

# The Commercial and FINANCIAL CHRONICLE

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## The Financial Situation

The annual report of the General Motors Corporation recently made available to the general public should be brought to the attention of all those reformers, publicists, planners, and post-war seers so given to day dreaming. We quote some paragraphs from it:

General Motors is operating in the United States 99 of its own plants which have a total of approximately 77,000,000 square feet of floor space and, in addition, 16 government-owned plants totaling approximately 12,000,000 square feet of floor space. These plants contain a total of approximately 130,000 machine tools in use on war work and other authorized products, of which 69,000 belong to General Motors. In addition, 17,000 machine tools for which no wartime use was found are in storage. Some 3,100 peacetime machines have been sold. These figures indicate in some measure the physical problem involved in reorganization when the time comes to resume the manufacture of civilian products.

As affecting the disposal of plants now being operated but not owned by General Motors, it would be most constructive if the Government could establish policies and outline procedures at the earliest possible date. It would then be possible to determine to what extent, if any, these plants can be integrated into the corporation's post-war expansion plans.

In addition, government-owned machine tools present a problem, particularly where they are intermingled with machine tools owned by General Motors. Disposition must be made of these thousands of machine tools before plants can be cleared for the post-war re-establishment of normal manufacturing operations.

Many of the 3,100 peacetime machine tools which were sold to other producers were key machines. They must be replaced or recovered before the production of peacetime goods can get started. In addition, wartime developments have paved the way for new types of equipment for post-war use. It is hoped that opportunities will be provided, as the machine tool industry is relieved from war work, to give orders for replacements and for such new equipment as may be needed. The availability of peacetime machine tools when reconversion starts will greatly shorten the time required to get into peacetime production and employment.

General Motors has on hand about \$500,000,000 of wartime inventories, mostly works in process and raw materials. Practically (Continued on page 1948)

## Dr. Walter E. Spahr Discusses Devices For Combating Falling Reserve Bank Reserves

In the May 1 issue of "Monetary Notes," a publication of the Economists' National Committee on Monetary Policy, 70 Fifth Avenue, New York 11, Professor Walter E. Spahr, Executive-Secretary of the Committee, calls attention to the rapidly declining reserve ratios in the Federal Reserve Banks. "During the 16-months period, Oct. 21, 1942, to Feb. 23, 1944," says Professor Spahr, "the ratio of reserve



Dr. Walter E. Spahr

to notes and deposits in the Federal Reserve banks has declined from 83.1% to 62.4%. As recently as Feb., 1942, it stood at 91. On Apr. 19, it stood at 60. Considering the rapidity of this decline, the suggestion was advanced that the time has arrived for us in this country to stop and take a look at the direction in which we have been moving so rapidly, that red flags of warning should be set up and watched from here on, and that our government should proceed promptly and in all earnestness to eliminate useless, wasteful, and non-essential expenditures."

Dr. Spahr then proceeds to discuss nine separate devices that are available or may be used to combat a falling ratio of reserve to notes and deposits in the Federal Reserve banks as follows:

1. The Treasury's free gold—that is, the gold against which there are no outstanding claims, including the \$1,800,000,000 gold in the Stabilization Fund, and \$170,000,000 gold in the general fund of the Treasury (as of April 13), could be put in the Reserve

banks in the form of gold certificates. While this would give the Reserve banks an additional supply of good reserves, the Treasury would be compelled to give up its Stabilization Fund and its relatively small amount of other free gold in exchange for a deposit on the books of the Reserve banks.

2. The Treasury's silver seigniorage (its profit from silver coinage, \$618,958,767 on April 13) could be deposited in the Reserve banks in the form of silver coin or silver certificates, thus adding to the banks' reserves and the Treasury's bank deposits. This step would also dilute the quality of our reserve money still further since the market value of the silver behind silver certificates is much below its nominal value. So long as the Treasury holds its silver seigniorage in addition to the silver specifically securing silver certificates, it has at hand just that much more in bullion value with which to meet foreign claims at the market rate for silver.

3. Under the provisions of the Gold Reserve Act of Jan. 30, 1934, the President apparently retains

the power to devalue our silver and subsidiary coins to the same extent that he devalued the gold dollar, although his power to alter the weight of the standard gold dollar expired on June 30, 1943. If this interpretation of that law is correct, he can reduce the weight of the standard silver dollar, and all subsidiary coins, by approximately 41% and thus increase the silver dollar value of the Treasury's silver, and other subsidiary coin stock by approximately 69%—that is, each silver dollar (and subsidiary coin) would weigh only 59% as much as at present, which means that each silver dollar of present weight would produce \$1.69 of new 59% dollars.

4. The Board of Governors of the Federal Reserve System, has authority to reduce the reserve requirements of the member banks of the System from the present 14, 20 and 26% against demand deposits to 7, 10, and 13%, depending upon the classification of the banks, and the present 6% reserve against time deposits to 3%.

The reserves in Federal Reserve banks can fall below the legal minima of 40% of gold certificates against Federal Reserve notes in circulation and 35% in (Continued on page 1950)

## Some Post-War Markets

### Roger W. Babson Sees Heavy Family Spending

BABSON PARK, MASS.—There are more than 35,000,000 families in the United States. Statisticians believe that some 65% of these families will be heavy spenders as soon as the German phase of the war is over. People have accumulated the funds with which to make very substantial purchases. Most article will be bought to replace present equipment.

#### Automobile Outlook

Just when the automobile companies will be able to again manufacture passenger cars is not now known. The chairman of the board of one of the largest companies in the industry recently said that his company originally based its plans on the assumption that the German War would end in November. Recently, however, the directors of this company have revised their time schedule. They do not now believe the war will be over in November.

Customers for new cars should not expect new models. Cars will constitute what would have been the 1942 models plus a few refinements. Trucks for civilian use will be available before passenger cars. I anticipate that at least 3,600,000 families will be in the market for new automobiles. This does not include cars sold for export, used car sales or cars pur-

chased on a wholesale basis for sales forces. These families will spend at least \$3,300,000,000 for new cars just as soon as they can be delivered.

#### Household Appliances

This market includes all of the varieties of household equipment commonly in use, such as electric irons, sewing machines, vacuum cleaners, washing machines, stoves, radios, refrigerators, fans, garbage disposal units, lamps, carpet sweepers, mangles, electric toasters, etc. 13,750,000 families will want one or more household appliances. Many of these will buy some kind of mechanical refrigerator and possibly 2,500,000 radios will be purchased.

A potential market, in excess of \$1,200,000,000, therefore, exists for household appliances. This does not include household equipment for apartments, for commercial use or for export. In connection with the sale of such articles, the sales forces of dealers and distributors will greatly be increased. For the small businessman, the merchandising of household appliances may offer an attractive future.

#### Home Furnishings

Many items in this category, such as floor coverings and furni- (Continued on page 1951)



Roger W. Babson

## From Washington Ahead Of The News

By CARLISLE BARGERON

It has been one of the ambitions of Barney Baruch's life to get President Roosevelt down to his place in South Carolina. He had Winston Churchill down there and at one time or another practically every outstanding man in the Government, including members of Congress.

But it must have given him a shock when the President got back to Washington and one of the first things he said was that there was a lot of vacant land on Barney's place and he had an idea the country could support a lot more people. Barney has 23,000 acres on a peninsula stretching from the Atlantic to Winyah Bay.

The one joy we've gotten out of the Revolution of the past 117 years is the realization that sooner or later these very wealthy gentlemen who played with it, will get it in the neck themselves. The man who walked boldly into Montgomery Ward's, figuratively brandishing his sword, Francis Biddle, lives off of inherited wealth; the man at his side is described on the Department of Commerce register and in the newspaper accounts of the seizure, as Wayne C. Taylor, Under-Secretary of Commerce. But in the social register and in the society columns of the Washington newspapers, he is referred to as Wayne Chatfield-Taylor. The New Deal is literally loaded up with millionaires of varying degrees, and socialites. Tudor Park of old never compared with the roster of the nearby New Deal Virginia countryside, or with the lavish homes of Georgetown. One could name them without end. The most radical radio commentators

are being sponsored by hide-bound industrialists, who are wringing their hands over what is being done to the free enterprise system. One of the most laughable stories around Washington is that of a tremendously wealthy fellow in West Virginia who is running for Governor on the Republican ticket. He sponsors one of the foremost New Dealers on the radio. The Biddles and the Chatfield-Taylors and the Joe Davies find the radicals tremendously stimulating mentally, they say; very chawming people, indeed.

You can understand, and have an appreciation for the frustrated fellow at the lower end of the so-called social scale who has attained recognition through the "movement," but you are baffled at those who for the want of something to do, came down to meet them. A lot of very practical industrialists in and around the New Deal justify their support on the ground they are a restraining influence. The Francis Biddles make no such claim, and it is difficult to see just where the practical gentlemen have restrained. (Continued on page 1950)

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## A Story With A Moral

"Liquor sold in such establishments (hotels, night clubs, cafes and taverns) is already subject to nine Federal taxes and license fees, an additional 10 State taxes and license fees and even a local license fee before the customer's bill is hiked another 30% by the new Federal tax.

"Here in New York State, these establishments must pay a license fee ranging from \$400 to \$1,200 to the State besides getting Federal and municipal licenses before they can open their doors. The liquor they buy for resale to their customers is priced at a level to include the \$9-a-gallon Federal tax, the \$1.50-a-gallon New York State excise tax, the various occupational taxes that everyone who handles liquor must pay, plus Federal blending taxes, local sales taxes and so on.

"In other words, the cabaret customer who buys a drink of liquor must pay for all these taxes, without mentioning the new 30% tax. The closing down of these places of entertainment is having many repercussions, one of which is the fact that the revenue expected from the 30% tax is not being realized."—Thomas F. McCarthy, President of Allied Liquor Industries, Inc.

"Our joint board represents locals in the culinary industry with a combined membership of 45,000 workers in this city." "They are apprehensive about the future unless Congress takes some immediate steps to reduce this tax. At least 2,000 of them are already out of work and it is anticipated that with the threatened closings of other night clubs, restaurants and cocktail lounges this figure will be increased by additional thousands."—David Siegal, Labor Union Representative.

This is hardly an essential industry that is being hard put to it. Doubtless there is other work for these wage-earners to do.

Yet there is a moral in this story. It has to do with trying to get too many golden eggs from the goose. In many and sometimes devious ways that effort is being made today, and we should all be better off if it were to cease.

## The State Of Trade

Large-scale preparations for the invasion of Europe and warnings of its close approach have overshadowed to a degree the activities of trade and industry. Yet both of these factors play a very important role in the final outcome of the gigantic struggle ahead of us. For last week industrial production as in the past maintained the pace set, and in certain instances, surpassed previous expectations. However, where production in

some fields displayed a tendency to lag, the falling off was not too significant in itself. As for retail trade the past week, the results were good, with the Federal Reserve Board's index of department store sales on a country-wide basis showing a gain over a year ago of 17%.

In the field of electric production, results reveal that output of electricity declined to approximately 4,336,247,000 kwh. in the week ended April 29, from 4,344,188,000 kwh. in the preceding week, as reported by the Edison Electric Institute. The latest figures represent a gain of 12.1% over one year ago, when output reached 3,866,721,000 kwh. Consolidated Edison Co. of New York reports system output of 197,800,000 in the week ended April 30, and compares with 171,700,000 kwh. for the corresponding week of 1943, or an increase of 15.2%.

The pressure now being exerted on the steel mills of the country for shell steel is only a forerunner of the demands that will be made in the days ahead, if current plans of our military forces are fulfilled. The increasing tempo of artillery warfare explains the reason why steel for other military programs must give way to the new shell program initiated. In a market summary of the steel industry, "Steel" magazine this week had the following to say, "pressure for plate and sheet shipment is increasing, though the rate of buying is slightly easier. Many orders scheduled for delivery weeks ahead are being brought forward where there is a possible chance for mills to increase their load.

"This is said to be done to increase supply and replacements for the impending invasion and to turn out as much steel as possible before manpower shortage becomes more pronounced." Continuing, the magazine stated, that "surplus steel stocks appear to be accumulating less rapidly than a few weeks ago and good progress is being made in selling some items. Fewer cancellations in war material is believed to be the cause of the slower rate. Estimates place WPB holdings at about 250,000 tons." According to "Steel," the Great Lakes iron ore fleet got off to a much better start this year than last and ore loadings for the month of April totaled 5,288,079 gross tons of Lake Superior ore. The magazine further stated, that this season's total to May 1, there being no movement in March, compared with 1,954,817 tons to May 1, 1943, and 8,581,740 tons to the same date in 1942, the latter was an all-time record year. The year 1941 being a fairly average year, movement to May 1, was 6,954,793 tons.

As for the rate of steel production, the American Iron and Steel Institute places scheduled output for the week beginning May 8 at 99.4% of rated capacity, equivalent to 1,780,500 tons of steel ingots and castings, a decline from recent new highs established in the United States. Scheduled output for the current week compares with operations at the rate of 99.5%, and output of 1,782,300 tons a week ago. For the week beginning May 1, last year, steel output totaled 1,721,300 tons, and the rate was 99.4% of capacity. Carloadings of revenue freight

for the week ended April 29 totaled 851,857 cars, the Association of American Railroads announced. This was an increase of 11,903 cars, or 1.4% above the preceding week this year, and an increase of 63,068 cars, or 8% above the corresponding week of 1943. However, in a comparison with a similar period in 1942; a decrease of 7,054 cars, or 0.8%, is shown.

Bituminous coal output for the week ended April 29, reached the highest level since Feb. 26, the National Coal Association reported. Production the past week represented a rise of 100,000 net tons from the preceding week at 12,350,000 tons, and a rise of 2,937,000 from a year ago when production for the comparable week was 9,413,000 tons. Output to date—Jan. 1, through April 29, 1944—aggregated 210,675,000 tons, as against 202,631,000 tons for a like period in 1943. The report of the Solid Fuels Administration placed production for the week ended April 22, at 12,250,000 net tons against 11,750,000 tons in the preceding week.

Discussing the prospects of production of anthracite for commercial purposes, F. W. Earnest, Jr., executive director of the Anthracite Institute, New York, pointed out that while output was 8.7% lower in April, the first month of the new coal year, as compared with a similar period in 1943, the end of May would see last year's coal tonnage equalled, and that by July 8, the industry would be approximately 1,500,000 tons ahead of one year ago. The basis for Mr. Earnest's prediction was the fact that in the last coal year there were two major interruptions in production. One occurred in April and the other in July and the probability is that these factors will not manifest themselves again this year.

With the lifting of point-ratting on all meats but beefsteak and beef roasts, effective at midnight on Wednesday of last week, the current report of the American Meat Institute should hold greater interest at this time. Production in April, the institute revealed, approximated 1,470,000,000 lbs. of beef, veal, lamb and pork in federally inspected meat-packing plants, an increase over April, 1943, of 22%, but 12% less than in March of this year. Showing the percentage of increase in the different categories, the institute placed veal production at 56% above a year ago, pork at 28% and beef production at 15%. As for lard, April output amounted to 195,000,000 pounds and was greater by 65% than for a similar period in 1943.

Paper output for the week ended April 29 was equal to 90.9% of capacity, against 91.3% in the preceding week and 85.8% for the week ended May 1, 1943, the American Paper & Pulp Association's index of mill activity disclosed. As for paperboard, production for the same period was reported at 98% of capacity, unchanged from the preceding week.

Good weather worked to the advantage of retail trade in New York last week with accessory and apparel departments busy. In the wholesale field tight market conditions continued. According to the Federal Reserve Bank's index, sales in New York City advanced by 18% over the same period of last year. For the four weeks ending April 29, sales rose by 3%, and for the year to April 29, they improved by 5%.

The volume of retail sales for the country at large for the past week was a trifle above the preceding week and moderately higher than the level a year ago, despite the handicap placed on business in some sections due to inclement weather. Estimated sales for the country as a whole, according to Dun & Bradstreet, Inc., in its weekly trade review, were 5 to 7% higher than in 1943 with the Southwest area in the lead with an increase ranging from 9 to 13%, while the North-

west region experienced the smallest gain, the rise being 2 to 5%. For New England and the East, 3 to 5%; the Middle West, 4 to 6%; South 7 to 12%, and the Pacific Coast 9 to 11%. Women's wear continued to lead sales with the turnover in cottons heavy. Greater stress was placed upon the turnover in better quality merchandise and the dearth of greater supplies worked against noticeable gains in men's furnishings. Main-floor department attractions such as accessories, novelties, jewelry and notions made further progress last week, while moderate sales were reported in household furnishings. As for wholesale activity, the agency disclosed no change over the previous week. Orders for fall and winter goods were up, but the increase was offset by a slowing down in the reorder volume in seasonal lines.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, moved upward by 17% for the week ended April 29, compared with the same week a year ago, while sales for the four weeks' period ended April 29, advanced 4% compared with a like period last year, and by 4% for the year to April 29, over a similar period in 1943.

March sales of all retail stores totaled \$5,592,000,000, or an increase of 12% above that of March, 1943, as estimated by the Commerce Department. For the first quarter of 1944, retail sales increased by 10%, being in volume \$15,345,000,000, compared with \$13,912,000,000 in the same quarter of 1943. All major groups in retail stores reflected gains in the first quarter over a year ago, with the exception of home furnishings. Among the two groups, sales of non-durable goods advanced 11%, while durable goods rose 7%.

Reflecting the trend of the times current reports note that payrolls of the steel industry have soared to a new high peak of \$145,285,000 in March as reported by the American Iron and Steel Institute, over the preceding peak monthly payroll of \$144,937,000 attained in October, 1943, and that consumer credit, according to the Federal Reserve System, for the same period increased about \$173,000,000 over that of February to a total of \$4,836,000,000. The latter figure, however, being approximately \$500,000,000 less than that of March, 1943. It was also noted that the above increase in consumer credit was principally the result of expansion in charge account indebtedness. One other bit of news in the field of finance as disclosed by the Federal Home Loan Bank Administration was that non-farm residential financing during the first quarter of 1944 was 37% greater than in the corresponding quarter of 1943. This is a continuation of the upward trend begun last year and is largely attributed to loans for financing the purchase of existing homes.

War expenditures for the month of April totaled \$7,345,864,000, representing a decline of close to \$400,000,000 from their March peak, and a decrease of \$200,000,000 from the total for November of 1943, the Treasury reports. The month of April, however, stands as the third highest month on record for war disbursements with the average daily rate second highest, being almost \$294,000,000 compared with \$301,000,000 in February. For the first 10 months of the fiscal year war expenditures totaled \$71,592,295,000, or an increase in excess of \$14,000,000,000 over the corresponding period of 1943, while total expenditures for all purposes forged ahead to \$76,826,923,000 for the fiscal year, the increase in this instance over a similar period in 1943 being about the same as noted above.

## Purchasing Agents Ass'n To Convene

Donald M. Nelson, Chairman of the War Production Board; J. F. Brownlee, Deputy Administrator of OPA in charge of prices and Brigadier General Albert J. Browning, Director, Purchases Division, Army Service Forces will be among the main speakers at the 29th Annual International Convention of the National Association of Purchasing Agents to be held May 29-31 at the Waldorf-Astoria in New York City, George A. Renard, Secretary-Treasurer of the Association announced May 7. "The general theme of this year's convention will be 'Purchasing for Victory,'" Mr. Renard said. "All entertainment features again have been eliminated and the program has been streamlined in order to discuss all vital problems confronting purchasing agents now and during the reconversion period in three days of War Conferences. An attendance of 2,000 purchasing agents from all parts of the United States and Canada is expected."

Problems immediately ahead in the war, in war production and in purchasing for war will be the subject of the first convention session on May 29 when Mr. Nelson and General Browning are scheduled to speak. In addition Quentin Reynolds will review the war situation and the NAPA President Ben R. Newbery will discuss "The Turning Point in Purchasing." "How to Win the War and Peace" will also be the theme of the first day's session which will be devoted primarily to current trends in war controls and the problem of how long Government controls will have to be continued, Mr. Brownlee. Walter C. Skuce, Director, Controlled Materials Division of WPB and Robert R. Wason, President, Manning, Maxwell & Moore, New York, will speak.

On its second day there will be a discussion of problems of materials now confronting the country. Pulp and paper, rubber and fuels are scheduled for detailed review, with a forum meeting on containers. Experts from various Government agencies and from the ranks of purchasing executives will speak. Transition, reconversion and post-war problems, with particular emphasis on what they mean to purchasing agents, will come before the Convention on the final day. Contract termination and surplus disposal will be featured. Speakers on the surplus question will include four Government officials now active in this field: Col. D. N. Houseman, Director of the Readjustment Division, Army Service Forces; Lt. Col. J. P. Woodlock, Executive Officer, Surplus War Property Administration; Clifton E. Mack, Director of Procurement, Treasury Department and Col. C. R. Baxter, Chief, Redistribution Branch of WPB.

In a special evening session on the second day the United States Army Purchases Division will put on its own show in presenting its new pricing policies, designed to replace the current renegotiation of war contracts.

## May 22 Maritime Day

President Roosevelt on April 23 proclaimed May 22 as National Maritime Day, bidding the Nation on that day to honor the men who are risking their lives daily to carry troops and materials "to the far-flung battlefields." It was noted by the Associated Press that May 22 was designated Maritime Day because that was the date in 1819 on which the "Savannah" made the first Atlantic crossing by a steam-propelled vessel.

## International Monetary Plan Seen By Nat'l City Bank As Contemplating Modified Gold Standard

The recent agreement reached by technical experts of the United Nations respecting "basic principles for an International Monetary Fund," is commented upon in the monthly "Bank Letter" May 4 of the National City Bank of New York which notes that "the new plan would do away with the proposed monetary units 'bancor' and 'unitas' of the original Keynes and White plans, and all currencies would be related directly to gold." It is further noted by the bank:

"Par values of currencies would be fixed by agreement between the country and the fund at the time of a member's entrance to the fund, and once fixed could not be changed without the fund's consent except to the extent of an initial 10% so long as a country remained a member. Member countries would not be expected to propose, nor the fund approve, currency changes save for correction of a fundamental disequilibrium in the balance of payments.

"In other words, each member country makes a commitment not to make currency changes lightly, or use them as an instrument of trade warfare. Member countries would agree not to impose restrictions on payments for current international transactions (as opposed to capital transfers) or engage in discriminatory currency arrangements without approval of the fund."

In stating that with the publication of the technicians' statement, planning for post-war collaboration in stabilization of currencies has moved forward to a second stage, the bank says:

"The first stage in the process of working out a common program in this area may be considered the publication a year ago of the original White and Keynes plans, followed in June by publication of a Canadian expert's plan. . . .

"That progress has been made is evident from study of the new proposals. While there remain important points that need further consideration, the new set-up is on the whole simpler and more understandable, and certain features of earlier drafts that encountered objection have been modified or dispensed with.

"As an agency for effecting international monetary cooperation, the proposals contemplate a permanent international institution, or fund, with assets of \$8 billion in gold and foreign exchange if all United and Associated Nations subscribe, and \$10 billion if all countries come in."

