else in other forms such, for example, as promises to pay in the future or title to property which are really worth in the ordinary "everyday" business sense of the term what is paid for them. In the same sense and for the same reason, these ends are best furthered when each nation carefully refrains from encouraging or stimulating export markets for its goods and services by "lending" operations which have no basis in prudent business or finance.

### How Sound Trade Is Promoted

In fine, sound international financial relations and the growth of enduring international trade have their roots, not so much in clever or intricate banking machinery or the like, as in careful, prudent and vigorous management of domestic affairs, and a willingness to trade, when it is advantageous to do so, expecting neither to sell without buying nor to buy without selling. Of course, granted vigorous and varied productivity in the various countries of the earth, and a willingness to trade, each for his own benefit, international financial machinery is needed as a facility of trade—but it largely exists, and what is further needed will without doubt arise to meet estab-

## Ton-Miles Of Revenue Freight Up Only 2.1%

The volume of freight traffic handled by Class I railroads in March 1944, exceeded the same month last year by approximately 2.1% the Association of American Railroads announced on April 22. Freight traffic, measured in ton-miles, amounted to approximately 62,500,000,000 ton-miles, according to preliminary estimates based on reports just received by the Association from Class I railroads.

The Class I railroads in the first three months of 1944 performed approximately 6.8% more revenue ton-miles of service than in the same period of 1943, 38% more than in the same period of 1942, and 192% more than in the first three months of 1939.

The following table summarizes ton-mile statistics for the first three months of 1944 and 1943 (000 omitted):

	1944	1943	%
Mo. of Jan.	60,487,994	55,134,789	9.7
Mo. of Feb.	59,400,000	54,419,933	9.2
Mo. of Mar.	62,500,000	61,220,266	2.1

1st 3 mos. 182,387,994 170,774,988 6.8  
\*Revised estimate. †Preliminary estimate.

### Living Costs Down In Mar.

The cost of living for wage earners and lower-salaried clerical workers in March declined in 35 of 63 industrial cities surveyed by the National Industrial Conference Board. Living costs were higher in 22 of the cities, and remained unchanged in 6 of them. The Board's report, made public on April 20, also said:

"The largest decline, 1.0%, occurred in Atlanta and Bridgeport. Nowhere else was the decline as great as 1.0%. The largest increase, 1.9%, occurred in Toledo. In two other cities, Philadelphia and San Francisco-Oakland, the increase was more than 1.0%. For the United States as a whole, the cost of living was unchanged.

"Living costs were higher this March than in March, 1943, in 39 cities. Denver recorded the largest increase during the twelve-month period with an advance of 3.6%. Twenty-three cities showed declines while one other showed no change. The cost of living for the United States as a whole stands 0.4% higher than a year ago, and 20.2% above January, 1941.

lished needs of the economic system of the world if given a reasonable opportunity. The important thing is, however, that it arise in response to need, and that it remain a hand-maid of commerce—not an instrument by means of which political wisacres undertake to manage the affairs of the world.

For our part, we find such international monetary schemes as this much too well suited to the latter purpose. We are far from certain that they would not quickly develop into instruments to aid in a worldwide extension of New Deal and other similar theories of "expansionist" economics, in which not the profligate, but the prudent nation would be called upon to equilibrate an unbalanced economic situation by adopting the policies which, when practiced by other nations, had in the first place caused the trouble complained of. We hope it is true, as is being said, that the whole matter is likely presently to be put away in moth balls for resurrection only if needed for political purposes.

## Worst Of Labor Stringencies Behind Us; No Need For Nat'l Service Laws, Says Ayres

The view that "it seems increasingly clear that we are now far along in the war emergency to warrant the enactment of national service legislation," is expressed by Brig. Gen. Leonard P. Ayres, Vice-President of the Cleveland Trust Co., who, in the company "Business Bulletin," April 15, states that "probably it will prove to be true that the peak of industrial production in this war period was reached last October, and

that the worst of our labor stringencies are behind us." According to Gen. Ayres, "the most disquieting condition in the labor situation is that the number of women workers has decreased in each month since last July." Further comments by Gen. Ayres on employment and the "manpower crisis" follow:

"Something like a manpower crisis has developed since decision was reached at Washington to call up for military service large numbers of young men who had been deferred. Representatives of many industries have issued statements claiming that the taking of their young employees would have disastrous results in curtailing production, and some have gone so far as to claim that they would have to shut down their establishments if those young men were taken. As a result of such claims and protests there has been much renewed discussion in the Congress about the need for enacting some form of national service legislation applying to civilian workers.

"No doubt many employers will be genuinely inconvenienced by losing some of their young men, and there will be some cases in which industrial and agricultural production will be adversely affected by such losses of employees. Nevertheless it does appear that this latest manpower crisis is largely verbal, and almost surely less serious than it is claimed to be. The number of employed civilian workers in February was 50.2 millions, and that was a million and a half fewer than the number at work in February of last year. That is an important shrinkage, but on further study the conditions appear to be less serious than those figures indicate.

"Employment in the manufacturing industries is declining, and it was nearly half a million less in January than it was last November. The rate of lay-offs among factory workers in December was not only higher than in any previous month of last year, but it was over 50% above the average rate of the previous 11 months. Moreover, the voluntary quit rate was much lower than in any previous month of 1943. Sharply decreased quit rates are good indicators that workers are holding on to their jobs with increased tenacity because they feel decreased confidence in their ability to find other jobs easily."

### Cotton Spinning For March

The Bureau of the Census announced on April 19 that according to preliminary figures, 23,320,494 cotton spinning spindles were in place in the United States on March 31, 1944 of which 22,568,308 were operated at some time during the month, compared with 22,513,300 for February, 22,217,994 for January, 22,596,322 for December, 22,623,406 for November, 22,599,426 for October, and 22,924,634 for March, 1943. The aggregate number of active spindle hours reported for the month was 10,467,478,351. Based on an activity of 80 hours per week, the cotton spindles in the United States were operated during March 1944 at 122.0% capacity. This percentage compares, on the same basis, with 123.3 for February, 124.0 for January, 115.3 for December, 125.3 for November, 129.5 for October, and 134.4 for March 1943. The average number of active spindle hours per spindle in place for the month was 449.

## Results Of Treasury Bill Offering

The Secretary of the Treasury announced on April 25 that the tenders for \$1,000,000,000, of thereabouts, of 91-day Treasury bills to be dated April 27 and to mature July 27, 1944, which were offered on April 21, were opened at the Federal Reserve Banks on April 24.

The details of this issue are as follows:

Total applied for, \$2,128,761,000  
Total accepted, \$1,013,541,000  
(includes \$54,233,000 entered on fixed-price basis at 99.905 and accepted in full).

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

Range of accepted competitive bids:

High, 99.910, equivalent rate of discount approximately 0.356% per annum.

Low, 99.905, equivalent rate of discount approximately 0.376% per annum.

(37% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on April 27 in the amount of \$1,016,925,000.

## Mtge. Loans Increase Reported By Illinois & Wis. Savings Ass'n's

Despite the largest repayments ahead of schedule which home borrowers have achieved since mortgage lenders can remember the Illinois and Wisconsin savings building and loan associations closed the year with a 4% increase for the last six months of 1943 in their volume of mortgage loans outstanding. This surprising evidence of heavy new borrowings for property ownership was reported on April 1 by A. R. Gardner, President of the Federal Home Loan Bank of Chicago. It was based on year-end reports just assembled from the 295 insured institutions in the district. The announcement from the Bank adds:

"The heavier demand for loans has been sustained into 1944. The Bank President pointed to January and February new home mortgages recorded in Cook and Milwaukee Counties 52% greater in volume than for the same months last year.

"Ten associations increased their total mortgage loans outstanding by more than a quarter of a million dollars for the last half of 1943, and two had net increases of more than \$1,000,000. As of Dec. 31, the insured associations held \$308,993,434 in mortgage loans, a net increase of \$11,160,332. The lending during the first two months of 1944 by all savings and loan associations in the two metropolitan areas in the district amounted to \$12,042,794, which was 37% of the total amount lent by all sources of mortgage money during the period."

Mr. Gardner said that the current lending experience of sources other than the savings and loan associations also bears out the fact that there is a heavy increase over last year.

## South Carolina Repeals Primary Laws To Prevent Negroes From Voting In Primaries

With a view to preventing Negroes from voting in the Democratic primaries, a special session of the South Carolina General Assembly, passed on April 17, hundreds of bills repealing primary laws on the state books. In making this known, Associated Press advices from Columbia, S. C., on April 17 added:

"The session was called by Gov. Olin B. Johnston, at the request of party officials, after the Supreme Court of the United States ruled recently that Negroes could vote in the Texas primaries, which were similar to South Carolina's.

"The Democratic primary in South Carolina, a one-party State, is equivalent to the election.

"The legislation ground out by the session was designed to preclude any legal action to permit Negroes to vote in the primaries. It will permit political parties to make their own rules governing primaries."

On April 20 Attorney General Grover Sellers of Texas asked the U. S. Supreme Court to set aside its April 3 ruling opening State Democratic primary elections to Negroes and asked permission to argue personally the rehearing request.

The Associated Press in Austin, Texas advices, April 20, added:

The motion argued against the opinion, which held that "the great privilege of choosing his rulers may not be denied a man by the State because of his color."

"Despite the seeming unpopularity of its philosophy among certain strata of our Government, the State of Texas continues to adhere to the fundamental American principle that elections are conducted not for the purpose of choosing 'rulers' but for the purpose of electing public servants," said the motion.

Under State laws the Democratic party may prescribe the qualifications of its members.

The ruling of the U. S. Supreme Court according Negroes the right to vote in Texas Democratic party primaries, was handed down on April 3, in an 8-to-1 decision delivered by Justice Reed. Justice Roberts dissented. The Court in its conclusions reversed its position of nine years ago. Stating that the decision has far-reaching implications in Southern States where victory in a Democratic party primary is usually equivalent to an election, Associated Press advices from Washington on April 3, as given in the New York "Sun," also had the following to say:

"The extent to which the decision would apply apparently would be guided by these words of the Court:

"when primaries become a part of the machinery for choosing officials, State and national, as they have here, the same tests to determine the character of discrimination or abridgement should be applied to the primary as are applied to the general election."

"The Court, nothing its change of view, declared that 'when convinced of former error, this Court has never felt constrained to follow precedent.'"

"Justice Roberts said the Court was overturning previous rulings so fast that a high court decision fell into the same class with a restricted railroad ticket, 'good for this day and train only.'"

"He said that earlier in this term of Court he had protected 'the present policy of the Court freely to disregard decisions and to override considered decisions and the rules of law announced in them.'"

"This tendency," he commented today, "it seems to me, indicates an intolerance for what those who have composed this Court in the past have conscientiously and deliberately concluded, and involves an assumption that knowledge and wisdom reside in us which was denied to our predecessors."

"The majority opinion states that 'the right to vote in such a primary for the nomination of

## From Washington Ahead Of The News

(Continued from first page) admit his mistake yet. Lately, another candidate is being introduced, a former national commander of the American Legion. He is having difficulty getting his campaign organized. If he should get started in the next week or so, he stands a good chance to beat both Burdick and Nye.

The activities of the CIO Political Action Committee reflect one of the most ambitious bids for power ever undertaken by one man in this country, Sidney Hillman. You are going to hear more of him in the forthcoming campaign than the Chairman of the Democratic National Committee, if not Mr. Roosevelt himself.

The committee is active with a house to house campaign in several States already in an effort to purge members of Congress, not on their labor record necessarily, but upon whether they supported roll-back subsidies, the Federal soldier ballot, the anti-poll tax bill; in other words, the New Deal party line is being applied as the test. In some instances, members who have been 100% for labor, are being opposed because they were pre-Pearl Harbor isolationists. If the enterprise should be successful, along with Mr. Roosevelt's reelection to a Fourth Term, Hillman would be one of the most powerful men in America.

He was born in Zagare, Lithuania, a part of Czaristic Russia, in 1887, his father a small trader in wheat, his grandfather a rabbi. He came to this country in 1907 through Ellis Island, and went directly to Chicago, where he got a job with Sears, Roebuck as a stock clerk. He didn't keep it long. After a period of unemployment he went to work with Hart, Schaffner and Marks as an apprentice cutter.

In the famous Chicago clothing workers' strike of 1910, he ingratiated himself with the social workers who intervened, Jane Adams, Mrs. Raymond Robbins and Clarence Darrow. Subsequently, they introduced him to their New York counterparts of the Lillian Wald's Henry Street Settlement crowd. There he met Frances Perkins.

The complaint of the old line labor leaders is that he hasn't come up through the 'trades unionist movement, never even became a journeyman at his trade, but that he has always been a socio-politico, advanced by his social worker friends.

Along about 1914 he took over a group bolting from the United Garment Workers' Union and not being able to get into the AFL, he formed the Amalgamated Clothing Workers of America which he now dominates. Felix Frankfurter, Prof. W. Z. Ripley and the late Justice Brandeis introduced him to World War I Washington. The turbulent manner in which he built up his organization in the New York clothing trade is well known. His influence was pretty much confined to New York, however, until Madame Perkins brought him to Washington with the old NRA. During this period he enjoyed a brief acceptance by the AFL. But he quickly joined with the New Dealers in their desire for a socio-political movement, which was to appear as the CIO. He attained national influence when Mr. Roosevelt in 1940 named him as a member of the National Defense Advisory Council, and more so the following year when he was named co-director, with William S. Knudsen, of the OPM, then the war production agency. In this capacity he was the nation's war-time labor czar and one of his jobs was to get John L. Lewis out of the CIO, which he did.

He went great guns in war-time Washington until late summer of 1942 when Madame Perkins real-

## Food Subsidies And 40-Hour Week in War Criticized By Senator Reed At Senate Hearing

Senator Reed, appearing at hearings in Washington on bills to continue price controls, on April 24, opposed subsidies on the ground that "they are for all"—the people on Park Avenue and on the Gold Coast, people who don't need to have their grocery bill subsidized. Senator Reed also criticized what he called under use of manpower and said the war was costing \$50,000,000,000 a year more than it should. Associated Press advices from Washington on April 24, from which these remarks are taken, also had the following to say:

"We are trying to win the war on an impossible basis," he told the Senate Banking Committee, saying the average work week in all manufacturing in 1943 was 44.9 hours, compared to 45.7 in 1939 and 51 in 1914. He called it an outrageous perversion to have a basic 40-hour work week in war time.

Seven major changes in the nation's price control and stabilization program were advocated meanwhile by the House committee headed by Representative Smith (D.-Va.), the severest congressional critic of the OPA. A rewritten Price Control Act containing the recommendations was filed by the group assigned to investigate whether Government

agencies exceed their authority.

A minority report concurred in some of the proposals but differed sharply on others.

The majority plan suggested:

1. Writing the President's hold-the-line freeze of wages and prices as of Sept. 15, 1942, into the price control law.

2. A curb on the powers of the War Labor Board.

3. Abolition of the treble damages the OPA can impose on a price violator and substituting a maximum penalty of \$50,000.

4. Abolition of OPA's authority to order sanctions without court review.

5. Required publication of executive orders, regulations and directives in the Federal register.

6. Relaxation of certain rent controls.

7. Broader court review powers over both OPA and WLB orders.

## International Agreement To Maintain High Levels Of Employment Asked By Australia

An international agreement to maintain high levels of employment as the basis of all international planning was proposed to the International Labor Conference at Philadelphia on April 24 by the Australian Government, according to an Associated Press dispatch from that city, on April 24, which also had the following to say:

"To that end the Australians proposed that the United Nations hold a subsequent international conference to deal entirely with world employment.

"The proposal has been made in a drafted convention, circulated to conference delegates, and will be discussed later in full session by J. A. Beasley, Australian Minister of Supply and Shipping.

"Robert J. Watt, United States delegate, the workers' Vice-President of the conference, says the workers' group will fight the Beasley proposal since, in effect, it places labor itself one step removed from any final labor policy evolved by the United Nations. He plans to answer Mr. Beasley in full session.

"Secretary of Labor Frances Perkins, speaking to the I. L. O. Conference for the United States, and George Tomlinson, speaking for the British Ministry of Labor stressed the need for full employment in the post-war world although they made no definite suggestions for arriving at a higher world living standard. Miss Perkins said the maintenance of high levels of employment and national income within every nation should be regarded by the United Nations as a matter of international concern."

"She said the United States I. L. O. delegation will recommend that the United Nations 'agree in principle' on this attitude. She also said the I. L. O. should discuss economic matters—previously barred from the organization's agenda."

Miss Perkins, in recommending the establishment, on a 'universal basis,' of labor standards now prevailing in the United States said:

"The I. L. O. has a special peculiar responsibility for developing those minimum standards that all of us accepted as necessary—reducing hazards of work places,

ized that Hillman was pushing her more and more into the background. She went to work on him in the Washington intrigue and "ill health" overtook him.

Hillman is a very practical man. He has played ball with the Communists and fought them as the occasion warranted. He's playing ball now and shooting for high stakes. He's got all of political Washington watching him.

the regulation of the employment of children, special safeguards for the employment of women, provisions for minimum wages and maximum hours, the provision of rest periods and opportunities for leisure; the establishment of comprehensive systems of social insurance and public assistance, and provisions for opportunity for development of collective bargaining.

"I take it that all nations gathered here, including the U. S. A., intend in the future, as in the past, to place primary reliance on the procedures of the International Labor Organization to develop and implement labor standards."

She proposed that I. L. O. act as an adviser to the United Nations Relief and Rehabilitation Administration and the United Nations Conference on Food and Agriculture, and added:

"The I. L. O. should appropriately discuss the various ways in which progress is being made toward the objective of freedom from want and should be able to communicate its suggestions for the more effective pursuit of this objective to each of the technical agencies whose activities will be indispensable to its attainment."

## Clothes Needed For Russia, Says Harriman

U. S. Ambassador W. Averell Harriman, in a cablegram from Moscow made public April 18, attested to the value of Russian War Relief supplies reaching the Soviet Union and stressed the urgent need for additional clothing and other necessities for Russian families in liberated areas. Mr. Harriman's cable, addressed to Edward C. Carter, President of Russian War Relief, was received as communities throughout the country were preparing to launch "Clothing for Russia" campaigns. A New York City drive will be held from May 1 to May 15. Clothing and other supplies transmitted through Russian War Relief, Mr. Harriman said, not only aided the Russian people in their battle to expel the invader but gave them strength to rebuild areas destroyed by the Nazis. Such assistance, he added, constituted a valuable supplement to the lend-lease program and conveyed the sympathy and admiration of the American people for the embattled Russian people.

## Morgenthau Reports To Congressional Group On Plans For International Monetary Fund

(Continued from first page)

likewise pointed out that the discussions of the experts "contemplate the establishment of a Bank for Reconstruction and Development to facilitate long-term investment capital through private financial agencies." "The Bank would also," he says, "supplement investment of private financial agencies if this becomes necessary."

In referring to the proposals of the experts, advices to the New York "Journal of Commerce" from its Washington bureau, April 21, said in part:

"One broad purpose of the plan is to take the control of international capital movements out of private hands and place these transactions under Government control.

"Assent of Russia to the proposals, given here today, meant that technical experts of all the major United Nations are in agreement on the broad currency stabilization principles."

