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Support Congressman Dewey's $500,000,000 International Reconstruction Bill

Prof. James Washington Bell Of Northwestern University Sees Better International Financial Co-Operation When Entered Into Country By Country, And Maintains That "The Chief Creditor Should Have Dominant Control Over Loan Transactions It Makes."

Dr. James Washington Bell, Professor of Economics at Northwestern University and Secretary of the American Economic Association on April 28 submitted a statement to the House Committee on Foreign Affairs supporting the resolution of Representative Charles S. Dewey (H. J. Res. 226), to provide a fund of $500,000,000 to be applied to international reconstruction. The text of Dr. Bell's statement relating to the general provisions and the purposes of the fund follows:

J. W. Bell

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J. Spencer Smith, President Of Board Of Commerce And Navigation, New Jersey, Contends That "Expert's Plan" Is Not Practical Since "Any Group Made Up Of Representatives Of Different Nations" Could Not Make Satisfactory Plans.

Appearing recently before the House Committee on Foreign Affairs, J. Spencer Smith, President of the Board of Commerce and Navigation of the State of New Jersey and President of the Tenafly Trust Co. of Tenafly, N. J., submitted a statement in support of House Joint Resolution 226, introduced by Congressman Charles S. Dewey, Republican Congressman from Illinois. The resolution provides for the creation of an international reconstruction fund of $500,000,000 to be used independently or on joint account with foreign nations, and governed by a board of directors consisting in part of representatives of various federal government departments and organizations, Mr. Smith's statement was as follows:

J. Spencer Smith

It is my firm conviction that such assistance as we may be able to render or can give in rehabilitating countries that may request our help should be within the framework set forth in House Joint Resolution 226. By doing so we avoid the necessity of consulting other nations or entering into all-inclusive agreements with them. If other creditor nations, such as Canada, wish to associate themselves with us, they can do so. My experiences in public life cause me to look with disfavor on anything that savors of a treaty or agreement between sovereign states that concerns itself with an operating function that is not static in its nature.

I have had the privilege of serving on a body charged with preparing a treaty for adoption between New York and New Jersey. I have been a member on interstate commissions. I know the interpretations that can be placed upon agreements that are contrary to what was intended. I know how politics can influence the interpretation. I know from experience, when a change in personnel takes place, the difficulties that arise in carrying out the pur-

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From Washington Ahead Of The News

By CARLISLE BARGERON

If we can go by the headlines, the country has been quite startled recently by the strike of foremen in the Detroit automobile plants. The country, as we understand it, was startled several months ago when it developed that the foremen were organizing just as the ordinary workers these recent years. It is doubtful if the people were either startled then or were startled by the recent strike, because it is just a little difficult to imagine the American people startled any more.

Certainly it would have been a sensation in any ordinary man's times to see Alben Barkley getting up in the Senate one day and saying the President had insulted the Congress of the United States and then a few days later, saying he was nevertheless for that very same President for re-election, not on the admitted grounds that he was the best insulter of Congress we have ever had, but on the grounds that it is truly amazing how well he knows the map of the world. It is a fact, of course, that the American people, with their sons out there fighting, know more about the map of the world, have learned of more new places, than they had ever known before. The question comes up, from Barkley's reasoning, as to why Mrs. Zilk who has been studying the global map as her son moved all over it, should not be President.

But what we were talking about was those foremen out in Detroit. They bring up the question of whether the headlines are not oversimplifying things these days. In the case of the recent strike of the Detroit foremen, the military officials really put them on the spot. They moved in and pointedly said they could not understand how these gentlemen were doing as they did right when our armed forces were poised for the world's greatest known military thrust. And the editors came right along and said that this was some really plain talk on the part of the military leaders and undoubtedly the foremen would feel very shamefaced.

Let's go back and find out what was wrong with the foremen. The thing began in the Ford plant. All of their lives these men had been taught they were executives, part of the management of the plant. They had so conducted themselves.

Of a sudden in 1941, Sidney Hillman under the auspices of the New Deal pulled a coup. It had been said that Ford would close up his plant before he would ever sign a contract with the union. But Hillman and the New Deal, playing him against General Motors, brought him to capitulating.

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GENERAL CONTENTS

Editorial

The Financial Situation

It was Paul-Louis Courier who exclaimed: "May God protect us from the devil and from metaphors." It was Frederic Bastiat who about a century ago remarked that it would be difficult to say which has done the more mischief in this world of ours. Bastiat was, of course, concerned primarily with the manner in which economic sophistry won mastery over man. The improper use of metaphor was only one such device. He doubtless would be interested today to observe the technique of giving economic sophisms respectable, even popular, standing by characterizing them as "modern," of the "twentieth century," "streamlined," or some other equivalent term, or, if the purpose is better served, by labeling that which is undesired as characteristic of the "horse-and-buggy" age, outmoded, discredited, or as belonging to an age that is dead and buried, or an economy which no longer exists on this planet—if indeed it ever did.

Modern Sophisms

It is indeed unfortunate that Bastiat no longer lives to add further chapters to his Sophismes Economiques. He has, however, long since passed to his reward, and it is incumbent upon us to recognize the economic sophisms of the day—which, incidentally, are not by any means wholly different from those of Bastiat's time—and to reject them before they work the inevitable and grave injury which must be expected if they are not dealt with promptly and effectively. The list of present-day economic sophisms is long. One of the most persistent of them, and one which since it takes many forms is heard almost every day is to the effect that any practice, custom, theory, idea or policy which was commonly in vogue and generally accepted as in accord with sound sense prior to 1929, or at all events

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General Outlook

Roger W. Babson Sees No Change Until Germany Collapses

BABSON PARK, MASS.—The country east of the Mississippi will feel first the retarding effects of the German defeat. This will start a demobilization of troops and the cancellation of billions of war contracts. The War will then be over except for parents who have boys in the Pacific. Attention will be focused on Japan. Business in the West and the Southwest States will not be seriously affected until Japan caves in. The interval between the fall of Germany and the fall of Japan may be a good breathing spell. It will give our country a chance to settle down gradually to a peacetime basis.

Roger W. Babson

Postwar Probabilities

I am not worrying much about inflation now. We have had it for the past forty years. This may be illustrated by the fact that I went to work for a bank in 1898 for $6 per week. At that time carpenters were getting $2.50 a day. When Mrs. Babson and I were married in 1900 we rented a nice single house for $22 per month. It may be taken for granted that any bank would now pay even an inexperienced boy more than $16 per week; while the same house rents for $60 per month. After a few months of readjustment, we should have two or three years of exceptionally good business After that, sometime in the early years of the 1950's, I expect a severe depression. Regardless of the political party then in power we may have a "Super" New Deal. Then will be the time to fear inflation of a radical kind.