Two weeks ago—in our April 27 issue, page 1737—we gave Secretary Morgenthau's announcement of the reaching of the agreement on the Fund, and at the same time we published the recommendations of the technical experts.

In what it has to say regarding the proposals of the experts, the National City Bank states that, "looked at in perspective, what the plan seems to contemplate is a return to a form of modified gold standard, with all countries tying their currencies to gold, and with gold continuing to serve in settlement of international transactions." The bank likewise says:

"Member countries not borrowing from the Fund could buy and sell gold at the agreed price subject only to the restriction that a country desirous of purchasing foreign currency with gold would be expected to buy it from the Fund 'provided it can do so with equal advantage.' Sale of newly-mined gold would be permissible on any market, thus assuring a broad outlet for the gold-producing countries.

"The fund would provide a mechanism for the collection of information and, for continuing study and consultation upon international monetary problems. This perhaps might be its most useful function. Such an institution could aid in the difficult problems of determining exchange rates, in acting as intermediary in the arrangement of credits between countries, and in other ways

where authoritative information, expert counsel, and harmony and close cooperation between nations are essential. The experience with the Bank for International Settlements demonstrated the value of a permanent institution in this field. Opinion today is widely agreed that some kind of an international monetary institution is desirable, but there is distrust of proposals that seem grandiose and over-ambitious.

"Where the chief question arises and the closest scrutiny is called for is generally recognized to be in the matter of credits. Any lending institution, be it a world bank or a 'Main Street' bank, must stand or fall by the soundness of its terms of credit. Countries likely to be on the creditor side of the proposed International Fund naturally want to know what safeguards there will be to protect the money they put in.

"Unfortunately, it is precisely upon this point that the plan, as published, is most obscure.

"Long experience in the lending of money shows that proper limitations have to be placed around it, and that there needs to be a constant incentive for the borrower to restrain his borrowings and repay as promptly as possible, for the temptation the other way is always great. It would accord with this principle if advances made through the fund—even those limited amounts which are made semi-automatically—should bear a suitable rate of interest.

"The foregoing is all the more necessary in view of the large sums at the disposal of the Fund, the grave difficulties to be anticipated in the transition period, and tendency always for countries experiencing currency troubles to rely upon credit rather than take the hard and often painful steps needed to put their own houses in order. It must be borne in mind, after all, that the managers of the Fund will be engaged in lending other people's money, and that contrary to the practice of most lending institutions the 'board of directors' will be made up for the most part of the debtors.

"In the light of these considerations, two further crucial questions arise:

"1. Whether there is as yet adequate distinction being made between the needs of the transition period when the most pressing call will be for relief and long-term loans for reconstruction and for the unfreezing of the huge volume of blocked international funds—mainly sterling—and the needs of the latter period when more normal equilibrium will have been restored. While the plan states that the Fund is not intended to be employed for the former purposes, it is not clear that once the Fund is set up and borrowers are admitted to its facilities it will be possible to so identify exchange transactions as to prevent the Fund from becoming encumbered with non-liquid assets.

"2. Whether the whole set-up and theory of an \$8 to \$10 billion fund, with borrowing quotas for 30 or more countries, is not on altogether too elaborate a scale. A fund of \$8 billions is a lot of money, especially when it is conceded that this would be only one of the requirements for credit and capital in the post-war international sphere, and not the most urgent at that. First comes the question of direct relief for war-stricken areas, for which the United Nations Relief and Rehab-

ilitation Administration has been set up with a capital of \$2½ billions, of which the United States share is \$1,350 millions. Next comes the question of long-term credit to deal with the key problem of blocked sterling balances and for long-term rehabilitation and development in other areas. Just how many billions will be needed for these purposes is hard to say, but it will be remembered that there is afoot a plan for a United Nations Bank for Reconstruction and Development, with \$10 billions of capital of which the United States would be expected to put up a substantial share, to guarantee long-term private investments in areas where private capital would be unwilling to take the risks alone.

"Whatever the amounts or the methods, it is realized that a currency stabilization plan could not operate successfully unless and until something like normal international relationships and sound international economies have been re-established. Which prompts the average person to inquire why, once the transition problems have been dealt with, it will require so much money to meet the exchange exigencies of more ordinary times. There is apprehension that, with a fund of such proportions operating on the quota system, debtor countries may be encouraged to think that they have a right to credit up to the amount of their quotas, thus discouraging the taking of adequate corrective measures at home and resulting in pressures upon the Fund that would either be hard to resist or, if resisted, would be productive of much misunderstanding and ill-will.

"In all these plans for making a better world we have to bear in mind that to carry people along with us on any program the program must be simple and logical and in terms that people can understand. This means, in the case of the proposed currency plan, avoiding things that are too ambitious and sticking as nearly as possible to the time-tested principles of lending with which people are familiar.

"With the universal recognition that some form of cooperative action is necessary, it should be possible, with the good will that exists, to carry on the work that has been begun and map out a program that will have the public confidence and support which is indispensable if it is to work.

## Grew Named Director For Eastern Affairs

The State Department announced on May 2, the appointment of Joseph C. Grew, who served for 10 years prior to Pearl Harbor as American Ambassador to Tokyo, as Director of the Department's office of Far Eastern affairs.

Stating that Mr. Grew fills the vacancy caused by the promotion several weeks ago of Stanley K. Hornbeck as a special assistant to the Secretary of State, concentrating on post-war matters. A Washington dispatch May 2 to the New York "Times" also said:

The Director of Far Eastern Affairs is the ranking expert official for that area of the world in the Department. Until the recent reorganization of the Department this ranking official was known as the political adviser to the Secretary of State on Far Eastern affairs, but was not burdened with the administrative matters of the Far Eastern division of the Department. Under the new plan, he combines the functions of political adviser and administrative chief of the Department, except in the Far Eastern field.

Since the promotion of Mr. Hornbeck to the post of special assistant, the Far Eastern division has been under the direction of Joseph Balantine, an expert diplomat on the Far East, as acting director.

## House And Senate Extend Lend-Lease; Curb President's Power Over Post-War Commitments

Following the recent action of the House in passing (on April 19) the bill extending for one year the \$22,000,000,000 program of the Lend-Lease Act of March 11, 1941, the Senate on May 8 passed the bill by a vote of 63 to 1. The House, in passing the measure last month by a vote of 334 to 21, wrote into it a curb on the President's power to take any post-war obligations for the nation. The Associated Press on April 21, noting this, said:

"The curb on the President was offered by Representative Mundt (Rep., S. Dak.) and approved by the Foreign Affairs Committee. It states that in the final settlement of a Lend-Lease contract, the President must consult Congress before any commitment he makes on post-war military, economic or international relations becomes binding."

In reporting the Senate action on May 8, the Associated Press stated that the bill now returns to the House for concurrence in the amendment which broadens the House-initiated provision prohibiting the President from committing the United States, in Lend-Lease settlements, to any post-war economic, military or foreign relations policy without the treaty approval of the Senate. The advice that the House had applied that prohibition to final settlements, but the Senate, at the suggestion of Senator Vandenberg (Rep., Mich.) made it apply to any settlement, whether intermediate or final. The disposition of the bill by the Senate came after hearing arguments that the United States seek permanent title to Caribbean air bases acquired from Britain on 99-year leases in the 1940 destroyer trade. The Associated Press (May 8) further said:

"The brief debate also included discussion of the need for development of a fixed policy on repayment of Lend-Lease aid.

"Senator Langer (Rep., N. D.) cast the only vote against the extension measure."

In the course of debate, Senator Brooks (Rep., Ill.) declared that nearly \$63,000,000,000 or "approximately one-fifth of our entire national wealth" had been spent or pledged for Lend-Lease.

He said direct Lend-Lease appropriations totaled \$24,633,629,000 and that Congress had authorized the Army and Navy to transfer \$35,970,000,000 of their appropriations for Lend-Lease purposes, and that the Maritime Commission had lent \$2,000,000,000 worth of ships.

The Lend-Lease Administration said the actual total of Lend-Lease operations was \$21,000,000,000 through Jan. 31, as compared with the total authorizations voted by Congress and mentioned by Sen. Brooks. This sum, Lend-Lease said, included transfers of equipment from the War and Navy departments and the Maritime Commission. From the Associated Press accounts of April 21 we take the following incident to the House action:

"Proponents, in the three-day debate, described the Lend-Lease idea as one of the most "magnificent weapons of warfare" devised by the United States in behalf of friendly countries.

"A small segment attacked the handling of Lend-Lease, implying that Britain and other nations got all the benefits, and Representative Elmer (Rep., Mo.) declared that 'there isn't a country in the world that won't cut our throats if it gets the chance.' He said also that 'not a nickel' of Lend-Lease aid ever will come back to the United States.

"There was no political division on the question, however, for the measure came unanimously from the Foreign Affairs Committee and its most vocal supporters included Republicans as well as Democrats. The measure now goes to the Senate.

"Stronger opposition to the program was reflected in today's 21 negative votes than at the time it was voted upon last year. At that

## Adoption Of World Oil Policy Urged

Urging adoption of a "comprehensive and enlightened" world oil policy to assure the discovery and efficient use of petroleum, if we are to look forward to a post-war rise in the world's living standard, the Standard Oil Co. (N. J.) on May 4 declared that the United States and Great Britain, as the leading oil finders and producers, are morally obligated to lead the way toward the formulation of such a policy. "The adoption of such a policy now would be as firm a step as any that can be taken toward realization of our vision of a peaceful and prosperous world," the company asserted.

In a booklet proposing such a world policy, the company pointed out the urgent world-wide need for oil. Though it has supplied three-fifths of mankind's oil in the past, the United States cannot continue to supply the demand forever, the booklet stated. Bypassing Russia's great undeveloped reserves which were deemed likely to be needed by the USSR as rapidly as developed, the Standard Oil Co. (N. J.) indicated the principal proved reserves in the Near East, Gulf of Mexico, the Caribbean, and the larger islands of the East Indies as sources of supply.

Based on the principles of international cooperation, free enterprise and equality of access by all nations, the proposed policy would provide for the distribution as well as the production and conservation of the world's oil supply.

American experience in the oil industry provides a valuable pattern for a world policy, the Jersey company noted, without curbing production or retarding progress.

## Dairy Products Higher If Price Control Law Is Passed: Fistere

Increased costs to the consumer of 11 2/5 cents a pound for butter and 1 1/4 to 2 1/2 cents a quart for milk would result from proposed legislation being considered as an amendment to the bill to extend the Emergency Price Control Law, Charles Fistere, Executive Secretary of the Dairy Industry Committee, told the Senate Banking and Currency Committee April 25. The legislation, proposed by Charles W. Holman of the National Co-operative Milk Producers Federation, would set up a price control system for milk and dairy products separate and distinct from the general procedure laid down by Congress to stabilize prices, Mr. Fistere testified. Pointing out that such machinery would immediately force an upward adjustment of prices, Mr. Fistere, who represents more than 6,000 plants processing and distributing milk and milk products, stated, "It seems terribly inconsistent that provisions which would permit almost unlimited price increases should be attached to an anti-inflation bill."

time the tally was 407 to 6, with one member, Representative Elmer (Rep., Mo.), voting present.

"All 21 against the extension this year are Republicans, all but one from the Midwest belt."

# The Financial Situation

(Continued from first page)

cally none of the work in process and only a limited part of the raw material will have any value in the corporation's peacetime manufacture. Almost all of this inventory must be removed from the plants before new stocks of material required for peacetime production can be accumulated.

General Motors is prepared to make an aggregate expenditure in the post-war period of approximately \$500,000,000. This includes provision for the cost of expansion, reconversion, the modernization of existing equipment, and retooling for post-war products. This is in part a measure of its faith and confidence in the future, based on the full acceptance by both Government and business management as a whole of their respective responsibilities.

Such acceptance is of prime importance as affecting the future. What might be done is one thing. What will be done may be quite another. Governmental economic policies largely determine the field of opportunity in which private enterprise operates. That field has been greatly restricted in recent years with the result that the expansion of business enterprise has been greatly limited. Incentives to assume business risks have been so reduced as to curtail the number of new ventures and to restrict the opportunities of existing enterprises. Such encumbrances are not conducive to an expanding economy with increasing job opportunities and a rising standard of living. Whether the post-war period will bring with it a more constructive approach cannot be foreseen. Such considerations determine the relationship between the possibilities and the accomplishments.

Here we get a glimpse through the spectacles of a group of businessmen of the problems which must be faced by one large manufacturing enterprise. In detail, of course, they are different from those of other manufacturers, but broadly similar or related problems will confront a great many business organizations when the war is over and return to peacetime pursuits is the order of the day.

## Other Difficulties

But many other difficulties will likewise face business management. If, for example, we turn to the year-end balance sheet of General Motors we find that of its current assets amounting to some \$1,644 million, well over \$900 million either consist of sums due from the Federal Government (accounts receivable) or take the form of inventories worth only what the Federal Government pays the company for them. With improper management of contract termination after the war the larger part of this huge sum—indeed, conceivably, all of it, could well be "frozen" for a very considerable period of time. Meanwhile, among the company's current liabilities is to be found some \$597 million in income and excess profits taxes payable, advances on government con-

tracts, accrued refunds, and ordinary payables, to say nothing of \$127 million in taxes, payrolls, warranties, and sundry accrued items. Fortunately, this particular company enjoys a credit rating, which together with so-called V-loan arrangements, place it far beyond the hazards a great many lesser companies will be obliged to face.

But not even General Motors has been able to escape certain other developments which it will be obliged to carry as a burden into the post-war period. Of the \$3,796 million net sales, the company paid out \$1,322 million in payrolls, or 35%. In 1942, the figures were \$2,251 million, and \$859 million, or 38%. In 1939, payrolls took only 28% of net values—which was at that time considered high. The United States Steel Corporation, in its annual report made public some weeks ago, revealed a similar trend. It showed that while sales increased 22% from 1941 to 1943, workers' wages rose 45%. A similar picture is shown by a compilation published in the current "Monthly Letter" of the National City Bank showing the financial results of the operations of 50 leading manufacturers of war materials. From 1940 to 1943 their net sales and other income rose 148%; wages and salaries were up 172%. Funds left each year after costs and expenses other than the payrolls and taxes were found to have been distributed percentually as follows:

	Year 1940	Year 1941	Year 1942	Year 1943
Wages and salaries	66.0	62.0	69.4	72.8
Taxes	15.8	24.8	22.5	20.8
Net income	18.2	13.2	8.1	6.4

Evidently, manufacturing will start the post-war period with costs unfortunately inflated at precisely the time when the contrary needs to be the case.

If only there were some way to persuade some of our post-war planners and daydreamers to spend a few intelligent and honest hours with facts such as these!

## Roosevelt Lauds Poles

In a message on May 2 to Wladyslaw Raczkiewicz, exiled President of the Polish Republic, on the occasion of Poland's national anniversary, President Roosevelt said: "On the occasion of the national anniversary of Poland I take great pleasure in sending to the Polish people through you my greetings and best wishes, in which I am joined by the people of the United States. "It is fitting to recall in this fateful fifth year of the war that it was Poland who defied the Nazi hordes. The continued resistance of the Polish people against their Nazi oppressors is an inspiration to all. The relentless struggle being carried out by the United Nations will hasten victory and the liberation of all freedom-loving people." The exiled President is now in London.

## First Truckloadings Decrease Since 1940

Volume of freight transported by motor carriers slipped below the level of the corresponding month in the preceding year for the first time since September, 1940, according to figures released on May 7 by the American Trucking Associations, Inc.

The decline was trifling, only 0.3%, and a continued high rate of activity was indicated by a gain of 10.4% over February of this year, which, however, contained two less working days than in March.

Reports received by ATA from 355 motor carriers in 47 States and the District of Columbia showed that those trucking lines transported an aggregate of 2,906,229 tons in March, compared with 2,632,966 tons in February and 2,915,788 tons in March, 1943.

The ATA index figure, computed on the basis of the average monthly tonnage of the reporting carriers for the three-year period of 1938-40 as representing 100, figured out at 187.50 for March, compared with 173.01 for the previous month.

Motor carriers of general freight accounted for most of the modest recession in tonnage between March of this year and the like month of 1943. That class of trucking companies, handling 83% of all tonnage for the month, turned in a decline of 1.9% from March of last year, although their volume increased 9.5% over February.

Transporters of petroleum products continued to operate on a high plane. Their tonnage, representing 9% of the aggregate reported, was 15.2% greater than in February and 16.6% larger than in March, 1943.

Carriers of iron and steel products hauled a little more than 3½% of the total tonnage. Their traffic volume increased by 13.6% in comparison with February and rose 6.5% above March of last year.

## Special Fund Sought For Creative Activity In Post War Period

In an announcement recently made by Lew Hahn, General Manager of the National Retail Dry Goods Association, stated that the Board of Directors of the National Retail Dry Goods Association at its meeting, March 23rd, voted to raise by voluntary subscription of its members a special fund for the purpose of insuring the continuance of the organization's more creative work in the period following the war. Major Benjamin H. Namm, Vice President for the Middle Atlantic States, was appointed Chairman of a Committee on Special Funds and the other four Vice Presidents, with Edward N. Allen, the Association's President, complete the Committee's membership. The announcement also stated:

"During the war emergency, the National Retail Dry Goods Association, has found it necessary to devote its efforts chiefly to keeping in touch with the various war agencies and assisting its members to comply with their regulations. In the post-war period it is our belief that the retail distribution will have a much greater job than ever before to distribute the huge production of our greatly expanded industrial plants. It therefore seems highly important that the National Retail Dry Goods Association should be in position with ample funds to assist in the development of more efficient distribution methods. Among the fields in which the Association hopes to expand its activities are those which have to do with merchandising, sales promotion and salesmanship."

## Curtin, Prime Minister Of Australia Visits Washington; Reports He And FDR In Accord

Prime Minister John Curtin of Australia, during a recent visit to Washington, conferred with President Roosevelt, having flown South to the point where the President is sojourning. In a broadcast from Washington, April 26, the Prime Minister stated that he and the President, in a review of war and post-war problems in the Pacific, found themselves in "complete harmony." Prime Minister Curtin who arrived in San Francisco on April 19 en route to Washington and London, has since following his departure from the United States, participated in the conference of Prime Ministers of the British Commonwealth, which opened in London on May 1. In his broadcast from Washington April 26, Mr. Curtin, it is learned from Associated Press advices, stated that Australia "will look to the United States in the future, as it will look to the other great powers with the greater resources, to work out, internationally, the salvation of human beings," but that Australia's voice will be heard in the Pacific and it will accept its responsibilities. These advices added:

The Australian Prime Minister's remarks appeared intended to give the United States reassurance on the Australia-New Zealand pact, although he did not mention it directly. This pact signed at Canberra January 21, had elicited some criticism both here and in Australia on the grounds it would limit United States' rights in the South and Southwest Pacific. One clause provides that the use of naval or army air bases constructed during this war in any territory under the sovereignty or control of another power does not afford any basis for territorial claims or rights of sovereignty or control after the close of hostilities.

Indicating what he had to say regarding his talk with President Roosevelt, special advices to the New York "Times" from Washington on April 26 quoted Mr. Curtin as saying: "We discussed matters of major importance to the United Nations in general and our countries in particular. There was complete

harmony between our views and I look forward, on my return from London, to further discussions with the President.

"The President and I reviewed the whole strategic position in the Pacific and then turned to the problems which will present themselves when the war has ended. These included the paramountly important insurance against future aggression and the means which will need to be employed to remove the fear of want and social insecurity from all mankind.

"On these matters the President and I found ourselves like-minded and I am highly encouraged by the result of our talks."

The "Times" advices added: Since Australia was no longer threatened with invasion, said Mr. Curtin, she could add the pressure of her fully mobilized war potential to those developing from the east and south against Japan and, by acting as an advanced supply base, aid the pressure from the theatres other than its own.

The Prime Minister said Australia would look to the United States, as to the other great powers, to work out internationally the salvation of human beings. As for Australian-American relations, he observed that a sort of "reciprocal lend-lease" seemed to be in effect under which some American soldiers were sending Australian wives to the United States while others were finding Australia a fine country to live in after the war.

With his arrival in Washington on April 23, Prime Minister Curtin and his wife were greeted by Secretary and Mrs. Hull. While in Washington, the Prime Minister held conferences with State and military leaders.

## Offers Bill Permitting Savings-Loan Associations As Well As Banks To Carry War Bonds At Par

Legislation which would permit banks and savings and loan associations to carry war bonds on their books at par rather than current market value was introduced in the Senate on May 4 by Senator Thomas of Oklahoma, who in support of his action said that the end of the war might bring a huge liquidation of these securities and a "dangerous" drop in their market price. Associated Press advices from Washington reporting this, added:

"Treasury estimates, the Senator said, placed the probable national debt at the end of this year at \$206,000,000,000, representing a vast reservoir of purchasing power in the hands of the people in the form of war bonds."

"Mr. Thomas said his bill extended to savings and loan associations the right to carry war bonds at par, thus broadening an earlier bill that applied only to banks. It also would direct Federal Reserve banks to accept such securities from member banks at par. This would permit the Reserve banks to make necessary loans on the basis of the securities at par but at the same time refuse to accept them unless the commercial banks actually needed the money that they sought. It also would prevent member banks from dumping large amounts of such securities on the Federal Reserve System if not actually in need of cash.

## Senate Confirms Marcelle To Revenue Post in N. Y.

President Roosevelt nominated Joseph P. Marcelle of Brooklyn on April 12 to the post of Collector of Internal Revenue for the First District of New York to succeed Joseph D. Nunan, Jr., who was recently appointed Commis-

## April Steel Production Continued At High Rate

April steel production was somewhat lower than the March total because of the shorter month, but the average output per week in April exceeded average weekly output in any month of 1943, according to the American Iron and Steel Institute. A total of 7,568,530 tons of steel were produced during April, an average production of 1,764,226 tons per week. Revised figures show that March output was 7,820,226 tons, or an average of 1,765,288 tons per week (indicating that a new record was set in that month, the total exceeding October, 1943, by about 6,000 tons). In April a year ago, 7,373,703 tons were produced, or 1,718,812 tons per week, revised figures show.

During April, 1944, the steel industry operated at an average of 98.5% of capacity, which was the same as the revised rate for March. In April of last year operations were at 99.3% of capacity. sioner of Internal Revenue. Mr. Marcelle's nomination was confirmed by the Senate on May 2.

## Employer Free Speech Right Upheld By Philadelphia Circuit Court Of Appeals

Judge Charles Alvin Jones of the Third Circuit Court of Appeals at Philadelphia, upheld on May 1 the right of employers to express personal views on labor unions to employees. This was reported in a special dispatch to the New York "Times" from Philadelphia, on May 1, from which we also take the following:

He [Judge Jones] declared that "to stop a man from expressing himself would be a denial of the right of free speech."

Judge Jones made his statements during argument before the court on a rule issued March 3 on Edward G. Budd, President of the Edward G. Budd Manufacturing Co., to show cause why the officer and company should not be held in contempt for alleged violation of a decree of the court enforcing an order of the National Labor Relations Board.