From Associated Press accounts from Washington, April 21, we quote the following:

"The agreement, which represents a clear-cut American victory over British proposals to relegate gold to a minor role in post-war currency stabilization, replaces separate proposals advanced by this country, Great Britain and Canada.

"Despite British capitulation to American and Canadian views toward gold as a stabilization basis, both Mr. Morgenthau and Harry D. White, author of the American or so-called White plan, emphasized that the present draft presents no single nation's plan.

"In England," said Mr. White, "they will find many resemblances to the Keynes plan." Lord Keynes, financial adviser to the British Exchequer, is the author of a British proposal which would have created a clearing union to achieve stabilization without emphasis upon gold.

"As now framed, the agreement would call for the United States to put up between \$2,500,000,000 and \$2,750,000,000 toward the fund, with Great Britain looked to for about \$1,250,000,000 and Russia approximately \$1,000,000,000. Mr. Morgenthau noted, however, that more than \$2,000,000,000 is already available in the Treasury's present stabilization fund, although he emphasized that no transfer would be made without Congressional approval. In fact, he declared, the entire project 'naturally' depends upon its reception on Capitol Hill.

"In response to a question, Mr. White said the proposal does not contemplate a redistribution of this country's gold holdings, except for the 'normal redistribution' he said would result from freer trade and greater world prosperity.

"It might well be," he acknowledged, "that we will end up five or ten years from now with smaller gold holdings."

"Evidently as a concession to Great Britain the agreement omits this country's general veto power previously envisioned in the White plan, although Mr. White emphasized that the draft provides other safeguards for American interests. Voting power would be 'closely related' to quotas, but a specific formula for determining them was left to a later decision.

"Unitas' and 'Bancor,' names that American and British financial experts, respectively, suggested for an international currency, have been eliminated from the plan. Mr. Morgenthau, in announcing the experts' agreements on principles, said 'in order to make progress, they have dropped all names.'"

Under date of April 21 it was stated in United Press accounts

from Washington (given in the New York "Herald Tribune") that:

"The proposed \$3,000,000,000 international monetary fund would be but one of three financial 'shots in the arm' aiming to stimulate world-wide post-war economic recovery.

"All three programs are inter-related and designed to furnish or facilitate the pumping of capital into devastated areas. The other two are:

"1. United Nations Relief and Rehabilitation Administration—already established. Capital, \$2,500,000,000; United States share, \$1,350,000,000. Designed for immediate post-war period to restore quickly to a working basis the economic life of war-stricken countries until the growth of confidence leads to gradual resumption of long-term international investment.

"2. United Nations Bank for Reconstruction and Development—still in technical discussion stage, with agreement on principles expected soon. Proposed capital, about \$10,000,000,000 in non-taxable, non-transferable \$100,000 shares to be divided among members on 'agreed-upon formula' based on relevant data such as amount of national income and foreign trade. Designed to encourage private capital to go abroad for productive investment by sharing risks of private investors, participating with private investors in large ventures and provide some of capital needed for reconstruction and development where private capital is unable to take the risk."

We give herewith, as follows, the statement by Secretary Morgenthau on April 21 before the Congressional groups, viz.: the Senate Committees on Foreign Relations, Banking and Currency, and the Special Committee on Post-War Economic Policy and Planning; and the House of Representatives Committees on Foreign Affairs, Ways and Means, Banking and Currency, Coinage, Weights and Measures, and Special Committee on Post-War Economic Policy and Planning:

"I am happy to tell you today that technical experts of the United Nations have agreed upon a set of basic principles for an International Monetary Fund. This is a great step forward. It is of greatest importance to all of us who believe that the nations of the world can cooperate in dealing with international economic problems.

"Technicians representing some of these 30 nations have prepared a joint statement of the principles which are agreed upon. This statement does not, of course, bind any government to participate in the International Monetary Fund, though it does mean that the Fund will be recommended to each of the governments as a practical means of meeting post-war monetary problems.

"I want to call particular attention to some of the facts contained in this joint statement, but before I do that I should like to review with you some of the things that have happened since I appeared before these committees on Oct. 5 of last year. At that time I told you I would like to keep you informed of progress, and accordingly I appreciate this opportunity to bring you up to date.

"Since I last talked to you we have discussed the principles of the international stabilization and investment program with bankers, labor representatives and other interested groups in Washington, Chicago, Boston, Philadelphia, New York, and other cities. Out of these meetings came helpful suggestions, many of which were incorporated in our plans.

"The vast majority of those with whom we have talked are inclined to look favorably upon the principle of cooperation to maintain stable and orderly exchange rates. Informed opinion seems to point to private investment on a world-wide basis as vital to post-war recovery and reconstruction; and the stabilization of currencies among the United Nations through the medium of an international fund, is generally believed to be a necessary prerequisite to this investment. I believe we cannot expect American business men, nor business men of any nation, to take major financial risks, immediately upon the heels of a catastrophic global war, without some assurance that steps have been taken to prevent their investments from being jeopardized by unduly fluctuating money values and severe exchange restrictions.

"Having studied the world picture after the last war, we are all agreed that an effort must be made to prevent, insofar as possible, harmful fluctuations of currency; and to prohibit deliberate manipulation of currencies in an effort to secure unfair competitive advantage in world trade.

"When I was here on Oct. 5 I spoke of a projected international bank for reconstruction and development.

"Because discussions on the Bank were initiated somewhat later, they are not yet completely finished. I can tell you, however, that there is considerable support for the general principles embodied in the World Bank, and that good progress has been made.

"Those with whom we have discussed the problem of reviving post-war international investment regard the Bank as essential to the expansion of international trade and the maintenance of a high level of business activity. They believe it necessary to take steps to encourage and aid private investors in providing an adequate volume of long-term investment capital for productive purposes.

"The discussions we have had contemplate the establishment of a Bank for Reconstruction and Development to facilitate long-term investment capital through private financial agencies by guaranteeing and participating in loans made by private investors. The Bank would also supplement investment of private financial agencies if this becomes necessary, by lending for productive purposes from its own resources when private capital is otherwise not available on reasonable terms.

"A full statement of recommendations on the establishment of such a Bank and of the principles on which such a Bank should be based is still in preparation by technicians. It is my hope that this statement will soon be completed and that it will be issued later. Before it is published, I shall fully inform your committees.

"Now I should like to explain briefly some of the principles upon which the technicians are agreed in connection with the International Monetary Fund.

"Here are the purposes and policies as set forth in the joint statement:

"(1) To promote international monetary cooperation through a permanent institution which provides the machinery for consultation on international monetary problems.

"(2) To facilitate the expansion and balanced growth of international trade and to contribute in this way to the maintenance of a high level of employment and real income, which must be a primary objective of economic policy.

"(3) To give confidence to member countries by making the Fund's resources available to them under adequate safeguards, thus giving members time to correct maladjustments in their balance of payments without resorting to measures destructive of

national or international prosperity.

"(4) To promote exchange stability, to maintain orderly exchange arrangements among member countries, and to avoid competitive exchange depreciation.

"(5) To assist in the establishment among member countries of multilateral payments facilities on current transactions and to aid in the elimination of foreign exchange restrictions which hamper the growth of world trade.

"(6) To shorten the periods and lessen the degree of disequilibrium in the international balance of payments of member countries.

"The joint statement recommends that all of the United and Associated Nations subscribe approximately \$8,000,000,000 to the Fund in the form of gold and local currency. The resources of the Fund would be available under adequate safeguards to help member countries to maintain exchange stability and to correct maladjustments in their balance of payments. Member countries would be able to buy foreign exchange from the Fund with their own currencies, to the extent of their quotas, in order to meet international payments consistent with the purposes of the Fund.

"The par value of currencies of member countries would be expressed in gold and could be changed only at the request of member countries after consultation and approval of the Fund. The Fund would approve a requested change in parity only if it were essential to correct a fundamental disequilibrium. Prompt consideration would be given to requests for necessary adjustment of exchange rates. Member countries would not allow their exchange rates to fluctuate outside a narrow range based on the agreed gold parity.

"Voting power in the Fund would be closely related to quotas. A member country could withdraw from the Fund immediately by giving notice in writing, and obligations would be liquidated within a reasonable time.

"During the period of transition following the war, member countries would be permitted to retain their exchange controls with the expectation that these would gradually be relaxed.

"I am frank to say that in my opinion the agreement of the technical experts to these principles constitutes a long step on the way toward preventing a breakdown of currencies and the imposition and retention of restrictive and discriminatory exchange measures after the war. Through international cooperation now, we can assure a stable and orderly pattern of post-war exchange rates.

"The purposes set forth in this joint statement have long been the international monetary policies of the United States. For years it has been our objective to have these policies adopted by other countries. We know of no better way of assuring general adherence to these policies than through international cooperation in an International Monetary Fund.

"We believe that it is of the greatest importance that all of the United Nations are in agreement on the best means to deal with these international financial problems after the war. This is concrete evidence that the United Nations can and will work together in establishing a peaceful and prosperous world just as they are now fighting together to destroy tyranny and oppression.

"International cooperation on monetary and financial matters is the keystone of successful cooperation on all international economic problems. Unless we agree to expand world trade and develop the world economy, few other economic agreements which we might make will or can be effective.

"The tentative proposals that have been under discussion by technical experts are part of a program for cooperation on international economic problems among the United Nations. The objectives of this program are the expansion and development of international trade, the restoration of international investment for productive purposes, the maintenance of stable and orderly exchange rates. Through these means we can contribute to a high level of employment and production. The establishment of an International Monetary Fund and Bank for Reconstruction and Development are important steps toward the attainment of the objectives of this broad program.

"I want to emphasize again that the discussions up to now have all been of a technical nature and exploratory in character. Whatever has been done represents the views of the technical experts of this country and other countries that have been studying these questions. The United States is not in any way committed until Congress has taken action.

"It is my hope that after studying the recommendations of the technical experts, the governments of the United Nations will come to the conclusion that there is sufficient basis of agreement at a technical level to warrant the convening of a formal conference.

"I am happy to say that the President has authorized me to state that if a conference is held it is his intention to invite direct Congressional participation in the work of the United States delegation."

The summary of the recommendations of the technical experts, dated April 20, was also made available by the Treasury Department on April 21 as follows:

### Summary of the Recommendations of the Technical Experts

"The experts propose the establishment of an International Monetary Fund as a permanent institution for international monetary cooperation. The purpose would be to promote exchange stability, assure multilateral payment facilities, help lessen international disequilibrium and give confidence to member countries. All of the United and Associated Nations would subscribe approximately \$8,000,000,000 to the Fund in the form of gold and local currency in accordance with an agreed formula. The resources of the Fund would be available under adequate safeguards to help member countries to maintain exchange stability while they correct maladjustments in their balance of payments.

"Member countries would be able to buy foreign exchange from the Fund with their own currency to meet payments consistent with the purposes of the Fund until the Fund's total holdings of their currency reach 200% of the quota. Where a member country is making use of the Fund in a manner contrary to its purposes and policies, the Fund would give appropriate notice that it would sell additional exchange to the member country only in limited amounts. Member countries holding adequate gold and exchange resources would be expected to pay for half of their exchange purchases with gold and countries whose official holdings of gold are adequate and are increasing would be expected to use half of the increase to repurchase part of the Fund's holdings of their currency.

"When the Fund's holdings of a currency become scarce, the Fund would issue a report and make recommendations designed to increase the supply of such currency. In the meantime, after consultation with the Fund, member countries would be authorized temporarily to restrict freedom of exchange operations in the scarce currency.

"The Fund's resources could

to be used to meet a large outflow of capital, although they could be used for capital transactions of reasonable amount. A member country could also use its own resources of gold or foreign exchange for capital transactions that are in accordance with the purposes of the Fund.

The par value of the currencies of member countries would be expressed in gold and could be changed only at the request of member countries. The Fund would approve a requested change in parity if it were essential to correct fundamental disequilibrium. After consultation, a member country would be permitted to change the parity of its currency by not more than 10%. Prompt consideration would be given to other requests for adjustment of exchange rates.

The Fund would be governed by a board and an executive committee representing the members. Voting power would be closely related to quotas. A member country could withdraw from the Fund immediately by giving notice in writing. Thereafter, the reciprocal obligations of the Fund and the country would be liquidated within a reasonable time.

Member countries would not allow exchange transactions at rates outside a prescribed range based on the agreed parities. They would not be permitted to impose restrictions on payments for current international transactions, or to engage in discriminatory currency arrangements or multiple currency practices without the approval of the Fund.

During the period of transition following the war, member countries would be permitted to retain their exchange controls with the expectation that these would gradually be relaxed. Three years after the establishment of the Fund any member still retaining restrictions inconsistent with these principles would consult with the Fund as to their retention. The transition period is recognized as one of change and adjustment and in deciding on requests presented by members the Fund would give them the benefit of any reasonable doubt. The joint statement issued by the technical experts of the United Nations follows:

**Joint Statement by Experts on the Establishment of an International Monetary Fund**

Sufficient discussion of the problems of international monetary cooperation has taken place at the technical level to justify a statement of principles. It is the consensus of opinion of the experts of the United and Associated Nations who have participated in these discussions that the most practical method of assuring international monetary cooperation is through the establishment of an International Monetary Fund. The principles set forth below are designed to constitute the basis for this Fund. Governments are not asked to give final approval to these principles until they have been embodied in the form of definite proposals by the delegates of the United and Associated Nations meeting in a formal conference.

**Purposes and Policies of the International Monetary Fund**

The Fund will be guided in all its decisions by the purposes and policies set forth below:

1. To promote international monetary cooperation through a permanent institution which provides the machinery for consultation on international monetary problems.

2. To facilitate the expansion and balanced growth of international trade and to contribute in this way to the maintenance of a high level of employment and real income, which must be a primary objective of economic policy.

3. To give confidence to member countries by making the Fund's resources available to them under adequate safeguards, thus

giving members time to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.

4. To promote exchange stability, to maintain orderly exchange arrangements among member countries, and to avoid competitive exchange depreciation.

5. To assist in the establishment of multilateral payments facilities on current transactions among member countries and in the elimination of foreign exchange restrictions which hamper the growth of world trade.

6. To shorten the periods and lessen the degree of disequilibrium in the international balance of payments of member countries.

**II. Subscription to the Fund**

1. Member countries shall subscribe in gold and in their local funds amounts (quotas) to be agreed, which will amount altogether to about \$8,000,000,000 if all the United and Associated Nations subscribe to the Fund (corresponding to about \$10,000,000,000 for the world as a whole).

2. The quotas may be revised from time to time, but the changes shall require a four-fifths vote and no member's quota may be changed without its assent.

3. The obligatory gold subscription of a member country shall be fixed at 25% of its subscription (quota) or 10% of its holdings of gold and gold-convertible exchange, whichever is the smaller.

**III. Transactions with the Fund**

1. Member countries shall deal with the Fund only through their Treasury, Central Bank, Stabilization Fund, or other fiscal agencies. The Fund's account in a member's currency shall be kept at the Central Bank of the member country.

2. A member shall be entitled to buy another member's currency from the Fund in exchange for its own currency on the following conditions:

(a) The member represents that the currency demanded is presently needed for making payments in that currency which are consistent with the purposes of the Fund.

(b) The Fund has not given notice that its holdings of the currency demanded have become scarce, in which case the provisions of VI, below, come into force.

(c) The Fund's total holdings of the currency offered (after having been restored, if below that figure, to 75% of the member's quota) have not been increased by more than 25% of the member's quota during the previous 12 months and do not exceed 20% of the quota.

(d) The Fund has not previously given appropriate notice that the member is suspended from making further use of the Fund's resources on the ground that it is using them in a manner contrary to the purposes and policies of the Fund; but the Fund shall not give such notice until it has presented to the member concerned a report setting forth its views and has allowed a suitable time for reply.

The Fund may in its discretion and on terms which safeguard its interests waive any of the conditions above.

3. The operations on the Fund's account will be limited to transactions for the purpose of supplying a member country on the member's initiative with another member's currency in exchange for its own currency or for gold. Transactions provided for under 4 and 7, below, are not subject to this limitation.

4. The Fund will be entitled, at its option, with a view to preventing a particular member's currency from becoming scarce:

- (a) To borrow its currency from a member country;
- (b) To offer gold to a member

country in exchange for its currency.

5. So long as a member country is entitled to buy another member's currency from the Fund in exchange for its own currency, it shall be prepared to buy its own currency from that member with that member's currency or with gold. This shall not apply to currency subject to restrictions in conformity with IX, 3, below, or to holdings of currency which have accumulated as a result of transactions of a current account nature effected before the removal by the member country of restrictions on multilateral clearing maintained or imposed under X, 2, below.

6. A member country desiring to obtain, directly or indirectly, the currency of another member country for gold is expected, provided that it can do so with equal advantage, to acquire the currency by the sale of gold to the Fund. This shall not preclude the sale of newly-mined gold by a gold-producing country on any market.

7. The Fund may also acquire gold from member countries in accordance with the following provisions:

(a) A member country may repurchase from the Fund for gold any part of the latter's holdings of its currency.

(b) So long as a member's holdings of gold and gold-convertible exchange exceed its quota, the Fund in selling foreign exchange to that country shall require that one-half of the net sales of such exchange during the Fund's financial year be paid for with gold.

(c) If at the end of the Fund's financial year a member's holdings of gold and gold-convertible exchange have increased, the Fund may require up to one-half of the increase to be used to repurchase part of the Fund's holdings of its currency so long as this does not reduce the Fund's holdings of a country's currency below 75% of its quota or the member's holdings of gold and gold-convertible exchange below its quota.

**IV. Par Values of Member Currencies**

1. The par value of a member's currency shall be agreed with the Fund when it is admitted to membership, and shall be expressed in terms of gold. All transactions between the Fund and members shall be at par, subject to a fixed charge payable by the member making application to the Fund, and all transactions in member currencies shall be at rates within an agreed percentage of parity.

2. Subject to 5, below, no change in the par value of a member's currency shall be made by the Fund without the country's approval. Member countries agree not to propose a change in the parity of their currency unless they consider it appropriate to the correction of a fundamental disequilibrium. Changes shall be made only with the approval of the Fund, subject to the provisions below.

3. The Fund shall approve a requested change in the par value of a member's currency, if it is essential to the correction of a fundamental disequilibrium. In particular, the Fund shall not reject a requested change, necessary to restore equilibrium, because of the domestic social or political policies of the country applying for a change. In considering a requested change, the Fund shall take into consideration the extreme uncertainties prevailing at the time the parities of the currencies of the member countries were initially agreed upon.

4. After consulting the Fund, a member country may change the established parity of its currency, provided the proposed change, inclusive of any previous change since the establishment of the Fund, does not exceed 10%.

In the case of application for a further change, not covered by the above and not exceeding 10%, the Fund shall give its decision within two days of receiving the application, if the applicant so requests.

5. An agreed uniform change may be made in the gold value of member currencies, provided every member country having 10% or more of the aggregate quotas approves.

**V. Capital Transactions**

1. A member country may not use the Fund's resources to meet a large or sustained outflow of capital, and the Fund may require a member country to exercise controls to prevent such use of the resources of the Fund. This provision is not intended to prevent the use of the Fund's resources for capital transactions of reasonable amount required for the expansion of exports or in the ordinary course of trade, banking or other business. Nor is it intended to prevent capital movements which are met out of a member country's own resources of gold and foreign exchange, provided such capital movements are in accordance with the purposes of the Fund.