Investments

I am bearish on most high-grade bonds, especially "tax-exempts". The best buy for small investors, however, should still be found in Series "E" Government Bonds. My own funds are being invested largely in merchandizing stocks, especially good chain store stocks. In the post-war period, the railroads will be the hardest hit of all industries because they will face so many different kinds of competition. Insurance companies should do well if they are treated fairly by the government.

Politics

Churchill will not let Germany crack until after the November Elections. If the European War so continues, there will then be a Republican Congress and a Democrat as President. Hence, there is

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Ergo--More Control!

"It is believed by many that inflation and deflation can be prevented by monetary action. The fact that the Federal Reserve System has the power, through changes in the discount rate, through open market operations, and through modifications in reserve requirements, to make money dearer and scarcer in a boom, and cheaper and more abundant in a depression has been taken as an indication that monetary authorities are able, by their actions alone, to maintain economic stability. This is a greatly magnified view of the influence of monetary action on the course of economic life. . . .

"Economic stability depends on a complex of forces and policies, of which credit policy is only one. In order to be effective in bringing about stability the regulation of the availability and cost of money must be integrated with a flexible fiscal policy and at critical times reinforced by direct controls over prices, wages and supplies. . . .

"An important consideration at this time is that, while monetary policy can not by itself prevent inflation, inflationary conditions are certain to result in heavy upward pressure on money rates. When the buying power of money is declining holders of money prefer to exchange it for commodities, equities, or real estate, rather than to invest it at fixed rate of return, and others are willing to pay high rates for money to be used in speculation and speculative ventures. Consequently, money rates are always extremely high during an inflation. This is an additional reason why, in view of the enormous growth of our public debt, it will be vitally important to keep direct controls in effect after the war is ended, and thus to hold the line on economic stability."—Board of Governors of the Federal Reserve System.

Is there **anything** which the Washington authorities can not employ as an argument for more control of business and the citizen?

The State Of Trade

Termination of war contracts has become a real problem for industry in recent months and with the successful conclusion of the present conflict the many problems inherent in such an undertaking will assume serious proportions with the sharp decline in production for war. On May 4, last, the Senate approved a war contracts termination bill bearing the designation S. 1718, sponsored by Senator Walter F. George of Georgia and Senator James E. Murray of Montana. Business and government evinced a favorable interest in the bill, while labor was inclined to accept it with reservations. That is to say, with the proviso that features be added to cover the period of reconversion in which human as well as property rights would be protected through the medium of nationalized unemployment insurance, severance pay and proper consideration of defense workers whose services would be terminated by industry.

The transition from war to a peace-time economy will impose many problems, and it is in the interest of all that appropriate steps be taken to lessen the impact of such a change at the earliest moment. The passage, however, of such a measure before Congress recesses for the summer appears rather dubious.

Turning to activity in the heavy industries the past week, electric production again recorded slightly lower levels, but was higher than in the same period a year ago. The same condition held for scheduled output of steel ingots and castings, carloadings of revenue freight and bituminous coal output. Paper production, on the other hand, increased and retail trade in most sections of the country gave evidence of fair expansion.

In the field of electric production, results reveal that output of electricity declined to approximately 4,233,756,000 kwh. in the week ended May 6, from 4,336,247,000 kwh. in the preceding week, as reported by the Edison Electric Institute. The latest figures represent a gain of 8.5% over one year ago, when output reached 3,903,723,000 kwh. Consolidated Edison Co. of New York reports system output of 182,600,000 in the week ended May 7, and compares with 173,600,000 kwh. for the corresponding week of 1943, or an increase of 5.2%.

Steel shows evidences of further tightening, notwithstanding a slight let-up in buying which is expected to be followed by large-scale orders to meet expanded war programs, says "Steel" magazine in its market summary the present week. Heavy tonnages will be required for a new and heavy landing craft program along with the building of 2,300 merchant ships which will engage shipbuilding activities for some time, the magazine reports. As to delivery dates, little change is occurring at the moment though generally they are so extended that early delivery on urgent products requires directives. With respect to plate requirements the summary adds, that they "are being advanced on mill schedules wherever possible, to get tonnage out before the heated term when production is expected to diminish. Some increase is noted in demand for structural shapes for construction and with this added to the heavy demand for shipbuilding assemblies deliveries are being extended. A factor in this situation is diversion of raw steel from structural shapes to billets for heavy shell work." Reporting on the supply of pig iron and scrap, the magazine had the following to say, "Raw material supply for steelmaking is comfortable, both pig iron and scrap being sufficient for current needs. No buying of the former for third quarter has been done. Recent tightness in basic iron has been relieved by blast furnaces shifting from foundry grades, without reducing supply of the latter below requirements. Scrap supply is generally sufficient for the present high steel producing rate.

As for the rate of steel production, the American Iron and Steel Institute places scheduled output for the week beginning May 15, at 99.2% of rated capacity, equivalent to 1,777,000 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 99.4%, and output of 1,780,500 tons a week ago. For the week beginning May 15, last year, steel output totaled 1,707,400 tons, and the rate was 98.6% of capacity.

Equipment purchases by the railroads are increasing and the need for additional rolling stock is not surprising when consideration is given to the tremendous task of transportation that has fallen to the lot of the roads. During April 3,819 cars were purchased raising the total for the four months' period to 23,089 units. This is the largest total for that period since 1941, when placements totaled 43,386 and was only slightly larger than the 22,183 placed in this period in 1942. In the 1943 period only 11,650 were awarded. New York Central lead the industry as largest buyer, having placed 5,000 freight cars this year along with 300 passenger cars.

With respect to freight carried by the railroads carloadings of revenue freight for the week ended May 6, totaled 836,978 cars, the Association of American Railroads announced. This was a decrease of 14,879 cars, or 1.8% below the preceding week this year, and an increase of 20,440 cars, or 2.5% above the corresponding week of 1943. However, in a comparison with a similar period in 1942, a decrease of 2,308 cars, or 0.3%, is shown.

In a forecast of bituminous coal production, R. E. Howe, President of Appalachian Coals, Inc., which organization includes 39 producers, predicted that about 150,000,000 tons would be produced in the second quarter of this year, with the demand at 146,600,000 tons, 5.7% more than in the 1943 period.

Bituminous coal output for the week ended May 6, reflected a decline of 230,000 net tons from the preceding week at 12,120,000 tons, and a rise of 2,190,000 from a year ago when production for the comparable week was 9,930,000 tons as reported by the National Coal Association. Output to date—Jan. 1, through May 5, 1944—aggregated 222,805,000 tons, as against 212,561,000 tons for a like period in 1943. The report of the Solid Fuels Administration placed production for the week ended April 29, at 12,360,000 net tons, against 12,250,000 tons in the preceding week.