The NLRB had instructed the company to post notices of the NLRB order which directed the company to cease dominating an independent union, the Employees Representation Association, and to state that the 15,000 workers were free to join any union of their choice. The Labor Board's ruling stemmed from a complaint filed by the United Auto Workers, CIO, against the company. The order was sustained by the Third Circuit Court and the Supreme Court.

The company complied with the order to post the notices and at the same time circulated the letter from Mr. Budd. The NLRB immediately sought the show-cause rule, charging the letter violated the board order by interfering with the right of the employees to choose their own bargaining agent.

A. Norman Somers, counsel for the NLRB, told the court today that Mr. Budd's letter expressed the executive's views about "outside unions" in such an "indirect, adroit way" as to "belittle the court's decision, undermine its effect and whittle away the assurance given the employees" that their rights would be fully protected.

Mr. Somers acknowledged, however, that no threats or promises were made by Mr. Budd and that he had assured the workers that they would be treated alike,

regardless of the union they joined, but he contended that by reminding the workers of what had been accomplished by the independent group Mr. Budd had created the impression that no other union was desirable and thereby had "cast aspersions" on the CIO.

Judge Jones asked: "Where is the prohibition against a man saying he does not like a labor organization?"

"The court's injunction certainly does not prohibit him from writing a letter in the future," the jurist continued. "Mr. Budd was ordered to publish the court decree on the company's premises, stating that employees were free to join what they wanted to join. Could anything be stronger than that? You have not told us that he did not do those things."

Mr. Somers insisted that "what Budd does in his letter is to express a preference for an 'inside union'."

"Well, to stop him from doing that, wouldn't it be stopping him from the right of free speech?" Judge Jones asked. "He has the legal right, under the First Amendment to the Constitution, to express his like or dislike for labor unions, or anything else, but he is responsible for the effect his word has, and he cannot use intimidation because his employees want one organization or another, but he still has the right to say what he thinks."

Henry S. Drinker, counsel for the company, asserted that the company and Mr. Budd had the right to express opinions whether it was right or wrong.

The court, consisting of Judges Jones, Herbert F. Goodrich and J. Cullen Ganey, took under advisement the NLRB's petition for a contempt order.

## Congressional Committee Proposes U. S. Hold Permanently Bases Leased From Britain

Permanent ownership by the United States of a ring of Western Hemisphere defense bases leased from Great Britain in a wartime exchange for 50 destroyers was recommended on April 20 by a Congressional Committee. This is learned from Associated Press accounts from Washington, given in the Chicago "Journal of Commerce," which added:

A \$130,000,000 American investment has converted the bases into towers of armament which should become permanent bastions to defend this hemisphere from attack, the committee said.

Chairman Hebert (D., La.), of the naval subcommittee suggested something be worked out, perhaps in exchange for Britain's lend-lease obligations, to give the United States full title to the bases which now are held on a 99-year lease.

"Under no circumstances should the advantages enjoyed by the United States through the acquisition of these facilities be relinquished," the report said.

"It would be a mistake for the United States to ever abandon the bases. We feel that steps should be immediately taken by our government to have the lease changed to in perpetuity."

In the House of Commons on April 25, concern over the eventual disposition of the Western Hemisphere bases was expressed by two questions submitted to Prime Minister Churchill, asking assurances that the bases would not be turned over permanently. As to this the Prime Minister on April 26 told the House, "there have been no developments calling for review by the Government of the existing position" with respect to Western Hemi-

sphere bases leased to the United States. The Associated Press further reported from London on April 26 that:

"Asked for an assurance that no move would be made to cede the bases outright to the United States without the consent of the British people, Mr. Churchill said: "There is not the slightest question of any cession of British territories—not the slightest."

From special advices from Washington to the New York "Times" we take the following from remarks by Prime Minister Curtin of Australia, at a press conference in Washington, April 24:

Asked about the use of Australian and New Zealand bases by the United States after the war, Mr. Curtin said that no one had asked that they should be other than under their present jurisdiction any more than Australia and New Zealand were asking for the transfer of bases of the United States or any other government. Neither did Australians believe that because their soldiers had fought in many places these places should come under Australian jurisdiction. He thought that Allied bases should be employed to increase the general security.

"We say it is a matter for Allied discussion and the peace con-

ference is the proper place to raise it," he remarked.

The question of permanent arrangements respecting American bases built on British islands in the Western Atlantic might more appropriately be asked many years from now than today, it was stated by Secretary of State Hull on April 27, it was noted by the Associated Press, which in part also stated.

By his comment in response to a press conference question the Secretary appeared to imply that the Government has no intention of pressing any request for permanent control of the bases to replace the present 99-year lease agreements.

A House naval subcommittee has recommended outright acquisition of the bases and its members served notice today that Prime Minister Churchill's rejection of the idea was a little more than disappointing.

"It wouldn't be fair to have them eventually gain possession of strong bases that were made strong by American money," said Representatives Hess (R., Ohio), a member of the group.

## Results Of Treasury Bill Offering

The Secretary of the Treasury announced on May 8 that the tenders for \$1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated May 11 and to mature Aug. 10, 1944, which were offered on May 5, were opened at the Federal Reserve Banks on May 8. This increases the weekly offering of bills by \$200,000,000 and is the first change made since June, 1943, when the amount of the weekly offering revised was from \$900,000,000 to \$1,000,000,000.

The details of this issue are as follows:

Total applied for, \$2,172,220,000.  
Total accepted, \$1,206,498,000 (includes \$58,530,000 entered on a fixed-price basis at 99.905 and accepted in full).

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

Range of accepted competitive bids:

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

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

(48% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on May 11 in the amount of \$1,005,662,000.

## Frank M. Totton Named To War Finance Comm. Post

Appointment of Frank M. Totton as Vice-Chairman, downstate region, War Finance Committee for New York, was announced on May 2 by Nevil Ford, state chairman. On a leave of absence from the Chase National Bank, New York where he is Second Vice-President, Mr. Totton will assist Lewis E. Pierson, downstate Chairman, in directing the forthcoming war bond selling activities of the five downstate districts. These districts, in addition to the five counties that comprise New York City, include Dutchess, Ulster, Sullivan, Orange, Putnam, Rockland, Westchester, Nassau and Suffolk.

Mr. Totton, a native of Minneapolis, Minn., was graduated from Harvard University in 1912, and began his banking career with the Farmers Loan & Trust Company. He joined the Chase National Bank in 1923 as Trust Officer and in 1929 was appointed Second Vice-President. Mr. Totton is a graduate of the American Institute of Banking, and has served as President of the New York Chapter and also President of the national organization.

## Senate Passes Bill For Settlement Of Claims Arising From Terminated War Contracts

The Senate on May 4 passed the George-Murray bill, to provide for the settlement of claims arising from terminated war contracts, and for other purposes. In passing the bill the Senate decided to confine present demobilization legislation to the contract termination phase, rejecting a plea by Senator Kilgore (D.-W. Va.) for an overall measure covering unemployment benefits and other aids for workers in affected plants.

In noting this Associated Press advices from Washington May 4 said:

"Senator Murray (D.-Mont.), Chairman of a Military Subcommittee handling demobilization bills, promised prompt action on the broader matters. He said that only today he had received a promise from Brig.-Gen. Frank T. Hines, head of the Retaining and Re-employment Administration, to submit within two weeks proposals for covering 'humane aspects.' Gen. Hines, he added, will consult with President Roosevelt and with James F. Byrnes, head of the Office of War Mobilization.

"Passage came after Senator Kilgore had told the Senate that if Congress does not provide for reconversion planning by a single agency industry may face chaotic conditions when peace comes."

It was likewise reported by the Associated Press that Army and Navy officials asked speedy passage of the termination bill because of what they called the increasing rate of contract wind-ups. From the same advices, as given in the New York "Journal of Commerce" we also quote:

The bill sets out as its major purposes:

1. "To facilitate maximum war production during the war, and to expedite reconversion from war production to civilian production as war conditions permit.

2. "To assure to prime contractors and subcontractors, large and small, speedy and equitable final settlement of claims under terminated war contracts, and adequate interim financing until such final settlement."

Set up under the measure would be an office of contract settlement, to be headed by a Presidential-appointed Director drawing \$12,000 a year, serving for a two-year term.

The Director would co-ordinate

the war contract termination work of the various Government agencies, prescribing uniform standards. He would share responsibility with the agencies for paying off contractors, including reasonable settlement costs; removing and storing termination inventories, "and such allowance for profit on the preparations made and work done for the terminated part of the contract as is reasonable under the circumstances."

To help finance businesses in making the shift from war production, the bill provides that where interim financing is made by advance or partial payments, it shall include:

One hundred per cent of the amount payable on account of acceptable items and 90% of the cost of raw materials, purchased parts, supplies, direct labor and manufacturing overhead allocable to the terminated part of the war contract.

The bill, it was noted by the United Press April 28, was evolved from a measure introduced in February by Senators Walter F. George (Dem.-Ga.) and James E. Murray (Dem.-Mont.).

Under the bill, besides the Director, there would be created a 10-man Settlement Advisory Board to be composed of the Director, the Secretaries of War, Navy and Treasury, the Foreign Economic Administrator, Attorney General and the Chairmen of the Reconstruction Finance Corp., War Production Board, Smaller War Plants Corp., and the Maritime Commission.

Partial payment of claims pending final settlement with provision for direct payment to subcontractors as well as to prime contractors would be authorized under the legislation which would also require prompt removal of Government materials and machinery from industrial plants.

## Any Trafficking In War Bonds To Be Referred To Secret Service

Treasury officials announced on May 4 that they have directed the Federal Reserve Banks and Branches to refer to the Secret Service for investigation cases in which they have reason to believe there has been any trafficking whatever in war bonds.

At the same time it was stated by the Department that Treasury officials indicate satisfaction over a recent decision by Judge Isaac M. Meekins of the U. S. District

Court for the Eastern Judicial District of North Carolina, who imposed a \$1,000 fine on Benjamin F. Brittain for trafficking in War Savings Bonds. The accused, a timekeeper for a ship-building company, was charged, according to the Department, with having "purchased" Series E bonds at a discount from employees of the company. The Treasury Department added: "He is alleged to have paid \$10 to \$14 for a \$25 bond, for which the owner paid \$18.75 and could have cashed for the current redemption value by executing a request for payment at a U. S. post office or at any agency authorized by the Treasury and forwarding the bonds to a Federal Reserve bank or branch.

"As the regulations of the Treasury prohibit the transfer of War Savings Bonds of Series E by an owner during his lifetime, or their use as collateral for loans, Brittain was charged under Section 88, Title 18, of the U. S. Code, on five counts of conspiracy with bond owners to defeat the purpose of the Second Liberty Bond Act under which War Savings Bonds are issued.

"Assistant U. S. District Attorney Charles F. Rouse handled

the case on evidence developed during a six weeks' investigation by agents of the U. S. Secret Service."

## Johnston Re-elected Head Of U. S. Chamber

Eris A. Johnston of Spokane was reelected unanimously on May 5 as President of the Chamber of Commerce of the United States by the organization's board of directors.

The board also elected the following Vice-Presidents, according to the Associated Press: William K. Jackson, Boston; Carlyle Fraser, Atlanta; Roy C. Ingersoll, Chicago; Bernard F. McLain, Dallas; Philip W. Pillsbury, Minneapolis; and James W. Spangler, Seattle. Fraser succeeds Carl D. Brorein, Tampa, and Spangler replaces Albert C. Mattei, San Francisco. The other four were reelected.

The board also reelected Ellsworth C. Alvord, Washington, D. C., Treasurer. The annual meeting of the full Chamber was postponed this year because of transportation and other difficulties.

## Dr. Spahr Discusses Devices For Combating Falling Reserve Bank Reserves

(Continued from first page)

gold certificates and other lawful money against deposits provided, under certain conditions, that the Reserve banks pay a tax penalty. The graduated tax on the deficiency of reserves against Federal Reserve notes is prescribed in the Federal Reserve Act, section 11(c); that on the deficiency against deposits is left to the discretion of the Board of Governors of the Federal Reserve System. In 1920, for example, the Reserve Board established a scale of penalties for deficiencies of reserves against Federal Reserve bank deposits. (This table of penalties can be found in my book, *The Clearing and Collection of Checks*, The Bankers Publishing Co., New York, 1926, p. 373.)

Under the Thomas Amendment of May 12, 1933, reserves in Federal Reserve banks become deficient without being subject to these tax penalties provided the President decides that "an economic emergency requires an expansion of credit" and the deficiency arises from the fact that the Reserve banks, under this law, are engaged in buying an aggregate sum of \$3,000,000,000 of Government securities in addition to the amount they may then hold.

If the member and Federal Reserve banks should be overloaded with Government securities when these devices are employed, their liquidity would simply be impaired to a still greater extent. The provision in the Thomas Amendment, like all other provisions in that law, should be repealed promptly.

Even today the ratios of reserves against deposits in member banks of the Federal Reserve System are actually lower than the figures indicate. This is because an amendment to the Federal Reserve Act, effective April 13, 1943, provides that these member banks shall not be required to maintain reserves against Treasury balances arising out of subscriptions for United States securities. The validity of the theory on which this arrangement was justified seems open to question. The exemption of these deposits for reserve requirements was, apparently, a step in what may prove to be a trend away from the maintenance of the usual reserves in good cash assets against all deposits.

5. Under the Thomas Amendment of May 12, 1933, the President can direct the Secretary of the Treasury to issue unsecured United States notes (fiat paper money) "at such times and in such amounts as the President may approve but the aggregate amount of such notes outstanding at any time shall not exceed \$3,000,000,000." This is perhaps the most dangerous and most inexcusable monetary law on our statute books and should be repealed forthwith. At no time since May 12, 1933, has the Administration recommended its repeal. But Congress passed the law and Congress can repeal it. This obvious fact was pointed out to the House Committee on Coinage, Weights and Measures by Secretary Morgenthau in April, 1943, and, moreover, he also stated that he would not oppose its repeal.

There is an element of bad faith involved in our Government asking the people of these United States to buy a huge volume of Government securities while at the same time the Administration and Congress permit this and other indefensible monetary laws to remain on our statute books. This Thomas Greenback law is a threat to every person who buys a United States bond. Again and again large groups of competent and experienced monetary econ-

omists have provided Congress with lists of, and facts regarding, the monetary laws that should be repealed, but in large degree Congress has been amazingly slow in taking appropriate action.

6. Apparently, under Sections 8 and 9 of the Gold Reserve Act of 1934, the Secretary of the Treasury, with the approval of the President, can buy and sell gold in terms of our paper dollars at any rate (price) that "he may deem most advantageous to the public interest." These sections of that law authorize him to revive the Warren gold buying program of Oct. 25, 1933—Jan. 16, 1934, whenever he and the President see fit. This does not provide for devaluation of the gold dollar; it provides for the writing up of the paper and silver dollar value of all gold bought or sold. It provides for the depreciation of our paper and silver dollars in items of gold.

To the extent that the Treasury should take advantage of these powers, it can increase its dollar resources, and deposit the additions with the Reserve banks, thus adding to their reserves in lawful money.

These sections of that law should have been repealed as many monetary economists urged when Congress decided to permit the President's power to alter the weight of the gold dollar to expire on June 30, 1943.

7. Congress can at any time pass a law specifying that certain Government securities shall have "the circulation privilege"—that is, that national banks may issue national bank notes against these securities as collateral and that Federal Reserve banks may issue Federal Reserve bank notes against them. But a bond-secured bank note is not a desirable currency; it is simply one way of monetizing the national debt.

Under Section 18 of the Federal Reserve Act, the Federal Reserve banks, under conditions prescribed by the Secretary of the Treasury, can issue Federal Reserve bank notes against "any notes, drafts, bills of exchange, or bankers' acceptances acquired under provisions of this Act" and deposited with the Treasurer of the United States as security for the notes issued. This was supposed to be an emergency provision. The law provides that "no such circulating notes shall be issued under this paragraph after the President has declared by proclamation that the emergency recognized by the President by proclamation of March 6, 1933, has terminated. . . ." The President has never issued a proclamation stating that "the emergency recognized by the President by proclamation of March 6, 1933, has terminated."

The issuance of national bank notes and Federal Reserve bank notes would reduce the demand for Federal Reserve notes and thus lessen the pressure on the gold certificate reserve of the Reserve banks, since the Reserve banks are required to hold a minimum of 40% in gold certificates against Federal Reserve notes, and since Federal Reserve bank notes and national bank notes require no reserves but, instead, collateral security in the form of United States Government bonds or other prescribed paper.

Neither Federal Reserve bank notes nor national bank notes can serve legally as lawful money for reserves in Federal Reserve banks unless the issuing banks have retired the notes in accordance with law, after which the notes outstanding become a Treasury liability (Treasury currency). When such notes are passing

through the Reserve banks on their way to the Treasury for cancellation they may be counted as lawful money for reserves against Reserve bank deposits. (This explanation does not cover the manipulation begun in December, 1942, under which \$660,000,000 of Federal Reserve bank notes, designated as "National Currency," were "retired" by the Federal Reserve banks before they were issued by the Treasury to and through the Reserve banks as Treasury currency and therefore as lawful money for reserves against Federal Reserve bank deposits.)

Federal Reserve notes have never served, and are not likely to serve, as lawful money for reserves in the Reserve banks because of the procedure provided in law for their retirement. A Federal Reserve bank cannot reduce its liability for outstanding Federal Reserve notes except by depositing with the Federal Reserve Agent its Federal Reserve notes, gold certificates, or lawful money of the United States. The Federal Reserve notes, so deposited, may not be reissued except upon compliance with the conditions of an original issue. And the Reserve banks could not add to their reserves by depositing gold certificates or other lawful money with the Federal Reserve Agent even though the Federal Reserve notes apparently could by that procedure become Treasury currency and thereafter lawful money for reserves in the Federal Reserve banks. It is for these reasons that Federal Reserve notes have never been Treasury currency. There is no way, either in law or in sound accounting or in sound principles of money by which Federal Reserve notes, which are Federal Reserve bank liabilities, could properly serve as reserve against the Reserve banks' deposit liabilities.

8. If reserves still prove inadequate despite the use of one or more of the devices mentioned, Congress can of course reduce them still further. There is a considerable amount of argument appearing these days to the effect that our reserve requirements are too high, that many countries have no legal reserve requirements, and that when the banks' reserve ratios fall to the legal minimum the reserves become useless—the banks cannot use them.

That theory points as a logical conclusion to a belief that all the assets of banks can safely become, let us say, government securities and that good reserves can properly be paid out until no reserves remain and the liabilities of the banks are offset by nothing but government securities. Maintenance of a minimum of reserves calls a halt to such a procedure and, if enforcement of this restriction causes a stoppage in further expansion of loan or investments, on the one hand, and of deposits and bank notes, on the other, the fact remains that the bank, if forced to close and to liquidate, will have a margin of good cash beyond its other assets with which to meet its liabilities.

9. Finally, the nation's standard monetary unit can be devalued to any point deemed desirable by Congress.

Whether devaluation should come before the country's metallic reserves reach the legal limit or after this limit has been lowered and lowered to the vanishing point is a question that is apparently open to debate. It seems safe to say that no country should devalue its currency until compelled to do so. And, as to just when such a time has arrived, a precise answer cannot always be provided with ease and assurance.

It should be clear that most of the preceding devices are highly undesirable expedients to use in combating a declining reserve ratio. Most of them involve a dilution of our reserves and a weakening of our currency structure. As proposals are made to use any

## From Washington Ahead Of The News

(Continued from first page)

One of the most significant developments of the recent primaries was the knocking off in Alabama of Representative Joe Starnes, second in command of the Dies Committee. He was the first casualty of the CIO Political Action Committee which has all of the members of the committee on the blacklist. Starnes was rated an anti-New Dealer.

What slipped up on Starnes and what is likely to develop to have slipped up on others, was the fact that he had brought considerable war industry into his district, and it had transformed from the predominantly rural district in which he was reared. Dies has similarly succeeded in getting a lot of war industry for his district. This may prove to be his political undoing. Other and more far-seeing members of Congress have resisted the demands of their local civic boosters and made no bids for war plants. Viewing Starnes' political corpse they feel justified in their attitude.

However, the renomination of Senators Pepper in Florida and Lister Hill in Alabama, don't seem to have given the Palace Guard the confidence one might expect. Both went to bat on their support of the President. In the case of Pepper, if a great majority of those who voted for Pepper's opponents vote against the President in November, the Republicans may very well carry the State. This is not true of Alabama. Re-elected or not, Pepper has developed to be one of the most expensive Senators the people have ever had to support. In order to carry Hillsborough and Pinellas counties in Florida, which he sorely needed, the Administration took over in the name of National Defense, a six-mile toll bridge connecting the two counties and eliminated the tolls. It so happens that the bridge has been used for war purposes, of course, ever since we went into war.

That the Palace Guard is not calm about the existing situation at all is indicated by the shenanigans it is now attempting.

In the first instance, they are trying desperately to sell Mr. Roosevelt on first making Wen-

of them the people of the United States should ask questions and insist upon an explanation.

Nor should the people permit themselves to be browbeaten by any observations or warnings that discussion of these questions may unsettle public confidence in the fiscal or monetary structure of this country, or that it is unpatriotic to ask questions about reserve ratios, or the nature of bank reserves, or the nature of the money in which the government is planning to redeem its securities in the future.

The money of this country is the people's money, and what happens or may happen to it is their business. When any government official says that a public discussion of monetary or fiscal policies is unsettling, he is in fact stating that they are in such a precarious condition that they will not bear public scrutiny. Then, indeed, the public and Congress should begin to take an unusually good look at the policies being pursued. As to the question of patriotism, it may be said that in the United States, in which a republican form of government is assured to prevail, the people have every right to discuss and to understand what their government officials are doing. Only under a brand of patriotism, commonly associated with some totalitarian form of government, is it unpatriotic for the citizen to inquire into, or express opinions regarding, how the government may be handling the people's money.

dell Willkie his Secretary of the Navy, then taking him as his Vice Presidential nominee. Those who know Willkie best, including the publishers and others who have supported him, say this is an impossible undertaking, and also the Palace Guard would have a hard time selling Mr. Roosevelt on it because, in spite of the stuff that he and Roosevelt are alike, they do not personally like one another.

Another undertaking of theirs is to sell the story that Jim Farley is coming back to the fold with an offer that the New Dealers will support him for Governor of New York in 1946. The facts are that Jim will never bolt his party. He has never claimed that he would. As Charlie Michelson says in his book, "The Ghost Talks," Jim will do, as he has been doing, everything to prevent a Fourth Term nomination. If Roosevelt gets it, as, of course, he will, Jim will then vote for him, and that's all. He won't be a party to anything else.

But far more important in the New Deal panickness, is what has just happened in the matter of rationing. It might be said that regardless of how Sewell Avery comes out with his cause celebre, that he has served the American people, at least temporarily.