2. Subject to VI below, a member country may not use its control of capital movements to restrict payments for current transactions or to delay unduly the transfer of funds in settlement of commitments.

**VI. Apportionment of Scarce Currencies**

1. When it becomes evident to the Fund that the demand for a member country's currency may soon exhaust the Fund's holdings of that currency, the Fund shall so inform member countries and propose an equitable method of apportioning the scarce currency. When a currency is thus declared scarce, the Fund shall issue a report embodying the causes of the scarcity and containing recommendations designed to bring it to an end.

2. A decision by the Fund to apportion a scarce currency shall operate as an authorization to a member country, after consultation with the Fund, temporarily to restrict the freedom of exchange operations in the affected currency, and in determining the manner of restricting the demand and rationing the limited supply among its nationals, the member country shall have complete jurisdiction.

**VII. Management**

1. The Fund shall be governed by a board on which each member will be represented and by an executive committee. The executive committee shall consist of at least nine members including the representatives of the five countries with the largest quotas.

2. The distribution of voting power on the board and the executive committee shall be closely related to the quotas.

3. Subject to II, 2 and IV, 5, all matters shall be settled by a majority of the votes.

4. The Fund shall publish at short intervals a statement of its position showing the extent of its holdings of member currencies and of gold and its transactions in gold.

**VIII. Withdrawal**

1. A member country may withdraw from the Fund by giving notice in writing.

2. The reciprocal obligations of the Fund and the country are to be liquidated within a reasonable time.

3. After a member country has given notice in writing of its withdrawal from the Fund, the Fund may not dispose of its holdings of the country's currency except in accordance with the arrangements made under 2, above. After a country has given notice of withdrawal, its use of the resources of the Fund is subject to the approval of the Fund.

**IX. The Obligations of Member Countries**

1. Not to buy gold at a price which exceeds the agreed parity of its currency by more than a prescribed margin and not to sell gold at a price which falls below the agreed parity by more than a prescribed margin.

2. Not to allow exchange transactions in its market in currencies of other members at rates outside a prescribed range based on the agreed parities.

3. Not to impose restrictions on payments for current international transactions with other member countries (other than those involving capital transfers or in accordance with VI, above) or to engage in any discriminatory currency arrangements or multiple currency practices without the approval of the Fund.

**X. Transitional Arrangements**

1. Since the Fund is not intended to provide facilities for relief or reconstruction or to deal with international indebtedness arising out of the war, the agreement of a member country to provisions III, 5 and IX, 3, above, shall not become operative until it is satisfied as to the arrangements at its disposal to facilitate the settlement of the balance of payments differences during the early post-war transition period by means which will not unduly encumber its facilities with the Fund.

2. During this transition period member countries may maintain and adapt to changing circumstances exchange regulations of the character which have been in operation during the war, but they shall undertake to withdraw as soon as possible by progressive stages any restrictions which impede multilateral clearing on current account. In their exchange policy they shall pay continuous regard to the principles and objectives of the Fund; and they shall take all possible measures to develop commercial and financial relations with other member countries which will facilitate international payments and the maintenance of exchange stability.

3. The Fund may make representations to any member that conditions are favorable to withdrawal of particular restrictions, or for the general abandonment of the restrictions inconsistent with IX, 3, above. Not later than three years after coming into force of the Fund any member still retaining any restrictions inconsistent with IX, 3 shall consult with the Fund as to their further retention.

4. In its relations with member countries, the Fund shall recognize that the transition period is one of change and adjustment, and in deciding on its attitude to any proposals presented by members it shall give the member country the benefit of any reasonable doubt.

[The tentative plans of the Treasury Department (the so-called White plan) as outlined by Secretary Morgenthau were given in these columns April 8, 1943, pages 1300-1303; also page 1305; the British, or Keynes, proposals were referred to in our issue of April 15, page 1388, while mention of the Canadian (or Ilsley) plan was made on page 201 of our July 15, 1943, issue. Some of the other references to the several plans will be found in these columns April 1, 1943, page 1211, and Dec. 23, page 2546.]

**Puerto Rican Banker To Address N. Y. Chamber**

Rafael Carrion, President of the Banco Popular de Puerto Rico, oldest and largest native banking institution in Puerto Rico, will address the Chamber of Commerce of the State of New York at the monthly meeting at 65 Liberty Street, at noon on May 4. His subject will be "Puerto Rico—Past and Present." Frederick E. Hasler, President of the chamber, will preside.

### Planting Intentions As Of March 1, 1944

The Crop reporting Board of the U. S. Department of Agriculture made public on March 20 the following report for the United States, on the indicated acreages of certain crops in 1944, based upon reports from farmers in all parts of the country on or about March 1 regarding their acreage plans for the 1944 season.

The acreages for 1944 are interpretations of reports from growers and are based on past relationships between such reports and acreages actually planted.

The purpose of this report is to assist growers generally in making such further changes in their acreage plans as may appear desirable. The acreages actually planted in 1944 may turn out to

be larger or smaller than indicated, by reason of weather conditions, price changes, labor supply, financial conditions, the agricultural program, and the effect of this report itself upon farmers' actions.

Planted Acreages—

Crop—	Average 1933-42	1943	Indicated 1944	1944 as per cent of 1943
Corn, all	96,276,000	97,136,000	99,583,000	102.5
All spring wheat	20,033,000	17,275,000	19,805,000	114.6
Durum	2,924,000	2,189,000	2,256,000	103.1
Other spring	17,159,000	15,086,000	17,549,000	116.3
Oats	41,059,000	42,858,000	45,170,000	107.7
Barley	14,401,000	17,329,000	15,074,000	87.0
Flaxseed	2,469,000	6,320,000	4,351,000	68.8
Rice	1,048,000	1,531,000	1,522,000	99.4
Sorghums for all purposes	15,942,000	17,496,000	18,070,000	103.3
Potatoes	3,136,000	3,430,000	3,180,000	92.7
Sweetpotatoes	801,000	898,000	902,000	100.4
Tobacco	1,534,000	1,462,000	1,716,000	117.4
Beans, dry edible	1,991,000	2,734,000	2,528,000	92.5
Peas, dry field	321,000	832,000	771,000	92.7
Soybeans	8,016,000	14,762,000	14,619,000	99.0
Cowpeas	3,162,000	2,265,000	1,835,000	81.0
Peanuts	2,402,000	5,202,000	4,704,000	90.4
Tame hay	57,049,000	61,016,000	59,910,000	98.2
Sugar beets	926,000	619,000	615,000	99.4

\*Acreage harvested. †Grown alone for all purposes. Partly duplicated in hay acreage.

Farmers in all parts of the country are pushing production close to the limits of their resources, and the total acreage of crops is likely to be several percent greater than was grown last year and close to the record crop acreage of 1932. If farmers carry out present plans, nearly all of the increases over plantings last year will be in grains, tobacco, and certain vegetables. No prospective planting report is made for cotton. Decreases are in prospect for most other crops according to the plans of 68,000 farmers who reported to the United States Department of Agriculture early in March.

The acreage which farmers intend to plant to feed grains and sorghums shows an increase of 4,000,000 acres — 2.3% over the acreage planted last year. The chief items are increases of 2.5% for corn, 3% for sorghums, and 8% for oats, which are partially offset by a 13% decrease in barley. The total acreage which farmers expect to devote to these four crops is nearly 7% over the 10-year average and higher than plantings in any past years except 1932 and 1933, but it would not be a large acreage in relation to the number of livestock now on the farms.

The nearly 25% increase in seedings of winter wheat reported last fall is now expected to be followed by a nearly 15% increase in the acreage seeded to spring wheat, indicating a return to about an average acreage seeded to all wheat. The increase in tobacco seems likely to be about 17%, an acreage about 12% above the 10-year average but still far below the acreage grown in some earlier years. The most important acreage decreases now indicated are: flaxseed, 31%; peanuts, 10%; beans, peas, and potatoes, 7 to 8%; and tame hay, 2%. Plans for soybeans to be grown alone show a decrease of 1% and those for cowpeas show a decrease of 19%, but much of the reduction in these crops and in peanuts is likely to be in the portion cut for hay, or left to be consumed by livestock. With about usual weather and plantings as now indicated, the acreage of peanuts picked or threshed may be about equal to the large acreage threshed last year and the acreage of soybeans to be threshed may be expected to show a small increase of perhaps 2 or 3%. Reports on rice, sugar beets and sweet potatoes indicate that farmers are planning to plant about the same acreages as were planted last year, the changes indicated being less than 1%. Reports regarding the acreages of vegetables planned have not yet been received from growers in some areas, but reports received to date indicate that the

plantings of vegetables for canning and processing are likely to be increased about 2% and the acreage of truck crops harvested for the fresh market may finally show an increase of almost 20%.

The reports received indicate that a great many farmers in all parts of the country realize they individually are faced both by a shortage of feed for the number of livestock and poultry on their farms and by a tight labor situation that will not be extensively relieved by the new machinery that will be available in time for this season's crops. There seems to be a general fear that there will be an inadequate supply of labor needed during short periods for harvesting certain crops which are dependent on seasonal labor. In consequence, farmers' plans show that while they are doing what they can to produce needed crops, they are compelled to give primary attention to what they as individuals will be able to do. Their plans show that, although they will exert themselves to the limit to secure an adequate supply of grain for their livestock, they are shifting to crops for which they have adequate machinery and equipment and which will require a minimum dependence upon labor other than what their families can provide. Many who have power equipment or can secure additional help from their families are preparing to plant larger acreages than they have ever grown before, but many of those who are advanced in years and have been dependent on hired labor are selling their farms, renting fields, or reducing their operations to what they can handle. Perhaps because of the uncertainty of future market conditions, farmers' plans seem to be influenced even more than usual by prices and profits during the past year. This appears to be particularly true of vegetable producers, for the predicted shortages of rail transportation have not developed and instead of the tightening of belts and the shift to cheaper foods normally expected during war there has been an exceptionally strong demand for food luxuries.

The aggregate acreage of crops now planned represents a big undertaking for the manpower now on the farms. Allowing for duplications and for wild hay and various crops not yet fully surveyed, and assuming the same acreage of cotton as was planted last year, the total area of principal crops planted or grown seems likely to be about 374,000,000 acres compared with 361,000,000 acres last year, an average of 354,000,000 during the previous 10 years and the peak of 375,000,000 in 1932. If the cotton acreage is as large

as last year and the weather is not too unfavorable for the planting, growth and harvesting of other crops, the aggregate acreage of the principal crops finally harvested this season may top previous records, except perhaps 1932.

Plans at this season may be modified by changes in prices or other incentives prior to planting time or may be upset by unusual weather. Some current reports on plans for cash crops indicate that they are subject to revision on the basis of price changes. In part of the winter wheat area, particularly in Kansas, Nebraska and Colorado, plantings this spring still depend considerably on how much of the wheat survives the dry fall. From the eastern border of Montana, Wyoming and northern Colorado westward, the fall and winter were dry. In this area the total acreage and, to some extent, the kind of crops finally planted, will depend on spring rains and on improvement in the prospective supply of water for irrigation. In some parts of the South spring work has been considerably delayed by frequent rains. Many individual farmers in all States are disturbed by draft uncertainties. On the other hand, fewer farmers than usual are restricted by finances, by fear of low prices, or by lack of moisture for spring crops; and the indications are that little daylight will be wasted anywhere on the farms this season.

In each part of the country the plans of farmers are considerably influenced by local conditions. All areas are affected by the draft and by the movement of workers to war jobs, but where the farms are large, productive and mechanized, many farmers are in a position to pay wages high enough to compete with industry. Tobacco and cotton where grown on a small scale and where most of the work can be done by family labor appear less affected by labor conditions than peanuts and sugar beets, which are grown on an extensive scale with the help of hired labor. Lengthening the hours of labor is more effective where mechanical power is available than where horses are used. At present prices many farmers find that they can advantageously grow larger acreages by hiring combines, corn pickers, pickup bailers and trucks on a custom basis.

The extent to which farmers are able to increase the acreage of crops by such adjustments varies considerably between regions. In New England, parts of New York, the eastern third of Ohio, on the rougher lands of the Appalachian area, and in some of the cheaper land areas of the South, westward into Arkansas and parts of Missouri the increases in acreage reported by present farmers may be offset to an unknown extent by a decrease in the number of farms operated. Similar conditions seem to prevail near expanding industrial areas elsewhere, particularly where limited housing facilities compel industries to draw the maximum number of workers from the farms that are within commuting distance. As the smaller or less productive farms or those that have been operated on a part-time basis are usually the ones first affected, the net change is difficult to calculate.

In the whole area from Minnesota and Iowa eastward to New York and New Jersey, farmers appear to be planning to increase the acreage of grain crops, chiefly by shifts from hay, pasture and idle land, and in most of these States oats will be substituted for part of the barley.

#### Corn

Farmers' expressed intentions as of March 1 indicate that they will plant 99,583,000 acres of corn in 1944. Such an acreage would be the largest since 1936, about 2½% above that planted in 1943 and about 3½% above the 1943-42 average. Substantial acreage increases indicated in the Corn Belt;

Northeastern and East Central States more than offset reductions in most Southern, Southwestern and some Mountain States. Little change is expected in most Western States.

Important factors in the shifting pattern of corn acreage are the absence of restrictions in the commercial corn area setup under farm programs in previous years, the heavy demand for feed for the expanded livestock numbers on farms, the relatively favorable market prices and income per acre of corn compared with competing crops such as soybeans in the Corn Belt and sorghum for grain in the Southwest. Corn appears to be giving way to winter wheat in the southern part of the Great Plains. Further significant shifts from rotation pasture, summer fallow and idle land are expected to provide increasing acreage for corn in northern sections.

In the North Central States prospective plantings reach 62,036,000 acres, nearly equalling the 1936 figure and exceeding that of any subsequent year. Intended changes range from a decline in Kansas, and no change in Missouri, to increases of 1% in Nebraska, 7% in Iowa and Illinois, 11% in Minnesota, and 14% in Michigan. Favorable yields in 1942 and 1943, and the demand for feed grain tonnage to produce meat and livestock products at current prices encourage expansion of corn acreage. In some areas, corn is replacing soybeans because of the currently higher acre-income. In other positions, corn is replacing flax and barley. In Missouri, Kansas and Nebraska winter wheat was sown last fall on some acreage which ordinarily would have been used for corn, and expansion is curtailed in those States.

Expected plantings in North Atlantic States are 5% above last year, with no State showing a decrease. The most significant increases were 4% in Pennsylvania and 9% in New York. Of the South Atlantic States, only Georgia showed a small decrease (1%) while all other States showed increases from 1% in Florida and South Carolina to 5% in Virginia and West Virginia and 8% in Maryland. All South Central States, except Kentucky with its increase of 7%, showed intentions of decreasing acreages from 2% in Tennessee, Alabama, Arkansas, and Louisiana to as much as 10% in Oklahoma. In Wyoming, Colorado and Utah scarcity of soil moisture and short prospective supplies of irrigation water were factors in reducing acreages of corn, but most other Western States showed little change.

Abandonment of corn acreage has averaged near 4% over the 1933-42 period, and has ranged from 1.3% in 1929 to 8.6% in 1936 over the longer 1929-43 period. Acreage losses were from 1.6 to 2.4% in the three years 1941 to 1943. Assuming that abandonment in 1944 might equal the average of these past three years, the acreage for harvest from the intended acreage would be about 97,691,000 acres. This would exceed the harvested acreage in any year since 1933, and would be 3% more than in 1943.

No indications are available at this time as to the acreage which will be planted with hybrid seed in 1944, but favorable experience with yields from hybrid seed in recent years will tend toward its further popularization. In the heart of the Corn Belt nearly the entire acreage is planted to hybrids, but in bordering areas for which adapted varieties are available, further increases are to be expected. Supplies of such seed appear to be adequate. With nearly 52% of the 1943 acreage planted to hybrid varieties an expectation of at least 55% in 1944 would not appear unreasonable. While the (1939-42) 4-year average yield probably would be a minimum indication of the in-

fluence of hybrids on corn yield in 1944, the period represents better than average growing conditions. Should the combination of all factors in 1944 result in State yields equal to the 1939-42 average, probable production of corn for all purposes (grain silage, fodder, hogging off, grazing, etc.) would amount to 3,126,000,000 bushels. This would nearly equal the record 1942 crop.

#### Wheat

The prospective planted acreage of spring wheat of 19,805,000 acres is 15% above the 17,275,000 acres planted last year, and is nearly equal to the 10-year (1933-1942) average of 20,083,000 acres. With wheat acreage restrictions removed, and with more than usual emphasis on wheat as a feed grain, the winter wheat seedings for 1944 harvest, as estimated in the December 1943 Report and the intended acreage of spring wheat total 66,932,000 acres, 21% above last year's seeded acreage and the largest since 1938.

The prospective increase in all spring wheat acreage is largely in spring wheat other than durum. The prospective acreage of durum wheat is only 67,000 acres or 3% more than last year, while the acreage of other spring wheat is nearly 2,500,000 acres or 16% greater. The expansion in spring wheat acreage is centered in the intensive hard red spring wheat States—Minnesota, North Dakota, South Dakota, Montana and Colorado. North Dakota leads, with intentions to expand spring wheat acreage nearly one-fifth this year. Except for a moderate increase in Idaho, the spring wheat acreage is not expected to increase in the Pacific Northwest, where winter wheat acreage was substantially increased and where winter losses have been light so far. The increase in spring wheat acreage was encouraged by two successive years of good yields. An increased proportion of the acreage will be planted to better adapted and higher yielding varieties.

Winter wheat was seeded last fall in the central and southern Great Plains States under unfavorable moisture conditions, which prevented seeding all the intended acreage. In this area much of the acreage was seeded in dry ground, and seeding was continued later than usual. Fall and early winter rains occurred too late to aid completion of seeding the full intended acreage. However, winter precipitation materially improved yield prospects, and acreage losses are now less than were expected last December. Subsoil moisture reserves in the Central Plains area, however, are insufficient to insure a good crop unless more than usual precipitation occurs between now and harvest time.

Wheat yields, both winter and spring, are dependent on subsequent weather conditions. However, assuming spring wheat yields per planted acre equal to those of the post-drought years 1937-41, by States, and including the estimate made last December for 1944 winter wheat production, the indicated 1944 all wheat production would be approximately 750 million bushels.

#### Oats

Prospective plantings of 46,170,000 acres of oats in 1944 are above plantings in any other year in two decades. Such an acreage would be 8% above the 42,858,000 acres planted in 1943 and 12% above the 1933-42 average. Increased plantings are expected in all but six States, and these are mostly minor producing States. In recent years rust damage has been material in many areas and the acreage has been curtailed. However, the comparatively recent introduction of rust resistant and higher yielding strains has added a new impetus to growing this crop. A need for more feed, the smaller requirements of labor and specialized

equipment per unit of production, and relatively favorable prices in 1943 are major reasons for acreage increases this year.

In the North Atlantic group of States prospective plantings are 18% greater than last year. In the East North Central States an acreage increase of 6% is indicated. In oats production this group of States is second only to the West North Central group, where an increase of 9% is indicated for 1944.