If the forecast of the Department of Agriculture comes true the American people will have no need to fear an empty larder in the days ahead. Frequent rains over much of the country have resulted in a rather lush plant development and an improvement in the yield outlook in practically all States. Only in Montana, according to the reporting bureau, was there any material shortage of soil moisture. On the basis of conditions on May 1, the current forecast is for a winter wheat crop for the United States of 662,275,000 bushels, approximately 60,000,000 bushels more than suggested a month ago. The estimate compares with 529,606,000 bushels raised in 1943 and with 570,675,000 bushels, the 1933-42 average. Production in 1942 was 703,253,000 bushels. The indicated yield on May 1, is 16.2 bushels a harvested acre, compared with 15.6 bushels last year and an average of 15.0 bushels. Above average yields are indicated in all the important winter wheat producing States, except Nebraska and Colorado.

Paper output for the week ended May 6, was equal to 93.1% of capacity, against 90.9% in the preceding week and 90.6% for the week ended May 8, 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 preceding weeks.

Good weather again worked to the advantage of retail trade in New York last week with accessory and apparel departments busy. A brisk demand was especially noted in the customary items that attract Mother's Day buyers. According to the Federal Reserve Bank's index, sales in New York City for the weekly period to May 6, advanced by 13% over the same period of last year. For the four weeks ending May 6, sales rose by 2%, and for the year to May 6, they improved by 5%.

Seasonal merchandise helped by good weather in most sections of the country and luxury items for Mother's Day were instrumental in expanding the volume of retail trade the past week above the 1943 high level. Dun & Bradstreet reporting on retail sales, estimated their volume at 7 to 11% above the corresponding period of last year. The Southwest area was in the forefront last week with a rise of 15 to 19%. The increased business in the New England Region was rather negligible, ranging from 1 to 5%, while the East ranged from 6 to 10%; the Middlewest, 5 to 9%; Northwest, 3 to 6%; South, 12 to 16%, and the Pacific Coast, 10 to 14%.

Retarding factors in sales expansion, stated the trade review, were scarcities of cotton and rubber goods, hardware items, excise taxes, and price regulations. Of main floor and apparel departments, the review added, they continued to hold the lead in volume. A heavy demand was also noted for cotton dresses with a good sale of rayon sheer and light print dresses reflecting the scarcity of cotton dresses. Summer sports and play clothes enjoyed a good demand. There was likewise a marked interest in home furnishings, including paints, seeds and garden supplies, with moderate gains in furniture lines, draperies and beddings.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, moved upward by 8% for the week ended May 6, compared with the same week a year ago, while sales for the four weeks' period ended May 6, show no change over a similar period a year ago. For the year to May 6, however, an increase of 5% was noted over a like period in 1943.

Maryland Bankers To Hold 49th Convention

The 49th annual convention of the Maryland Bankers Association will be held in Baltimore, Md., on May 25 to 26. Post-war prospects, ration banking and the next war loan will be subjects to be discussed. F. Ross Myers, President of the State Bankers organization and Vice-President of the Fredericktown Savings Institution, Frederick, Md., will open the convention with his annual report. Guest speakers will be Dr. Marcus Nadler, Professor of Economics at New York University, and Alan E. Turner, General Manager, Burton-Bigelow Organization, management consultants of New York.

W. Randolph Burgess, Vice-President of the American Bankers Association, and Vice-Chairman of the Board of the National City Bank of New York, will address the second session. W. Bladen Lowndes, President of the Fidelity Trust Co. of Baltimore, and Chairman of the Maryland War Finance Committee, are also scheduled to address the meeting as well as J. Robert Sherwood, member of the Ration Banking Committee of the American Bankers Association.

R. McLean Reelected President Of AP

The reelection on April 25 of Robert McLean as President of the Associated Press occurred at the latter's annual meeting in York. Mr. McLean is publisher of the Philadelphia "Evening Bulletin." Frank B. Noyes, publisher of the Washington "Star," who was President of the Associated Press from 1900 to 1938, was continued as Honorary President.

The election of other officers by the board of directors of the Associated Press was indicated as follows in the New York "Times":

Houston Harte of the San Angelo (Tex.) "Standard" was chosen First Vice-President of the news-gathering agency and Norman Chandler of the Los Angeles "Times" was named Second Vice-President. Lloyd Stratton, Secretary; F. J. Starzel and Claude A. Jagger, Assistant Secretaries; L. F. Curtis, Treasurer, and Alan J. Gould, Assistant Treasurer, were reelected.

Kent Cooper was continued as Executive Director and General Manager of the Associated Press.

The reelection of six members of the Board and the election of one new member were announced yesterday morning at the second-day session of the annual meeting.

Five directors in the general classification whose terms expired this year were chosen to succeed themselves for three-year terms. Their names, with the number of votes each received, follow:

Robert McLean, Philadelphia "Evening Bulletin," 6,384; George F. Booth, Worcester (Mass.) "Telegram," 5,768; Frank B. Noyes, Washington "Star," 5,500; Paul Patterson, Baltimore "Sun," 5,328, and E. H. Butler, Buffalo "Evening News," 4,542.

Firms In Ireland Blacklisted By U. S.

The blacklisting by the United States of 38 Irish firms and individuals was made known by the State Department on May 6. In Washington Associated Press advices on that date it was stated:

"Never before has any Irish firm been blacklisted, although concerns in many other neutral countries in both this hemisphere and the European area has been put on the record which now totals approximately 15,000 names.

"The State Department declined to say why any individual firm was blacklisted or to describe the activities of any firm. Some of the 38 have Irish names which others were German-language names, apparently branches of German firms.

"The disclosure that Ireland was being listed apparently was the first step to implement the new policy announced Thursday (May 4) by Francis Russell, Chief of the Division of World Trade Intelligence, State Department, and Chairman of the Interdepartmental Committee which controls the black list.

"Mr. Russell announced that it would not be possible to lift blacklist sanctions as soon as the war ends.

"In the case of Ireland, there has been no complaint of trading with the enemy and the British and United States Governments have concentrated on trying first, to eradicate and, second, to control the activities of Axis diplomats whom they accused on spying on Allied preparations for the invasion of Europe.

"The United States asked Ireland, Feb. 21, to eject Axis authorities from the country, but it turned down the request. Shortly afterwards Britain cut off all shipping to Ireland and imposed other restrictions designed to prevent the flow of information from military areas of the United Kingdom into Eire."