Only a few days ago, Mr. Chester Bowles, an up and coming young man, wrote in Collier's Magazine, on the prospects of food rationing. Said Mr. Bowles, we could expect a relaxation on meats in 1945 and in parenthesis (if then). Mr. Bowles really didn't know whereof he spoke, yet he should have. What Mr. Bowles with all of his figuring, didn't contemplate, was that Mr. Bob Hannegan, the chairman of the Democratic National Committee, was returning and reporting that the Montgomery Ward thing along with rationing was stirring up an awful political situation over that part of our country which he had visited, between here and the Pacific Coast. So the President, himself, ordered Marvin Jones, the Farm Administrator, to relax on the food controls. It's amazing how we people get places these days.

## New York Air Commerce Committee Formed

John F. Budd, Chairman of the Aviation Section, of the New York Board of Trade, announced on May 1, the formation of the New York Air Commerce Committee. Its purpose is to study the place various industrial officers should have in Air Commerce, especially facilitating the duties of Foreign Freight Forwarders, Carloaders, Customs Brokers, Foreign Departments of Banks, Traffic Managers, etc. The Committee is chairmanned by G. F. Bauer, International Trade Consultant in Air Commerce, a member of the Executive Board of the Aviation Section. Three outstanding foreign trade groups who participated in the 1st Air Commerce Forum are also cooperating with the Aviation Section of the N. Y. Board of Trade, in achieving the purposes for which the Committee was created. They are: The New York Foreign Freight Forwarders & Brokers Assn., Inc.; The Steamship Freight Brokers Assn., Inc. and the New York Customs Brokers Assn., Inc. The Committee's headquarters will be located at 291 Broadway, the new offices of the Aviation Section, N. Y. Board of Trade. The Secretary of the N. Y. Air Commerce Committee is Daniel H. Ecker, Aviation & Foreign Trade Analyst and Assistant to the President, N. Y. Board of Trade. The personnel of the Committee includes farsighted leaders among foreign Trader facilitators.

## Moody's Bond Prices And Bond Yield Averages

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

1944— Daily Averages	U. S. Govt. Bonds	Ave. Corpo- rate*	Corporate by Ratings*				Corporate by Groups**		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
May 9	119.58	111.81	118.60	116.61	111.62	101.80	105.69	113.70	116.61
8	119.52	111.81	118.40	116.80	111.62	101.64	105.52	113.70	116.61
6	119.48	111.81	119.40	116.80	111.62	101.47	105.52	113.70	116.61
5	119.48	111.81	118.40	116.61	111.62	101.47	105.52	113.70	116.61
4	119.48	111.81	118.40	116.61	111.62	101.47	105.52	113.70	116.61
3	119.51	111.62	118.20	116.61	111.62	101.47	105.34	113.70	116.22
2	119.47	111.62	118.20	116.61	111.62	101.47	105.34	113.70	116.22
1	119.34	111.62	118.40	116.41	111.62	101.31	105.34	113.70	116.41
Apr. 28	119.35	111.81	118.40	116.61	111.62	101.47	105.34	113.70	116.41
21	119.75	111.62	118.40	116.41	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
6	119.81	111.44	118.20	116.61	111.44	100.98	104.83	113.89	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	116.61
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	101.47	105.52	113.89	116.61
Low 1944	119.34	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	116.85	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46
1 Year Ago									
May 8, 1943	119.06	109.97	118.00	115.43	110.52	97.31	101.64	112.93	115.82
2 Years Ago									
May 9, 1942	117.76	106.74	116.22	113.12	107.62	92.28	96.69	110.70	113.70

1944— Daily Averages	U. S. Govt. Bonds	Ave. Corpo- rate*	Corporate by Ratings*				Corporate by Groups**		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
May 9	1.84	3.07	2.72	2.82	3.08	3.64	3.41	2.97	2.82
8	1.85	3.07	2.73	2.81	3.08	3.65	3.42	2.97	2.82
6	1.85	3.07	2.73	2.81	3.08	3.66	3.42	2.97	2.83
5	1.85	3.07	2.73	2.82	3.08	3.66	3.42	2.97	2.83
4	1.85	3.07	2.73	2.82	3.08	3.66	3.42	2.97	2.83
3	1.85	3.08	2.74	2.82	3.08	3.66	3.43	2.97	2.84
2	1.85	3.08	2.74	2.82	3.08	3.66	3.43	2.97	2.84
1	1.86	3.08	2.73	2.83	3.08	3.67	3.43	2.97	2.83
Apr. 28	1.86	3.07	2.73	2.82	3.08	3.66	3.43	2.97	2.83
21	1.83	3.08	2.73	2.83	3.08	3.67	3.44	2.97	2.83
14	1.82	3.08	2.74	2.82	3.09	3.68	3.44	2.97	2.83
6	1.83	3.09	2.74	2.82	3.09	3.69	3.46	2.96	2.84
Mar. 31	1.83	3.09	2.74	2.83	3.10	3.70	3.47	2.97	2.84
24	1.82	3.09	2.74	2.82	3.09	3.70	3.47	2.96	2.83
17	1.80	3.09	2.74	2.82	3.10	3.71	3.47	2.97	2.83
10	1.81	3.09	2.74	2.83	3.10	3.70	3.48	2.97	2.83
3	1.80	3.10	2.74	2.82	3.10	3.72	3.49	2.97	2.83
Feb. 25	1.81	3.10	2.74	2.83	3.11	3.73	3.49	2.98	2.84
18	1.83	3.10	2.73	2.83	3.11	3.72	3.49	2.98	2.83
11	1.85	3.10	2.73	2.84	3.10	3.72	3.49	2.98	2.83
4	1.87	3.10	2.73	2.84	3.10	3.72	3.50	2.98	2.82
Jan. 28	1.87	3.11	2.74	2.84	3.11	3.74	3.50	2.99	2.83
21	1.86	3.10	2.73	2.83	3.11	3.74	3.49	2.99	2.83
14	1.86	3.10	2.72	2.83	3.10	3.76	3.50	2.98	2.83
7	1.85	3.11	2.72	2.83	3.11	3.79	3.52	2.98	2.84
High 1944	1.87	3.13	2.74	2.84	3.12	3.81	3.55	3.00	2.85
Low 1944	1.79	3.07	2.71	2.81	3.08	3.66	3.42	2.96	2.82
High 1943	2.08	3.31	2.81	2.96	3.23	4.25	3.93	3.07	2.93
Low 1943	1.79	3.09	2.68	2.80	3.07	3.79	3.54	2.94	2.78
1 Year Ago									
May 8, 1943	1.93	3.17	2.75	2.88	3.14	3.92	3.65	3.01	2.86
2 Years Ago									
May 9, 1942	1.99	3.35	2.84	3.00	3.30	4.26	3.96	3.13	2.97

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

†The latest complete list of bonds used in computing these indexes was published in the issue of Jan. 14, 1943, page 202.

## Electric Output For Week Ended May 6, 1944 Shows 8.5% 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 May 6, 1944, was approximately 4,233,756,000 kwh., compared with 3,903,723,000 kwh. in the corresponding week a year ago, an increase of 8.5%. The output for the week ended April 29, 1944, was 12.1% in excess of the similar period of 1943.

Major Geographical Divisions—	Week Ended—			
	May 6	Apr. 29	Apr. 22	Apr. 15
New England	1.8	4.3	3.3	3.3
Middle Atlantic	6.0	12.9	7.9	6.1
Central Industrial	6.1	9.5	6.0	7.2
West Central	6.1	6.1	6.0	2.8
Southern States	10.4	11.7	10.3	10.7
Rocky Mountain	5.0	2.2	5.1	5.7
Pacific Coast	20.9	25.3	27.0	26.9
Total United States	8.5	12.1	10.7	10.0

\*Decrease under similar week in 1943.

Week Ended—	1944	1943	% Change over 1943	1942	1932	1929
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	1,718,304
Feb. 19	4,511,562	3,948,749	+14.3	3,423,589	1,512,158	1,699,250
Feb. 26	4,444,939	3,892,796	+14.2	3,409,907	1,519,679	1,706,719
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	4,361,994	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	4,336,247	3,866,721	+12.1	3,304,602	1,429,032	1,688,434
May 6	4,233,756	3,903,723	+8.5	3,365,208	1,436,928	1,698,942
May 13	3,969,161	3,903,723	+1.6	3,356,921	1,435,731	1,704,426
May 20	3,992,250	3,903,723	+2.3	3,379,985	1,425,151	1,705,460
May 27	3,990,040	3,903,723	+2.2	3,322,651	1,381,452	1,615,085

## Steel Production Declines 0.1%—Pressure Heavy On Mills For Early War Deliveries

"As shell-steel tonnages placed with mills mounted steadily in size this week, the effect of the large program upon other steel deliveries became more emphatic, and still there was talk that additional munitions purchases might be superimposed upon the present load," the "Iron Age" says in its issue of today (May 11), further adding in part:

"In addition to the possibilities of slowing up rail production, shell steel requirements may affect seamless-tube rounds and flat-rolled material. Every bar mill will be forced to step up its production to the maximum and the units making larger-size bars will be loaded with directives for shell steel. WPB may even have to reduce the allotments of steel given to non-integrated mills for further conversion, it is said.

"In Canada, too, the shell program is putting pressure on the steel industry. Mills of the Dominion again report large backlogs of orders as shell plants swing back into full operation. Canadian forge shops may require heavier shipments of forging billets from the United States, which would exert further tension on the steel situation in the United States.

"A new shell container program is said to be under way which would double the present program and extend through the third quarter on steel deliveries. This would mean an additional 150,000 tons of sheet for the third quarter. The program is an extension rather than increase.

"It is reported WPB already has notified steel producers of the amount of reduction on plate for the third and possibly fourth quarter. Some plate reductions already have been made, but this pace has been quickly filled with sheet, on WPB directive. Sheet deliveries range from October to February. Plates are critical through parts of July and August.

"Further tightening of the pig iron market, particularly in up-State New York, is being noted by producers. Foundry demand is heavy, even down to the small shops, which are handling all the business they possibly can with shorthanded staffs.

"The most pessimistic estimate in the production drop expected in the steel industry caused by the drafting of all men under 26 years old is 5% to 6% for the remainder of the year. This parallels the percentage of workers to be lost by the industry, manpower officials say.

"The War Department provided an escalator clause last week having the effect of tying steel, coal and lumber prices to OPA ceilings. At the same time, the Department provided machinery for redetermination of contract prices through negotiation for contracts that continue past the period OPA prices are in effect."

The American Iron and Steel Institute on May 8 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 99.4% of capacity for the week beginning May 8, compared with 99.5% one week ago, 98.7% one month ago and 99.4% one year ago. The operating rate for the week beginning May 8 is equivalent to 1,780,500 tons of steel ingots and castings, compared to 1,782,300 tons one week ago, 1,768,000 tons one month ago and 1,721,300 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on May 8 stated in part as follows: "Pressure for plate and sheet shipment is increasing, though the rate of buying is slightly easier. Many orders scheduled for delivery weeks ahead are being brought forward where there is a possible chance for mills to increase their load.

"This is said to be done to increase supply and replacements for the impending invasion and to turn out as much steel as possible

## Some Post-War Markets

(Continued from First Page) ture, have not been restricted during the war. To some extent, families have been able to keep abreast of the replacement demands and buy some new articles. Home furnishings, therefore, will not enjoy the post-war demand that the more restricted metal and rubber consumers goods will have.

Nevertheless, nearly 6,500,000 families will buy furniture, rugs, carpets and/or

# Building Construction Activities Mainly For War Purposes In 1943

Requirements of the global war now raging completely dominated all forms of building construction activities in the United States during 1943, and obviously will continue to be the general guide in this economic sphere until the conflict terminates in victory over our enemies. Private building construction was almost completely put aside last year. Construction for war needs remained on an enormous scale, but even this form of building activity receded from the historical records established in our first full year of participation in the war.

Although the statistics of private construction are uninspiring in this situation, those covering the activities that are essential to the war are a different matter. In the latter sphere, obviously enough, nothing was left undone that seemed appropriate and proper. The leveling off that developed in the course of the year reflected only the fact that most of the new plant construction for manufacture of war supplies had been accomplished, with a consequent diversion of energy and materials to the actual implements of war.

All problems of the building industry were indissolubly linked throughout last year with those of manpower and the supplies of available materials. New plants still were under construction for speeding airplanes and tanks, ships and guns, to our armed forces and those of our Allies.

Private construction remained under the restrictions of War Production Board order L-41, issued April 8, 1942 and amended on Sept. 7, 1942. This order limited to \$200 the private residential construction that might be undertaken without special permits.

Special housing problems continued to develop, however, owing to the labor needs of the great war production centers. In one way or another the workers had to be housed, and a good deal of residential construction took place with that end in view. Much of this already has been shown to be unsound, but such confusions are commonplace in wartime. Federal agencies, operating through local housing authorities, occasioned the construction of almost all of the large low-rent housing developments in all parts of the country which alleviated conditions in war production areas.

But public housing projects solved only a relatively few special problems. The need for dwellings became ever more acute last year, and even the departure of millions of men and women for war service failed to offset this trend.

In general, it must be borne in mind that building construction for ordinary needs has been markedly deficient ever since the collapse of 1929 became imminent. Meanwhile, the population of the country increased steadily, and sizable migrations of people took place within the country. In some areas these tendencies occasioned housing situations that can only be described as desperate. Not in any important section of the country can the housing facilities now be called adequate.

It is the unanimous opinion of all qualified experts, in this situation, that a tremendous post-war boom in building construction is assured, with housing sure to receive primary attention. At a Chicago meeting last March of the National Conference on Post-War Housing, predictions were made that 1,000,000 dwellings a year would have to be constructed for at least ten years in order to meet the accumulated needs.

Not only housing construction, but also other building work, will have to be undertaken on a huge scale, according to members of the New York Building Congress, who gathered in New York City in April for an annual luncheon. Engineering projects likewise will figure prominently in the activities of restored peace, all were agreed.

Readily perceptible in all the discussions is a growing belief that private building construction and other private activities will be adequate to meet the problems of a post-war change-over from the war effort to ordinary business. This is a salutary departure from earlier gloomy contentions that governmental programs will have to bridge the period of transition. But governmental programs also remain under contemplation and possibly will add heavily to the already assured building activity of the post-war period.

In this connection it is noteworthy that President Roosevelt, in a message to the Chicago conference, stated that the task of providing the millions of new homes that will be needed by American families is primarily a job for private enterprise. Only that part of the job which private enterprise is unable to do should be undertaken by the government, he added.

All this indicates that wider recognition steadily is being given to certain principles which we have always maintained in our annual reviews of buildings construction activities. Private building, we have steadily pointed out, tends to meet the genuine economic requirements of the people far better than public construction. The former is much more economical than public building, since costs can be far better controlled and the judgment of seasoned individuals employed to better effect.

We turn now to our compilation covering building permits in all the leading cities of the United States for 1943 and previous years. This survey reflects fully the increasingly drastic effect of war upon ordinary private building. We noted a year ago that in 1942 some construction that already was in progress when Pearl Harbor projected the country into the war was still under way. But in 1943 this alleviating factor was absent, and

## UNITED STATES BUILDING OPERATIONS

	1943	1942	Incr. or Decr. %	1941	1940	1939	1938	1937	1936
	\$	\$		\$	\$	\$	\$	\$	\$
<b>New York City—</b>									
Manhattan	3,269,967	11,200,768	+ 70.8	37,140,595	48,812,161	51,117,073	65,102,651	87,210,685	59,967,761
Bronx	2,340,422	2,529,725	+ 7.5	16,610,940	34,915,306	42,976,825	46,147,664	50,261,047	54,907,333
Brooklyn	9,076,971	14,024,282	+ 35.3	40,561,140	66,480,026	56,339,474	62,201,153	66,107,595	42,507,060
Queens	9,267,675	16,931,485	+ 45.3	55,099,817	67,314,312	80,429,839	150,040,652	97,439,002	50,203,089
Richmond	481,413	3,776,260	+ 87.3	3,763,415	4,644,669	2,369,012	3,139,015	6,400,423	3,640,211
<b>Total New York City</b>	<b>24,436,450</b>	<b>48,462,520</b>	<b>+49.6</b>	<b>153,175,987</b>	<b>222,166,474</b>	<b>233,232,223</b>	<b>326,631,135</b>	<b>307,418,752</b>	<b>211,225,454</b>
<b>New England States—</b>									
Me.—Portland	1,328,965	1,648,300	+ 19.4	1,626,775	1,133,517	889,731	617,738	764,149	680,608
N. H.—Manchester	253,404	386,661	+ 34.5	2,968,717	1,154,761	1,216,823	1,730,637	1,353,129	749,529
Vt.—Burlington	851,125	78,950	+ 978.1	*667,200	1,747,861	402,767	*300,000	406,975	407,321
Mass.—Attleboro	140,204	113,855	+ 23.0	370,961	623,999	*100,000	*150,000	*160,000	*150,000
Beverly	105,006	166,810	+ 37.1	633,607	792,640	403,280	414,002	451,857	339,022
Boston	8,835,530	9,841,894	+ 10.2	12,079,322	11,094,508	17,209,382	11,393,880	21,419,497	11,809,103
Brockton	222,948	244,097	+ 8.7	667,642	437,037	402,767	269,905	520,220	336,315
Brookline	124,095	322,090	+ 61.5	2,469,290	1,803,745	1,793,265	2,103,765	2,485,081	2,462,735
Cambridge	1,451,597	1,886,443	+ 23.1	4,231,590	1,945,875	2,954,816	3,210,699	3,600,889	1,583,735
Chelsea	129,509	139,829	+ 7.4	180,630	192,673	192,621	245,995	188,922	126,013
Chicopee	819,149	385,995	+ 112.2	694,090	711,860	130,380	175,845	336,020	311,285
Everett	108,121	460,954	+ 76.5	3,303,147	287,579	263,322	638,586	226,969	192,107
Fall River	149,518	198,289	+ 24.6	650,350	2,755,411	558,119	681,164	567,365	311,900
Fitchburg	58,740	586,192	+ 90.0	858,966	465,584	661,973	423,532	390,199	326,421
Haverhill	63,125	67,350	+ 6.3	373,155	197,541	604,855	141,989	267,552	312,406
Holyoke	331,890	1,378,395	+ 75.9	976,135	1,086,275	346,460	472,925	425,625	662,060
Lawrence	181,212	303,138	+ 40.2	1,152,975	1,652,606	827,805	618,418	1,034,819	983,230
Long Meadow	99,690	188,085	+ 47.0	565,900	400,050	862,375	297,750	331,000	364,550
Lowell	110,847	328,592	+ 66.3	502,886	2,546,813	508,518	416,118	574,470	552,909
Lynn	385,943	2,793,569	+ 86.2	4,078,108	1,576,490	1,004,514	1,946,538	1,117,830	653,309
Malden	356,198	525,836	+ 32.3	394,025	461,730	1,508,174	408,957	465,455	542,331
Medford	251,496	219,923	+ 14.5	795,063	565,480	400,847	1,164,521	436,547	787,418
New Bedford	355,226	332,050	+ 7.0	1,357,223	2,349,865	887,550	516,889	791,780	361,390
Newton	237,619	521,957	+ 54.5	2,894,589	2,869,476	2,967,330	2,808,960	3,266,179	4,431,578
North Adams	38,864	48,604	+ 20.0	353,102	186,080	339,329	162,484	241,591	120,788
Northampton	145,348	239,889	+ 39.6	401,880	219,328	735,862	205,696	428,493	572,660
Pittsfield	106,415	2,559,925	+ 95.8	1,913,850	2,574,028	894,300	903,607	896,396	548,733
Quincy	820,889	1,755,843	+ 53.2	3,544,707	2,458,418	2,346,131	1,411,784	1,117,927	1,103,652
Revere	77,845	101,765	+ 23.5	343,849	241,861	139,135	144,705	354,641	392,799
Salem	237,699	343,787	+ 30.9	978,912	895,566	530,278	420,452	658,105	851,305
Somerville	181,667	741,018	+ 75.5	777,457	561,661	365,125	270,132	427,487	545,635
Springfield	3,060,223	3,168,272	+ 3.4	2,504,263	1,887,339	3,501,007	2,246,931	2,803,045	1,273,790
Waltham	196,435	1,245,730	+ 84.2	1,511,354	1,166,215	1,012,848	850,661	641,107	953,187
Westfield	78,809	112,862	+ 30.2	382,759	226,817	150,507	150,481	165,100	145,780
Worcester	635,820	2,459,032	+ 71.1	6,563,125	3,821,822	3,526,015	3,401,662	3,273,201	1,957,820
<b>Conn.—Ansonia</b>	<b>36,285</b>	<b>182,425</b>	<b>+ 80.1</b>	<b>249,850</b>	<b>*140,000</b>	<b>148,000</b>	<b>238,180</b>	<b>231,485</b>	<b>*100,000</b>
Bridgeport	4,381,126	4,886,448	+ 10.3	6,517,925	5,038,256	6,129,335	1,888,124	2,824,862	1,716,610
Bristol	2,159,561	2,558,754	+ 15.6	2,400,108	891,436	598,232	367,243	745,213	500,318
Danbury	87,410	259,036	+ 66.3	567,485	345,235	556,795	340,210	480,952	214,513
Hamden	20,180	1,369,645	+ 85.3	1,978,132	2,017,361	*1,000,000	619,979	910,894	511,433
Hartford	3,178,282	4,040,608	+ 21.3	14,673,330	7,562,761	3,379,487	4,331,157	6,285,237	3,103,698
Manchester	2,454,877	2,344,211	+ 4.7	2,279,043	1,688,806	1,007,633	1,078,749	682,058	390,790
Meriden	1,415,715	663,111	+ 113.5	1,906,780	899,822	791,086	759,135	984,530	409,761
Middletown	103,543	266,469	+ 58.9	550,359	46,156	522,574	596,004	257,977	381,888
New Britain	371,942	694,605	+ 46.5	1,841,417	2,454,560	945,976	934,426	791,780	1,118,697
New Haven	1,899,922	3,183,001	+ 40.3	4,987,208	4,822,922	3,800,375	2,270,065	4,456,442	1,692,806
New London	444,782	2,737,489	+ 83.8	*11,194,544	3,942,574	2,128,575	756,445	685,313	335,160
Norwalk	868,401	945,844	+ 8.2	1,892,075	2,786,530	2,168,552	1,330,445	1,492,924	1,783,976
Norwich	19,249	105,935	+ 81.8	156,540	205,253	380,907	398,811	356,578	254,985
Shelton	53,394	250,000	+ 78.6	398,025	345,273	260,690	160,000	350,000	94,750
Stamford	609,105	491,791	+ 23.9	743,249	2,187,356	1,788,838	2,330,797	1,027,812	911,385
Stratford	1,442,286	2,424,478	+ 40.5	2,227,522	2,105,338	1,753,830	911,945	835,948	804,185
Torrington	135,713	287,118	+ 52.7	670,095	534,320	537,856	444,581	545,238	503,904
Waterbury	1,550,486	1,612,240	+ 3.8	2,851,060	1,946,265	1,036,335	1,605,125	1,386,100	1,319,576
West Hartford	573,921	3,502,641	+ 83.4	4,387,873	7,799,230	4,934,722	2,721,715	4,259,032	4,009,115
West Haven	129,534	594,288	+ 78.2	739,780	602,321	550,552	321,750	377,167	88,700
Williamantic	46,547	2,195,244	+ 97.9	206,147	39,225	40,000	*50,000	*10,000	37,320
<b>R. I.—Central Falls</b>	<b>*25,000</b>	<b>65,000</b>	<b>+ 61.5</b>	<b>98,938</b>	<b>103,738</b>	<b>103,738</b>	<b>87,840</b>	<b>104,549</b>	<b>49,475</b>
Pawtucket	178,423	463,966	+ 61.5	1,549,396	1,658,575	1,324,031	1,583,703	869,462	619,833
Providence	797,750	1,363,950	+ 41.5	4,429,200	4,098,500	3,418,300	3,806,015	3,223,100	5,485,441
<b>Total New England:</b>	<b>44,527,005</b>	<b>72,784,278</b>	<b>+ 38.8</b>	<b>123,192,932</b>	<b>107,847,524</b>	<b>89,644,630</b>	<b>71,706,122</b>	<b>86,816,246</b>	<b>64,437,383</b>
<b>Middle Atlantic States—</b>									
<b>New York—Albany</b>	<b>585,586</b>	<b>1,122,951</b>	<b>+ 47.9</b>	<b>2,424,009</b>	<b>3,494,694</b>	<b>2,104,179</b>	<b>3,211,807</b>	<b>3,983,538</b>	<b>3,315,204</b>
Auburn	125,753	853,053	+ 85.3	846,653	416,292	229,578	1,832,309	281,315	214,067
Binghamton	695,393	799,030	+ 13.0	1,144,355	1,513,442	2,153,379	1,641,560	1,835,921	1,806,460
Buffalo	9,336,669	3,752,138	+ 58.2	6,636,332	4,510,682	11,143,630	7,101,171	5,435,036	2,880,198
Elmira	398,530	433,354	+ 8.0	310,621	591,293	734,641	798,171	326,693	305,258
Jamestown	195,139	379,085	+ 48.5	556,381	456,330	438,392	244,627	282,153	817,689
Kingston	117,459	347,967</							