In the South Atlantic States about 2% increase is expected. Unfavorable weather at seeding time last fall prevailed in parts of this group of States. Of the South Central group of States, Oklahoma had very dry soil at seeding time last fall and wet weather has delayed seeding this spring. The overall increase for the group is estimated to be 8%, with only one State, Alabama, reporting less acreage than a year ago. An increase of 14% is reported for Texas. In the Western States an increase of 2% is indicated, with Montana showing 10% less than a year ago, while California expects a 12% increase.

If five-year (1937-41) average State yields per planted acre are attained, the production in 1944 would be about 1,300,000,000 bushels—13% above a year ago and about 25% above the 1933-42 average production.

**Barley**

March 1 reports indicate the 1944 prospective planted acreage of barley to be considerably smaller than last year. Present prospects are that the 1944 acreage of winter and spring planted barley will be 15,074,000 acres, 13% below a year ago but about 5% above the 1933-42 average of 14,401,000 planted acres. This is the second consecutive year that the barley acreage has decreased, after having reached a peak in 1942. Although the present acreage is the lowest since 1938, it is still considerably above the 1929-38 level.

The prospective 1944 acreage shows decreases in all main producing States except California. Material decreases are shown for Minnesota and Kansas, and the Dakotas are down 7%. For Minnesota and the Plains States as a whole from North Dakota southward through Texas, the acreage this year is expected to be 15% below a year ago.

Acreage decreases this year appear to be a result of shifts toward larger wheat acreages which in turn reflect comparatively unfavorable experiences with barley during the past five years in many States. Winter killing of fall sown barley has been heavy and yields have been low because of the prevalence of scab and other diseases. The increasing importance of improved varieties of oats, especially in the northern Plains States, also has caused a considerable shift from barley to oats. On the other hand, acreage increases are shown this year in a few States, mostly in the West.

If growing conditions in 1944 result in State yields per planted acre about equal to the post-drought 5-year (1937-41) average, production of barley would amount to about 280,000,000 bushels—the smallest crop since 1939 and 13% below last year, but still considerably above the 10-year (1933-42) average.

**Potatoes**

Potato growers present plans point to a planted acreage in 1944 which will be 7.3% smaller than the acreage planted in 1943. According to March 1 reports, the prospective acreage for the United States in 1944 is 3,180,000 acres, compared with 3,429,700 acres planted in 1943 and the 10-year (1933-42) average of 3,135,800 acres. Although smaller than the acreage of 1943, the prospective 1944 acreage would be 14% larger

**Hull, Slimson Apologize For Accidental Bombing Of Swiss City By American Planes**

"Deep regret" was expressed by Secretary of State Hull on April 3 over "the tragic bombing by American planes of the Swiss city of Schaffhausen on April 1." Secretary Hull indicated that the United States "will make appropriate reparations" for the "unfortunate event." Washington advices April 3 to the New York "Times" reported that in addition to making a formal statement, Secretary Hull officially informed the Swiss Government of his position and said that John G. Winant, the American Ambassador in London, had made a similar expression of regret to the Swiss Legation there.

Mr. Hull's statement as given in the "Times" follows:

"I desire to express my own and all Americans' deep regret over the tragic bombing by American planes of the Swiss city of Schaffhausen on April 1.

"I have been in close touch with the Secretary of War regarding this matter and he tells me investigations which he has so far been able to complete indicate that in the course of operations against the Nazi war machine a group of our bombers, due to a chain of events negating the extensive precautions which had been taken to prevent incidents of this character, mistakenly flew over and bombed Swiss areas located on the north side of the Rhine.

"Secretary Stimson has expressed to me the deep regret which he and the American Air Forces feel over this tragedy. He has also asked me to assure the Swiss Government that every precaution will be taken to prevent in so far as is humanly possible the repetition of this unfortunate event. General Spaatz (commander of United States strategic bombing in Europe), accompanied by Ambassador Winant, has already called on the Swiss charge d'affaires in London and expressed the deep regret of himself and the men in his command at the accidental bombing of Schaffhausen.

"Naturally this Government will make appropriate reparations for the damage resulting from this unfortunate event in so far as that is humanly possible.

"I am informing the Swiss Minister in the foregoing sense and am instructing the American Minister in Berne to do likewise with the Swiss Government."

The same advices stated that

than the 2,788,800 acres planted in 1942.

Contemplated decreases are rather general among the late and intermediate producing areas, with 33 of the 37 States showing smaller acreages for 1944 than in 1943. Of these 37 States, only California, Nevada, New Jersey, and Maryland show the probability of larger plantings than in 1943. For the 18 surplus late States as a group, growers' reports point to a 9.3% decrease for the 12 other late States, an 8% decrease; and for the seven intermediate States, a 4.7% decrease. The early potato States (California and 11 Southern States) appear to be maintaining their 1944 acreage near the level of 1943, with a decrease of only 1.6% indicated for the group. However, States in this early group show variations in prospective acreages ranging from a 25% decrease in Oklahoma to a 30% increase in California.

Decreased plantings in the late States reflect difficulties in harvesting and marketing the bumper 1943 crop and uncertainty of obtaining sufficient labor in 1944.

If a yield per acre about in line with the 5-year (1937-41) average is assumed for 1944, the prospective acreage would produce a crop of about 410,000,000 bushels. In 1943, when growing conditions were somewhat better than average, 464,658,000 bushels were harvested from the unusually large acreage. In 1942, production was 370,439,000 bushels; the 5-year (1937-41) average production was 361,218,000 bushels.

Mr. Hull gave out the following telegram from Ambassador Winant, which he received on April 3:

"This noon General Spaatz and I called at the Swiss Legation and expressed to Mr. Giradet, who is charge d'affaires in the absence of the Minister, our deep regret at the accidental bombing of Schaffhausen by our Air Force. General Spaatz told Mr. Giradet how sincerely sorry our airmen were that this had happened."

Berne (Switzerland) Associated Press advices April 3 said the Federal Council donated 200,000 francs on that day for relief of victims of the American accidental bombing of Schaffhausen Saturday, and began planning measures to combat unemployment due to destruction of factories.

Under date of April 11, Associated Press advices from London stated:

American Minister Leland Harrison handed the Swiss government a check for \$1,000,000 today as "the first installment" in compensation for damages in the mistake bombing of Schaffhausen by American planes April 1, the Swiss radio said.

**More Relief Food For Greece Under New Plan**

Food relief to Greece will be increased under a program announced on April 4, it was reported in Washington advices that day to the New York "Times," which added:

"The increases will bring food allotments to 31,200 tons monthly and add 2,000 tons of sugar for the current year." Previously the allotments had been 20,200 tons monthly, plus 2,000 tons of rice during January and February.

"The new schedules will provide monthly 24,000 tons of wheat, 4,700 tons of pulse, 1,000 tons of fish, 300 tons of soup, 600 tons of canned milk, 300 tons of vegetable stew mix, 300 tons of high protein spaghetti, as well as 2,000 tons of rice and 2,000 tons of sugar during the year.

"Up to 9,000 tons of wheat monthly will be provided initially as a gift from Argentina. Other additional foodstuffs will be supplied by the United States under lend-lease. To carry out the program the Swedish Government will make available three additional ships, chartered out of lend-lease funds.

"The question of supplying food for children in Yugoslavia was discussed with Secretary of State Cordell Hull today by Constantin Fotitch, the Yugoslav Ambassador. No decision was announced."

**Newly Created Argentine Bank Will Offer Loans To Aid Industrial Development**

Under date of April 5, Associated Press advices from Buenos Aires stated:

"The Argentine Government announced today creation of Bank for Industrial Credit" (Banco de Credito Industrial Argentino) to provide long-term loans to industrial enterprises in order to develop the nation's resources and economy.

"The bank is capitalized at 50,000,000 pesos (about \$12,500,000), and Federal Bank is authorized to lend it an additional 100,000,000 pesos. Borrowers may obtain five-year loans with the privilege of renewal for an additional five years."

**Committee On Post-War Business Problems Established By Midland Bank Of London**

Incident to plans for developing British trade at home or in overseas markets, the Midland Bank, Ltd., of London, has recently made known steps which have been taken to this end. The establishment within the bank of a Committee on Post-war Business Problems was announced by Mr. Stanley Christopherson, Chairman of bank, in his statement to the shareholders in January, at which time he stated that the action was taken "in an attempt to foresee and prepare for the difficulties which will confront our business customers and ourselves in the period of transition from war to peace economy."

Mr. Christopherson also said in part:

"We believe that, notwithstanding the many uncertainties in the outlook, an effort of foresight and preparedness will prove helpful in overcoming the problems that will arise and in promoting that expansion of trade and enterprise at home and abroad which is indispensable to the attainment and maintenance of healthy economic conditions."

"Looking to the future, we hold the conviction that the economic progress of the country will depend very largely on the enterprise and resourcefulness of the small business undertaking and the individual business man, in whatever branch of industry or trade. Too often in the past these qualities have been stultified or misdirected through inadequacy of financial resources, and it is of the very first importance that this obstacle should be removed as part of the preparation for the process of industrial reconstruction and expansion, with due emphasis on the special needs of the

country in the export trade. We are earnestly studying possibilities of so improving or widening our banking service, always presupposing the maintenance of cheap money as a primary essential, as to furnish the fullest possible support for promising enterprises under good auspices—support which shall be based as much upon the character, integrity and business capacity of the borrower as upon the extent and nature of his own material resources."

The bank has also taken cognizance of the fact that already the re-settlement in civilian life of men discharged from the Forces is calling for such facilities, which in a number of cases have actually been granted. A month ago it announced that in view of this demand, which will doubtless expand, it has been decided that Alexander Woods, T. D., D. L., a Joint General Manager of the Bank, will henceforth devote his full time to the development of the type of service indicated. The bank adds that Mr. Woods has had close contact with industry, trade and agriculture in various parts of the country and has enjoyed special opportunities for studying the financial requirements of smaller undertakings in particular.

**N. Y. U. Plans Institute On Collective Bargaining And Wage Incentives**

A two weeks institute for personnel directors of industrial concerns and executives of labor unions on the subject of collective bargaining and wage incentives has been organized by the Division of General Education of New York University to begin Monday, April 24, it was announced on April 8 by Prof. Paul A. McGhee, Acting Director of the Division.

The purpose of the institute, according to Prof. Ray F. Harvey, Executive Secretary of the University's program for training personnel specialists and co-director of the institute, is to discuss what a business man or a union representative can and can not do as a result of collective agreements and wage incentive plans.

"Although collective bargaining is a familiar process in American industry and government, the precise working-out and the implications of the collective agreement resulting from collective bargaining have not been thoroughly studied either by labor or management," Professor Harvey said. "The implementation of the collective agreement in the day-to-day operation of a plant or business has a very significant bearing on the whole production process. For the most effective management, many executives need a more detailed knowledge than they now possess of the content and meaning of the terms of the collective agreement." He added:

"Closely related is the pressing need for objective and practical 'measuring sticks' in the determination of the relative wage values of jobs. Job analysis, job evaluation and classification, efficiency rating systems, and wage incentive plans are techniques of satisfactory wage and salary administration. The impact of government wage control, especially through the War Labor Board, has high-lighted the value of these techniques both to management and to unions. Employers have found that mere wage increases are not in and of themselves sufficient to satisfy most employees. To be satisfactory, the system of wage increases must be administered properly and effectively. How to administer a wage plan in order to secure full utili-

zation of manpower is of primary importance to management and labor today."

Lecturers at the institute will include Herman A. Gray, Associate Professor of Law and Chairman of the New York State Unemployment Advisory Council; Charles W. Lytle, Associate Professor of Industrial Engineering and an arbitrator for the American Arbitration Association; and Emanuel Stein, Professor of Economics, Acting Director of the New York University Graduate Division for Training in Public Service and a member of the Regional War Labor Board.

**Le Vino Director Of Commerce Ind. Assn.**

Gerald LeVino, Vice-President of Guiterman Company, Inc., for several years Chairman of the Foreign Trade Committee of the Commerce and Industry Association of New York, has been named a Director of the Association, Secretary Thomas Jefferson Miley announced on April 18. Mr. LeVino, widely known in foreign trade circles, entered the Guiterman Company in 1908. The company was established in New York and London in 1876 as foreign sales agents and distributors for American manufacturers, maintaining offices and representatives in Europe, the British Empire, Latin America and other world markets. More recently Mr. LeVino has served in advisory capacity to many governmental departments and bureaus, including Trade Advisory Committee to the Department of the Interior and Exporters Advisory Committee to the Office of Export-Import Price Control.

### Steel Output At New High Peak—Mills Sold Far Ahead—Demand For Shell Steel Mounts

"Steel ingot production schedules spurted this week to an all-time tonnage peak as pressure from war agencies mounted," says "The Iron Age" in its issue of today (April 27), which further adds:

"Large new inquiries for shell steel and added demand for quick delivery lend-lease, semi-finished steel have tightened mill schedules during the past few days. It is reported that several producers have queried WPB on how

to rearrange schedules already booked at 110% of capacity for the next six months to take care of impending shell directives.

"The rapidly mounting demand for shell steel is expected to reach a crescendo in October when requirements will be about double those of March. Because the impact of this program is heaviest in the larger size billets, certain mills equipped to make these large sizes will share in the program to a much greater extent than others. The shell program is so heavy in nature and involves so much slow-cooled material that it may well effect the production of rail and structural steels in coming months.

"Meanwhile the steel industry began presentation of its case before the steel-wage panel of the National War Labor Board in Washington with vigorous statements by B. F. Fairless and Lauson Stone. At the same time it was reported in Washington that if WLB grants the steel workers more than seven cents an hour wage increase, the steel industry will be entitled to an across-the-board raise for all steel products under OPA regulations.

"This OPA policy was announced by Deputy Price Administrator James F. Brownlee before the House Banking and Currency Committee. He said OPA grants general price increases whenever net profits of an industry sink below the level of the base period. Annual profits in the base period, taking into account the fact that OPA is getting financial data from 26 companies which represent 80% of the industry, were \$116,900,000. An eight-cent per hour wage increase would cost the industry about \$108,563,000, including overtime for wage earners and salaried workers.

"OPA agreed, as previously reported, that the prices of rails, structurals, bars, strip and sheet be increased. Announcement, however, has been delayed. In line with the OPA policy of compensatory adjustment, it is said that maximum analysis extras for NE steels of 8600-8700 series will be decreased along with prices for rolled armor plate, propeller-blade steel and for bullet-core steel.

"Marking the first rise in a year, machine tool shipments in March were valued at \$50,799,000, an increase of nearly 1.5% over the \$50,098,000 total in February, according to a preliminary report issued by the WPB Tools Division. The backlog of unfilled orders at the end of March was valued at \$153,079,000, a decrease of 6.9% from the end of February.

"Maritime Commission plate requirements have been substantially reduced for June and July. This, for the most part, will be put into increased sheet production starting in June, but not all of the reduction in plates will be used to make sheets.

"The order which restricted civilian production in 183 production areas, Staff Memorandum No. 42, issued by L. R. Boulware, WPB Director of Industry Operations, was withdrawn on April 24.

"Reconversion plans of General Motors Corp. have been laid before the House Post-War Committee in Washington, and among other things provide for prompt ordering of materials for 1,000,000 cars, trucks and other GM products at the war's end. Initial peacetime production will consist of 1942 models."

The American Iron and Steel Institute on April 24 announced that telegraphic reports which it has received indicated that the operating rate of steel companies

having 94% of the steel capacity of the industry will be 100% of capacity (a new high record) for the week beginning April 24, compared with 99.5% one week ago, 99.1% one month ago and 100% one year ago. The operating rate for the week beginning April 24 is equivalent to 1,791,300 tons of steel ingots and castings, compared to 1,782,300 tons (the previous high level) one week ago, 1,775,200 tons one month ago and 1,731,700 tons one year ago. The peak in 1943 was reached during the week beginning Oct. 11, when the operating rate was equivalent to 1,781,300 tons.

"Steel" of Cleveland, in its summary of the iron and steel markets, on April 24 stated in part as follows:

"Hope that more steel will be immediately available for civilian use is not being met by current conditions and until the pattern of requirements after the invasion of Europe becomes well defined there seems no likelihood of war needs diminishing to an extent that will release steel for other than war purposes.

"At present, with the year one-third gone, flat-rolled steel orders cover nearly all capacity almost to the end of the year and in other products, bars, wire and the like, backlogs are being increased.

"Due to the fluidity of war requirements emphasis on various products is shifting constantly. At the same time Washington is disposed to use directives only as a last resort. Every pressure is being put on contractors and subcontractors to exhaust all possible sources of supply, surplus steel and warehouses, before directives are allowed. Nevertheless, many directives are found necessary to obtain wanted delivery, resulting in considerable rescheduling and confusion.

"In advance of the actual invasion military procurement agencies are preparing for all possible contingencies and are building up supplies at top speed. Promptness or delay in establishing a foothold in Europe will affect the nature of further needs of the armed forces and have a strong affect on demand for various types of steel.

In spite of fears in some quarters that scrap supply may be short in coming months no signs of an immediate crisis have appeared and supply is sufficient for current needs.

"Wire requirements are pressing producers and books are filled far ahead. Third quarter schedules are filled in the case of many forms of wire and new tonnage exceeds shipments."

### FDR Designates May 21 "I Am An American Day"

Under authority of a Congressional resolution, President Roosevelt has issued a proclamation designating May 21 as "I Am An American Day." In his proclamation the President urged that exercises be held throughout the nation on that day "to assist our citizens, both native-born and naturalized, to understand more fully the great privileges and responsibilities of citizenship in our democracy." The proclamation also said:

"Our nation has been enriched, both spiritually and materially, by the naturalization of many thousands of foreign-born men and women and by the coming of age of great numbers of our youth, who have thereby achieved the full stature of citizenship, and these citizens have strengthened

## The Way To Establish Prosperity Is To Produce More: Green

(Continued from first page)

splendid cooperation.

"Now we want to re-enlist for the post-war period. We urge the Government to accept our willing services.

"Would it not be to the advantage of the Government and of the nation as a whole to accept this offer? If people are willing and anxious to go out and do a job, isn't that better than to have to order them and force them to work?"

"I say to you out of deep conviction that far better and quicker results will be obtained if the functional groups in our economic life are given the opportunity to reach prior agreements and understandings on basic policies and methods of procedure than if the official policies and methods are decided upon without the consultation and advice of these groups and are promulgated by bureaucratic directive.

"Let no one fear that if labor, industry and agriculture are given their rightful voice in the formulation of Government policies which they will be required to carry out, the public interest will suffer.

"I know it is the fashion in some quarters to castigate the programs of labor, industry and agriculture as the programs of pressure groups. That is the attitude of those who have no confidence in democracy. The workers, the farmers and the business men of America are not pressure groups—they are America. They represent all the people of America. And one of the great achievements of this conference is the voluntary commitment underlying all our discussions that not a single one of these groups will deliberately seek selfish advantage in the post-war program. We realize that the selfish approach will defeat all our ends. We know that everything we hope and dream and plan for can be wrecked if the nation's post-war effort degenerates into a mad scramble for temporary and narrow preferment.

"The only way labor, industry and agriculture can help themselves is by helping America to get back on its feet as soon as possible in the post-war period. We all recognize this truth and all our plans and programs are based upon it.