Harvard Economist Predicts Rise in Post-War Investment In New Plant Facilities

Charles Cortez Abbott, Associate Professor of Business Economics at the Harvard Business School, in a recent study on "Forces Influencing Business Enterprise After the Transition Period," published recently by the Division of Research of the Graduate School of Business, Harvard University, predicts that after the war there will be a very substantial demand for larger plant facilities and increased working capital by the bulk of American manufacturing industries, most of which have not expanded operations during the war period.

The author estimates that, if a satisfactory level of employment is to be achieved, something like 17% more jobs need to be furnished than in 1940. Such a level of employment probably requires a gross national product of $150 billion, compared with $93 billion in 1929 and about $88 billion in 1937 and 1939.

Will the condition of the fixed assets and the quantity of the current assets at the end of the war be adequate to produce this volume of output? The great bulk of the tremendous expansion in manufacturing facilities has taken place in a relatively few industries, and only a small portion of this new plant and equipment will be convertible to peacetime use. The majority of manufacturing concerns will emerge from the war period with their fixed assets inadequate for this purpose. There will be need of rehabilitation, expansion, and relocation.

Not only will funds for investment in fixed assets be required by business, but also additional working capital. In 1943 the government directly or indirectly supplied nearly half the assets used by industry for working capital purposes.

Two significant implications of this need for funds are: (1) A considerable portion of the financing should be in the form of equity financing or ownership. (2) Ownership therefore must be made more attractive than it has been recently.

Will the funds needed by business be available? Some of the forces influencing investment after the transition period will have sprung from prewar developments. Even before the war equity capital was not readily available, particularly for the moderate-size, manufacturers in need of a relatively small amount of equity funds. Furthermore, the number of persons to whom business management could look to perform the function of ownership was declining, not only proportionately but perhaps also absolutely. These trends may continue into the post-war period.

The greatest single change in the supply of capital during the prewar period was the rise of "institutional savings" as shown by the increase in the assets of life insurance companies, investment trusts, savings banks, and pensions and retirement funds. Businessmen who must raise capital will look with interest on the tremendous amounts of funds annually becoming available for investment by these institutions.

The increasingly great emphasis placed on depreciation in business practice was another outstanding development in the 20 years ending in 1943. The new importance attached to depreciation, entailing as it does new psychological attitudes and new considerations in the making of business decisions, will continue to have far-reaching social and economic consequences. Two further changes of far-reaching significance for businessmen are the tremendous decline both in the volume of commercial loans since World War I and in the loans on securities of commercial banks since 1930.

Some of the forces influencing investment will come also from developments in the general field of government: (1) the Federal regulation of securities, (2) the continuation of government lending agencies, (3) the need of the Treasury, in view of the tremendous post-war debt, to maintain low and stable interest rates, (4) the "fiscal policy," i.e., the suggestion that the Federal Government fit into a coordinated and consistent policy the whole range of its activities that influence investment and expenditures by consumers.

Furthermore, there will be many legacies from the war. Just what all of them will be is hard to forecast. But certainly taxation belongs at the top of the list. Although after the war the country will have to pay heavier taxes, measured in terms of dollars, Professor Abbott holds out the possibility that the burden can be less onerous than the present or perhaps even the prewar load. But in order to bring this about, businessmen must make every effort to see that the post-war national income remains close to present levels, and framers of public policy must devise a post-war tax structure that will stimulate enterprise and must administer it in such a way as to impose on the taxpayer a minimum of hardship in compliance.

The accumulation of liquid funds in the hands of individuals may prove to be the single most important legacy of the war in the field of finance. From the point of view of society, it would appear most desirable that these new accumulations of capital should be invested in business enterprise, particularly in the form of equity.

Professor Abbott stresses the importance of motives, especially the distaste of individuals for the risks and responsibilities of ownership and the tremendous desire on the part of business managers to be free of debt. The effect of these two conflicting attitudes is a bar to investment expansion and hence militates against the provision of jobs.

The report closes with a statement of the necessity that ownership be made more attractive:

> This matter, it seems clear, is one which is of vital and of equal importance to business management, to financiers, to labor, and to framers of public policy. Ownership is the heart of the investment problem. It is the center of the employment problem. It is the basis on which credit is extended. It is the foundation on which the whole scheme of things in the American economy rests. If ownership is unattractive to potential investors, if owners are weak and irresponsible, if ownership as a function falls into disrepute, if directors and executives of business concerns fail to fulfill their responsibilities to owners, credit inevitably contracts, investment expenditure automatically declines, and unemployment necessarily develops.

Abell Named Head Of N. J. Bankers Ass'n

Frank D. Abell, former New Jersey Senator, and President of the First National Bank of Morristown, N. J., was elected President of the New Jersey Bankers Association on May 13, succeeding Joseph G. Parr of Jersey City. Harrison M. Thomas, President of the Princeton Bank & Trust Co., of Princeton, N. J., was chosen to succeed Mr. Abell as Vice-President of the Association. The annual meeting of the Association was held at the Hotel Pennsylvania in New York.

Niebank Elected Pres. Of N. Y. Bankers Ass'n

The 51st annual election of officers held by the New York State Bankers Association, conducted by mail ballot, resulted on May 8 in the election of C. George Niebank, President of the Bank of Jamestown, Jamestown, to the Association's presidency. Mr. Niebank succeeds E. Chester Gersten, President of the Public National Bank & Trust Co. of New York City. Regarding Mr. Niebank's career, the Association says:

C. George Niebank

"The new President has been in the banking business since September, 1917, when he entered the employ of the Bank of New York as a messenger. He was employed as a note teller with the Niagara Falls Trust Co. from 1920 until 1923, when he entered the New York State Banking Department as examiner. In 1929 Mr. Niebank became executive Vice-President of the Livingston County Trust Co. of Geneseo, which was merged with the Genesee Valley National Bank in 1930. He then became Executive Vice-President of the Bank of Jamestown, and a year later he was elected President of that bank. He is a graduate of the Graduate School of Banking, at Rutgers University, and has served as Chairman of the Victory Fund committee of Chautauqua county and co-chairman of the War Finance committee."

Other officers of the New York State Bankers Association elected include Bernard E. Finucane, President, Security Trust Co. of Rochester, N. Y., Vice-President; and William J. Ahern, Assistant Vice-President, Bank of the Manhattan Company, Brooklyn, Treasurer.

The Association, whose membership of 789 icludes 705 of the State's commercial banks and trust companies, voted last January to adhere to the policy established in 1943 of abandoning annual conventions in order to conserve transportation facilities and manpower needed in the prosecution of the war.

In addition to electing regular officers, the member banks balloted for officers to represent the New York State banks in the American Bankers Association. The result of this ballot, also conducted through the mail, was the unanimous election of the following group of nominees:

"For member of the Executive Committee of the A.B.A. for term of three years—George W. Heiser, Vice - President, Manufacturers Trust Co., New York City.