	1943	1942	Incr. or Decr.	1941	1940	1939	1938	1937	1936
	\$	\$	%	\$	\$	\$	\$	\$	\$
Del.—Wilmington	3,325,781	2,677,488	+ 24.2	3,639,607	6,698,334	5,470,655	2,466,828	4,494,122	4,348,246
Md.—Baltimore	13,464,588	21,449,994	- 37.2	48,233,205	25,960,357	14,188,250	14,640,038	15,162,010	17,683,944
Cumberland	304,724	147,285	+ 106.9	1,002,345	690,744	811,792	333,714	508,040	497,488
Frederick	35,957	1,715	+ 96.6	479,765	650,439	829,996	362,997	367,406	329,480
D. C.—Washington	19,278,051	30,832,350	- 37.5	49,950,710	42,717,450	70,819,793	48,433,310	31,168,515	31,553,390
W. Va.—Charleston	280,933	682,835	- 58.9	2,664,806	2,222,432	5,921,828	3,172,435	2,907,275	2,224,125
Clarksburg	25,511	98,836	- 74.2	559,013	822,878	819,058	381,965	533,616	707,424
Huntington	196,324	879,614	- 77.7	1,682,389	1,682,122	3,390,160	1,362,664	2,200,706	1,500,210
Wheeling	275,893	870,733	- 68.3	2,275,656	2,423,833	949,910	937,913	1,854,757	1,166,616
Total Middle Atlantic: 72 cities	97,453,331	166,390,725	- 41.4	287,414,754	240,974,981	240,849,850	178,175,097	178,239,967	166,375,080

Middle Western States—									
Ohio—Akron	7,884,960	13,114,571	- 39.9	12,420,635	5,250,633	3,390,940	1,689,958	3,497,837	2,503,800
Alliance	418,925	150,842	+ 177.7	*133,397	385,037	144,617	*100,000	37,585	89,920
Ashtabula	62,121	154,938	- 60.0	263,021	377,445	194,144	146,480	249,482	154,585
Barberton	550,076	373,431	+ 47.3	797,059	1,071,542	542,131	176,390	398,763	177,817
Canton	1,314,371	2,594,784	- 49.3	4,460,569	2,856,098	1,734,673	1,831,566	1,424,042	941,603
Cincinnati	2,976,530	8,207,820	- 63.7	25,198,760	21,797,975	15,201,430	14,865,515	18,203,110	18,488,020
Cleveland	15,124,500	24,471,600	- 38.2	26,088,700	21,874,000	18,305,000	7,203,500	11,125,000	8,756,500
Columbus	1,954,955	8,473,180	- 76.9	14,116,665	12,250,721	9,929,620	6,200,375	6,637,400	5,567,075
Dayton	4,344,701	4,911,847	- 11.5	8,481,224	6,207,944	3,493,129	2,157,254	4,327,120	2,669,412
East Cleveland	923,364	79,492	+ 1061.6	2,202,379	982,844	95,237	132,803	209,434	179,123
Hamilton	517,130	2,345,380	- 78.0	1,657,632	982,844	60,706	1,178,816	621,765	752,709
Lakewood	900,645	334,944	+ 168.9	718,710	862,130	697,807	1,115,497	1,117,179	1,843,001
Mansfield	373,390	583,456	- 36.0	2,034,148	1,799,337	2,198,076	1,178,816	384,425	282,640
Newark	809,070	132,690	+ 509.7	506,340	640,585	601,215	1,115,497	1,117,179	1,843,001
Northwood	*350,000	584,591	- 40.1	*606,468	630,281	302,933	583,484	739,670	391,061
Sandusky	72,658	401,181	- 81.9	637,337	329,366	268,928	164,793	217,620	117,010
Springfield	786,780	1,185,371	- 33.6	1,945,520	1,746,569	1,248,960	1,374,477	959,082	837,128
Toledo	830,583	2,955,420	- 71.9	6,942,831	4,990,976	5,349,553	2,308,725	4,375,329	4,566,078
Youngstown	409,279	874,183	- 53.2	3,380,077	2,801,498	5,313,685	1,324,900	1,929,438	1,545,250
Zanesville	12,508	85,985	- 85.5	384,995	539,584	320,376	323,606	187,164	189,695
Ind.—Elkhart	149,949	256,163	- 41.5	750,275	645,580	370,398	324,206	826,452	369,141
Fort Wayne	873,237	6,421,469	- 86.4	4,266,388	3,676,251	2,791,279	2,681,273	2,577,288	1,764,868
Gary	587,372	3,157,574	- 81.4	4,609,135	5,224,420	2,539,828	1,000,413	1,629,625	939,462
Hammond	1,435,500	4,023,500	- 64.3	4,159,600	4,712,735	2,956,950	2,445,220	3,261,623	3,267,283
Indianapolis	2,254,049	7,135,632	- 68.4	15,594,101	13,913,962	13,626,855	10,824,925	9,086,076	7,417,546
Kokomo	261,820	199,824	+ 31.0	515,243	443,867	1,114,187	470,025	854,859	989,891
Michigan City	110,467	291,111	- 62.1	481,093	325,113	307,645	206,252	593,662	288,573
Richmond	285,776	238,749	+ 19.7	649,316	660,052	568,093	484,706	509,083	376,154
South Bend	836,603	2,881,106	- 71.0	242,234	2,867,693	2,199,442	1,050,214	1,403,305	1,048,669
Terre Haute	183,702	133,343	+ 37.8	415,132	495,339	1,440,854	331,666	519,279	918,941
Ill.—Aurora	328,552	620,130	- 47.0	1,128,037	795,396	636,952	669,805	741,027	557,779
Bloomington	42,987	57,662	- 25.5	773,828	846,587	819,237	346,184	379,684	300,615
Chicago	15,488,773	30,738,121	- 49.6	49,607,397	39,828,116	42,280,687	21,256,299	28,806,443	18,989,322
Cicero	1,446,785	2,485,435	- 41.8	1,714,978	899,323	429,433	481,725	748,820	324,475
Decatur	861,801	1,007,984	- 14.5	2,309,115	1,530,455	792,646	1,576,991	792,646	872,839
East St. Louis	1,084,333	403,785	+ 168.5	2,424,896	1,046,284	940,099	527,970	933,838	392,063
Elgin	80,380	238,268	- 66.3	1,204,787	1,172,117	1,172,117	535,485	553,464	499,401
Evanston	129,743	535,005	- 75.7	2,062,950	7,156,950	2,650,400	2,705,050	1,223,095	2,108,200
Freeport	63,150	84,560	- 25.3	345,878	337,822	218,816	217,749	336,777	273,252
Moline	500,000	1,147,582	- 56.4	2,505,610	1,971,867	1,677,471	1,332,581	1,982,512	619,238
Oak Park	152,035	194,305	- 21.8	939,855	789,535	783,510	715,475	988,625	1,491,575
Peoria	488,696	756,806	- 35.4	3,583,318	6,308,015	2,416,012	2,428,355	2,372,738	4,215,842
Quincy	26,250	55,889	- 53.0	403,885	296,700	199,095	203,607	181,776	124,820
Rockford	827,805	1,651,335	- 49.9	3,865,670	2,128,425	2,793,675	1,189,180	1,326,440	1,191,295
Rock Island	1,027,017	2,408,596	- 57.4	2,073,018	2,456,256	1,123,119	959,422	1,382,055	1,461,483
Springfield	186,696	2,355,329	- 92.1	2,483,996	3,525,524	1,558,758	1,946,468	1,624,587	2,890,557
Mich.—Ann Arbor	574,200	1,402,322	- 59.1	2,185,112	2,342,487	3,959,472	3,740,824	1,578,924	3,513,785
Bay City	719,524	1,091,040	- 34.1	1,399,805	1,198,390	1,189,234	848,439	1,399,703	889,960
Detroit	36,218,230	54,988,212	- 34.1	75,825,714	81,138,733	61,664,099	51,430,371	52,909,940	43,169,099
Flint	2,961,685	4,278,965	- 30.8	6,548,263	6,473,185	3,410,728	2,481,231	3,669,421	3,435,295
Grand Rapids	787,390	2,127,730	- 43.0	4,316,250	3,259,265	3,019,680	1,701,290	2,507,755	1,783,160
Highland	226,584	4,015,751	- 94.4	1,302,224	2,114,813	1,424,498	411,216	1,622,489	409,450
Jackson	531,560	176,197	+ 198.3	512,205	501,654	364,837	389,833	586,893	366,547
Kalamazoo	254,105	540,493	- 51.1	1,169,264	1,479,934	1,950,676	2,051,393	697,901	1,390,000
Lansing	783,422	1,477,704	- 47.0	6,157,667	1,841,748	1,763,535	1,459,592	3,853,800	2,087,036
Muskegon	924,148	1,075,094	- 14.0	1,385,488	1,817,228	573,221	403,050	1,078,781	553,018
Pontiac	980,581	1,242,357	- 21.1	3,372,091	2,239,542	923,058	734,017	1,632,031	1,494,059
Saginaw	1,840,771	2,374,146	- 22.2	2,930,701	2,744,346	2,509,791	1,061,369	1,449,320	1,428,639
Wis.—Kenosha	1,480,996	2,563,053	- 42.5	1,910,260	1,281,696	786,547	438,011	627,180	532,094
Madison	1,315,802	1,057,775	+ 24.4	66,565	2,000,831	*1,000,000	1,814,023	2,394,320	1,773,710
Manitowish	202,605	423,117	- 52.1	986,089	1,744,145	1,121,035	570,272	670,757	715,232
Milwaukee	6,450,622	10,469,760	- 38.4	14,872,927	10,606,877	9,731,896	6,264,324	12,098,942	12,245,627
Oshkosh	301,253	441,749	- 31.8	796,969	796,308	817,210	888,084	1,229,444	733,902
Sheboygan	185,689	371,046	- 50.1	1,318,165	502,713	868,866	532,965	1,306,776	1,361,807
Shorewood	350,226	131,476	+ 151.0	503,671	468,530	404,510	373,294	475,376	1,059,480
Superior	363,316	950,732	- 61.8	1,580,941	803,309	471,032	686,468	654,924	710,485
Total Middle Western: 66 cities	128,173,722	232,713,678	- 44.9	351,301,893	317,181,564	254,955,141	178,807,316	217,707,840	184,187,684

Other Western States—									
Mo.—Joplin	98,685	454,135	- 88.0	547,300	651,150	475,200	479,425	400,700	381,725
Kansas City	2,279,000	3,689,775	- 48.4	4,373,765	3,679,800	2,811,419	3,446,010	3,476,500	4,050,500
St. Joseph	20,350	59,605	- 68.9	584,405	338,510	1,279,567	282,350	195,215	332,677
St. Louis	2,959,923	8,209,980	- 63.9	17,067,857	13,639,312	11,258,419	9,319,027	8,735,113	13,775,132
Sedalia	*25,000	64,948	- 61.5	175,435	158,120	158,120	90,005	122,230	101,512
Minn.—Duluth	1,568,333	1,091,778	+ 45.5	178,191	2,477,146	1,933,983	1,465,471	2,201,791	1,222,810
Mankato	81,318	92,394	- 12.0	1,067,186	613,970	565,047	825,608	462,535	449,583
Minneapolis	1,868,728	3,746,035	- 50.1	10,919,265	10,224,485	15,646,185	7,761,710	7,529,855	

Building Construction Activities Mainly For War Purposes In 1943

(Continued from page 1953)

indicate an irregular decline throughout the year, with the month of August an exception.

MONTHLY RECORD OF CONSTRUCTION CONTRACTS AWARDED AS COMPILED BY THE F. W. DODGE CORPORATION

Table showing monthly records of construction contracts awarded from January to December 1943, 1942, 1941, and 1940. Includes sub-categories for non-residential and residential buildings, public works, and utilities.

Total constr'n. 3,273,990,000 8,255,061,000 6,007,474,000 4,003,957,000

\*Includes projects without general contractors, sub-contracts being let directly by owners or architects.

Building statistics compiled by the "Engineering News-Record" likewise reflect a tendency last year toward more modified activities than those of 1942, when war construction was at its peak.

Table titled 'YEARELY ENGINEERING CONSTRUCTION CONTRACTS IN UNITED STATES REPORTED BY "ENGINEERING NEWS RECORD"'. Shows annual totals for various construction types from 1933 to 1943.

The tabulations of the "Engineering News-Record" show that public construction last year totaled \$4,944,533,000, as against the record level in 1942 of \$8,750,006,000 and a 1941 figure of \$4,690,617,000.

UNITED STATES BUILDING OPERATIONS—(Continued)

Large table showing building operations by state and city from 1943 to 1936. Columns include year, dollar amount, and percentage change.

944,533,000, as against the record level in 1942 of \$8,750,006,000 and a 1941 figure of \$4,690,617,000. In 1930 such public construction was only \$1,389,222,000.

or statistics of building permits may be taken as best representing the course of building work, in normal periods. In ordinary circumstances the building permits have a peculiar and added value as reflecting intentions with respect to the future.

	1943	1942	Incr. or	1941	1940	1939	1938	1937	1936
	\$	\$	Decr. %	\$	\$	\$	\$	\$	\$
<b>Tenn.—Chattanooga</b> .....	17,405	1,467,676	- 88.1	6,365,881	3,224,134	5,103,684	3,633,006	2,809,408	2,794,588
Knoxville .....	754,727	1,159,472	- 34.9	2,619,301	2,250,768	4,689,838	1,908,478	2,442,292	2,749,303
Memphis .....	4,402,255	4,346,133	+ 1.3	14,984,180	10,097,959	9,898,543	6,295,280	7,225,820	10,921,355
Nashville .....	648,517	548,149	+ 18.3	2,814,547	5,384,033	3,487,639	2,975,375	4,344,154	7,565,320
<b>Ky.—Covington</b> .....	47,836	84,016	- 43.1	584,910	410,303	245,655	359,398	777,478	293,060
Lexington .....	225,834	319,599	- 29.3	1,285,708	1,539,930	769,896	1,040,931	925,382	775,520
Louisville .....	2,692,698	7,290,985	- 43.1	5,156,109	5,145,254	7,030,227	3,848,351	4,514,249	5,948,581
Newport .....	64,828	16,860	+ 284.5	161,755	200,000	250,000	300,000	334,066	79,306
<b>Total Southern:</b>									
60 cities .....	78,864,671	119,390,155	- 33.9	261,659,879	268,185,088	244,228,288	174,792,196	168,659,320	161,298,267
<b>Total: 354 cities</b> .....	537,665,181	869,688,336	- 38.2	1,598,836,048	1,597,969,635	1,405,316,472	215,599,552	1,228,980,537	1,046,887,801
<b>Outside New York:</b>									
353 cities .....	513,228,731	821,225,816	- 37.5	1,445,650,061	1,375,803,161	1,172,034,249	888,968,417	921,561,785	835,662,347

**THE DOMINION OF CANADA**

	1943	1942	Incr. or	1941	1940	1939	1938	1937	1936
	\$	\$	Decr. %	\$	\$	\$	\$	\$	\$
<b>Eastern Canada—</b>									
<b>Quebec—Montreal</b> .....	9,590,063	11,676,576	- 17.9	12,547,282	11,427,632	9,253,506	10,205,422	8,208,294	6,905,323
Outremont .....	218,075	333,550	- 34.6	797,550	273,300	792,100	925,400	833,400	586,700
Quebec .....	1,975,444	1,601,913	+ 23.3	2,666,647	1,762,971	2,493,572	1,945,961	549,718	816,835
Sherbrooke .....	643,299	535,850	+ 20.1	1,438,035	1,656,950	1,171,550	750,690	841,740	728,100
Three Rivers .....	181,228	269,740	- 37.5	810,980	475,760	1,007,360	769,565	383,417	1,836,000
West Mount .....	88,040	331,599	- 73.4	160,233	406,046	379,363	515,077	549,718	356,378
<b>Ont.—Belleville</b> .....	211,444	185,040	+ 14.3	233,220	145,440	251,396	119,340	150,395	85,065
Brantford .....	240,410	792,315	- 61.7	321,137	166,757	233,875	273,563	270,703	161,602
Brockville .....	60,287	27,550	+ 81.2	105,282	117,735	93,551	139,000	44,100	967,769
Fort William .....	159,188	155,123	+ 2.6	461,900	470,108	487,535	471,365	186,740	100,000
Galt .....	199,094	1,747,175	- 60.2	2,611,108	931,576	524,305	495,880	495,880	207,500
Guelph .....	124,297	278,396	- 28.5	356,945	321,784	268,995	285,730	369,630	141,226
Hamilton .....	2,217,114	1,287,676	+ 3.3	259,947	232,230	198,294	152,778	138,267	100,200
Kingston .....	628,019	3,304,442	- 39.9	4,977,193	5,562,493	2,265,265	2,325,908	1,694,189	1,466,906
Kitchener .....	675,335	537,809	+ 31.0	1,171,276	946,889	415,153	392,733	360,629	253,398
London .....	789,965	725,320	+ 25.6	1,072,680	839,300	774,419	615,092	892,247	449,123
Midland .....	*26,000	25,555	+ 1.7	987,070	1,037,290	1,895,870	708,140	949,790	672,745
Niagara Falls .....	117,101	166,286	- 29.6	38,745	8,535	21,895	55,000	*25,000	7,300
North Bay .....	94,771	77,955	+ 21.6	328,776	267,048	159,695	309,849	239,822	127,767
Oshawa .....	313,732	297,005	+ 5.6	1,057,454	242,648	200,000	296,780	84,000	58,700
Ottawa .....	3,316,783	7,291,388	- 54.5	4,860,615	516,590	209,500	103,085	218,760	108,022
Owen Sound .....	72,630	138,068	- 47.4	429,727	3,789,675	2,050,656	5,137,509	2,307,770	1,781,855
Peterborough .....	320,617	309,712	+ 3.5	1,053,511	1,053,377	122,760	176,916	56,848	173,410
Port Arthur .....	405,785	704,710	- 42.4	2,668,448	1,260,251	502,079	426,144	199,686	269,165
St. Catharines .....	622,760	711,833	- 12.5	1,589,347	1,237,086	441,656	747,444	708,143	212,671
Sault Ste. Marie .....	338,622	486,668	- 30.4	1,151,255	612,260	599,389	405,698	793,227	823,398
St. Thomas .....	82,109	76,855	+ 6.8	374,953	152,898	586,490	419,066	355,950	226,340
Sarnia .....	1,342,114	337,015	+ 298.2	533,006	372,770	167,256	189,296	52,106	79,545
Sudbury .....	521,840	499,210	+ 4.5	689,730	1,321,600	1,435,065	1,354,115	1,474,395	1,223,229
Toronto .....	5,914,237	7,672,500	- 22.9	9,171,360	10,619,613	10,285,707	8,494,340	11,238,900	2,002,850
Welland .....	449,361	442,214	+ 1.6	610,340	423,945	198,854	146,663	231,429	107,465
Windsor .....	2,375,372	4,613,353	- 48.5	4,149,116	2,015,114	928,402	970,948	3,524,699	703,970
York .....	1,808,700	2,077,080	- 12.9	2,655,995	1,206,967	1,212,740	1,080,415	1,650,250	2,002,850
<b>N. S.—Halifax</b> .....	798,531	874,825	- 8.7	2,038,079	1,401,652	1,129,481	1,431,142	1,488,326	1,113,998
Sidney .....	242,513	531,608	- 54.4	777,433	707,997	378,955	354,564	354,564	179,396
<b>N. B.—Moncton</b> .....	272,748	558,292	- 51.1	3,660,504	1,022,831	461,280	214,608	214,608	100,292
St. John .....	1,055,146	496,630	+ 112.5	406,786	292,122	502,811	233,534	261,000	211,244
<b>Total East 38 cities</b> .....	33,378,508	51,667,748	- 23.8	69,465,903	54,944,831	44,342,001	43,850,302	42,591,170	26,810,902
<b>Western Canada—</b>									
<b>Man.—Brandon</b> .....	190,259	270,120	- 29.6	258,648	360,446	83,695	50,085	57,310	113,235
East Kildonan .....	18,140	59,411	- 69.5	38,600	15,000	15,300	14,220	45,000	12,400
St. Boniface .....	343,924	470,686	- 26.9	916,114	1,050,785	439,003	1,036,280	333,949	97,279
Winnipeg .....	1,912,500	2,945,750	- 35.1	4,006,850	3,329,100	2,584,050	1,985,900	2,152,100	1,407,450
<b>Alta.—Calgary</b> .....	1,991,084	3,361,122	- 40.8	2,677,385	2,678,841	1,064,076	911,311	667,809	845,287
Edmonton .....	6,716,495	3,367,720	+ 99.4	3,422,925	2,636,870	1,661,109	2,806,340	865,560	895,440
Red Deer .....	363,842	350,255	+ 3.9	463,670	465,653	463,904	205,117	232,298	200,414
Lethbridge .....	*107,000	104,455	+ 2.4	117,818	147,540	303,679	75,620	61,416	56,010
<b>Sask.—Moose Jaw</b> .....	97,723	248,376	- 60.7	391,728	94,384	77,354	46,041	191,088	57,818
Prince Albert .....	136,306	628,882	- 78.3	378,311	269,857	196,237	242,255	95,428	173,262
Regina .....	470,458	755,349	- 37.7	1,149,791	1,052,919	597,615	477,780	463,941	358,865
Saskatoon .....	383,464	199,255	+ 37.7	720,985	1,150,215	251,494	448,585	249,901	223,955
Swift Current .....	42,235	64,144	- 34.2	90,013	54,103	52,216	22,568	28,830	27,836
Weyburn .....	13,000	15,715	- 17.3	3,090	12,060	17,200	36,630	72,155	89,235
Yorkton .....	69,505	82,738	- 16.0	206,090	79,561	101,855	39,513	68,270	61,700
<b>British Columbia—</b>									
New Westminster .....	493,390	401,850	+ 22.8	848,063	862,206	1,177,705	696,182	541,715	369,215
Vancouver .....	4,663,734	5,996,015	- 22.2	9,216,925	8,053,725	6,253,796	8,224,300	6,760,880	4,641,545
Victoria .....	1,084,653	1,015,962	+ 6.8	2,080,195	1,767,120	805,470	1,955,099	760,695	564,517
<b>Total West: 18 cities</b> .....	19,097,712	20,337,805	- 3.1	26,996,796	24,089,385	16,135,758	19,274,126	13,648,345	10,216,543
<b>Total all: 56 cities</b> .....	58,476,220	72,005,553	- 11.8	96,462,699	79,034,216	60,477,759	63,124,428	56,239,515	37,027,445

\*Estimated. †No figures available. ‡Included in Los Angeles.