"One of the important considerations which we must keep in mind is that what we do now will determine to a large extent the success of our post-war effort. There must be close coordination of the war mobilization and the post-war reconversion programs. The demobilization of industry and the armed forces must be effectively timed and coordinated with the resumption and expansion of our civilian industries. Abrupt cessation of war production and widespread disemployment before we are ready to reconvert, reconstruct and re-employ would be disastrous.

"No one realizes more clearly than I the difficulties inherent in the change-over from a wartime to a peacetime economy which we will have to undertake in due course. Because of those tremendous and inescapable difficulties, we must prepare now to act swiftly and efficiently when the time comes. The sooner we can get the process started, the simpler our problems will be.

"Therefore, the American Federation of Labor recommends that Congress establish immediately the necessary machinery of Government to supervise the change-over program, to line up peace production programs which can promptly take up the slack of war

our country by their services at home and on the battlefield."

production and to facilitate and expedite the reconversion of war industries. We insist, in accordance with democratic precepts, that labor, industry and agriculture be given full representation on the economic adjustment agencies set up by Congress.

"At best, the reconversion program cannot be expected to keep pace with the demobilization process. Therefore it is extremely urgent that Congress adopt amendments to the Social Security Act to tide the American people over the period when there will not be enough jobs to go around. The key provision in such legislation must be the establishment of a Federal system of unemployment compensation under which disemployed workers and demobilized servicemen can derive sufficient income, in accordance with their family responsibilities, to carry them over the transition period to the time when jobs will be available for them.

"The best and only permanent form of social security is a good job at good pay. Labor recognizes that fact. But we ask industry to understand and acknowledge that the stability of our economy and the security of our free enterprise system depend in a large measure upon the extension of a full measure of social insurance to the American people. Only through the stabilizing effects of such social insurance can the sudden tailspins of our economy be overcome without danger of a crash.

"Furthermore, the Government, in cooperation with cities and towns throughout the nation, must plan and prepare now a comprehensive public works and housing program which can be put into operation without delay during the emergency period and help create temporary employment until private industry can assume its long-range responsibilities in this regard.

"Finally, we come to the fundamental responsibility of private industry itself to move boldly and daringly the moment the Government flashes the green light on the road to maximum expansion of peace-time civilian production. Here is where our free enterprise system faces its crucial test. If business and industry respond wholeheartedly to the needs of America when the call comes they will fortify their own future and justify our faith in the free enterprise system. Labor will do everything in its power to assist in the process and to give American industry a helping hand in the attainment of our common goal.

"I have now outlined the highlights of the American Federation of Labor's post-war program in the domestic and international spheres as it has been presented during this conference.

"This program offers great hope and promise for the future. It is based upon the foundation stones of Justice, Democracy and Freedom. It reflects, I am convinced, the will and the desires of the American people. I know that it will inspire you and the workers you represent to proceed with the immediate tasks of winning the war with renewed vigor and determination and that it will encourage you with new confidence in the ability of the American people and people of good will in all parts of the world to build a finer, a freer and a more secure life for humanity after we have won the war and won the peace."

### Fales On War Labor Board

It was announced on April 20 that Frederick S. Fales had been appointed by President Roosevelt as a member of the War Labor Board to represent industry.

## Rand McNally Directory Shows More Large Bks.

The first 1944 edition of the Rand McNally Bankers Directory, the "Blue Book," which has just been published, shows the rapid movement of the smaller banks into higher brackets. Sixteen billion dollar banks are now found from coast to coast—New York (10), Boston (1), Detroit (1), Chicago (2), Los Angeles (1) and San Francisco (1).

On June 30, 1939, we had 2,871 banks with total resources under \$250,000. On Dec. 30, 1943, there were only 440 in this classification, only one-seventh as many. At the same time, the number of banks in higher classification with 25 million dollars and over of resources increased from 384 to 607. The total resources of all banks has not quite doubled, but it has increased \$54,814,309,000 in the last five years.

In the comparison of consolidated statements of American banks it is discovered that bank deposits are the highest in bank history—over \$118,000,000,000. This is almost exactly twice what they were five years ago. The holdings of Government bonds are more than four times what they were five years ago, while the holdings of other securities are less. Loans show an increase over June 30, 1943, as well as an increase over Dec. 30, 1937. Surplus shows an increase, but capital remains almost the same.

The first 1944 edition of the "Blue Book," revised to March, 1944, and containing 2,589 pages of banking and financial information, includes the latest available statements, new executive personnel and directors' lists, nearest banking points to all non-bank towns, a five-year list of discontinued bank titles, all bank associations and Government banking agencies and the FDIC status of all banks. A separate bound book listing the attorneys for every bank town accompanies each copy of the directory. Latest maps of each state and all foreign countries adds a great deal to the information and reference value of the book.

## Fleming Elected President Of Reserve City Bankers

Robert V. Fleming, President of the Riggs National Bank of Washington, D. C., was elected President of the Reserve City Bankers Association at a meeting of the Association in Chicago on April 14. Walter Kasten, President of the First Wisconsin National Bank of Milwaukee, was elected Vice-President. The Washington "Post" of April 15 stated:

Elected as directors of the association were Vance J. Alexander, President of the Union Planters National Bank & Trust Co., Memphis; James Lochead, President of the American Trust Co., San Francisco; Harry Augustine, President of State-Planters Bank, Richmond, Va., and Hugh McGee, Vice-President of the Bankers Trust Co., New York.

## Alloy Steel Output In March Off From 1943

Production of alloy steels during March totaled 952,287 tons, about 12% of total steel production during that month, according to a report by the American Iron and Steel Institute. In February, 905,131 tons of alloy steel were produced. In March a year ago alloy steel production reached a monthly peak of 1,283,709 tons, or 17% of total steel output.

Open hearth furnaces produced 626,607 tons of alloy steel in March. The remaining 325,680 tons of alloy steel production came from electric furnaces.

### Consumer Credit Lower In February

The Board of Governors of the Federal Reserve System announced on March 31 that consumer credit outstanding at the end of February is estimated at \$4,674,000,000, representing a decrease of about \$150,000,000 during the month. About one-half of this reduction is attributable to the usual seasonal decrease in charge-account indebtedness. The Board's announcement further stated:

"Automotive sale credit remained at about the January level and amounted to less than half the volume outstanding at the end of February, 1943. Instalment sale credit based on other consumers' durable goods declined somewhat more than is customary from January to February. The principal decline was in instalment accounts at furniture and department stores.

"Instalment loans outstanding decreased at a less rapid rate in February than in the preceding month, and at the end of the month were about 16% below those on the corresponding date last year.

"Charge-account indebtedness declined 6% in February, or by about the usual seasonal amount. Accounts receivable at the end of the month were nearly 9% below the level of a year ago."

#### CONSUMER CREDIT OUTSTANDING

(Short-term credit. In millions of dollars. Figures estimated)

	Feb. 29, 1944	Jan. 31, 1944	Feb. 28, 1943
*Total consumer credit	4,674	4,824	4,824
Instalment sale credit:			
Automotive	167	184	184
Other	540	36	299
Instalment loans	1,078	13	211
Charge accounts	1,218	76	115
Single-payment loans	967	71	71

\*Includes service credit not shown separately. †Includes repair and modernization loans. Estimates for these credits are in process of revision.

### Latest Summary Of Copper Statistics

The Copper Institute on April 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)

U. S. Duty Free Copper	Production		Deliveries to Customers		Stocks		Stock Increase (+) or Decrease (-)	
	*Crude	†Refined	†Domestic	Export	End of Period	End of Preceding Period	Refined	Free
Year 1939	836,074	818,289	814,407	134,152	159,485	141,417	17,785	130,270
Year 1940	992,293	1,033,710	1,001,886	48,537	142,772	141,417	1,355	16,713
Year 1941	1,016,996	1,065,667	1,045,541	307	75,564	48,671	26,893	26,893
Year 1942	1,152,344	1,135,708	1,135,236	307	65,309	16,636	48,673	67,208
Year 1943	1,194,732	1,206,871	1,206,871	307	52,121	12,139	40,000	13,183
3 Mos. 1944	293,375	279,027	282,394	307	37,259	14,348	22,911	14,862
July, 1943	100,456	105,589	129,631	307	55,097	15,133	40,000	610
Aug., 1943	97,413	100,077	147,135	307	53,726	2,664	51,062	1,371
Sep., 1943	98,867	98,333	141,111	307	45,844	534	45,310	7,882
Oct., 1943	102,589	97,274	129,212	307	47,148	5,315	41,833	1,304
Nov., 1943	99,340	102,136	138,881	307	52,027	2,796	49,231	4,879
Dec., 1943	98,601	104,644	115,850	307	52,121	6,043	46,078	94
Jan., 1944	95,902	92,781	101,779	307	45,800	3,121	42,679	6,329
Feb., 1944	96,263	87,128	124,532	307	36,489	9,135	27,354	9,311
Mar., 1944	101,210	99,118	156,083	307	37,259	2,092	35,167	770

\*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.

### Electric Output For Week Ended April 22, 1944 Shows 10.7% Gain Over Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended April 22, 1944, was approximately 4,344,188,000 kwh., compared with 3,925,175,000 kwh. in the corresponding week a year ago, an increase of 10.7%. The output for the week ended April 15, 1944, was 10.0% in excess of the similar period of 1943.

#### PERCENTAGE INCREASE OVER PREVIOUS YEAR

Major Geographical Divisions	Week Ended			
	Apr. 22	Apr. 15	Apr. 8	Apr. 1
New England	3.3	3.3	4.0	4.0
Middle Atlantic	7.9	6.1	9.1	11.1
Central Industrial	8.0	7.2	9.0	10.9
West Central	6.0	2.8	5.4	8.6
Southern States	10.3	10.7	13.2	13.4
Rocky Mountain	5.1	5.7	6.5	4.5
Pacific Coast	27.0	26.9	30.2	29.7
Total United States	10.7	10.0	12.3	13.3

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

Week Ended	1944	1943	% Change over 1943	1942	1939	1929
Jan. 1	4,337,387	3,779,993	+14.7	3,288,685	1,619,265	1,542,000
Jan. 8	4,567,959	3,952,587	+15.6	3,472,579	1,602,482	1,733,810
Jan. 15	4,539,083	3,952,479	+14.8	3,450,468	1,598,201	1,736,721
Jan. 22	4,531,662	3,974,202	+14.0	3,440,163	1,588,957	1,717,315
Jan. 29	4,523,763	3,976,844	+13.8	3,468,193	1,588,837	1,728,203
Feb. 5	4,524,134	3,960,242	+14.2	3,474,638	1,578,817	1,726,161
Feb. 12	4,532,730	3,939,708	+15.1	3,421,639	1,545,459	1,706,719
Feb. 19	4,511,562	3,948,749	+14.3	3,423,589	1,512,158	1,718,304
Feb. 26	4,444,939	3,892,796	+14.2	3,409,907	1,519,679	1,699,250
March 4	4,464,686	3,946,630	+13.1	3,392,121	1,538,452	1,702,570
March 11	4,425,630	3,944,679	+12.2	3,357,444	1,537,747	1,687,229
March 18	4,400,246	3,946,836	+11.5	3,357,032	1,514,553	1,683,262
March 25	4,409,159	3,928,170	+12.2	3,345,502	1,480,208	1,679,589
April 1	4,408,703	3,889,858	+13.3	3,348,608	1,465,076	1,633,291
April 8	4,361,094	3,882,467	+12.3	3,320,858	1,480,738	1,696,543
April 15	4,307,498	3,916,794	+10.0	3,307,700	1,469,810	1,709,331
April 22	4,344,188	3,925,175	+10.7	3,273,190	1,454,505	1,699,822
April 29		3,866,721		3,304,602	1,429,032	1,688,434

### Lord Catto Elected Gov. Of Bank Of England

The formal election by the directors of the Bank of England, of Lord Catto as Governor of the Bank, occurred on April 18, it

was announced in United Press accounts from London. As indicated in our issue of April 13, page 1523, Lord Catto has been chosen to succeed Montagu Norman, who resigns owing to ill-health.

### 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)									
1944— Daily Averages	U. S. Govt. Bonds	Avg. Corporate-rate*	Corporate by Ratings*				Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
Apr. 25	119.59	111.62	118.40	116.61	111.44	101.01	105.17	113.70	116.41
22	119.70	111.62	118.40	116.61	111.44	101.31	105.17	113.70	116.41
20	119.75	111.62	118.40	116.61	111.44	101.31	105.17	113.70	116.41
21	119.75	111.62	118.40	116.61	111.62	101.31	105.17	113.70	116.41
20	119.78	111.62	118.20	116.61	111.62	101.14	105.00	113.70	116.41
19	119.82	111.62	118.20	116.61	111.62	101.14	105.17	113.70	116.41
18	119.86	111.62	118.20	116.61	111.62	101.31	105.17	113.70	116.41
17	119.86	111.81	118.40	116.61	111.62	101.31	105.17	113.70	116.41
15	119.86	111.62	118.20	116.61	111.62	101.31	105.17	113.70	116.41
14	119.86	111.62	118.20	116.61	111.44	101.14	105.17	113.70	116.41
13	119.90	111.44	118.20	116.61	111.44	100.84	105.00	113.70	116.22
12	120.02	111.62	118.20	116.80	111.44	101.14	105.17	113.70	116.41
11	119.94	111.62	118.20	116.80	111.44	101.14	105.00	113.70	116.41
10	119.83	111.62	118.20	116.61	111.44	101.14	104.83	113.70	116.41
8	119.81	111.44	118.20	116.61	111.44	100.98	104.83	113.70	116.22
7									
6	119.81	111.44	118.20	116.61	111.44	100.98	104.83	113.89	116.22
5	119.79	111.44	118.20	116.41	111.44	100.81	104.66	113.70	116.22
4	119.77	111.44	118.40	116.41	111.44	100.81	104.66	113.70	116.41
3	119.70	111.44	118.40	116.41	111.44	100.81	104.66	113.70	116.41
1	119.68	111.44	118.20	116.41	111.25	100.81	104.66	113.70	116.22
Mar. 31	119.68	111.44	118.20	116.41	111.25	100.81	104.66	113.70	116.22
24	119.86	111.44	118.20	116.61	111.44	100.81	104.66	113.89	116.41
17	120.14	111.44	118.20	116.61	111.25	100.65	104.66	113.70	116.41
10	120.26	111.44	118.20	116.41	111.25	100.81	104.48	113.70	116.41
3	120.44	111.25	118.20	116.61	111.25	100.49	104.31	113.70	116.41
Feb. 25	120.21	111.25	118.20	116.41	111.07	100.32	104.31	113.50	116.22
18	119.96	111.25	118.40	116.41	111.07	100.49	104.31	113.50	116.41
11	119.69	111.25	118.40	116.22	111.25	100.49	104.31	113.50	116.41
4	119.45	111.25	118.40	116.22	111.25	100.49	104.14	113.50	116.41
Jan. 28	119.47	111.07	118.20	116.22	111.07	100.16	104.14	113.31	116.41
21	119.58	111.25	118.40	116.41	111.07	100.16	104.31	113.31	116.41
14	119.57	111.25	118.60	116.41	111.25	99.84	104.14	113.50	116.41
7	119.69	111.07	118.60	116.41	111.07	99.36	103.80	113.50	116.22
High 1944	120.44	111.81	118.80	116.80	111.62	101.31	105.17	113.89	116.61
Low 1944	119.41	110.70	118.20	116.22	110.88	99.04	103.30	113.12	116.02
High 1943	120.87	111.44	119.41	117.00	111.81	99.36	103.47	114.27	117.40
Low 1943	116.55	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46
1 year ago	118.23	109.79	118.00	115.43	110.52	96.69	101.14	113.12	115.63
2 years ago	117.78	106.74	116.22	113.31	107.62	92.06	96.69	110.70	113.89

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices)									
1944— Daily Averages	U. S. Govt. Bonds	Avg. Corporate-rate*	Corporate by Ratings*				Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
Apr. 25	1.84	3.08	2.73	2.82	3.09	3.67	3.44	2.97	2.83
22	1.83	3.08	2.73	2.82	3.09	3.67	3.44	2.97	2.83
20	1.83	3.08	2.73	2.82	3.09	3.67	3.44	2.97	2.83
21	1.83	3.08	2.73	2.82	3.08	3.67	3.44	2.97	2.83
20	1.83	3.08	2.73	2.82	3.08	3.67	3.44	2.97	2.83
19									

### National Fertilizer Association Commodity Price Average Registers A Fractional Decline

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on April 24, declined to 136.9 in the week ending April 22 from 137.1 in the preceding week. A month ago this index registered 137.2 and a year ago 135.7, based on the 1935-1939 average as 100. The index has risen only 0.3% since the first of the year and is now 0.9% above the corresponding week of 1943. The Association's report continued as follows:

The foods group remained unchanged from last week and still continues below the level of the corresponding period of 1943. There was a fractional decline in the farm products group as lower prices for hogs were more than sufficient to offset slightly higher prices in live fowls and some cattle. The slightly rising prices for rye were not sufficient to change the grains index number which has remained at the same level for 14 consecutive weeks. A marked decline in raw cotton caused a further decline in the textiles group. None of the other group averages changed during the week.

Price changes were evenly balanced for the third consecutive week as three series advanced and three declined; in the preceding week there were four advances and four declines; and in the second preceding week there were three advances and three declines.

#### WEEKLY WHOLESALE COMMODITY PRICE INDEX

Compiled by The National Fertilizer Association

1935-1939=100\*

Table with columns: % Each Group Bears to the Total Index, Group, Latest Week, Preceding Week, Month Ago, Year Ago. Rows include Foods, Cottonseed Oil, Farm Products, Cotton, Grains, Livestock, Fuels, Miscellaneous commodities, Textiles, Metals, Building materials, Chemicals and drugs, Fertilizer materials, Fertilizers, Farm machinery, and All groups combined.

\*Index on 1926-1928 base were: April 22, 1944, 106.6; April 15, 106.8; and April 24, 1943, 105.7.

### Market Value Of Stocks On New York Stock Exchange Higher On March 31

As of the close of business March 31, there were 1,243 stock issues aggregating 1,492,248,939 shares listed on the New York Stock Exchange with a total market value of \$49,421,855,812. This compares with 1,240 stock issues, aggregating 1,491,580,259 shares, with a total market value of \$48,494,092,518 on Feb. 29.

In making public the Mar. 31 figures the Stock Exchange further said:

As of the close of business Mar. 31, NYSE member total net borrowings amounted to \$747,461,221 of which \$487,310,671 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, 0.99%. 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:

Table comparing Market Value and Average Price for various industrial groups (Amusement, Automobile, Aviation, Building, etc.) for March 31, 1944 and Feb. 29, 1944.

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

Table showing Market Value and Average Price for 1942-1944 and 1943-1944 across various months.

### Bankers' Dollar Acceptances Outstanding On March 31 Decrease To \$129,358,000

The volume of bankers' dollar acceptances outstanding on March 31 amounted to \$129,358,000, an increase of \$5,414,000 from the Feb. 29 total, according to the monthly acceptance survey issued April 11 by the Federal Reserve Bank of New York. As compared with a year ago, the March 31 total represents a loss of \$460,000.

In the month-to-month comparison, imports, domestic shipments, warehouse credits, dollar exchange, and those based on goods stored in or shipped between foreign countries were lower, while in the yearly analysis only credits for imports and exports were higher.