"For member and alternate of nominating committee of A.B.A. for term of one year—member: Joseph A. Broderick, President, East River Savings Bank, New York City, and alternate: E. Chester Gersten, President, Public National Band & Trust Co., New York City.

"For state Vice-President of the Savings Division of the A.B.A. for term of one year—Robert A. Barnet, President, Irving Savings Bank, New York City.

"For State Vice-President of the National Bank Division of the A.B.A. for term of one year — Henry B. Kingman, Vice-President, Merchants National Bank, Dunkirk.

"For State Vice-President of the State Bank Division of the A.B.A. for term of one year—Theodore Rokahr, Vice - President and Treasurer, First Bank & Trust Co., Utica.

"For State Vice-President of the Trust Division of the A.B.A. for term of one year—Andrew Wilson, Jr., President, County Trust Company, White Plains."

Job Making Hinges on Capital Investment in Risk-Taking Ventures, Says First Nat'l of Boston

Urges Taxes In Post-War Period Be On Constructive Basis

"The key to job-making centers around the investment of capital in risk-taking ventures," says the First National Bank of Boston, in its "New England Letter" of April 29, which points out that "venture capital and jobs are closely related, since the number of persons that can be employed is dependent upon the expansion of production which, in turn, is determined by the amount of risk-money put to work. Consequently, labor should be equally concerned with management that our system of taxation should be an instrument to stimulate and not to destroy the functions of job-making."

"It should be obvious, therefore," says the bank, "that we must keep alive within the framework of our economy the sprit of initiative and ingenuity as well as provide incentives for the assumption of risk, for these are the pillars upon which our system has been built and without which it cannot survive. Every effort should be made to keep American industry in a strong and resourceful position by providing it with fresh capital—the life-blood of business—in order that it may be able to step into the breach when the emergency is over and provide work for the many millions that will be released from the services and war industries."

It is pointed out by the bank that "for every industrial worker there is an investment of about $6,000 in machinery, equipment, plant and the like. It is this high capital investment that accounts for the fact that the purchasing power of the American worker is far superior to any other in the world, and several times as great as it was in the pre-machine period of our history." In part the bank also says:

"The prime necessity of the post-war period will be to remove the obstacles that block the flow of capital into business enterprise and dispel clouds of uncertainty so that business may face the future with courage and faith, and thus be impelled to make long-term commitments which would furnish jobs instead of relief rolls being provided by the Government.

"Unsound taxes stop new ventures and put the brake on progress. Prior to the war, about one-third of the industrial workers were employed in industries that did not exist or were mere infants at the turn of the century. Practically all of these industries have been founded by research, and by means of research they have been able not only to meet changing conditions, but have greatly expanded their volume of business and profits. One of the nationally-known engineers has observed that: 'The prosperity of the public depends on the prosperity of its industries and the stability of that prosperity depends largely on research.' Hence, the importance of providing adequate incentives so that large and small enterprise will be induced to set aside funds for development activities.

"Over the years about two-thirds of the new capital has come from earnings ploughed back into business, and most of the remainder from individual savings. In the 1930's the flow of this money was sharply reduced largely because this job money was siphoned off into Governmental channels. During this period there was a penalizing of bigness and success through a system of extortionate, punitive, and discriminatory taxes, and a hodge podge of Governmental interference with economic laws. The more effectively a concern created income and jobs, the greater the penalty imposed in the form of taxes.

"'Soaking the rich' by extortionate taxes is like firing a shotgun into the crowd. It is a short-sighted policy as in the long run it jeopardizes all interests. Experience has indisputable shown that confiscatory taxation chills the spirit of private enterprise, discourages the accumulation of savings, and forces capital into hiding. In the final analysis, it is the worker who is the most severely penalized because industrial expansion is checked, repairs are neglected, and business stagnates. Carried to its logical conclusion, the system of confiscatory taxation destroys wealth and distributes poverty.

"After the estates of the wealthy have been leveled, the tendency is to extend the system of taxation down the line until no one escapes. Already an army of some 20-odd million white collared workers is groaning under the tax load. Should no relief be provided in the post-war period, then the middle class would be threatened with liquidation, and this would inevitably be accompanied by the abolishment of private enterprise and our democratic form of government. In other words, a destructive tax system is the most effective means of bringing about totalitarianism. We should heed the warning of Chief Justice Marshall, 'that the power to tax involves the power to destroy.'

"The dismal tax record of the 1930's should be a sharp warning against repeating the mistakes in the framing of post-war measures. While heavy taxes are necessary for financing the war, there must be a drastic overhauling of the tax structure in the post-war period. Double taxation of corporation earnings in the form of profits and dividends should be abolished as should also the capital gains tax, since it interferes with the flow of one investment to another. Excess profits taxes are a wartime measure and should be eliminated at the close of the emergency.

"The job maker plays the most constructive role in our economy. Upon his willingness and ability to take risks and assume responsibility for the mobilization of men, money, and materials depend the welfare of all. He should be rewarded commensurate with the risks involved and services rendered. He should be provided with a favorable climate in which to operate and not be harassed and harried at every turn, and his prerogatives so interfered with that he cannot perform his essential functions. He should be looked upon as a benefactor and not as a malefactor, as he was branded in the 1930's.

"As we shall enter upon the post-war period with a towering Federal debt and a budget at least six times that of the 1920's, it is imperative that taxes be on a sound and constructive basis, for it is only in this war that we can establish a dynamic and expansive economy and provide opportunities for the many millions that will be seeking jobs. A substantially lower and equitable tax structure, based upon what is best for job making, would be the most effective 'green light' for the flow of capital into business enterprise."

The Financial Situation

(Continued from first page)

prior to 1914, is ipso facto unsound and undesirable.

What was troubling Bastiat when he was writing about metaphors was that men were employing terms in economic argument borrowed from other fields where they had earned popular disfavor—and thus winning points which should not have been won. Thus, at a time when "invasion" of his country had long been a nightmare to most Frenchmen, current commentators insisted in speaking of "invasions" of goods in their arguments in favor of protectionism. Only those of very short memories will fail to recall the extent of the use that was being made in this country a year or two ago of the term "appeasement" to obtain ends which were in no way related to situations such as that obtaining at Munich. In a slightly different but fully as effective way, the terms "laissez faire," "classical economics," "individual initiative," "rugged individualism," and a number of others which the reader will probably easily recall, have for years been, and are today being, misused.