The exceptions are easily traced and show variations from the usual trend that in some instances approach the fantastic. A few cities reflect ten-fold increases in building permits over 1942, and many of them reported three, four and five-fold advances. The communities that did not fall into this classification, on the other hand, showed declines that commonly ran to 70% or 80%

and even in some cases exceeded 90%. In other words, the drop in non-essential building was almost complete. When it is considered that this tendency already was in evidence in 1942, it will be readily apparent that ordinary construction hardly figures in the tabulations for 1943.

In the case of New York City, the drastic lowering of

building permits reflected in part an early neglect by the Federal Government of the great manpower resources and ample facilities of the Metropolis when war contracts were awarded. The tendency was to build entirely new plants, and this sometimes was done in farm regions, which aggravated enormously the attendant housing problems of the war workers drawn to the scene by high wages and patriotic motives. But in the details of war materials production, many war contracts and sub-contracts were again awarded in New York City, while the vast port facilities came into full use when shipments overseas continued to expand. This brought the housing facilities of New York City into full use, but there was no such overcrowding and straining for houses and apartments as occurred in many of the centers devoted largely or entirely to war production.

As in 1942, there was again in evidence a sizable transfer by the Federal Government of certain forms of war activity to New York City which required the occupancy of office space. For this reason, larger office buildings generally came into full use in the Metropolis.

The City of Washington, D. C., notoriously overcrowded even in the years preceding our entry into the war, remained in 1943 the outstanding example of inadequate housing. Despite the great need of additional dwellings to house the influx of government employees, ordinary building construction was held to small proportions in Washington, last year. Building permits in that city totaled only \$19,278,051, against \$30,832,350 in 1942, and \$49,905,710 in 1941.

Viewed from the sectional or regional standpoint, without regard to the incidental increases of building construction in a few key cities, the decline assumes its general character. In the Middle Atlantic States the drop last year from 1942 was 41.4%. The largest recession of 44.9% took place in the Mid-Western area, while the Pacific States, which are especially affected by inadequate housing facilities, reported a drop of 26.9%, which was the smallest for any region.

We now present an instructive geographical comparison of building activities covering the last nine years.

**AGGREGATES OF BUILDING PERMITS BY GEOGRAPHIC DIVISIONS**

Calendar Years	No. of Cities	1943	1942	Incr. or Decr. %	1941	1940
		\$	\$		\$	\$
New England... (59)		44,527,005	72,784,278	-38.8	123,192,932	107,847,524
Mid Atlantic... (72)		97,453,331	166,390,725	-41.4	287,414,754	240,974,981
Mid Western... (66)		128,173,723	232,713,678	-44.9	351,301,893	317,181,564
Other Western... (45)		35,121,791	53,351,088	-34.2	119,681,873	114,578,699
Pacific... (51)		129,088,210	176,595,912	-26.9	302,398,730	277,035,305
Southern... (60)		78,864,671	119,350,155	-33.9	261,659,879	268,185,088
<b>Total</b> .....	(353)	513,228,731	821,225,816	-		

## Civil Engineering Construction \$41,856,000 For Week—Gains 57% Over Preceding Week

Civil engineering construction volume in the continental U. S. totals \$41,856,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 57% higher than in the preceding week, and 18% higher than the weekly average for 1944 to date, but is 42% lower than the total reported to "Engineering News-Record" for the corresponding 1943 week. The report made public on May 4, continued as follows:

Private construction is 65 and 159% higher, respectively, than for a week ago and a year ago. Public construction tops last week by 53%, but is 58% under the week last year.

The current week's volume brings 1944 construction to \$637,018,000 for the 18-week period, a decrease of 51% from the \$1,290,346,000 reported in 1943. Private construction, \$139,501,000, is 5% higher than a year ago, but public work, \$497,517,000, is 57% lower due to the 4% decrease in state and municipal and the 60% drop in federal work.

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

	May 6, '43	Apr. 27, '44	May 4, '44
Total U. S. Construction	\$72,237,000	\$26,737,000	\$41,856,000
Private Construction	5,208,000	8,169,000	13,512,000
Public Construction	67,029,000	18,568,000	28,344,000
State and Municipal	4,612,000	8,492,000	4,675,000
Federal	62,417,000	10,076,000	23,669,000

In the classified construction groups, gains over last week are in bridges, industrial buildings, public buildings, earthwork and drainage, and unclassified construction. Industrial building is the only class to gain over the 1943 week. Sub-totals for the week in each class of construction are: waterworks, \$287,000; sewerage, \$253,000; bridges, \$206,000; industrial buildings, \$11,812,000; commercial building and large-scale private housing, \$934,000; public buildings, \$13,559,000; earthwork and drainage, \$682,000; streets and roads, \$3,992,000; and unclassified construction, \$10,131,000.

New capital for construction purposes for the week totals \$39,963,000. It is made up of \$529,000 in state and municipal bond sales, and \$39,434,000 in federal construction funds from the First Deficiency Appropriation Act of 1944.

New construction financing for 1944 to date totals \$405,598,000, and is 17% below the \$486,035,000 reported for the 1943 18-week period.

## Living Costs In Large Cities Remained Stable Between Feb. 15-Mar. 15, Labor Bureau Reports

Lower food prices balanced higher costs in the family budget for spring clothing, household equipment, and services between Feb. 15 and March 15, and as a result, there was no net change in the average cost of living essentials in that month, Secretary of Labor Frances Perkins reported on April 26. "The overall cost of living has remained stable with only minor variations for a year," she said. "Prices of living essentials in that month," says Miss Perkins, "averaged 0.8% higher than in the corresponding period last year, and 22.8% above the level in Jan. 1941, base date of the 'Little Steel' formula. Since the beginning of the war in Europe, the rise in the cost of living has amounted to 26%, as compared with an average of 61% during the same period of the World War."

Miss Perkins added: "The reduction of 0.3% in the total cost of a typical family grocery bill from mid-Feb. to mid-March was due principally to lower prices for fresh vegetables, and seasonal declines for eggs. A general reduction in point values was announced by the OPA following reports of larger food supplies. This was reflected in reduced prices for a number of non-rationed foods. The largest price declines for food during the month were for fresh green beans (19%), cabbage (12%), and lettuce (7%). Prices for carrots, potatoes, and spinach were also lower as good spring supplies came into the market. The acute shortage of onions continued throughout the country, with prices up slightly for the limited supply available for general sale. Oranges were up seasonally by about 11% as the supply of Florida oranges diminished and the new California crop came onto the market.

"Prices of meats remained fairly stable with adequate supplies of beef and pork reported in most cities. Prices for chickens and fresh fish were somewhat higher than a month ago with continued shortages in some communities. Canned peas and canned green beans both declined almost 3%.

"Scattered price increases occurred in most articles of clothing during the month. Particularly outstanding were advances in women's spring coats, which were higher in 33 of the 34 cities surveyed. Although cotton dresses were not yet on display in all stores, prices were appreciably above those of last summer. In several stores, the advance was over 50% above a year ago, with an average rise for all cities of 15%. Rayon hosiery rose slightly as retailers received new supplies at the higher prices permitted by OPA on the qualities priced by the Bureau. Price rises were noted for work clothing, men's felt hats, shirts, shorts, and pajamas, and women's underwear and cotton nightgowns, in most cases as a result of the unavailability of lower priced lines. Shoe repair prices again showed advances in most large cities. Retailers reported general shifts in demand from blended to all-wool fabrics following larger allocations of wool for civilian garments.

"Anthracite coal dropped 45 cents per ton in most cities as prices returned to previously established ceilings. This change was largely responsible for the decrease of 0.4% in fuel, electricity and ice costs, as a group, from mid-Feb. to mid-March. Slight increases were reported in bituminous prices in some cities where dealers had been selling below the prices established by OPA in November.

"The increasing scarcity of lower-priced lines raised costs during the month for dining-room and bedroom suites, dinnerware, and towels in several cities. Large increases in the cost of brooms, ranging from 1% to 35%, were reported in most of the large cities, because of the disappearance of lower grades. Quotations on steel-frame bedsprings replaced those for wood frame springs in the Bureau's reports in a number of cities, resulting in small price decreases due to the lower maximum price established by OPA for steel-frame springs.

"The cost of miscellaneous goods and services advanced by an

average of 0.3% over the month. The cost of medical care increased in 12 cities. Scattered rises were reported for beauty and barber shop services, laundry, drugs, soaps, domestic services and auto repairs.

"Rents remained unchanged in the 34 large cities combined, with slight increases reported in 9 cities and slight decreases in 2. Increasing vacancies in sub-standard housing were reported in some large cities where population was reduced because of war migration, or where public housing units were made available."

COST OF LIVING IN LARGE CITIES  
Indexes, 1935-39=100\*

Date—	All items	Food	Clothing	Rent	Fuel electricity and ice	House- furnish- ings	Miscel- laneous
1939: Aug. 15	98.6	93.5	100.3	104.3	97.5	100.6	100.4
1941: Jan. 15	100.8	97.8	100.7	105.0	100.8	100.1	101.9
1942: May 15	116.0	121.6	126.2	109.9	104.9	122.2	110.9
Sep. 15	117.8	126.6	125.8	108.0	106.2	123.6	111.4
1943: Mar. 15	122.4	131.4	127.6	108.0	107.4	124.5	114.5
1944: Jan. 15	124.2	136.1	134.7	108.1	109.5	128.3	118.4
Feb. 15	123.8	134.5	135.2	108.1	110.3	128.7	118.7
Mar. 15	123.8	134.1	136.7	108.1	109.9	129.0	119.1

\*Some indexes for January and February, 1944, are revised. These indexes are based on changes in the cost of goods purchased by wage earners and lower-salaried clerical workers in large cities.

PERCENT OF CHANGE

Date—	All items	Food	Clothing	Rent	Fuel electr. and ice	House furnish- ings	Miscel- laneous
Feb. 15, 1944 to Mar. 15, 1944	-	-0.3	+1.1	-	-0.4	+0.2	+0.3
Mar. 15, 1943 to Mar. 15, 1944	+0.8	-2.4	+7.1	+0.1	+2.3	+3.6	+4.0
Mar. 15, 1942 to Mar. 15, 1944	+5.1	+5.9	+8.7	+0.1	+3.5	+4.4	+6.9
Sep. 15, 1942 to Mar. 15, 1944	+6.7	+10.3	+8.3	-1.6	+4.8	+5.6	+7.4
May 15, 1941 to Mar. 15, 1944	+22.8	+37.1	+35.7	+3.0	+9.0	+28.9	+16.9
Jan. 15, 1941 to Mar. 15, 1944	+25.6	+43.4	+36.3	+3.6	+12.7	+28.2	+18.6

## Non-Ferrous Metals — Call For Copper, Lead And Zinc Continues At High Level

"E. & M. J. Metal and Mineral Markets," in its issue of May 4, stated: "War demands for copper, lead, and zinc continued at a high rate during the last week. The light metals—aluminum and magnesium—are in oversupply and production is being reduced by WPB. The tin smelter in Texas is producing at the rate of 30,000 tons of tin a year, it was stated officially. The price situation in quicksilver remains unsettled, and quotations in New York again declined \$5 per flask. Demand at the lower price was described as slow. Spain has agreed to curtail tungsten ore shipments to Germany, the State Department announced on May 2. The publication further went on to say in part:

### Copper

Evidence that domestic production of copper is being reduced because of manpower shortages was contained in a statement by E. T. Stannard, President of Kennecott Copper Corp., at a meeting of stockholders, to the effect that the company's output has been reduced by about 3,000 tons a month from its peak rate.

Owing to rising costs, resulting from the labor situation, Consolidated Coppermines Corp., has applied to the Government for a revision of its quota under the premium price plan to maintain production on a profitable basis.

### Lead

May requirements of consumers of lead have been provided for to the extent of 95%. Requests for foreign lead for May shipment continued in evidence last week, and it now appears that at least 18,000 tons of such metal will be moved to supplement domestic deliveries.

Domestic producers sold 6,497 tons of lead during the last week, which compares with 3,040 tons in the previous week.

General Inventory Order M-161 has been amended to exempt lead from restrictions imposed under the original document.

### Zinc

With business in zinc covering May shipment metal now well in hand, producers estimate that the volume sold for this month will compare favorably with total sales for April. Brass mills and galvanizers were well represented among the buyers, and, as for some time past, direct and indirect war requirements accounted for the bulk of the business.

Labor trouble at the plant of the United Zinc Smelting Corp., Moundsville, W. Va., temporarily removed that company from among the list of buyers of zinc concentrate in the Tri-State market.

### Aluminum

To bring production of aluminum more closely in line with consumption, the War Production Board announced on May 1 that it will discontinue operations of

two production lines at the Aluminum Co. of America plant in Queens County, New York City. Suspension of production at this plant will reduce output by about 72,000,000 lb. a year. The order to shut down will be issued by the Defense Plant Corp., at the request of WPB. The cut-back will reduce consumption of coal, now more critically short than aluminum.

Curtailed production so far has been limited to virgin aluminum. Fabrication of aluminum for the war program continues at a high rate.

### Tin

The Defense Plant Corp. has decided to sell three detinning plants, according to Washington advices. This would indicate, market observers believe, that excess capacity exists for treating used tin cans.

Light on output of tin at the Texas smelter was contained in a radio address by Charles B. Henderson, Chairman of the Reconstruction Finance Corp., on April 29. The \$6,000,000 smelter, he said, has been operating since April, 1942, and its output to date has exceeded 41,000 tons of tin. The present production rate is approximately 2,500 tons a month. He added, and declared that the tin produced is of the highest quality.

During January, Bolivia exported 2,632 metric tons of tin contained in concentrates, which compares with 3,754 tons in January last year and 3,267 tons in January 1942. Exports during 1943 averaged 3,413 tons monthly.

The price situation in the United States market remains unchanged. Straits quality tin for shipment, in cents per pound, was as follows:

	May	June	July
April 27	52.000	52.000	52.000
April 28	52.000	52.000	52.000
April 29	52.000	52.000	52.000
May 1	52.000	52.000	52.000
May 2	52.000	52.000	52.000
May 3	52.000	52.000	52.000

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

### Quicksilver

Mercurials were reduced in price during the last week to bring the market in line with the raw material. However, buying of salts continued on the light side, with consumers disposed to buy against immediate needs only.

Mexican producers are reducing output, contending that current prices are too low for profitable operation of quicksilver deposits.

Cost of producing quicksilver has risen sharply, compared with pre-war years. The Mexican authorities have been approached to support production.

The market in New York remained quiet and prompt shipment metal was available at \$120 per flask, effective May 1.

### Silver

Silver production from domestic mines, in terms of recoverable metal, was 3,312,038 oz. in January, against 3,413,118 oz. in December, the Bureau of Mines reports.

The London market was quiet, with the price unchanged at 23½d. The New York Official for foreign metal continued last week at 44¼c. an ounce.

### 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.

## Scatterly Nominated As Cotton Exchange Head

The nominating committee of the New York Cotton Exchange announced on May 6 the slate of offices to be filled at the annual election of the Exchange, to be held in June. John H. Scatterly, currently Vice-President of the Exchange, was nominated for the Presidency to succeed Eric Alliot. William H. Koar was nominated for the Vice-Presidency and Benedetto Lopinto for the post of Treasurer.

The following were nominated for the Board of Managers of the Exchange: Eric Alliot, Frank G. Brown, Milton S. Erlanger, J. Henry Fellers, Tinney C. Figgatt, Edward A. Hillmuth, James A. Kieran, Frank J. Knell, Jerome Lewine, Robert J. Murray, Arthur J. Pertsch and Charles B. Vose.

Three out-of-town members of the Exchange were nominated for the Board of Managers, including: J. Robert Lindsay, Greenville, S. C.; William F. Neale, Dallas, Texas, and Thomas J. White, Memphis, Tenn.

## NRDGA Postpones Meetings

It has been decided to postpone the various associate membership group meetings of the National Retail Dry Goods Association until some time next fall, it was made known recently by Lew Hahn, General Manager of the Association. The revised dates will be announced late. The decision to postpone these meetings was made by the various divisions themselves. This action was decided upon in view of the military situation and the likelihood that there may be need of all available transportation for government purposes. It is pointed out by the Association that the Office of Defense Transportation all along has asked that conventions should not be held during this emergency and has left it to the various organizations to determine whether or not they shall comply. When consulted on the subject of this postponement the officials indicated the need of transportation might be acute around the time of the meetings but declined to rule as to whether or not the meetings should be postponed.

After consulting their various chairmen and others who had been active in preparing for these conferences, says the Association, Messrs. Kleinhaus, Plant and Blanke as the managers respectively of the Controllers' Congress, the Store Managers and Personnel Divisions and the Merchandise Managers Division and Ready-to-Wear Group decided upon the postponement.

### 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 29, 1944, is estimated at 12,360,000 net tons, an increase of 110,000 tons, or 0.9%, over the preceding week. Output in the corresponding week of 1943 amounted to 9,413,000 tons. Cumulative production of soft coal from Jan. 1 to April 29, 1944, totaled 210,685,000 tons, as against 202,631,000 tons in the same period last year, or a gain of 4.0%.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended April 29, 1944, was estimated at 1,344,000 tons, an increase of 22,000 tons (1.7%) over the preceding week. When compared with the output in the corresponding week of 1943, there was an increase of 366,000 tons, or 37.4%. The calendar year to date shows a gain of 4.2% when compared with the corresponding period of 1943.

The Bureau of Mines also reported that the estimated production of beehive coke in the United States for the week ended April 29, 1944, showed a decrease of 6,200 tons when compared with the output for the week ended April 22, 1944; and was 7,700 tons less than for the corresponding period of 1943. Production for the 120 days ended April 29, 1944, was 155,500 tons below that for the same period of last year.

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

	Week Ended			January 1 to Date		
	April 29, 1944	April 22, 1944	May 1, 1943	April 29, 1944	May 1, 1943	May 1, 1937
Bituminous coal and lignite	12,360,000	12,250,000	9,413,000	210,685,000	202,631,000	162,750,000
Total, incl. mine fuel	2,050,000	2,042,000	1,569,000	2,059,000	1,977,000	1,594,000

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

	Week Ended			Calendar Year to Date		
	April 29, 1944	April 22, 1944	May 1, 1943	April 29, 1944	May 1, 1943	May 4, 1929
Penn. anthracite	1,344,000	1,322,000	978,000	21,685,000	20,810,000	25,491,000
Total incl. coll. fuel	1,344,000	1,322,000	978,000	21,685,000	20,810,000	25,491,000
Commercial product	1,290,000	1,269,000	939,000	20,819,000	19,978,000	23,656,000
Beehive coke	140,200	146,400	147,900	2,606,400	2,761,900	2,152,300

\*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 22, 1944	April 15, 1944	April 8, 1944	April 1, 1944
Alabama	382,000	392,000	355,000	21,000
Alaska	5,000	6,000	5,000	3,000
Arkansas and Oklahoma	88,000	83,000	79,000	5,000
Colorado	170,000	150,000	133,000	72,000
Georgia and North Carolina	1,000	1,000	1,000	1,000
Illinois	1,511,000	1,430,000	1,460,000	508,000
Indiana	524,000	476,000	532,000	173,000
Iowa	43,000	38,000	62,000	19,000
Kansas and Missouri	168,000	158,000	158,000	42,000
Kentucky—Eastern	942,000	930,000	902,000	786,000
Kentucky—Western	381,000	352,000	284,000	104,000
Maryland	37,000	38,000	41,000	15,000
Michigan	4,000	5,000	4,000	2,000
Montana (bitum. & lignite)	85,000	90,000	83,000	32,000
New Mexico	36,000	32,000	37,000	31,000
North & South Dakota (lignite)	33,000	36,000	31,000	21,000
Ohio	680,000	636,000	648,000	364,000
Pennsylvania (bituminous)	3,100,000	2,895,000	2,731,000	2,018,000
Tennessee	147,000	148,000	142,000	45,000
Texas (bituminous & lignite)	3,000	3,000	3,000	15,000
Utah	115,000	120,000	122,000	32,000
Virginia	377,000	388,000	398,000	197,000
Washington	27,000	28,000	28,000	30,000
West Virginia—Southern	2,145,000	2,113,000	2,316,000	1,630,000
West Virginia—Northern	1,068,000	1,040,000	918,000	469,000
Wyoming	177,000	171,000	173,000	71,000
Other Western States	1,000	1,000	1,000	*
Total bituminous & lignite	12,250,000	11,750,000	11,647,000	6,705,000
Pennsylvania anthracite	1,322,000	1,208,000	1,109,000	1,615,000
Total, all coal	13,572,000	12,958,000	12,756,000	8,320,000

\*Includes operations on the N. & W. C.; 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 Rose 0.1% In Week Ended April 29, Labor Dept. Reports

Average prices for commodities in primary markets rose 0.1% during the last week of April as a result of higher prices for apples, potatoes and meats, and OPA action in allowing increases of not more than 20 cents a barrel in prices for cement in the North-eastern area. In making this known on May 4, the U. S. Department of Labor stated that "the advance brought the Bureau of Labor Statistics' all-commodity index of nearly 900 prices series to 103.7% of the 1926 average." It added that "the index has moved within a very narrow range during the past year and at the end of April it was only 0.2% higher than at the same time last year." The announcement also states:

**"Farm Products and Food—**Higher markets for wheat, rye and cotton, for sheep and poultry, and for apples and white potatoes brought average prices for farm products in organized markets up 0.2% during the week ended April 29. Lower prices were reported for cows, hogs, wool, eggs, lemons, onions and sweet potatoes. Notwithstanding the increases of the past week, farm products are 0.6% below their level at the end of March and 1.0% lower than at the end of April a year ago."