The Reserve Bank's report follows:

#### BANKERS DOLLAR ACCEPTANCES OUTSTANDING—UNITED STATES BY FEDERAL RESERVE DISTRICTS

Table showing Bankers Dollar Acceptances Outstanding by Federal Reserve District for Mar. 31, '44, Feb. 29, '44, and Mar. 31, '43.

#### ACCORDING TO NATURE OF CREDIT

Table showing Bankers Dollar Acceptances Outstanding by Nature of Credit (Imports, Exports, Domestic shipments, etc.) for Mar. 31, '44, Feb. 29, '44, and Mar. 31, '43.

#### BILLS HELD BY ACCEPTING BANKS

Table showing Bills Held by Accepting Banks (Own bills, Bills of others, Total) for Mar. 31, '44, Feb. 29, '44, and Mar. 31, '43.

#### CURRENT MARKET RATES ON PRIME BANKERS ACCEPTANCES APRIL 11, 1944

Table showing Current Market Rates on Prime Bankers Acceptances for April 11, 1944, categorized by days (30, 60, 90, 120, 150, 180).

The following table, compiled by us, furnishes a record of the volume of bankers' acceptances outstanding at the close of each month since April 30, 1941:

Table showing the volume of bankers' acceptances outstanding at the close of each month from April 30, 1941, to March 31, 1944.

### Civil Engineering Construction \$51,425,000 For Week

Civil engineering construction volume in continental United States totals \$51,425,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 56% higher than in the preceding week, but 38% lower than in the corresponding 1943 week as reported to "Engineering News-Record" and made public on April 20. The report went on to say:

Private construction tops last week by 115% and is 120% above last year. Public construction gains 49% over a week ago but is 45% under a year ago as a result of the decrease in Federal work.

The current week's construction brings 1944 volume to \$568,425,000 for the 16 weeks of the period, a decrease of 51.5% from the \$1,171,009,000 reported in 1943. Private work, \$117,820,000, is 4% lower than in the period last year, and public construction, \$450,605,000, is 57% lower due to the 11% decline in State and municipal work, and the 59% drop in Federal volume.

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

Table comparing Civil Engineering Construction volumes for Apr. 22, '43, Apr. 13, '44, and Apr. 20, '44, categorized by Total U. S. construction, Private construction, Public construction, State and municipal, and Federal.

In the classified construction groups, gains over last week are in waterworks, bridges, industrial, commercial and public buildings, earthwork and drainage, and streets and roads. Increases over the 1943 week are in waterworks, bridges, industrial and commercial buildings, and streets and roads. Subtotals for the week in each class of construction are: waterworks, \$383,000; sewerage, \$255,000; bridges, \$655,000; industrial buildings, \$1,488,000; commercial buildings, \$5,972,000; public buildings, \$29,168,000; earthwork and drainage, \$1,061,000; streets and roads, \$6,509,000; and unclassified construction, \$5,734,000.

New construction financing for 1944 to date, \$364,638,000, is 22% 541,000. It is made up of \$2,693,000 in State and municipal bond sales, \$15,843,000 in corporate security issues, and \$115,000,000 in Federal appropriations for FWA construction.

New construction financing for 1944 to date, \$364,638,000, is 22% below the \$468,845,000 reported for the corresponding 16-week period in 1943.

### Publish Proceedings Of Air Commerce Forum

The record of the proceedings taken at the first Air Commerce Forum, held on March 28 at the Downtown Athletic Club under the auspices of the Aviation Section, New York Board of Trade, has been made available. It is pointed out that much interest has been taken in the subject matter because of the topic discussed, namely, "The Forwarders', Car-loaders' and Customs Brokers' Place in Air Commerce." It is also stated that since this forum was the first of its kind in the Port of New York, the record of the discussions has been in demand by representatives of the participating and other interested industries such as foreign freight forwarders, carloaders, customs brokers, air cargo shipping companies, the air lines, banks, underwriters, processors and packagers, research specialists, export managers, industrial shippers, trade organizations, water, motor and rail carriers, express companies, manufacturers of containers, etc. Copies of the proceedings may be secured from Daniel H. Ecker, Secretary of the Aviation Section, New York Board of Trade, 41 Park Row.

The Metropolitan Air Shipping Committee requested to be appointed under the direction of John F. Budd, Editor-Publisher of "Air Transportation Magazine" and Chairman of the Aviation Section, New York Board of Trade, by vote of those attending the First Air Commerce Forum has about been formulated and its personnel will soon be released. The Chairman is George F. Bauer, International Consultant on Air Commerce and Foreign Trade, 274 Madison Avenue, New York City, who was formerly associated with Air Cargo, Inc., and the Automobile Manufacturers Association. The address of the Metropolitan Air Shipping Committee will be 41 Park Row. Additional monthly Air Shipping and Air Commerce forums are being planned by the Aviation Section to be offered publicly with the cooperation of the Metropolitan Air Shipping Committee.

### Final Figures On 7/8% Treasury Cfs.

The final subscription and allotment figures with respect to the offering of 7/8% Treasury certificates of indebtedness of series B-1945 were made known on March 31 by Secretary of the Treasury Morgenthau. The offering of the certificates on March 22 was referred to in our issue of March 30, page 1335. The offering was open on an exchange basis to holders of Treasury certificates of indebtedness of series B-1944 maturing April 1, 1944; the subscription books were closed at the close of business March 25. The Treasury announced that the subscriptions to the \$5,251,000,000 exchange offering totaled \$4,876,511,000, leaving \$374,489,000 of the maturing issue to be redeemed for cash. The exchange was on a par-for-par basis with no cash subscriptions accepted.

Subscriptions and allotments were divided among the several Federal Reserve Districts and the Treasury as follows:

Table showing Federal Reserve District and Total Subscriptions Received and Allotted for the 7/8% Treasury Cfs.

Total \$4,876,511,000

### 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 April 15, 1944 is estimated at 11,730,000 net tons, a decrease of 290,000 tons, or 2.4%, from the preceding week. Production in the corresponding week of 1943 amounted to 11,818,000 tons. Cumulative output of soft coal from Jan. 1 to April 15, 1944 totaled 186,055,000 tons, as against 181,571,000 tons in the same period last year, or a gain of 2.5%.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended April 15, 1944 was estimated at 1,208,000 tons, an increase of 80,000 tons, or 7.1%, over the preceding week. When compared with the output in the corresponding week of 1943, there was, however, a decrease of 127,000 tons, or 9.5%. The calendar year to date shows an increase of 1.6% when compared with the corresponding period of 1943.

The Bureau of Mines also reported that the estimated output of beehive coke in the United States for the week ended April 15, 1944 showed a decrease of 3,400 tons when compared with the production for the week ended April 8, 1944.

#### ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS

	Week Ended			January 1 to Date		
	April 15, 1944	April 8, 1944	April 17, 1943	April 15, 1944	April 17, 1943	April 17, 1937
Bituminous coal and lignite—	11,730,000	12,020,000	11,818,000	186,055,000	181,571,000	149,123,000
Total incl. mine fuel	1,208,000	1,083,000	1,335,000	19,019,000	18,723,000	22,102,000
Commercial prod.	1,160,000	1,083,000	1,282,000	18,260,000	17,974,000	20,511,000
Beehive coke—	144,100	147,500	161,500	2,320,000	2,446,900	1,900,900

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

	Week Ended			Calendar Year to Date		
	April 15, 1944	April 8, 1944	April 17, 1943	April 15, 1944	April 17, 1943	April 20, 1929
Penn. anthracite—	1,208,000	1,128,000	1,335,000	19,019,000	18,723,000	22,102,000
Total incl. coll. fuel	1,160,000	1,083,000	1,282,000	18,260,000	17,974,000	20,511,000
Beehive coke—	144,100	147,500	161,500	2,320,000	2,446,900	1,900,900

\*Includes washery and dredge coal, and coal shipped by truck from authorized operations. †Excludes colliery fuel. ‡Subject to revision. †Revised.

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

State—	Week Ended			
	April 8, 1944	April 1, 1944	April 10, 1943	April 10, 1937
Alabama	392,000	360,000	350,000	31,000
Alaska	5,000	5,000	5,000	3,000
Arkansas and Oklahoma	90,000	86,000	71,000	7,000
Colorado	170,000	180,000	137,000	75,000
Georgia and North Carolina	1,000	1,000	1,000	*
Illinois	1,507,000	1,303,000	1,528,000	445,000
Indiana	536,000	520,000	547,000	112,000
Iowa	50,000	50,000	58,000	10,000
Kansas and Missouri	187,000	192,000	158,000	63,000
Kentucky—Eastern	940,000	926,000	984,000	661,000
Kentucky—Western	342,000	297,000	304,000	72,000
Maryland	40,000	38,000	44,000	22,000
Michigan	2,000	6,000	4,000	2,000
Montana (bitum. & lignite)	90,000	98,000	74,000	31,000
New Mexico	40,000	38,000	37,000	32,000
North & South Dakota (lignite)	43,000	50,000	28,000	23,000
Ohio	635,000	636,000	679,000	261,000
Pennsylvania (bituminous)	2,922,000	2,871,000	2,937,000	1,738,000
Tennessee	142,000	142,000	153,000	34,000
Texas (bituminous & lignite)	125,000	123,000	116,000	16,000
Utah	379,000	379,000	416,000	169,000
Virginia	30,000	35,000	28,000	36,000
Washington	2,130,000	2,150,000	2,355,000	1,503,000
West Virginia—Southern	1,040,000	1,002,000	976,000	400,000
West Virginia—Northern	177,000	191,000	177,000	87,000
Wyoming	1,000	1,000	*	1,000
Other Western States	1,000	1,000	*	1,000
Total bituminous & lignite	12,020,000	11,680,000	12,170,000	5,860,000
Pennsylvania anthracite	1,208,000	1,285,000	1,330,000	1,641,000
Total, all coal	13,148,000	12,965,000	13,500,000	7,501,000

\*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.

### Wholesale Commodity Index Advanced 0.1% In Week Ended April 15, Labor Dept. Reports

Commodity prices in primary markets rose 0.1% during the week ended April 15 as a result of higher prices for farm products—especially hogs, eggs and citrus fruits, it was announced on April 20 by the U. S. Department of Labor, which adds:

"The increase brought the Bureau of Labor Statistics' all-commodity index of nearly 900 price series to 103.8% of the 1926 average. The general level of prices is only slightly higher (0.2%) than last month and 0.3% higher than at this same time last year." From the Board's announcement we also quote:

"Farm Products and Foods—Average prices for farm products rose 0.3% during the week and are at about the same level as last April. Egg markets continued upward with an increase of over 2% and citrus fruits were substantially higher seasonally. Prices of hogs advanced more than 1%, reflecting OPA action in allowing higher prices to producers in Iowa. Lower prices were reported for apples and potatoes, and for milk in the Chicago market.

"Slightly lower prices for fresh milk and flour during the week did not affect the general level of food prices as a group, and the Bureau's index remained unchanged at 105.0% of the 1926 average, 3% below the level of a year ago.

"Industrial Commodities—Industrial commodity markets continued relatively stable during the week ended April 15. Minor increases were reported in prices for bituminous coal in some areas. Quotations on lumber, gum and turpentine advanced fractionally while rosin declined."

The Department's announcement also contains the following notation:

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 March 18, 1944 and April 17, 1943, and the percentage changes from a week ago, a month ago and a year ago, and (2) percentage changes in subgroup indexes from April 8 to April 15, 1944.

#### WHOLESALE PRICES FOR WEEK ENDED APRIL 15, 1944 (1926=100)

Commodity Groups—	April 15, 1944 from—					Percentage change to April 15, 1944 from—	
	4-15 1944	4-8 1944	4-1 1944	3-18 1944	4-17 1943	4-8 1944	4-17 1943
All commodities	103.8	103.7	103.6	103.6	103.5	+0.1	+0.2 +0.3
Farm products	124.5	124.1	123.9	124.5	124.4	+0.3	0 +0.1
Foods	105.0	105.0	104.2	104.6	108.4	0	+0.4 -3.1
Hides and leather products	117.6	117.6	117.5	117.6	118.4	0	0 -0.7
Textile products	97.3	97.3	97.3	97.3	96.9	0	0 +0.4
Fuel and lighting materials	83.6	83.6	83.6	83.6	81.1	0	0 +3.1
Metals and metal products	103.8	103.8	103.8	103.8	103.9	0	0 -0.1
Building materials	114.7	114.7	114.6	113.8	110.3	0	+0.8 +4.0
Chemicals and allied products	105.4	105.4	100.4	100.4	100.1	0	+5.0 +5.3
Housefurnishing goods	106.0	105.9	105.9	105.9	104.2	+0.1	+0.1 +1.7
Miscellaneous commodities	93.3	93.3	93.3	93.3	91.4	0	0 +2.1
Raw materials	113.9	113.6	113.5	113.9	112.8	+0.3	0 +1.0
Semimanufactured articles	93.5	93.5	93.5	93.5	93.0	0	0 +0.5
Manufactured products	100.9	100.9	100.7	100.6	100.8	0	+0.3 +0.1
All commodities other than farm products	99.4	99.4	99.2	99.2	99.0	0	+0.2 +0.4
All commodities other than farm products and foods	98.5	98.5	98.3	98.2	96.8	0	+0.3 +1.8
*Preliminary.							

#### PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM APRIL 8, 1944 TO APRIL 15, 1944

	Increases		
	0.5	Grains	
Livestock and poultry	0.5	Grains	0.2
Other foods	0.4	Agricultural implements	0.1
Other farm products	0.3	Furnishings	0.1
Bituminous coal	0.2	Lumber	0.1
	Decreases		
Dairy products	0.2	Cereal products	0.1

### Final Subscription And Allotment Figures On Treasury Notes And Bonds

Secretary of the Treasury Morgenthau announced on March 20 final subscription and allotment figures with respect to the offering of 2½% Treasury Bonds of 1965-70, 2¼% Treasury Bonds of 1956-59 and 1½% Treasury Notes of series A-1948, which were offered on March 2 in exchange for securities of seven called or maturing issues. Of the \$4,730,000,000 outstanding securities of these issues, \$3,910,800,000, or about 83%, were exchanged as follows:

Description and Title—	Amount Exchanged
Treasury Issues:	
1% treasury notes of series B-1944	\$482,635,900
3¼% treasury bonds of 1944-46	1,221,079,700
¾% treasury notes of series A-1944	269,194,300
Federal Farm Mortgage Corporation Issues:	
¾% FPMC bonds of 1944-64	75,904,300
3% FPMC bonds of 1944-49	700,246,550
Reconstruction Finance Corporation Issue:	
1% RFC notes of series W	559,220,000
Home Owners' Loan Corporation Issues:	
3% HOLC bonds, series A-1944-52	602,519,250

Subscriptions and allotments of the new securities were divided among the several Federal Reserve Districts and the Treasury as follows:

Federal Reserve District—	Treasury Bonds of 1965-70	Treasury Bonds of 1956-59	Treasury Notes Series A-1948	Total Allotted
Boston	\$3,868,000	\$10,415,000	\$71,234,000	\$85,517,000
New York	18,931,500	24,939,000	2,824,308,000	2,868,178,500
Philadelphia	3,455,000	3,728,500	129,294,000	136,477,500
Cleveland	9,794,000	4,820,000	82,666,500	97,280,500
Richmond	4,393,000	22,510,000	25,242,500	52,145,500
Atlanta	2,282,000	1,110,000	35,634,000	39,026,000
Chicago	11,568,000	11,703,500	318,203,000	341,474,500
St. Louis	5,541,500	2,231,000	36,705,000	44,477,500
Minneapolis	1,986,000	2,714,000	40,539,000	45,239,000
Kansas City	7,596,500	3,123,500	77,942,000	88,662,000
Dallas	1,880,000	1,591,000	27,067,000	30,538,000
San Francisco	2,142,000	3,148,500	66,542,000	71,832,500
Treasury	1,105,000	1,014,500	7,834,000	9,953,500
Total	\$74,540,500	\$93,048,500	\$3,743,211,000	\$3,910,800,000

Details of the offering were given in our issue of March 9, page 1032.

### Non-Ferrous Metals—Copper And Lead Sales At Peak — Large Tonnage Sold For May Shipment

"E. & M. J. Metal and Mineral Markets," in its issue of April 20, stated: "The monthly peak in sales volume for both copper and lead occurred during the last week, and tonnages sold point to a high level of activity for May. Substantial tonnages of the metals arriving from foreign sources will be required to round out domestic needs. Zinc business showed improvement. WPB officials look for zinc stocks to increase steadily this year, unless production meets with a setback because of the manpower situation. Labor shortages at smelters and refineries of all non-ferrous metals are just as serious as at the mines, producers claim. There were no price developments in major metals last week." The publication further went on to say in part as follows:

#### Copper

Sellers were busy taking care of May allocations, and available domestic copper for shipment next month was all sold or earmarked for sale as the week ended. Though demand was heavy, most sellers believe that total requirements for May will be somewhat smaller than those of March and April.

Manpower shortages are expected to cut into production as the year advances, but it is thought likely that part of the deficit will be offset by import-

ing more copper from Canada and Africa. WPB is counting on obtaining 1,739,000 tons of new copper this year.

#### Lead

With the date at hand for determining the tonnage of foreign lead that is to be allotted for May shipment, consumers purchased domestic metal during the last week at a lively rate, in line with expectations. Sales for the week amounted to 13,353 tons, which compares with 6,262 tons in the previous week. Some April buying was in evidence to fill out special needs, but the bulk of the business booked last week involved May shipment metal. The May position appears to be more than 50% covered, calculating total requirements for the month at around 60,000 tons.

Since export restrictions have been eased moderately for supplying raw materials to most

countries in South America, export business in lead and alloys containing lead has increased.

#### Zinc

Smelters operating in the United States produced 249,991 tons of slab zinc during the first three months of 1944, which compares with 244,324 tons in the Jan.-March period of 1943.

Myron L. Trilsch, assistant director of the Zinc Division, WPB, informed the members of the American Zinc Institute, meeting in St. Louis April 17 and 18, that estimated supplies of zinc for the second quarter are expected to exceed requirements by some 40,000 tons. For the year 1944, WPB estimates a surplus of supply over requirements of about 146,000 tons, which added to the 156,000 tons on hand at the beginning of the year should find our stocks at approximately 302,000 tons at the end of the current year. He pointed out that the estimates do not take into account developments that might grow out of the manpower shortage. Production may possibly decrease by as much as 10%. Discontinuance of both exchange agreements and the redistilling of Prime Western into High Grade should be reflected in larger holdings of the ordinary grades. Emphasis at the beginning of our zinc program was directed toward increasing output of High Grade.

#### Tin

Production of tin at the Texas smelter is moving along more efficiently, authorities claim, because the metallurgical difficulties encountered in treating some of the low-grade concentrates are being overcome. Receipts of high-grade material have increased, including concentrate produced in the Belgian Congo. Production figures are not available.

Price developments in the metal are not likely to occur under prevailing conditions. Consumers are obtaining Grade A tin on the basis of 52¢ a pound. Futures were nominally as follows:

	April	May	June
April 13	52.00	52.00	52.00
April 14	52.00	52.00	52.00
April 15	52.00	52.00	52.00
April 17	52.00	52.00	52.00
April 18	52.00	52.00	52.00
April 19	52.00	52.00	52.00

Chinese, or 99% tin, continued at 51.125¢ all week.