Laissez Faire

The crimes that have thus been committed in these names are legion. Almost anyone who wants to do almost anything about almost anything accuses those who oppose the action of being a disciple of laissez faire—and for many that is quite enough. The fact is, of course, that contrary to popular impression, the phenomena, and the policies of the late 19th and early 20th centuries against which complaints are made are not infrequently worthy of criticism, not because they were patented after the ideas of Adam Smith, but because, while they pretended to be something of the sort, they were as a matter of fact quite the contrary. To the initiated, to accuse the proponents of excessive protectionism, of monopolistic or semi-monopolistic control of branches of trade, or of many other related programs of being an exponent of "classical economics," is on its face ridiculous, but, unfortunately, it is for the most part not the matriculate, but the rank and file which are to be influenced by such arguments.

The Gold Standard

The gold standard is another shining example. Once a phenomenon or system which was a constant marvel and object of great respect and admiration even by most of the men in the street, it is today a term loaded with approbrium. It is the gold standard which obliges a nation to deflate merely because its neighbor refused to inflate; it is the gold standard which ruined the world in 1929; it is the gold standard which reactionaries throughout the world count upon to place them once again in power; to defend a given policy it is often necessary if occasion arises to make it clear that it is not the gold standard masquerading in disguise. To this point has the clever propaganda of the revolutionaries of the day brought the public mind. The inevitable and quite obvious result is that such vital subjects as the gold standard are no longer considered upon their merits, but are regarded as something to which is attached a certain stigma which will transfer itself to any individual who thinks of them except in scorn.

War Production Sophisms

But along the way we have picked up a number of other sophisms which are rapidly becoming a positive (rather than a negative) menace to the country. One of them has to do with the admirable, not to say unparalleled war production record. It is supposed to have proved that nothing but a better and "bolder" post-war management of our public affairs stands between us and an era of abundance never before known even to the American public whose plane of living is, of course, the highest in the world. No notice is taken of the fact that in war production, there is only one buyer; manufacturers do not have to assume the risk of producing for a "market;" no selling problems arise. No one who has cut his eyeteeth ever doubted that American industry could produce as it has done; and none whose judgment is worth a fig supposes for a moment that by the same token similar records can be made in peacetime.

Still another sophism of relatively recent origin involves use of what is known as "national income" as a measure of the economic welfare of the people. Nothing could be more absurd, of course, as the mere fact that now with civilian production down, and rationing of many things necessary, we find national income far above any other point ever reached. Economic welfare consists not only of an abundance of goods, but of an abundance of the right goods. The national income could be kept at war peaks after peace comes by raising bananas in Wisconsin, digging canals through the Rocky Mountains, and filling in vast stretches of the Atlantic Ocean. Who, even among the "queer" ones of the day, would, however, in such circumstances, assert that the nation was better off by the means.

It was William Graham Sumner who three or four decades ago called attention to the manner in which popular ideas become folkways and then crystallize into mores as binding upon most of us as the most drastic law. A process of this kind appears to be under way concerning a number of simple economic principles—and it is a dangerous one.

Chicago Home Loan Bank Reports On 1943

That one dollar out of every $6.19 which the Federal Home Loan Bank system disbursed in its 12 districts last year went into Illinois and Wisconsin savings and loan institutions through the Federal Home Loan Bank of Chicago was pointed out by A. R. Gardner, President of the Chicago district bank, at the annual stockholders' meeting on April 21. He said that 1943 was the most active lending year except one in the history of the Bank system and that the Chicago bank made the largest total volume of new advances of any of the 12. Showing the wartime character of the system's operations, however, Mr. Gardner indicated that likewise the largest volume of repayments on loans outstanding had come in the Chicago district. Repayments actually exceeded new advances as they did in two-thirds of the bank districts, and outstanding loans decreased more than $7,000,000 for the year in the Chicago bank, it was pointed out. The war years have brought a transition from long-term to short-term lending, Mr. Gardner emphasized, and as a result the average interest rate on loans outstanding is the lowest it has been at the close of any year since the bank started. The bank has put increasing amounts into Government bonds and at the close of last year had half its assets in them.

Turkey Civilian Mail Restrictions Eliminated

Postmaster Albert Goldman announces on May 11 that information has been received from the Post Office Department that, effective at once, all restrictions regarding overseas shipments by mail are removed, insofar as concerns mails for civilian addressees in Turkey. The advices add:

"The removal of these restrictions does not in any way affect the release certificates or licensing requirements of the Foreign Economic Administration (formerly the Office of Economic Warfare) nor does it affect the provisions whereby air-mail articles to certain destinations are limited to 2 ounces.

"Prospective mailers are urged to limit their shipments to essential requirements since an increase in the volume of mails exceeding the facilities available for their dispatch may result in a restoration of the restrictions. In connection with the foregoing information, parcel post service (except insured parcel post) is resumed to Turkey. However, the weight is limited to 22 pounds per parcel for any destination in Turkey in Europe or Turkey in Asia. The rates applicable may be obtained at post office service windows. The licensing requirements of the Foreign Economic Administration are applicable to parcel post for Turkey."

Slight Increase In Corporate Earnings Despite Larger Sales, Says Conference Board

Despite a 27% increase in net sales, 490 leading manufacturing and mining corporations had available for dividends in 1943 a net income only slightly greater than in 1942, according to a study by the National Industrial Conference Board May 12. The Board announcement also says:

"The net sales of these industrial corporations totaled more than $48 billion in 1943 against about $38 billion in 1942. But income before taxes and special reserves was only 12.3% greater and the gain in net income available for dividends was reduced to 4.4%. Dividends paid by some 470 of the companies totaled $1.3 billion in 1943, as compared with $1.2 billion the year before.

"Current assets of the companies at the end of 1943 were $20.4 billion, as against $17.8 billion a year earlier. But current liabilities rose from $7.9 billion to $9.4 billion, so that the current ratio at the end of 1943 was 2.2, or slightly less than the ratio of 2.3 at the end of 1942. In comparison, current assets at the end of 1939 were five and one-tenth times current liabilities.

"A 34% increase in sales was recorded by the 250 durable goods manufacturers included in the Board's tabulations. Among these companies, those in the aircraft industry showed the greatest gain and building materials concerns the smallest. The most substantial increase among nondurable goods companies occurred in the rubber manufacturing industry, in which there was a 58% gain in sales volume and an 89% gain in income before taxes and special reserves.

"For the full list of 490 industrials, net before taxes and special reserves fell from 16.9 cents for every dollar of sales in 1942 to 14.9 cents, and net after all charges from 5.2 cents to 4.2 cents. Tax reserves took 63 cents of each dollar of taxable income in 1943 and only 61 cents in 1942. The railroad industry set aside 81% of income for taxes, and automobile parts, aircraft, textiles and machinery companies made almost equally heavy provisions. In contrast, only 38% of income before taxes was set aside by the petroleum companies.