"Led by an increase of 0.8% for fruits and vegetables and meats, average prices for foods rose 0.3%. In addition to higher prices for certain fresh fruits and vegetables, fresh beef in the Chicago market rose more than 1% and condensed milk and dressed poultry advanced over 5% because of adjustments in OPA ceiling prices. Quotations were lower for flour. The index for the foods group is 0.5% higher than for the corresponding week of March, but in the past 12 months it has declined 3.7%."

**"Industrial Commodities—**Except for the advance of slightly more than 1% in ceiling prices for cement there were few changes in industrial commodity markets during the last week of April. Minor price increases were reported for gum lumber, while some

types of western pine and oak lumber declined. Quotations for rosin and turpentine continued to drop."

The Department's announcement also contains the following notation:

**Note—**During the period of rapid change 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 April 1, 1944 and May 1 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 22 to April 29, 1944.

#### WHOLESALE PRICES FOR WEEK ENDED APRIL 29, 1944 (1926=100)

Commodity Groups	4-29	4-22	4-15	4-1	5-1	Percentage change to April 29, 1944 from—		
	1944	1944	1944	1944	1943	4-22	4-1	5-1
All commodities	103.7	103.6	103.8	103.6	103.5	+0.1	+0.1	+0.2
Farm products	123.1	122.9	124.5	123.9	124.3	+0.2	-0.6	-1.0
Foodstuffs	104.7	104.4	105.0	104.2	108.7	+0.3	+0.5	-3.7
Hides and leather products	117.6	117.6	117.6	117.5	118.4	0	+0.1	0.7
Textile products	97.3	97.3	97.3	97.3	96.9	0	0	+0.4
Fuel and lighting materials	83.7	83.7	83.6	83.6	81.5	0	+0.1	+2.7
Metals and metal products	103.8	103.8	103.8	103.8	103.9	0	0	-0.1
Building materials	114.7	114.6	114.7	114.6	110.3	+0.1	+0.1	+4.0
Chemicals and allied products	105.4	105.4	105.4	100.4	100.1	0	+5.0	+5.3
Housefurnishing goods	106.0	106.0	106.0	105.9	104.2	0	+0.1	+1.7
Miscellaneous commodities	93.3	93.3	93.3	93.3	91.4	0	0	+2.1
Raw materials	113.2	113.0	113.9	113.5	112.7	+0.2	-0.3	+0.4
Semimanufactured articles	93.5	93.5	93.5	93.5	92.9	0	0	+0.6
Manufactured products	101.0	100.9	100.9	100.7	100.9	+0.1	+0.3	+0.1
All commodities other than farm products	99.5	99.4	99.4	99.2	99.1	+0.1	+0.3	+0.4
All commodities other than farm products and foods	98.5	98.5	98.5	98.3	96.9	0	+0.2	+1.7

#### PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM APRIL 22, 1944 TO APRIL 29, 1944

Increases		Decreases	
Cement	1.2	Dairy products	0.2
Fruits and vegetables	0.8	Grains	0.2
Meats	0.8	Cotton goods	0.1
Other farm products	0.3	Livestock and poultry	0.1
Other foods	0.3	Lumber	0.1
Cereal products	0.1	Paint and paint materials	0.1

### National Fertilizer Association Commodity Price Index Continues Fractional Advance

The weekly wholesale commodity price index, compiled by the National Fertilizer Association and made public on May 8, advanced fractionally for the second consecutive week to 137.1 in the week ending May 6 from 137.0 in the preceding week. A month ago this index registered 137.1 and a year ago 135.8, based on the 1935-1939 average as 100. The index is 1.0% higher than the corresponding week of 1943. The Association's report continued as follows:

Last week's fractional advance in the all-commodity price index resulted primarily from higher prices in the farm products group. In the livestock group lower prices for heavy hogs, lambs and ewes were not sufficient to offset the rising prices for light hogs, cattle and live fowls. The grains group index number advanced slightly, making its first change in 15 consecutive weeks, as quotations for rye continued upward. Even though the foods group is continuing to advance slowly, due to a further rise in white potatoes, it is still under the level of the corresponding period of last year. The textiles group declined as cotton moved into lower ground. All other groups remained unchanged from the previous week.

During the week five price series advanced and four declined; in the preceding week there were six advances and three declines, and in the second preceding week they were evenly balanced with three advances and three declines.

#### WEEKLY WHOLESALE COMMODITY PRICE INDEX (1935-1939=100)

% Each Group Bears to the Total Index	Group	Latest Preceding Week		Month Ago	Year Ago
		May 6, 1944	Apr. 29, 1944		
25.3	Foods	138.8	138.6	138.3	139.9
	Fats and Oils	146.1	146.1	146.1	147.8
	Cottonseed Oil	159.6	159.6	159.6	159.0
23.0	Farm Products	155.8	155.5	156.7	153.7
	Cotton	198.8	200.5	200.1	200.9
	Grains	164.9	164.8	164.8	142.8
	Livestock	145.8	145.0	147.0	148.5
17.3	Fuels	130.1	130.1	130.1	122.8
10.8	Miscellaneous commodities	132.2	132.2	132.2	130.1
8.2	Textiles	152.0	152.2	152.1	151.3
7.1	Metals	104.4	104.4	104.4	104.4
6.1	Building materials	152.4	152.4	152.4	152.2
1.3	Chemicals and drugs	127.7	127.7	127.7	126.6
.3	Fertilizer materials	117.7	117.7	117.7	117.9
.3	Fertilizers	119.7	119.7	119.7	119.8
.3	Farm machinery	104.3	104.3	104.2	104.1
100.0	All groups combined	137.1	137.0	137.1	135.8

\*Indexes on 1926-1928 base were: May 6, 1944, 106.8; April 29, 106.7, and May 8, 1943, 105.8.

### Moody's Common Stock Yields

Annual average yields for the years 1929 to 1941, inclusive, and monthly yields for 1941 are published in the "Chronicle" of June 11, 1942, page 2218. Yields for 1942 are on page 202, Jan. 14, 1943, issue, and for 1943, on page 1130, March 16, 1944 issue.

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

	Industrials (125)	Railroads (25)	Utilities (25)	Banks (15)	Insurance (10)	Average Yield (200)
January, 1944	4.6%	7.0%	5.5%	3.8%	3.9%	4.8%
February, 1944	4.6	6.7	5.5	3.7	4.0	4.8
March, 1944	4.6	6.9	5.5	3.8	3.7	4.8
April, 1944	4.6	7.0	5.6	3.8	3.8	4.9

### Rayon Yarn Shipments Remain At High Level

Shipments of rayon filament yarn by domestic producers amounted to 43,700,000 pounds in April, states the "Rayon Organon," published by the Textile Economics Bureau, Inc. This total, says the Bureau, compares with shipments of 45,600,000 pounds in March and 41,500,000 pounds in April, 1943. Staple fiber shipments in April totaled 11,300,000 pounds against 14,900,000 pounds in March and 13,200,000 pounds in April, 1943. The advices from the Bureau, made available on May 8, further stated:

"For the four months ended April 30, the shipments of rayon filament yarn aggregated 174,000,000 pounds, an increase of 8% compared with shipments of 161,200,000 pounds reported for the corresponding period in 1943. Four months staple fiber shipments totaled 53,700,000 pounds against the shipments of 52,500,000 pounds in the similar period last year, an increase of 2%.

"Stocks of filament yarn held by producers on April 30 totaled 7,900,000 pounds, according to the 'Organon,' compared with 8,100,000 pounds held on March 31 and 6,600,000 pounds on April 30, 1943. Staple fiber stocks totaled 1,800,000 pounds on April 30 against 1,700,000 pounds held on March 31 and 2,300,000 pounds on April 30 last year.

"The 'Organon' further stated that rayon filament yarn output totaled 135,500,000 pounds in the first quarter of the year, a new high record, and represents a gain of 64.4% compared with the corresponding peacetime quarter in 1939 when 82,400,000 pounds were produced.

"Rayon staple fiber production likewise reached a new high last quarter when it totaled 42,700,000 pounds, thus quadrupling the output of the first quarter of 1939 and bettering the December, 1943, production by 700,000 pounds, or 1.7%.

"Total production of rayon yarn and staple fiber during the January-March 1944 quarter amounted to 178,200,000 pounds, which is 3.4% above the previous quarter's production of 172,400,000 pounds."

### Steel Payrolls In March Reached New High Peak

Steel industry payrolls established a new high record of \$145,285,000 in March, the American Iron and Steel Institute announced on May 6. The previous peak payroll was the total of \$144,937,000 disbursed by steel companies in October, 1943. The March, 1944, payroll compares with \$137,615,000 in February and with \$136,813,000 in March a year ago. The Institute's report further stated:

"The average number of employees in the industry declined in March, however. During that month an average of 578,000 employees was at work as against 583,000 in February. No comparable figures for average number employed are available for March, 1943, but the total number at work in March of last year was 637,000.

"Wage-earning employees worked an average of 47.7 hours per week and earned an average of 115.9 cents per hour in March, 1944. Their indicated average weekly earnings of \$55.28 in March stand as a new record.

"In February, hourly earnings averaged 116.1 cents and the average work-week was 47.0 hours, bringing weekly earnings to an average of \$54.57. In March, 1943, steel industry's wage earners earned an average of 110.3 cents per hour and worked 42.5 hours per week, indicating average weekly earnings of \$46.88."

### Daily Average Crude Oil Production For Week Ended April 29, 1944 Increased 3,950 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended April 29, 1944 was 4,431,300 barrels, an increase of 3,950 barrels per day over the preceding week, and a gain of 512,150 barrels per day over the corresponding week of last year. The current figure, however, is 10,200 barrels per day less than the daily average figure recommended by the Petroleum Administration for War for the month of April, 1944. Further details as reported by the Institute follow:

Reports received from the refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,300,000 barrels of crude oil daily and produced 13,126,000 barrels of gasoline; 1,592,000 barrels of kerosene; 4,284,000 barrels of distillate fuel oil, and 8,398,000 barrels of residual fuel oil during the week ended April 29, 1944; and had in storage at the end of that week 88,462,000 barrels of gasoline; 6,585,000 barrels of kerosene; 30,236,000 barrels of distillate fuel, and 49,985,000 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. 29, 1944	Change from Previous Week	4 Weeks Ended Apr. 29, 1944	Week Ended May 1, 1943
Oklahoma	328,000	328,000	333,850	+ 1,700	333,000	342,350
Kansas	285,000	269,600	273,650	+ 9,850	266,800	316,250
Nebraska	1,000		1,100	+ 100	1,200	2,250
Panhandle Texas			91,100		91,100	91,000
North Texas			143,850		143,800	134,950
West Texas			374,000		374,000	214,450
East Central Texas			127,250		127,200	99,700
East Texas			362,300		362,300	319,800
Southwest Texas			293,650		293,100	188,500
Coastal Texas			518,800		518,800	340,750
Total Texas	1,916,000	1,918,794	1,910,350		1,910,300	1,389,150
North Louisiana			75,350	- 800	75,900	88,950
Coastal Louisiana			282,500		282,500	257,900
Total Louisiana	347,700	374,700	357,850	- 800	358,400	346,850
Arkansas	76,700	78,591	79,550		79,500	72,500
Mississippi	45,000		42,900	+ 50	42,000	55,800
Alabama			50		50	
Florida			50		50	
Illinois	215,000		206,250	+ 4,550	211,900	230,850
Indiana	13,600		13,750	+ 100	14,100	14,050
Eastern (Not incl. Ill., Ind., Ky.)	72,400		74,000	+ 1,500	72,100	83,850
Kentucky	23,000		19,900	- 4,450	21,600	21,550
Michigan	53,000		52,100	- 3,600	50,500	58,600
Wyoming	93,000		96,650	+ 2,050	93,700	92,950
Montana	24,000		21,400	- 100	21,500	20,250
Colorado	7,000		8,300	+ 100	8,400	6,850
New Mexico	111,700	111,700	112,100	+ 50	112,500	97,150
Total East of Calif.	3,612,100		3,603,800	+ 10,350	3,597,600	3,151,250
California	829,400	829,400	827,500	- 6,400	829,100	767,900
Total United States	4,441,500		4,431,300	+ 3,950	4,426,700	3,919,150

\*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 27, 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 29, 1944

(Figures in Thousands of barrels of 42 Gallons Each)

District	Daily Refining Capacity	Potential % Re-Porting	Crude Runs to Still Daily Average	Gasoline Production % Op-erated	Stocks of Gasoline			Stocks of Gas Oil	Stocks of Distillate Fuel Oil	Stocks of Residual Fuel Oil
					at Re-fineries	Finished	Un-finished			
*Combin'd: East Coast Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and inland Texas	2,518	90.3	2,207	87.6	6,576	38,266	15,273	14,726		
Appalachian—										
District No. 1	130	83.9	105	80.8	332	2,088	954	235		
District No. 2	47	87.2	54	114.9	144	1,517	113	132		
Ind., Ill., Ky.	824	85.2	693	84.1	2,494	20,452	4,447	2,665		
Okl., Kans., Mo.	418	80.2	350	83.7	1,215	8,662	1,437	1,219		
Rocky Mountain—										
District No. 3	8	26.9	10	125.0	33	79	11	32		
District No. 4	141	58.3	86	61.0	283	2,116	326	527		
California	817	89.9	795	97.3	2,049	15,282	7,675	30,449		
Total U. S. B. of M. basis April 29, 1944	4,903	87.3	4,300	87.7	13,126	188,462	30,236	49,985		
Total U. S. B. of M. basis April 22, 1944	4,903	87.3	14,408	89.9	**13,502	88,729	30,495	51,061		
U. S. Bur. of Mines basis May 1, 1943			3,855		10,807	89,576	30,674	67,055		

\*At the request of the Petroleum Administration for War. †Finished, 76,785,000 barrels; unfinished, 11,677,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,592,000 barrels of kerosene, 4,284,000 barrels of gas oil and distillate fuel oil and 8,398,000 barrels of residual fuel oil produced during the week ended April 29, 1944, which compares with 1,551,000 barrels, 4,512,000 barrels and 8,552,000 barrels, respectively, in the preceding week and 1,462,000 barrels, 3,706,000 barrels and 8,198,000 barrels, respectively, in the week ended May 1, 1943. ¶Revised in "Combined Area." \*\*Revised in Oklahoma-Kansas area.

Note—Stocks of kerosene at April 29, 1944 amounted to 6,585,000 barrels, as against 6,743,000 barrels a week earlier and 5,326,000 barrels a year before.

### Trading On New York Exchanges

The Securities and Exchange Commission made public on April 29 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 15, 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 15 (in round-lot transactions) totaled 1,069,796 shares, which amount was 14.70% of the total transactions on the Exchange of 3,639,260 shares. This compares with member trading during the week ended April 8 of 1,137,477 shares, or 16.47% of the total trading of 3,453,060 shares. On the New York Curb Exchange, member trading during the week ended April 15 amounted to 278,495 shares, or 14.35% of the total volume on that exchange of 1,933,796 shares; during the April 8 week trading for the account of Curb members of 257,000 shares was 17.25% of total trading of 1,490,000 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 15, 1944		Total for Week	%
A. Total Round-Lot Sales:		94,310	
Short sales		3,544,950	
†Other sales			
Total sales		3,639,260	
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		300,000	
Short sales		35,870	
†Other sales		230,200	
Total sales		266,070	7.78
2. Other transactions initiated on the floor—			
Total purchases		130,780	
Short sales		17,350	
†Other sales		134,240	
Total sales		151,590	3.88
3. Other transactions initiated off the floor—			
Total purchases		91,276	
Short sales		6,350	
†Other sales		123,730	
Total sales		130,080	3.04
4. Total—			
Total purchases		522,056	
Short sales		59,570	
†Other sales		488,170	
Total sales		547,740	14.70

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

WEEK ENDED APRIL 15, 1944		Total for Week	%
A. Total Round-Lot Sales:		15,250	
Short sales		955,285	
†Other sales			
Total sales		970,545	
B. Round-Lot Transactions for Account of Members:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases		62,245	
Short sales		5,745	
†Other sales		71,140	
Total sales		76,885	7.17
2. Other transactions initiated on the floor—			
Total purchases		25,605	
Short sales		1,900	
†Other sales		23,770	
Total sales		25,670	2.64
3. Other transactions initiated off the floor—			
Total purchases		43,900	
Short sales		7,300	
†Other sales		36,890	
Total sales		44,190	4.54
4. Total—			
Total purchases		131,750	
Short sales		14,945	
†Other sales		131,800	
Total sales		146,745	14.35
C. Odd-Lot Transactions for Account of Specialists—			
Customers' short sales		0	
†Customers' other sales		46,270	
Total purchases		46,270	
Total sales		28,906	

\*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."

### Partners Of Former Firm Of Avery & Co. Sue Curb Exchange

Two former partners of the former brokerage firm of Avery & Co. have filed suit against the New York Curb Exchange for damages aggregating \$1,540,540 growing out of the action of the Exchange in March, 1942, in suspending members of the firm and ordering it dissolved. The suspended members are Clarence F. Avery, who was senior partner of the concern, but not personally a member of the Curb Exchange, John M. Jones, who was suspended from March 4, 1942, for six months. Mr. Rogers did not join with the others in bringing the action against the Exchange.

The case is the outcome of the disciplinary action taken by Curb Exchange because of an alleged violation of its rules prohibiting members from acting in the capacity of dealers when executing a brokerage order. According to the Exchange's version, Avery & Co. on Dec. 11, 1941, received an order from a customer for 60 shares of Quaker Oats stock. The firm purchased the shares on the Curb Exchange for its own account and sold them for its own account at a higher price in the opening transaction on the Chicago Stock Exchange, and, at the same time, had collected commissions on the transactions in which it had acted as a principal. It was brought out in the trial on the

charges that the firm's Curb Exchange members, Messrs. Rogers and Jones, were ignorant of the operation complained of, but this defense was set aside on the ground that, as members of the Curb Exchange they were held responsible for the acts of their partners. It was explained by Mr. Avery, who, although not a Curb member, was allowed to testify at the trial, that the error arose because the firm's arbitrage wire between Chicago and New York was operated independently of the ordinary commission business of the firm, and that the floor partners were ignorant of the sources of their orders. The arbitrage wire had been operated by Earl Hooper, a partner who had resigned from the firm several months before the Curb entered its charges.

In the three separate suits that have been filed by Mr. Avery and Mr. Jones, it is contended that the evidence did not warrant a verdict by the Board of Governors of the Curb Exchange that the Exchange's rules had been violated, and that the hearing in the case was not conducted in full compliance with the requirements of the Curb Exchange's constitution.

In his suit, Mr. Avery claims an individual judgment in his favor of \$600,000, and an additional \$286,000 in favor of the firm. He also asks \$300,000 additional as damages for defamation of character. John M. Jones, a suspended partner, claims \$354,540 personal damages. The law firm of Lowe, Dougherty, Hart & Marcus are the attorneys for the plaintiffs.

### NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 29 a summary for the week ended April 22 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 22, 1944		Total
Odd-Lot Sales by Dealers (Customers' purchases)		for Week
Number of orders		19,040
Number of shares		522,248
Dollar value		\$20,436,913
Odd-Lot Purchases by Dealers (Customers' sales)		
Number of Orders:		
Customers' short sales		321
*Customers' other sales		17,263
Customers' total sales		17,584
Number of Shares:		
Customers' short sales		11,097
*Customers' other sales		440,953
Customers' total sales		452,050
Dollar value		\$16,133,562

#### Round-Lot Sales by Dealers

Number of Shares: Short sales 160; †Other sales 115,310

Total sales 115,470

#### Round-Lot Purchases by Dealers:

Number of shares 165,840

\*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."

### Henry Ford II Director Of Automotive Council

Henry Ford II, Executive Vice-President of the Ford Motor Co., has been elected to the Board of Directors of the Automotive Council for War Production, succeeding Charles E. Sorenson, it was announced on May 3 by Alvan Macauley, President of the Council. Mr. Ford is the second generation of the Ford family to serve on the Automotive Council board, his father, Edsel B. Ford, having been one of the founders of the organization and a board member until his death last May.

## Revenue Freight Car Loadings During Week Ended April 29, 1944 Increased 11,903 Cars

Loading of revenue freight for the week ended April 29, 1944, totaled 851,857 cars, the Association of American Railroads announced on May 4. This was an increase above the corresponding week of 1943 of 63,068 cars, or 8%, but a decrease below the same week in 1942 of 7,054 cars or 0.8%.

Loading of revenue freight for the week of April 29, increased 11,903 cars, or 1.4% above the preceding week.

Miscellaneous freight loading totaled 390,911 cars, an increase of 5,220 cars above the preceding week, and an increase of 7,069 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 107,213 cars, an increase of 192 cars above the preceding week, and an increase of 9,636 cars above the corresponding week in 1943.

Coal loading amounted to 175,207 cars, a decrease of 98 cars below the preceding week, but an increase of 40,946 cars above the corresponding week in 1943.

Grain and grain products loading totaled 37,856 cars, a decrease of 93 cars below the preceding week and a decrease of 8,741 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of April 29 totaled 22,503 cars, a decrease of 1,272 cars below the preceding week and a decrease of 9,325 cars below the corresponding week in 1943.

Live stock loading amounted to 15,503 cars, a decrease of 112 cars below the preceding week, and a decrease of 210 cars below the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of April 29, totaled 11,619 cars, a decrease of 228 cars below the preceding week, and a decrease of 435 cars below the corresponding week in 1943.

Forest products loading totaled 42,894 cars, a decrease of 601 cars below the preceding week and a decrease of 861 cars below the corresponding week in 1943.

Ore loading amounted to 67,478 cars, an increase of 7,347 cars above the preceding week and an increase of 14,087 cars above the corresponding week in 1943.

Coke loadings amounted to 14,795 cars, an increase of 48 cars above the preceding week, and an increase of 1,142 cars above the corresponding week in 1943.