#### Quicksilver

Commenting on its quicksilver property at Pinchi Lake, Consolidated Mining & Smelting Co. of Canada reports that 1943 was a period of profitable operation. It was necessary to restrict development work, but several rich stopes were opened and diamond drilling gave excellent results. The ore reserve position at the end of the year was favorable. In spite of an easier supply situation in quicksilver, the company hopes that the property will continue to be competitive at the lower market price. Output of the Canadian producer was 22,133 flasks in 1943, against 13,621 flasks in 1942.

There were no market developments last week. Business was dull, and it appears that both buyers and sellers are marking time for conditions to improve. Quotations continued at \$130 to \$135 per flask, New York.

#### Silver

The London market for silver was unchanged at 23½d. throughout the week.

The New York Official for foreign silver continued at 44¼¢, with domestic newly mined at 70¾¢ an ounce troy.

#### 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.

## Daily Average Crude Oil Production For Week Ended April 15, 1944 Increased 16,050 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended April 15, 1944, was 4,432,150 barrels, a gain of 16,050 barrels per day over the preceding week, and 525,050 barrels per day in excess of the output for the corresponding week of last year. The current figure, however, was 9,350 barrels per day below the daily average figure recommended by the Petroleum Administration for War for the month of April, 1944. Daily production for the four weeks ended April 15, 1944, averaged 4,404,100 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 4,447,000 barrels of crude oil daily and produced 13,784,000 barrels of gasoline; 1,651,000 barrels of kerosene; 4,565,000 barrels of distillate fuel oil, and 8,933,000 barrels of residual fuel oil during the week ended April 15, 1944; and had in storage at the end of that week 88,778,000 barrels of gasoline; 6,477,000 barrels of kerosene; 30,561,000 barrels of distillate fuel, and 51,238,000 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 April	*State Allowables begin Apr. 1 1944	Actual Production Week Ended Apr. 15, 1944	Change from Previous Week	4 Weeks Ended Apr. 15 1944	Week Ended Apr. 17, 1943
Oklahoma	328,000	328,000	331,900	+ 1,100	330,800	339,850
Kansas	285,000	269,600	272,300	+ 14,950	268,400	310,300
Nebraska	1,000		1,200		1,200	2,150
Panhandle Texas			91,100		92,000	91,000
North Texas			143,850		143,200	134,950
West Texas			374,000		357,400	214,400
East Central Texas			127,250		121,900	99,700
East Texas			362,300		363,700	319,800
Southwest Texas			293,050		292,300	188,500
Coastal Texas			518,800		516,300	340,650
<b>Total Texas</b>	<b>1,916,000</b>	<b>1,918,794</b>	<b>1,910,350</b>		<b>1,886,800</b>	<b>1,389,000</b>
North Louisiana			76,050	+ 50	76,300	88,300
Coastal Louisiana			282,500		283,200	257,900
<b>Total Louisiana</b>	<b>347,700</b>	<b>374,700</b>	<b>358,550</b>	<b>+ 50</b>	<b>359,500</b>	<b>346,200</b>
Arkansas	76,700	78,591	79,600	+ 400	79,400	71,650
Mississippi	48,000		40,850	- 550	41,300	56,750
Alabama			50	- 50	50	
Florida			50		100	
Illinois	215,000		215,350	- 9,100	218,100	221,050
Indiana	13,600		14,000	- 900	14,100	14,250
Eastern (Not incl. Ill., Ind., Ky.)	72,400		72,250	+ 2,750	71,900	75,850
Kentucky	23,000		22,100	+ 1,900	21,500	17,000
Michigan	53,000		52,550	+ 3,700	51,000	59,400
Wyoming	93,000		88,650	- 2,100	89,400	92,200
Montana	24,000		21,500		21,300	20,250
Colorado	7,000		8,500	- 200	8,400	6,450
New Mexico	111,700	111,700	112,900		112,900	97,250
<b>Total East of Calif.</b>	<b>3,612,100</b>		<b>3,602,650</b>	<b>+ 11,950</b>	<b>3,576,200</b>	<b>3,119,600</b>
California	829,400	829,400	829,500	+ 4,100	827,900	787,500
<b>Total United States</b>	<b>4,441,500</b>		<b>4,432,150</b>	<b>+ 16,050</b>	<b>4,404,100</b>	<b>3,907,100</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. April 13, 1944.

‡This is the net basic allowable as of April 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 19 days, the entire state was ordered shut down for 7 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 7 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 APRIL 15, 1944

(Figures in Thousands of barrels of 42 Gallons Each)

District	Daily Refining Capacity	Crude Runs to Still	Crude % Op-erated	Stocks at Refineries	Stocks Finished	Stocks of Gas Oil	Stocks of Residual Fuel Oil	Stocks of Distillate Fuel Oil	Stocks of Residual Fuel Oil
Combin'd: East Coast Texas, Gulf, Louisiana-Arkansas, and inland Texas	2,518	90.3	2,323	92.3	6,879	38,796	14,796	16,269	
Appalachian									
District No. 1	130	83.9	96	73.8	289	2,344	723	245	
District No. 2	47	87.2	44	93.6	146	1,111	343	100	
Ind., Ill., Ky.	824	85.2	734	89.1	2,568	20,348	4,966	2,661	
Okl., Kans., Mo.	416	80.1	351	84.4	1,299	8,449	1,449	1,221	
Rocky Mountain									
District No. 3	8	26.9	11	137.5	35	76	20	32	
District No. 4	141	58.3	102	72.3	309	2,117	356	519	
California	817	89.9	786	96.2	2,259	15,537	7,908	30,191	
<b>Total U. S. B. of M. basis April 15, 1944</b>	<b>4,901</b>	<b>87.3</b>	<b>4,447</b>	<b>90.7</b>	<b>13,784</b>	<b>88,778</b>	<b>30,561</b>	<b>51,238</b>	
<b>Total U. S. B. of M. basis April 8, 1944</b>	<b>4,901</b>	<b>87.3</b>	<b>4,354</b>	<b>88.8</b>	<b>13,161</b>	<b>88,100</b>	<b>30,478</b>	<b>51,072</b>	
<b>U. S. Bur. of Mines basis April 17, 1943</b>			<b>3,678</b>		<b>10,260</b>	<b>92,075</b>	<b>30,806</b>	<b>67,011</b>	

\*At the request of the Petroleum Administration for War. †Finished, 77,142,000 barrels; unfinished, 11,636,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,651,000 barrels of kerosene, 4,565,000 barrels of gas oil and distillate fuel oil and 8,933,000 barrels of residual fuel oil produced during the week ended April 15, 1944, which compares with 1,434,000 barrels, 4,702,000 barrels and 8,541,000 barrels, respectively, in the preceding week and 1,461,000 barrels, 3,965,000 barrels and 7,868,000 barrels, respectively, in the week ended April 17, 1943. ¶Revised to 76,736,000 barrels and 11,462,000 barrels finished and unfinished, respectively, and on new basis to compare with current week 76,369,000 barrels finished and 11,731,000 barrels unfinished. This revision and change in basis affects the California district.

Note—Stocks of kerosene April 15, 1944 amounted to 6,477,000 barrels, as against 6,667,000 barrels a week earlier and 5,112,000 barrels a year before.

## Trading On New York Exchanges

The Securities and Exchange Commission made public on April 15 figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended April 1, 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 April 1, (in round-lot transactions) totaled 1,809,445 shares, which amount was 17.13% of the total transactions on the Exchange of 5,281,510 shares. This compares with member trading during the week ended March 25 of 2,427,004 shares, or 16.81% of the total trading of 7,220,390 shares. On the New York Curb Exchange, member trading during the week ended April 1 amounted to 323,930 shares, or 15.40% of the total volume on that exchange of 1,051,465 shares; during the March 25 week trading for the account of Curb members of 364,255 shares was 14.30% of total trading of 1,273,965 shares.

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

WEEK ENDED APRIL 1, 1944		Total for Week	%
A. Total Round-Lot Sales:		143,410	
Short sales		5,138,100	
†Other sales		5,281,510	
Total sales		5,281,510	
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases		471,840	
Short sales		55,580	
†Other sales		422,120	
Total sales		477,700	8.99
2. Other transactions initiated on the floor—			
Total purchases		260,620	
Short sales		17,040	
†Other sales		285,770	
Total sales		302,810	5.33
3. Other transactions initiated off the floor—			
Total purchases		132,255	
Short sales		8,300	
†Other sales		155,920	
Total sales		164,220	2.81
4. Total—			
Total purchases		864,715	
Short sales		80,920	
†Other sales		863,810	
Total sales		944,730	17.13

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

WEEK ENDED APRIL 1, 1944		Total for Week	%
A. Total Round-Lot Sales:		10,260	
Short sales		1,041,205	
†Other sales		1,051,465	
Total sales		1,051,465	
B. Round-Lot Transactions for Account of Members:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases		90,430	
Short sales		6,575	
†Other sales		96,610	
Total sales		103,185	9.20
2. Other transactions initiated on the floor—			
Total purchases		26,200	
Short sales		400	
†Other sales		23,630	
Total sales		24,030	2.39
3. Other transactions initiated off the floor—			
Total purchases		37,970	
Short sales		1,250	
†Other sales		40,865	
Total sales		42,115	3.81
4. Total—			
Total purchases		154,600	
Short sales		8,225	
†Other sales		161,105	
Total sales		169,330	15.40
C. Odd-Lot Transactions for Account of Specialists—			
Customers' short sales		0	
Customers' other sales		47,734	
Total purchases		47,734	
Total sales		34,250	

\*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."

## Commercial Paper Outstanding

The Federal Reserve Bank of New York announced on April 18 that reports received by the bank from commercial paper dealers show a total of \$194,800,000 of open market paper outstanding on March 31. This was a decrease of \$18,900,000 as compared with the Feb. 29 figures of \$213,700,000, and a decrease of \$5,800,000 over the March 31, 1943, total of \$200,600,000.

Following are the totals for the last two years:

	\$		\$
1944—		1943—	
Mar 31	194,800,000	Mar 31	200,600,000
Feb 29	213,700,000	Feb 27	209,100,000
Jan 31	208,900,000	Jan 30	220,400,000
1943—		1942—	
Dec 31	202,000,000	Dec 31	229,900,000
Nov 30	203,300,000	Nov 30	260,600,000
Oct 30	187,800,000	Oct 31	271,400,000
Sep 30	169,500,000	Sep 30	281,800,000
Aug 31	156,200,000	Aug 31	297,200,000
July 31	149,800,000	July 31	305,300,000
Jun 30	143,300,000	Jun 30	315,200,000
May 29	159,600,000	May 29	354,200,000
Apr 30	178,900,000	Apr 30	373,100,000

## Earnings, Employment In Manufacturing At New Peaks In Feb.

Hourly and weekly earnings, as well as "real" weekly earnings in the 25 manufacturing industries, surveyed each month by the National Industrial Conference Board rose to new peaks in February, according to an announcement by the Board on April 20. Wage rate increases averaging 8.7% were granted to 0.9% of the wage earners in these industries during the month. These increases averaged 0.1% for all workers in the branches covered, and were greater than in any other month since July, 1943. The Board also announced:

"The work week was longer in February than in any other month in recent years, but was shorter than that prevailing generally prior to May, 1930. Total man hours worked and total payrolls rose in February but were below the peaks reached in the latter part of 1943.

"At \$1.048 hourly earnings were 0.2% above the January level, 6.7% above February, 1943, and 38.1% above January, 1941, the base date of the Little Steel formula. Weekly earnings at \$48.16 were 1.3% above January, 9.8% above February, 1943, and 57.3% above January, 1941.

"Real" weekly earnings, or dollar weekly income adjusted for changes in the cost of living, advanced 1.7% in February to a point 8.0% above February, 1943, and 30.8% above January, 1941.

"An increase of 0.5 hours, or 1.1%, in the length of the work week raised it to 45.7 hours which was 1.2 hours, or 2.7%, longer than in February, 1943, and 5.5 hours, or 13.7%, longer than in January, 1941.

"Total man hours worked rose 0.9% to bring the Board's index (1923=100) to 137.3 which was 2.6% higher than a year earlier, and 54.1% above January, 1941. The Board's payroll index, with the same base, at 267.5 in February was 1.1% higher than in January, 9.7% above February, 1943, and 113.1% above January, 1941."

## NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 15 a summary for the week ended April 8 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 April 8, 1944		Total for Week
Odd-Lot Sales by Dealers (Customers' purchases)		13,493
Number of orders		369,806
Number of shares		\$14,894,283
Dollar value		
Odd-Lot Purchases by Dealers (Customers' sales)		
Number of Orders:		149
Customers' short sales		15,664
Customers' other sales		
Customers' total sales		15,813
Number of Shares:		4,996
Customers' short sales		366,829
Customers' other sales		
Customers' total sales		371,825
Dollar value		\$12,795,542

Round-Lot Sales by Dealers		Total for Week
Number of Shares:		40
Short sales		110,130
†Other sales		
Total sales		110,170
Round-Lot Purchases by Dealers:		113,780
Number of shares		
†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."		

## Revenue Freight Car Loadings During Week Ended April 15, 1944 Increased 10,641 Cars

Loading of revenue freight for the week ended April 15, 1944, totaled 799,965 cars, the Association of American Railroads announced on April 20. This was an increase above the corresponding week of 1943 of 19,057 cars, or 2.4%, but a decrease below the same week in 1942 of 46,540 cars or 5.5%.

Loading of revenue freight for the week of April 15, increased 10,641 cars, or 1.3% above the preceding week.

Miscellaneous freight loading totaled 373,420 cars, a decrease of 2,350 cars below the preceding week, and a decrease of 3,474 cars below the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 104,850 cars, a decrease of 3,754 cars below the preceding week, but an increase of 6,565 cars above the corresponding week in 1943.

Coal loading amounted to 164,647 cars, a decrease of 4,000 cars below the preceding week, and a decrease of 5,377 cars below the corresponding week in 1943.

Grain and grain products loading totaled 36,978 cars, a decrease of 3,139 cars below the preceding week and a decrease of 5,611 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of April 15 totaled 24,431 cars, a decrease of 2,585 cars below the preceding week and a decrease of 4,662 cars below the corresponding week in 1943.

Live stock loading amounted to 14,827 cars, an increase of 645 cars above the preceding week, but a decrease of 327 cars below the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of April 15, totaled 11,127 cars, an increase of 828 cars above the preceding week, but a decrease of 1,000 cars below the corresponding week in 1943.

Forest Products loading totaled 43,317 cars, a decrease of 2,424 cars below the preceding week but an increase of 1,916 cars above the corresponding week in 1943.

Ore loading amounted to 47,420 cars, an increase of 26,110 cars above the preceding week and an increase of 25,791 cars above the corresponding week in 1943.

Coke loading amounted to 14,506 cars, a decrease of 447 cars below the preceding week, and a decrease of 426 cars below the corresponding week in 1943.

All districts reported increases compared with the corresponding week in 1943 except the Eastern, Pocahontas, Southern, and Southwestern. All districts reported decreases compared with 1942 except the Southwestern.

	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
4 weeks of March	3,135,155	3,073,445	3,174,781
Week of April 1	787,525	772,102	829,038
Week of April 8	789,324	789,019	814,096
Week of April 15	799,965	780,908	846,505
<b>Total</b>	<b>12,467,938</b>	<b>12,003,010</b>	<b>12,645,841</b>

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended April 15, 1944. During the period 66 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED APRIL 15

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
<b>Eastern District—</b>					
Ann Arbor	290	263	538	1,356	1,548
Bangor & Aroostook	2,048	1,655	2,543	302	257
Boston & Maine	6,649	6,037	7,870	15,192	14,867
Chicago, Indianapolis & Louisville	1,224	1,549	1,570	2,037	1,933
Central Indiana	28	46	40	28	51
Central Vermont	1,017	1,037	1,131	2,061	2,227
Delaware & Hudson	5,568	6,563	7,101	12,568	12,628
Delaware, Lackawanna & Western	7,068	7,605	8,645	10,924	12,204
Detroit & Mackinac	268	236	293	86	113
Detroit, Toledo & Ironton	1,638	1,764	1,931	1,275	1,483
Detroit & Toledo Shore Line	293	326	323	2,630	2,948
Erie	13,118	12,190	14,715	17,206	19,793
Grand Trunk Western	3,664	3,686	4,462	8,316	8,649
Lehigh & Hudson River	165	145	184	3,217	3,545
Lehigh & New England	1,865	2,049	2,363	1,780	1,780
Lehigh Valley	7,780	7,020	9,634	15,487	14,565
Maine Central	2,332	2,145	2,704	3,326	3,385
Monongahela	6,625	6,711	6,709	328	430
Montour	2,448	2,369	2,301	16	43
New York Central Lines	44,574	52,579	47,706	52,930	53,774
N. Y., N. H. & Hartford	10,331	9,893	11,872	18,220	19,251
New York, Ontario & Western	1,038	894	1,001	3,008	2,375
New York, Chicago & St. Louis	6,198	6,036	7,684	15,838	15,963
N. Y., Susquehanna & Western	448	632	535	2,269	2,073
Pittsburgh & Lake Erie	7,720	7,454	8,568	7,917	9,075
Pere Marquette	4,695	4,933	5,970	7,200	7,930
Pittsburgh & Shawmut	642	758	774	16	21
Pittsburgh, Shawmut & North	310	331	442	234	257
Pittsburgh & West Virginia	1,162	976	897	2,502	3,477
Rutland	347	342	483	1,037	977
Wabash	5,077	5,372	5,620	11,833	12,299
Wheeling & Lake Erie	4,944	4,759	4,972	4,089	5,420
<b>Total</b>	<b>151,599</b>	<b>158,355</b>	<b>171,581</b>	<b>225,228</b>	<b>235,333</b>
<b>Allegheny District—</b>					
Akron, Canton & Youngstown	718	738	672	1,441	1,213
Baltimore & Ohio	41,414	40,509	40,376	27,647	29,304
Bessemer & Lake Erie	3,594	2,731	5,443	1,716	1,605
Buffalo Creek & Gauley	332	295	314	3	4
Cambria & Indiana	1,523	1,923	1,889	13	14
Central R. R. of New Jersey	6,810	6,623	7,995	19,337	22,387
Cornwall	527	690	672	55	106
Cumberland & Pennsylvania	224	232	282	25	13
Ligonier Valley	130	146	142	46	42
Long Island	1,152	1,240	841	3,401	3,827
Penn-Reading Seashore Lines	1,801	1,706	1,733	2,502	3,091
Pennsylvania System	80,260	77,234	82,840	66,845	68,325
Reading Co.	14,634	15,967	17,083	27,652	29,447
Union (Pittsburgh)	20,076	20,464	21,251	4,832	4,103
Western Maryland	4,325	4,049	4,229	13,056	13,311
<b>Total</b>	<b>177,520</b>	<b>174,547</b>	<b>185,762</b>	<b>168,571</b>	<b>176,792</b>
<b>Pocahontas District—</b>					
Chesapeake & Ohio	28,110	29,272	28,143	13,281	13,753
Norfolk & Western	20,594	22,771	24,069	7,257	7,998
Virginian	4,078	4,779	4,784	2,223	2,076
<b>Total</b>	<b>52,782</b>	<b>56,822</b>	<b>56,996</b>	<b>22,761</b>	<b>23,827</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
<b>Southern District—</b>					
Alabama, Tennessee & Northern	392	264	352	463	292
Al. & W. P.—W. R. R. of Ala.	843	821	924	2,672	2,587
Atlanta, Birmingham & Coast	782	756	781	1,666	1,396
Atlantic Coast Line	13,776	14,874	13,652	11,613	11,427
Central of Georgia	4,029	4,305	4,350	4,593	5,241
Charleston & Western Carolina	465	466	450	1,967	1,739
Chinchfield	1,583	1,629	1,765	3,328	2,768
Columbus & Greenville	240	328	388	248	220
Durham & Southern	118	98	194	717	456
Florida East Coast	4,289	2,742	2,086	1,826	2,120
Gainesville Midland	48	49	41	201	166
Georgia	1,336	2,601	1,436	2,578	2,289
Georgia & Florida	377	335	386	704	626
Gulf, Mobile & Ohio	3,992	3,795	4,889	4,274	5,033
Illinois Central System	26,211	25,768	28,121	16,990	17,333
Louisville & Nashville	24,428	24,865	27,038	11,422	11,110
Macon, Dublin & Savannah	142	195	171	1,150	927
Mississippi Central	319	254	183	578	452
Nashville, Chattanooga & St. L.	3,130	3,314	3,340	4,464	5,154
Norfolk Southern	1,022	1,129	1,359	1,785	1,437
Piedmont Northern	400	365	483	1,172	1,272
Richmond, Fred. & Potomac	437	403	573	11,337	10,932
Seaboard Air Line	10,623	11,280	11,134	9,419	8,553
Southern System	22,798	21,749	25,973	23,931	24,868
Tennessee Central	822	469	740	868	980
Winston-Salem Southbound	120	120	124	951	1,073
<b>Total</b>	<b>122,722</b>	<b>122,974</b>	<b>131,534</b>	<b>120,917</b>	<b>120,461</b>