"The outstanding decline in taxable income last year, other than that among building equipment concerns, was the loss of 18% in the steel and iron industry, although its net sales were 15% greater than in 1942. The increased labor costs in this industry contributed considerably to the reduction of 7% in its net income after taxes, according to the Board."

Russo-Czech Agreement Signed In London

An agreement placing Czechoslovak territory under the supreme authority of the Soviet (Allied) military commander as it is liberated by Russian armies, with a Czech administration to take over when the area becomes no longer a fighting zone, was signed on May 8 in London, the Czech Government announced that day, it is learned from United Press London advices, which as given in the New York "Times," said:

"With Soviet troops already poised at the Czech frontier, the agreement became effective as Victor L. Lebedieff, Soviet Ambassador to the Czech Government here, and acting Czech Foreign Minister Dr. Hubert Ripka affixed their signatures. Details of the accord were announced simultaneously in Moscow with their release here.

"In a statement broadcast to Czechoslovakia from London Monday night, Dr. Ripka announced that the Czech Government had drafted the text of the accord, and that 'the Soviet Union has accepted our draft without alteration, and Great Britain and the United States have expressed their approval.' The broadcast was reported by the Office of War Information.

"The 9-point agreement provides that the Soviet (Allied) commander will possess supreme authority and responsibility in all matters essential to the conduct of the war in zones of operations for the period necessary to carry out those operations.

"In the interim, a Czech delegate to liberated territories will be charged with the threefold assignment of setting up a Czech administration, reconstituting the Czech armed forces and insuring cooperation with the Soviet (Allied) military command. To further abet this cooperation a Czech military mission will be set up at headquarters of the Soviet commander.

"Soviet troops remaining on Czech territory will be under the jurisdiction of their Commander in Chief but Czech troops and civilians will be under Czech jurisdiction. Even civilians committing penal offenses against Soviet armed forces will come under Czech jurisdiction outside the zone of actual war operations.

"A special agreement will be reached on the subject of financial matters connected with the entry of Soviet forces into Czechslovakia," the agreement said.

Hourly and Weekly Earnings Set New Peaks In March

Hourly and weekly earnings, as well as the "real" weekly earnings of workers in manufacturing rose to new peak levels in March, according to the regular monthly survey of 25 industries by the National Industrial Conference Board. The length of the work-week was longer than in any other month in recent years, but remained below levels existing prior to April, 1930, said the Board in its May 15 advices, which added:

"Employment in these industries, which has been showing a slight downward trend for several months, declined 1.8% in March, with the result that total man-hours worked and payrolls were likewise off. Wage rate increases were negligible.

"At $1.052, hourly wages were 0.4% higher than in February, 6.6% higher than in March, 1943 and 38.6% above January, 1941, the base date of the Little Steel formula. Weekly earnings rose to $48.36 on the average, which was 0.4% higher than in February, 9.2% above March a year ago, and 58.0% above January, 1941. 'Real' weekly earnings, or the quantity of goods and services that one week's pay would buy, were 0.3% above February, 8.3% above March, 1943, and 31.2% above January, 1941.

"A work-week of 45.8 hours was the rule in March, against 45.7 in the previous month. Since March, 1943, the work-week has increased 1.1 hours, or 2.5%. Man-hours worked were down 1.6% in March, which took them to a point below any other month's since April, 1943. Payrolls were down 1.4% in March, but remain higher than at any time prior to six months ago

"A decline of 4.3% in the meat-packing industry featured the month's changes in the employment situation, although declines of 1.0% or more were registered by hosiery and knit goods, iron and steel, paper products and rubber."

Legislation Proposed To Prevent 'Big Business' From Acquiring Government War Plants

Smaller War Plants Corp. Would Take Over Property For Resale To Small Business

Legislation which he said would prevent "big business" from gaining possession of most of the $15,500,000,000 worth of Government owned war plants when peace comes was proposed on May 12 by Senator Murray of Montana (Democrat), advices from Washington on that day (Associated Press) stated, from which we also quote:

The measure would authorize the Smaller War Plants Corporation, headed by Maury Maverick, to acquire plants, equipment and surplus war materials for resale or subletting to small businesses.

Offered by Murray with the backing of the Senate Small Business Committee of which he is Chairman, the bill also would:

1. Authorize the SWPC to insure loans by private banks to small businesses for reconversion purposes and to advance loans where private financing is unavailable. The corporation's capitalization would be boosted to $1,000,000,000 and its name changed to "Small Business Corporation."

2. Make available to small business the thousands of Government held patents, as well as technical and research assistance, in the reconversion period.

Mr. Murray said: "Big business has been steadily building a monopoly in the use and development of scientific knowledge. Without legislation it is entirely likely that the weight of the tremendous increase in the industrial and publicly financed power of the large business units will crush out our small business and thus endanger the continuation of our system of free enterprise."

The Senate War Contracts Subcommittee, also headed by Senator Murray, said it soon would introduce a bill to create an office of demobilization and prescribe general policies regarding surplus property disposal, contract termination, unemployment, compensation, and other post-war adjustments.

The Subcommittee said this would supplement the Contract Termination Bill passed by the Senate May 4 and now before the House.

From its Washington bureau the New York "Journal of Commerce" reported that primarily the bill of Senator Murray seeks to protect small business in the transition and post-war periods. The paper quoted indicated some of the principal provisions, from which the following is taken:

Principal provisions include:

1. The Chairman of the new corporation or his designee shall be a member of the War Mobilization Board, the WPB, the War Manpower Commission and, subject to authorization of the Director of War Mobilization, any committee or agency dealing with demobilization, reconversion and post-war planning affecting small business.

2. The Chairman is authorized to create small business advisory committees.

3. The corporation may purchase, lease or otherwise acquire Government-owned or controlled surpluses and dispose of them to small business concerns or groups of concerns according to such procedures as may be appropriate.

4. The corporation shall be represented on the Surplus War Properties Board.

5. The corporation may enter into contracts with private financial institutions to guarantee loans or make or participate in loans, none to exceed $50,000 except by vote of the directors of the corporation.

6. The corporation is empowered to license small business to benefit from inventions, discoveries, trademarks, patents, etc., which may be acquired by the corporation or any other Government agency. It may also make available to small business physical, chemical, engineering and other technological developments, services and facilities of Federal, State and local governments, educational and research institutions and foundations on terms and conditions which it may deem appropriate.