All districts reported increases compared with the corresponding week in 1943 except the Centralwestern and Southwestern. All districts reported decreases compared with 1942, except the Allegheny, Centralwestern and 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
Week of April 22	839,954	794,163	861,357
Week of April 29	851,857	788,789	858,911
Total	14,159,749	13,585,962	14,366,109

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended April 29, 1944. During the period 84 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 29

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
<b>Eastern District—</b>					
Ann Arbor	238	262	508	1,422	1,720
Bangor & Aroostook	2,109	1,129	1,928	263	265
Boston & Maine	7,299	6,229	7,123	15,163	13,549
Chicago, Indianapolis & Louisville	1,346	1,422	1,373	2,306	1,916
Central Indiana	308	27	40	44	53
Central Vermont	1,042	1,047	1,129	2,194	2,032
Delaware & Hudson	6,220	5,188	7,056	12,512	11,267
Delaware, Lackawanna & Western	8,271	6,815	8,842	10,890	11,976
Detroit & Mackinac	303	292	264	114	156
Detroit, Toledo & Ironton	1,826	1,828	1,749	1,228	1,569
Detroit & Toledo Shore Line	369	291	278	2,802	2,569
Erie	13,980	11,865	15,032	18,020	18,931
Grand Trunk Western	3,914	3,754	4,075	8,401	8,130
Lehigh & Hudson River	194	185	212	3,117	2,736
Lehigh & New England	2,143	1,886	2,367	1,650	1,579
Lehigh Valley	9,756	6,843	9,933	16,410	14,655
Maine Central	2,228	2,187	2,393	3,386	2,409
Monongahela	5,876	3,566	6,803	335	405
Montour	2,708	903	2,281	17	74
New York Central Lines	51,596	53,941	48,220	56,276	49,288
N. Y., N. H. & Hartford	10,354	9,804	10,881	20,477	17,887
New York, Ontario & Western	1,238	895	1,056	3,336	2,272
New York, Chicago & St. Louis	6,765	6,220	7,632	16,136	15,654
N. Y., Susquehanna & Western	478	536	594	2,055	1,703
Pittsburgh & Lake Erie	8,464	6,721	8,339	9,361	7,134
Pere Marquette	5,033	4,806	5,604	7,619	7,275
Pittsburg & Shawmut	760	848	785	20	32
Pittsburg, Shawmut & North	326	283	401	250	346
Pittsburg & West Virginia	1,280	1,019	1,183	2,965	3,111
Rutland	444	357	437	1,079	1,033
Wabash	5,028	5,611	5,578	12,279	13,142
Wheeling & Lake Erie	6,240	4,515	5,769	4,175	4,955
Total	167,866	151,275	169,865	236,363	219,793

Allegheny District—					
Railroads	1944	1943	1942	1944	1943
Akron, Canton & Youngstown	679	827	690	1,154	1,289
Baltimore & Ohio	45,279	37,682	42,340	29,334	27,894
Bessemer & Lake Erie	6,098	2,932	6,769	2,435	1,746
Buffalo Creek & Gauley	348	330	336	4	3
Cambria & Indiana	1,741	940	1,920	6	7
Central R. R. of New Jersey	7,310	6,672	7,276	20,753	20,977
Cornwall	15	654	691	74	82
Cumberland & Pennsylvania	222	206	309	10	6
Ligonier Valley	146	127	148	39	41
Long Island	1,249	1,194	817	3,516	3,927
Penn-Reading Seashore Lines	1,622	1,719	1,756	2,645	2,969
Pennsylvania System	88,789	77,576	86,624	69,447	62,455
Reading Co.	14,628	14,767	16,254	28,628	26,701
Union (Pittsburgh)	20,665	22,149	20,932	7,308	4,728
Western Maryland	4,314	3,810	4,187	12,913	12,268
Total	193,105	171,585	191,049	178,266	165,093

Pocahontas District—					
Railroads	1944	1943	1942	1944	1943
Chesapeake & Ohio	29,504	25,449	29,052	13,556	13,143
Norfolk & Western	21,706	18,258	23,623	7,863	6,631
Virginian	4,663	4,093	4,748	1,571	2,160
Total	55,873	47,800	57,423	22,990	21,934

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
<b>Southern District—</b>					
Alabama, Tennessee & Northern	309	281	323	468	320
Atl. & W. P.—W. R. R. of Ala.	792	741	832	2,218	2,036
Atlanta, Birmingham & Coast	748	803	815	1,547	1,480
Atlantic Coast Line	13,524	14,135	13,029	10,887	10,759
Central of Georgia	3,275	4,202	4,148	4,578	4,603
Charleston & Western Carolina	380	408	489	1,863	1,924
Clinchfield	1,597	1,515	1,701	3,177	2,838
Columbus & Greenville	234	366	367	254	183
Durham & Southern	144	99	173	794	708
Florida East Coast	3,352	2,869	1,927	1,800	1,954
Gainesville Midland	43	42	40	130	127
Georgia	1,078	1,286	1,191	2,792	2,495
Georgia & Florida	433	346	404	623	713
Gulf, Mobile & Ohio	4,086	3,619	4,605	4,079	4,897
Illinois Central System	30,387	25,999	28,402	20,285	18,501
Louisville & Nashville	25,365	21,076	26,793	11,692	11,032
Macon, Dublin & Savannah	189	219	162	1,070	850
Mississippi Central	518	215	394	675	549
Nashville, Chattanooga & St. L.	3,238	3,105	3,486	4,478	4,880
Norfolk Southern	1,094	1,487	1,526	1,574	1,481
Piedmont Northern	413	370	457	1,137	1,267
Richmond, Fred. & Potomac	468	425	610	11,876	10,291
Seaboard Air Line	10,534	11,090	11,554	9,111	8,596
Southern System	22,936	21,580	25,516	23,650	24,505
Tennessee Central	827	993	734	919	858
Winston-Salem Southbound	146	47	130	1,041	900
Total	125,810	116,585	129,808	122,718	118,747

Northwestern District—					
Railroads	1944	1943	1942	1944	1943
Chicago & North Western	18,315	20,415	22,854	13,463	12,112
Chicago Great Western	2,493	2,646	2,547	3,102	2,840
Chicago, Milw., St. P. & Pac.	20,808	20,066	19,858	10,945	11,022
Chicago, St. Paul, Minn. & Omaha	3,183	3,182	4,098	4,091	3,615
Duluth, Missabe & Iron Range	22,221	15,791	23,720	283	200
Duluth, South Shore & Atlantic	520	979	1,243	500	465
Elgin, Joliet & Eastern	8,936	8,218	10,147	11,354	10,628
Ft. Dodge, Des Moines & South	372	447	570	105	125
Great Northern	20,071	15,468	21,638	6,153	4,757
Green Bay & Western	535	517	566	804	887
Lake Superior & Ishpeming	2,099	744	3,556	18	47
Minneapolis & St. Louis	1,928	1,947	2,019	2,484	2,520
Minn., St. Paul & S. S. M.	6,125	5,957	6,840	4,112	2,811
Northern Pacific	9,969	10,214	10,431	5,457	5,342
Spokane International	136	142	158	740	625
Spokane, Portland & Seattle	2,687	2,237	2,695	3,276	3,301
Total	120,398	108,950	132,840	66,924	61,318

Central Western District—					
Railroads	1944	1943	1942	1944	1943
Ach., Top. & Santa Fe System	20,181	23,048	20,998	12,762	12,951
Alton	2,810	2,828	3,497	3,501	3,663
Bingham & Garfield	437	494	734	88	98
Chicago, Burlington & Quincy	18,152	18,624	15,448	12,790	11,507
Chicago & Illinois Midland	3,506	2,359	2,457	802	811
Chicago, Rock Island & Pacific	10,500	12,900	11,529	13,368	13,126
Chicago & Eastern Illinois	2,757	2,562	2,492	6,482	5,776
Colorado & Southern	714	772	758	2,151	2,027
Denver & Rio Grande Western	3,078	2,942	2,621	5,236	6,097
Denver & Salt Lake	677	629	355	18	27
Fort Worth & Denver City	858	629	857	1,619	1,844
Illinois Terminal	1,937	1,604	1,939	2,119	2,044
Missouri-Illinois	986	983	1,414	484	496
Nevada Northern	1,873	2,030	2,045	114	152
North Western Pacific	810	975	959	691	634
Peoria & Pekin Union	2	14	10	0	0
Southern Pacific (Pacific)	30,404	29,605	28,167	13,855	14,532
Toledo, Peoria & Western	324	315	247	1,954	1,852
Union Pacific System	13,996	13,462	14,267	15,970	16,306
Utah	534	580	483	4	5
Western Pacific	1,965	1,808	1,974	4,102	3,672
Total	116,501	119,163	113,251	98,110	97,610

Southwestern District—					
Railroads	1944	1943	1942	1944	1943
Burlington-Rock Island	307	1,122	191	440	248
Gulf Coast Lines	7,249	7,127	5,553	2,691	2,174
International-Great Northern	2,558	2,157	2,306	4,934	4,636
Kansas, Oklahoma & Gulf	207	427	235	983	983
Kansas City Southern	6,183	6,132	4,470	2,752	3,172
Louisiana & Arkansas	3,795	3,437	3,325	2,826	3,167
Litchfield & Madison	303	289	372	934	1,110
Midland Valley	713	834	622	484	268
Missouri & Arkansas	200	167	216	330	365
Missouri-Kansas-Texas Lines	6,078	5,944	5,503	4,786	5,780
Quannan Pacific	14,463	17,701	15,344		

## Items About Banks, Trust Companies

Following a meeting of the Board of Directors of the Manhattan Company, New York, held on May 5, F. Abbot Goodhue, President, announced the election of John A. Wilshear as Vice-President. Mr. Wilshear was formerly an Assistant Vice-President and has been with the bank for 28 years, having at various times been associated with the 40 Wall Street office, the 43rd Street office, the executive department of the Uptown Division, and since 1933 with the Branch Supervisors Department at 40 Wall Street.

It is also announced that on May 8 Mr. Wilshear was elected a director of the Bank of Manhattan Safe Deposit Co.

Erle V. Daveler, Vice-President of American Zinc, Lead & Smelting Co., and James E. Shields, a director of J. P. Stevens & Co., textile commission merchants, have been elected directors of The Continental Bank & Trust Co. of New York, it was announced by the bank on May 8. Mr. Daveler is a trustee of the Charles Hayden Foundation, a director and Vice-President of the American Institute of Mining & Metallurgical Engineers, former President of the Mining & Metallurgical Society of America and a director of several corporations. Mr. Shields is manager of the Rayon Division of the Stevens company, a director of the National Federation of Textiles and Chairman of the Rayon Weavers Industries OPA Advisory Committee.

James M. Maitland has been elected a Trustee of the New York Savings Bank, at Eighth Avenue and 14th Street, this city. He is a director of Central and South West Utilities, a director of American Public Service Co. and a director on the Executive Committee of the Hotel Waldorf.

William Giblin, retired safe deposit company executive died on May 1 at his home in this city. Mr. Giblin, who was 74 years of age, was born in Iliou, N. Y. He joined the Mercantile Safe Deposit Co. in New York in 1890 and became its President in 1908, continuing in that office until 1930, when he became Vice-President of the Chase Safe Deposit Co. He retired from that post in 1935, remaining, however, as a director until his death. He was a former President of the Equitable Safe Deposit Co. In the New York "Sun" of May 2 it was stated:

"In 1911 Mr. Giblin almost lost his life in the Equitable Life Insurance Society building fire. Then President of the Mercantile Safe Deposit Company, he attempted to rescue securities stored in the company's vaults in the basement of the Equitable building at 120 Broadway. He was rescued by firemen who cut through the steel bars of a window with acetylene torches to get him out. Six persons lost their lives in the fire which completely razed the building.

Allan Sproul, President of the Federal Reserve Bank of New York, N. Y., announced on May 5 that the Bank of Manlius, Manlius, N. Y., has become a member of the Federal Reserve System.

John I. Millet of Driscoll, Millet & Co., certified public accountants specializing as analysts in bank management, has been elected Vice-President of The Troy Savings Bank of Troy, N. Y., according to an announcement made May 9 by B. Townsend, President of the bank. Mr. Millet is author of Bank Audits and Examinations, a standard work on bank accounting, published in 1927 and revised and republished in 1941.

The Manufacturers & Traders Trust Co. of Buffalo, N. Y., announced on April 26 the appoint-

ment of Judson A. Tice and Benjamin A. Hoag as Assistant Secretaries of the institution. Mr. Tice joined the bank in 1921 as a messenger, it is learned from the Buffalo "Evening News." Mr. Hoag, who entered the bank in 1923 as a bookkeeper, has recently been connected with the head office management of the branch department.

The Pilgrim Trust Company of Boston, Mass., announced April 28 that Herbert E. Pritchard was elected an Assistant Treasurer of the institution.

The stockholders of the Aquidneck National Bank of Newport, R. I., will meet May 31 to approve the issuance of 4,000 shares of common stock to retire \$100,000 outstanding in preferred stock first issued in 1929. The Providence "Journal" of May 6, from which this is learned, states that the shareholders will be given the opportunity to buy one share of common stock at \$30 for each four shares held. There are some 16,000 of the bank's common stock outstanding. From the \$120,000 expected to be raised from the new issue \$100,000 will retire the preferred stock and the remaining \$20,000 will be used as a surplus. The Providence "Journal" further states:

"The bank's capital now includes 5,360 shares of preferred stock at \$134,000, and 16,000 shares of common at \$400,000, making a total of \$534,000 in capital stock. With added surplus of \$320,000 and \$129,007.12, the total capital account is \$938,007.12.

"After the sale of the 4,000 shares of common stock, the total outstanding will be 20,000 at par value of \$25, or \$500,000. The retirement of \$34,000 in preferred stock plus \$20,000 to be gained in selling the new common stock will increase the surplus by \$54,000 and will make a total surplus of \$374,000. The total deposits are \$11,387,381.24."

George S. Stevenson, President of the New Haven Savings Bank of New Haven, Conn., announced on April 25 the election of Walter P. Larson to the office of Treasurer of the institution. Other officers elected and promoted were Chester W. Ewing from Assistant Secretary to Assistant Treasurer; Sheldon G. Stirling, Vice-President and Treasurer; Howard C. Fulton, Charles E. Rauch and Chester W. Ewing Assistant Treasurers, and George P. Hanson Assistant Secretary. The trustees renamed according to the New Haven "Register" were: Clarence Blakeslee, Allerton F. Brooks, Arthur B. Clark, W. Perry Curtiss, Leonard M. Daggett, J. Dwight Dana, Thompson Dean, Walter R. Downs, Gourdin Y. Gaillard, Louis H. Hemingway, Harry C. Knight, Walter P. Larson, John J. McKeon, Louis M. Rosenbluth, Thomas M. Steele, George S. Stevenson, Sheldon G. Stirling, Hayes Q. Trowbridge and Roger P. Tyler.

The board of directors of the Erie National Bank of Philadelphia, Pa., announced on May 7 the election of Donald B. Whitney, heretofore Cashier, as Vice-President and Cashier; Kenneth A. Merrill and A. F. Skrobanek, previously Assistant Cashiers, have been made Vice-Presidents, and Carl G. Lambinus and Westley K. Graves have become Assistant Cashiers.

E. S. Patterson, President of the First-Central Trust Company, Akron, O., announces the election of R. C. Parish as Vice-President and Trust Officer. The promotion fills a position that has been open for several months. Mr. Parish has been an Assistant Trust Officer of the First-Central Trust Company and predecessor banks for the past 16 years. Pre-

viously he had served as a State bank examiner, as a bank auditor, and had been associated with a firm of investment brokers.

Admission of the Oakwood Deposit Bank Co., Oakwood, Paulding County, O., to the Federal Reserve System, Fourth District, was announced on May 6 by President M. J. Fleming of the Federal Reserve Bank of Cleveland, O. Incorporated 40 years ago with a capital of \$25,000, the Oakwood Deposit Bank Co. increased its deposits from \$247,000 in 1939 to \$605,000 last year. W. C. May is President, M. A. Robnolte is Vice-President and Mrs. Effa May is Cashier of the bank. Directors are Messrs. May, Robnolte, Walter Bauer, Virgil Cooper, Ray Hornish, Ward H. Snook and Ersel Walley.

Merle E. Robertson, President of the Liberty National Bank & Trust Company of Louisville, Ky., announced on April 26 that L. C. Smith has been appointed Vice-President of the bank, the new appointee having resigned as State Director of Banking. This is learned from an account in the Louisville "Courier Journal" by Donald McWain. Mr. Robertson said Mr. Smith would be associated with F. C. Dorsey, Vice-President in the Liberty's department of banks.

The First-City Bank & Trust Company, Hopkinsville, Ky., became a member of the Federal Reserve Bank of St. Louis April 27. The announcement from the Reserve Bank says:

"The new member is operating under authority of a charter issued by the Commonwealth of Kentucky January, 1880. It has a capital of \$170,000, surplus of \$70,000 and total resources of \$6,252,908. Its officers are: Ed. L. Weathers, President; C. F. McKee, Vice-President; J. J. Ezell, Vice-President; O. L. Griffin, Vice-President; Thos. L. Smith, Cashier; R. L. Moss, Assistant Cashier, and D. A. Cavanah, Assistant Cashier.

"The addition of the First-City Bank & Trust Company brings the total membership of the Federal Reserve Bank of St. Louis to 464. These member banks hold over 70% of the net deposits of all banking institutions in the Eighth District."

At the regular monthly directors' meeting of the First National Bank in Palm Beach on April 28, George S. Ross was elected Vice-President and manager of the new business department. Mr. Ross was formerly associated with the Chesapeake & Ohio RR. in Cleveland, O., for many years. The following promotions are also announced: Mrs. Hazel S. Gorham, in addition to being Vice-President, was made manager of the women's department; E. Palmer Dickey, Comptroller, was also elected a Vice-President; Harry V. Nye was promoted from Cashier to Vice-President and manager of the bank's loan department; C. William Holtsford advanced to Cashier, having served as an Assistant Cashier for the past two years; George E. Hossler, Assistant Cashier and manager of the bank's Boca Raton facility; James J. Henderson, auditor, was also elected Assistant Comptroller.

New officers elected at the meeting were Miss Mary Nell Pinckard, Assistant Vice-President; Miss Elizabeth A. Root, Assistant Cashier and manager of the tellers' department; Miss Nancy H. Williamson, Assistant Auditor; Mrs. Ruth H. Duffin, Assistant Cashier and manager of the bookkeeping department; Mrs. Karleen P. Johnson, manager of the war bond department; and Mrs. Mary G. Williamson, assistant manager new business department.

Reports submitted to the directors showed that deposits on March 31 had increased over 53% since last year and now total \$40,-

## Wiggins Outlines Banks Plan For Fifth War Loan Drive To Begin June 12

How the banks are mobilizing for the 5th War Loan Drive was described in the statement made public May 4 by A. L. M. Wiggins, President of the American Bankers Association and President of the Bank of Hartsville, Hartsville, S. C. "Cooperation between banks and the Treasury," said Mr. Wiggins, "which has contributed so much to the success of war loan drives thus far, will be even more of a factor in the next drive, according to plans now being worked out by the American Bankers Association in cooperation with various state bankers organizations," Mr. Wiggins added.

402,332. Loans of the bank were also higher by 77%, or \$7,311,130. Even then, it is stated, the loans represented only about 6% of the bank's deposits which reflects a very healthy condition in the community, the report continued. Over \$27,000,000 was invested in government bonds.

On May 1, following the regular custom of the bank, salaries of the officers and employees were increased and a new contract signed, as well as a commensurate bonus paid subject to the approval of the War Labor Board, an officer of the bank was quoted as saying.

Directors of the Highland Park State Bank of Highland Park, Dallas, Texas, at a special meeting held April 27 approved a plan for increasing the capital and surplus from \$129,500 to \$254,500. The proposal was scheduled for submission to a meeting of stockholders May 9. In reporting this the Dallas "Times Herald" of April 28, added:

"Issuance of 5,000 additional shares of common stock and offered ratably to present stockholders at \$25 a share will provide \$125,000, Luther M. Jordan, President, announced after the directors' meeting. Of this total \$100,000 will be allocated to the new capital stock, bringing the current total from \$100,000 to \$200,000. The surplus also will be increased to \$54,500 by assigning \$25,000 from the new funds."

Arch W. Anderson, President of the California Bank and of the California Trust Company of Los Angeles, announced on April 18 that the affiliated institutions have approved a retirement benefit plan for officers and employees. The Los Angeles "Times" states that the plan provides for the deposit of all contributions in trust with the California Trust Company for investment and accumulation, until retirement age. All officers and employees over 30 and with one year's service are eligible to subscribe to the plan. Contributions will be on the basis of 5% of salary paid by the employer and 3% of the first \$250 of monthly salary plus 5% of excess paid by the employees.

Paul S. Dick, President of the United States National Bank of Portland, Ore., announced as of May 1, the following promotions in the executive personnel: Advanced to the position of Assistant Vice-Presidents were Milton W. Rice, Donald R. Smith, E. J. Overman and H. A. Weiss and promoted to position of Assistant Cashier was Fred G. Johnson.

The Canadian Bank of Commerce of Toronto, Can., announced on April 25, the appointment of E. Holmes as Manager of the Toronto Branch. Mr. Holmes succeeds Crawford Gordon, who is retiring from the bank on a pension after a long banking career.

It was announced on April 13 that J. R. Timmins and Eliot S. Frosst have been elected to the board of directors of the Imperial Bank of Canada. Reporting this, the Montreal "Gazette" said:

"Mr. Timmins is President of Hollinger Consolidated Gold Mines, Ltd.; President, War Time Metals Corp.; senior partner, J. R. Timmins & Co.; President, Labrador Mining & Exploration Co., Ltd.; director, Pamour Porcupine Mines, Ltd.; President, International Bond & Share Corp. and holds directorship in other companies. Mr. Frosst is President of Charles E.

factor in the next drive, according to plans now being worked out by the American Bankers Association in cooperation with various state bankers organizations," Mr. Wiggins added.

"Between June 12 and July 8, the period of the drive, bank staffs throughout the country will be asked to canvass every possible bank customer. The goal of the 5th War Loan will be \$16,000,000,000, of which \$6,000,000,000 is apportioned to come from sales to individuals and the rest from sales to corporations and institutional investors.

"The kind of Treasury-bank teamwork now contemplated differs from previous drives chiefly in the extent and intensity of participation of bank staffs. Although banks have had their share and more of manpower troubles they have played an important part in each successive war loan. Out of this considerable experience gained thus far the plans for the 5th loan were thoroughly discussed at the recent meeting of the Executive Council of the American Bankers Association in Chicago. The main points and steps of the program can be summarized as follows:

"1. The American Bankers Association will issue shortly a brief 'Plan of Action', copies of which will be sent to all banks and others directly concerned with the plan.

"2. Banks will be urged to fix sales goals for themselves in each community on a dollar basis, as well as on a sales-per-employee basis.

"3. Banks in a given locality such as a city, county or other unit will be advised to set up a system of regular reports so that results can be checked during the drive, and each bank can compare its results with those of other banks.

"4. In cooperation with state bankers associations, one banker in each state will be designated to head up the bankers' part in the drive and work closely with his state War Finance Committee. Excellent working arrangements of this kind already exist in many states and the purpose now is simply to make available the same procedure to other areas.

"There are two things that should be emphasized particularly in connection with the stepping up of banking's part in the Drive. One is that the program of the banks is, of course, only one phase of the bond sales effort and supplements the work of other groups. The other is that the contemplated banking setup will be for the purpose of cooperating with the existing war finance organization and not duplicating it."

Reference to the proposed Fifth War Loan Drive appeared in the "Chronicle" of April 13, page 1537.

Frosst & Co., Montreal, and of Charles E. Frosst & Co. (U.S.A.), Inc."

According to advices to the Canadian "Financial Post" of April 29 from its Montreal correspondent, Senator Lucien Morand, K. C., has been appointed a director of the Bank of Montreal. Senator Maroud is a senior member of the legal firm, Maroud, Alleyn, Grenier & LeMay, Quebec, and has for many years taken a leading part in legal, business and philanthropic activities in the province.