Northwestern District—					
Railroads	1944	1943	1942	1944	1943
Chicago & North Western	17,299	17,209	21,368	13,275	11,902
Chicago Great Western	2,412	2,706	2,702	3,473	2,960
Chicago, Milw., St. P. & Pac.	19,152	19,087	20,568	9,811	10,849
Chicago, St. Paul, Minn. & Omaha	3,029	2,847	3,050	3,932	3,624
Duluth, Missabe & Iron Range	16,827	1,837	16,585	238	293
Duluth, South Shore & Atlantic	666	505	1,036	555	680
Elgin, Joliet & Eastern	8,365	8,472	10,144	11,073	10,835
Ft. Dodge, Des Moines & South	361	452	658	94	118
Great Northern	17,062	10,715	18,699	5,770	5,493
Green Bay & Western	467	465	563	928	908
Lake Superior & Ishpeming	1,778	471	1,911	65	41
Minneapolis & St. Louis	1,930	1,985	2,310	2,569	2,396
Minn., St. Paul & S. S. M.	5,722	5,395	6,642	4,106	2,753
Northern Pacific	9,759	9,251	10,815	5,419	5,210
Spokane International	112	124	119	586	704
Spokane, Portland & Seattle	2,510	2,369	2,668	2,742	3,052
<b>Total</b>	<b>107,451</b>	<b>83,890</b>	<b>119,918</b>	<b>64,636</b>	<b>61,818</b>

Central Western District—					
Railroads	1944	1943	1942	1944	1943
Atch., Top. & Santa Fe System	21,528	22,164	22,632	11,679	13,421
Alton	2,871	2,903	3,492	3,967	3,839
Bingham & Garfield	530	481	619	77	70
Chicago, Burlington & Quincy	17,841	16,658	15,739	11,420	11,306
Chicago & Illinois Midland	3,104	2,866	2,584	1,015	737
Chicago, Rock Island & Pacific	10,619	12,714	11,998	12,921	13,232
Chicago & Eastern Illinois	2,258	2,656	2,409	6,281	5,829
Colorado & Southern	642	705	915	2,035	1,832
Denver & Rio Grande Western	3,081	3,077	2,399	5,604	5,335
Denver & Salt Lake	709	577	371	15	22
Fort Worth & Denver City	783	868	990	1,349	2,165
Illinois Terminal	1,987	1,762	1,930	1,848	2,152
Missouri-Illinois	962	1,038	1,421	566	566
Nevada Northern	1,754	1,948	2,022	108	132
North Western Pacific	804	1,068	939	683	583
Peoria & Pekin Union	1	8	13	0	0
Southern Pacific (Pacific)	29,242	24,324	27,911	15,203	15,695
Toledo, Peoria & Western	294	259	297	1,884	1,653
Union Pacific System	14,359	13,177	15,003	16,022	14,874
Utah	528	576	366	4	6
Western Pacific	1,774	1,871	1,873	4,005	4,475
<b>Total</b>	<b>115,671</b>	<b>111,700</b>	<b>115,923</b>	<b>96,578</b>	<b>97,928</b>

Southwestern District—					
Railroads	1944	1943	1942	1944	1943
Burlington-Rock Island	277	1,037	161	458	255
Gulf Coast Lines	7,547	6,551	5,645	2,638	2,690
International-Great Northern	2,199	2,526	2,511	4,169	4,365
Kansas, Oklahoma & Gulf	274	352	223	1,080	922
Kansas City Southern	6,332	5,394	4,568	2,766	3,122
Louisiana & Arkansas	3,327	3,167	3,220	2,467	2,850
Litchfield & Madison	349	311	384	1,167	1,066
Midland Valley	702	649	596	422	343
Missouri & Arkansas	185	143	222	334	389
Missouri-Kansas-Texas Lines	6,013	5,846	6,047	4,413	7,302
Quallah Acme & Pacific	15,349	16,865	15,722	21,672	18,670
St. Louis-San Francisco	118	62	104	282	404
St. Louis Southwestern	7,894	8			

## Items About Banks, Trust Companies

Harry E. Ward, Chairman of Irving Trust Co. of New York, announced the election on April 20 of John W. Moffett and Allyn W. Robbins of the Irving's personal trust division as Assistant Secretaries of the company. Mr. Moffett, who has spent his entire business career with the Irving, joined the trust division in 1922 after successive promotions in the banking departments. He is an honor graduate of the American Institute of Banking. Mr. Robbins, a graduate of Brown University and of Fordham Law School, has been with the Irving since 1936, serving in its investment and trust divisions.

Arthur S. Kleeman, President of the Colonial Trust Co. of New York, announces the promotion of Joseph M. Sullivan from Assistant Manager to Assistant Secretary and Assistant Treasurer. Mr. Sullivan is at the Rockefeller Center office.

DeCoursey Fales, President of The Bank for Savings in the City of New York, at 280 Fourth Ave., announces the election of Robert H. Craft as a trustee of the bank. Mr. Craft is Vice-President and Treasurer of the Guaranty Trust Co. of New York.

W. Palen Conway, Vice-Chairman of the executive committee of the board of directors of the Guaranty Trust Co. of New York, and Mrs. Conway were notified on April 20 by the War Department that their son, Major William P. Conway Jr., was killed in action in the Southwest Pacific area on April 1. Major Conway was Staff Officer with the Weather Section Headquarters of the 13th Air Force in the Southwest Pacific. He was born on Aug. 4, 1914, at New Canaan, Conn., but lived most of his life in South Orange and Green Village, N. J. He was graduated from Princeton University in 1936, summa cum laude. Major Conway entered the employ of the Anaconda Copper Co. at Butte, Mont. Later he became a geologist for the Phillips Petroleum Co. in Louisiana and Texas. To prepare for his entrance into the armed services, Major Conway attended a special class in meteorology at New York University in 1941. Upon graduation he became a Second Lieutenant and shortly afterwards was assigned to the 17th Weather Squadron at McClellan Field, Sacramento, Calif., going overseas from there to the Southwest Pacific area in December, 1942.

Raymond E. Jones, Vice-President of Bank of the Manhattan Co. of New York, died suddenly on April 24 at La Jolla, Cal., while on a Pacific Coast trip. He was 59 years of age. Mr. Jones attended the New York public schools and was one of the first graduates of De Witt Clinton High School. He joined the Royal Bank of Canada at its New York agency in 1901 as junior clerk and 12 years later was appointed agent. After 16 years with the Royal Bank of Canada he was elected a Vice-President of the Merchants National Bank of New York and became its President on Jan. 16, 1919. He was, at that time, the youngest Bank President in New York, being only 33 years. Upon the merger of the Merchants National Bank with the Bank of the Manhattan Co. in 1920, Mr. Jones was elected First Vice-President of the combined institutions and for a number of years was a director of the Manhattan Co. For the past several years he has been in charge of the bank's branches throughout the city of New York. For many years he has been active in the Reserve City Bankers Association and the American Institute of Banking and was known to the banking fraternity throughout the United States. Mr. Jones

was a director of the Commonwealth Insurance Co., The Homeland Insurance Co. and for a number of years was a director and Treasurer of the Museum of the City of New York. His home was at Montclair, N. J., where he served as a trustee of the Montclair Academy. In 1937 Mr. Jones was honored by the Alumni Association of his old high school by being awarded a bronze plaque and citation that stated his activities in the business world had reflected great credit on the DeWitt Clinton High School.

Increase of the capital stock of Grace National Bank of New York to \$2,000,000 was unanimously approved at a special meeting of the stockholders on April 25. The additional stock will be sold at \$150 per share. Subscription warrants will be issued May 1 and will expire on May 31, 1944. Upon completion of the sale of the additional shares the bank's capital funds will be in excess of \$5,100,000.

G. W. Felter, President of the Green Point Savings Bank of Brooklyn, N. Y., announced that George E. Kirby has been appointed as Assistant Vice-President of the bank.

George J. Merked, Vice-President and Controller of the Bushwick Savings Bank of Brooklyn, N. Y., celebrated on April 5 his 50th year with the bank. A gold watch was presented to him by the board of trustees of the bank. Mr. Merked entered the bank on April 5, 1894, according to the Brooklyn "Daily Eagle," which states that on July 2, 1906, he was made Cashier, and on March 6, 1916, he was elected a trustee, becoming Third Vice-President on Feb. 6, 1922, and Vice-President and Controller on April 6, 1936.

Stanley H. Peacock, Secretary-Treasurer of the Fairport Savings and Loan Association of Rochester, N. Y., assumed on April 21 the office of President of the Monroe County League of Savings Associations.

Announcement is made by F. F. Brooks, President of the First National Bank of Pittsburgh, Pittsburgh, Pa., that Attorney Stanley Lyon has been added to the official staff of the trust department of the bank, having been appointed an Assistant Trust Officer. It is further announced that J. Judson Brooks and George S. Fichtel, Assistant Trust Officers, having entered the Navy and Army, respectively, the official personnel of the trust department for the present will be composed of the following officers: James B. Warden, Vice-President and Trust Officer; Stanley Lyon, Assistant Trust Officer; J. Edwin Wilson, Vice-President and Assistant Trust Officer; Ross W. Alexander, Assistant Vice-President and Assistant Trust Officer, and Charles L. Garson Jr., Assistant Cashier.

The Equitable Trust of Baltimore, Md., on April 10 announced the appointment of Miss Nancy Douglas Mitchell as an Assistant Trust Officer. Miss Mitchell, it is noted in the Baltimore "Sun" is the first woman officer appointed in the bank.

The board of directors of the Union Bank of Commerce of Cleveland, Ohio, announced on April 15 the election of John K. Thompson as President of the bank.

Holders of the 450,000 shares of The National City Bank of Cleveland, Ohio, common stock, who were given pro rata rights to subscribe for an aggregate of 112,500 additional shares at \$30 per share, subscribed for 104,556 shares before the rights expired on April

18. The remaining 7,944 shares were sold by an underwriting group headed by Harriman Ripley & Co., Incorporated, and Merrill, Turben & So. Reference to the proposed increase in the bank's capital appeared in our issue of April 13, page 1544.

The National Boulevard Bank of Chicago, through its President, J. de Forest Richards, announced on April 17 that George A. Eastwood, President of Armour & Co., has been elected a director of the bank.

The Union Trust Co. of St. Louis, Mo., announced April 21 the following promotions: Fred A. Sheppard, Assistant Vice-President, and F. P. Boswell, Assistant Secretary of the bank.

The statement of condition issued by Wells Fargo Bank of San Francisco in response to a request made by the Superintendent of Banks, reveals total deposits of \$442,700,442 on April 13, in comparison to \$449,051,876 on Dec. 31, 1943. Bond holdings, which are chiefly Governments, total \$310,837,417, compared with \$303,769,853 at the year-end. Loans total \$31,712,673, representing a decline of \$6,482,062. Capital accounts amount to \$18,658,207 and show an increase of \$99,806 from Dec. 31. Cash on hand totals \$116,736,570.

The United States National Bank of Portland, Oregon, reports in its official statement of condition, as of April 13, deposits of \$402,596,592 as compared with deposits of \$390,055,771 at the time of the Comptroller's call as of Dec. 31, 1943. Comparison of deposits with June 30, 1943, of \$328,571,625 shows a gain of \$74,024,967 in the period of approximately nine months. Resources at the time of the last call stand at \$420,572,149.

## Gehle Of Chase Bank In Government Post

The appointment by Secretary of the Treasury Henry Morgenthau, Jr., of Frederick W. Gehle, Vice-President of the Chase National Bank of New York, as Executive Manager of the War Finance Committee for New York, was announced on April 18 by Nevil Ford, State Chairman. In his new position, Mr. Gehle will direct the activities of the 62 county organizations in the State of New York, comprising approximately 500,000 volunteer workers.

During the past four years, in addition to his banking duties, Mr. Gehle has taken a prominent part in war relief activities. He was associated with former President Herbert Hoover in conducting the Finnish relief campaign. In addition, he has served in an executive capacity with the British, Belgian, and Greek war relief campaigns. Born in London, Mr. Gehle came to this country as a boy of five. He was educated in Jersey City schools and at the New York University School of Commerce. Newspaper work first claimed his interest and he joined the old New York "Evening Post" as a copy boy, afterward progressing to reporter and Wall Street editor. Mr. Gehle entered the Mechanics & Metals National Bank in 1916 as publicity manager and became a Vice-President of that institution in 1922. After the Mechanics and Metals merger in 1926, he was appointed a Second Vice-President of the Chase National Bank, becoming President early this year.

At the same time Mr. Ford announced the appointment of William Richmond to the position of Deputy Executive Manager. Mr. Richmond, who joined the Defense Savings Staff in 1941, was previously an officer of the Guaranty Trust Company, with

## ABA Reiterates Opposition To Forcing Universal Par Clearance By Federal Law

The position taken by the Executive Council of the American Bankers Association on the Brown-Maybank bills now before Congress was indicated as follows at its meeting in Chicago, April 19:

1. The Brown-Maybank bills seek to correct a conflict which has arisen between Government supervisory authorities out of divergent interpretations of the law. This conflict has subjected many of the banks of the country to confusion and inequity in important aspects of their operations.

2. These divergent interpretations of the law by the Government supervisory agencies apparently can only be cured by Congress, putting into the law its own interpretations of what was meant by the payment of interest in the Banking Act of 1935. An interpretation of the law should not be left to regulations of Government agencies.

3. The Association believes that the Brown-Maybank bills should not be enacted because they constitute an inadequate and unsatisfactory solution of this difficulty.

4. We suggest legislation which would have three purposes:

- (a) That Congress undertake to define in the law what is the payment of interest.

- (b) That Congress state in the law limitations under which all insured banks may be permitted to absorb exchange charges only in incidental and minor amounts, and assure to the banks their right to perform other banking services to their depositors.

- (c) To postpone for a reasonable period of time the effective date of the law relating to the absorption of exchange charges, thereby allowing for adjustments.

5. The Association reasserts its previous position in opposition to the forcing of universal par clearance by Federal law or regulation.

## ABA Launching Program For Long-Term Loans

A. L. M. Wiggins, President of the American Bankers Association, made known on April 20 that a nation-wide program of encouraging term loans, backed where necessary by a credit pool, is about to be launched by the Association as a major contribution toward meeting the needs of business for money in its post-war period. This is learned from a special dispatch to the New York "Times" from Chicago, on April 20, which added:

"This step, which overrides the long-established policy of extreme liquidity based on 90-day commercial and other short-time paper, was revealed today by Mr. Wiggins after three days of conferences by its executive council.

"Mr. Wiggins said the proposal made through the council, had met widespread approval in banking circles, and that the details of a nationally adequate and well-staffed organization to put the program into effect would be revealed later.

"Mr. Wiggins, who has real contacts with the financial problems of little business enterprises in his bank in Hartsville, S. C., said the council had reached a unanimous decision that the best field of employment for idle banking capital was in the field of loans, ranging as long as 10 years. To enable the banks in the small communities to obtain a proper share of such loans, he said, the ABA proposed

which he had been associated since 1920, for the latter part of the period as a specialist in government securities. He is a graduate of Harvard University and served as a First Lieutenant of Infantry during World War I. Before taking over the duties of his new office, he was executive assistant to Mr. Ford.

a credit pool system operating on national, regional and local bases.

"We believe that we can compete favorably with Government lending agencies in the matter of money rates on loans of this type," Mr. Wiggins said. "We will make no attempt, however, to extend 'social' or 'political' credit. In private lending you must expect to get your money back."

"Deploring the 'increased risklessness' of banking, in which assets are largely invested in Government bonds and loans guaranteed by Government agencies, the South Carolina banker went on to say:

"We have under way a definite plan and program to mobilize banking facilities, set up the machinery to facilitate such loans and educate farmers in the way the loans should be handled safely."

## Average N. Y. Savings Account Over \$1,000

Despite the payment of record breaking Federal income taxes the depositors in the savings banks of New York State, the Savings Banks Association of New York State reports, added \$56,648,712 to their accounts during the month of March—a larger gain than in either January or February and one which brings the deposit gain for the first quarter of the year to \$154,804,106 and total deposits to an all-time high of \$6,321,877,379.

This deposit gain was coupled, according to the figures released by the Savings Banks Association, with a gain in accounts for the first three months of the year of 65,584, bringing total accounts open to another new high of 6,297,073. On the basis of these figures the average account now stands at slightly over \$1,000—the highest average balance in savings banks' history. War Bond sales for the first quarter totaled \$82,488,288, bringing total new savings—in War Bonds and savings bank deposits—to more than a quarter of a billion dollars.

## Butrick To Confer In N. Y. With Exporters

John F. Sinnott, Manager of the New York Regional Office of the Department of Commerce, has announced that Richard P. Butrick, Counselor of Embassy for Economic Affairs, who recently returned from Santiago, Chile, will visit New York during the period from April 24 to 28 inclusive and will be available for trade conferences with exporters at the Department of Commerce office at 130 West 42nd Street. Mr. Butrick, one of the foreign trade experts of the American Foreign Service, for many years prior to serving in Chile was in charge of the commercial work of the American Consulate General at Shanghai, China. His visit here, following that of Barry T. Benson, Commercial Attache of the American Embassy at Bogota, Colombia, marks the resumption of conferences between returning American Foreign Service Officers and businessmen interested in foreign trade, which were interrupted by the war. These conferences are arranged by the Department of State and the Department of Commerce in line with the policy of these departments to make available all possible information concerning foreign markets and the post war needs of other countries.