7. Capital stock of the corporation is increased to $1,000,000,000.

Veterans' Preference

8. The Department of Commerce is authorized to assist the corporation in all problems of reconversion.

9. War veterans are to receive preferences in connection with all benefits provided for small business under the Act.

Child Labor In War Emergency Upheld By Federal Court

Judge Albert L. Reeves of the Federal District Court at Kansas City on May 1, held that war's emergencies excuse limited employment of minors in the Kansas City and Cincinnati plants of the Interstate Bakeries Corporation. Associated Press accounts from Kansas City on May 1 reporting this added:

"In a memorandum opinion he denied an injunction sought by the Children's Bureau of the Department of Labor under the Child Labor Law.

"The Government charged that 8 persons under 16 years of age were employed in the Kansas City plant and one in Cincinnati.

"'There is a war going on,' the Court said. 'The emergencies of the hour are paramount to strict observance of the Child Labor Law.'

"The object of the Child Labor Law, it declared, 'was to meet conditions where sordid greed thought to profit from the stunted and broken bodies of children.'

"'There was no such objective in this case,' it added."

Mail For War Prisoners And Civilian Internees

Postmaster Albert Goldman announced on May 8 that instructions have been issued by the Post Office Department, at Washington, relative to mail for Prisoners of War and Civilian Internees Outside of the United States which is subject to the following regulations:

Letters mailed by or addressed to "prisoners of war," which is held to include detained or interned civilians, are exempt from all postal charges and are acceptable for mailing even though the regular mail service to the country of destination may be suspended. The same is true of correspondence concerning prisoners of war mailed by or addressed to the Prisoners of War Information Offices which may be established in belligerent or neutral countries. Belligerents received and interned in a neutral country are assimilated to prisoners of war properly so called insofar as the application of the free postage provisions is concerned. Articles free from postage are not entitled to registration or air mail service. If available air mail service is desired, appropriate postage must be prepaid.

All prisoner-of-war communications are subject to censorship. The number of letters that may be sent to a prisoner of war is not limited. (The number of letters that a prisoner of war may write is determined by the Detaining Power.) Germany places no restrictions on the length of letters prisoners of war may receive, but short letters, typed or handprinted in block capitals, facilitate censorship; too many letters delay censorship. Japan requires letters to be not more than 24 words in the body of the letter, between the salutation and the closing, and to be type or handprinted in capital letters.

Letters may pertain to personal and family affairs only. Unmounted photographs and snapshots, the subject matter of which is personal and with an unrevealing background but with no writing thereon, and which fit into an ordinary envelope may be included.

Postmaster Goldman further announced (May 11), that information has been received from the Post Office Department, that there will be made available a special standard uniform and distinctive air-mail letter card, which is a combination letter and envelope for the exclusive use in sending letters by air-mail to prisoners-of-war and detained or interned civilians in enemy and enemy-occupied countries. At present the only through air-mail service available for prisoner-of-war mail is to prisoners in Europe. The postage rate applicable to these cards is six cents per half ounce or fraction. The card is constructed in such a way as to provide for folding into a uniform and distinctively marked unsealed envelope. Nothing may be enclosed with the message . . .

The cards bear form number "W.D., P.M.G. Form No. 111, April, 1944," and may be obtained without cost at the General Post Office and stations by patrons requesting them in sufficient quantity to meet but not to exceed their needs.

Individual And Fiduciary Tax Returns For 1942

Secretary of the Treasury Morgenthau made public on April 28 statistics from the preliminary report, Statistics of Income for 1942, Part 1, compiled from individual income tax returns and taxable fiduciary income tax returns for 1942 filed in the period January through June, 1943, prepared under the direction of Commissioner of Internal Revenue Joseph D. Nunan, Jr.

According to the Department's advices the total number of individual and fiduciary returns for 1942 filed in the six-month period, is 35,972,551, of which 20,294,304 are individual returns, Form 1040; 15,598,994 are optional returns, Form 1040A, filed by individuals with gross income of $3,000 or less from specified sources only; and 79,253 are taxable fiduciary returns, Form 1041. As compared with the preliminary report of the previous year, there is an increase of more than ten million returns. Approximately 95% of the additional returns are taxable returns.

The Department also said: "The total net income reported in $80,022,727,938, an increase of 36.0%. The net income includes $25,530,609,391 gross income reported on the optional returns which do not provide for the amount of net income.

"There are 27,285,265 taxable returns showing net income of $68,187,727,298 and a tax liability of $9,046,258,607. The tax liability increased 132.4% as compared with last year. The average tax for taxable returns is $332 compared with $223 for 1941 and the effective tax rate is 13.3% compared with 8.5% for 1941.

"Of the 8,687,286 non-taxable returns, 8,519,616 show net income of $11,835,000,640 — non-taxable because exemptions and credits exceed net income; and 167,670 show a deficit of $144,257,704— returns on which deductions equal or exceed total income."

Maverick Offers 7-Point Program For Converting Small Business To Civilian Production Now

Asserting that small business should be permitted to resume civilian production while the war is in progress, if only on a limited scale, Maury Maverick, Chairman of the Smaller War Plants Corporation, advocated on May 9 the establishment of a metals reserve for small business to help accomplish this objective. This is learned from advices to the New York "Journal of Commerce" from its Washington bureau May 9, in which it was further stated:

Testifying at a hearing of the Senate Small Business Subcommittee, Mr. Maverick said that idle materials and facilities are steadily increasing and that unemployment is growing as the burden of cut-backs is tending to fall on subcontractors.

Mr. Maverick testified that he had reached these principal conclusions regarding small business:

1. Small business should be given every opportunity to convert to civilian production first.

2. SWPC should participate in drawing policies, rules and regulations governing production adjustments, reconversion and the transition period.

3. A metals reserve for small business should be established, to be administered in such a way as to prevent interference with war orders or additional demands upon specific areas of labor, types of components or shapes of materials which are in tight supply.

4. No system of waiting until all members of an industry are ready will work.

5. No quota system based on percentages of prewar business is advisable for big or little business.

6. New small businesses should not be discriminated against in favor of old established business, big or little.

7. In all instances where allotments of materials for civilian production are made, small business should receive large enough allotments to insure their profitable operation. This even if it means 100% or more of prewar business.

SWPC should be consulted in the consideration of allocation of cut-backs, Mr. Maverick said, the ultimate objective of the organization being "to see that a small business is not closed down if a part of a large plant can be cut back instead."

Any plan of allocation of cutbacks should also provide that when a big prime contractor is cut back, the labor of the prime contractor should be cut back at the same time, the SWPC head testified.

"We insist that the tendency to permit the burden of all cutbacks to fall on the small contractor must be curbed," Mr. Maverick said. "Military work should not be taken from the subcontractors unless absolutely necessary. And if it is taken from one of them, one of the plans already submitted for the resumption of non-military production should go into effect at once."

Mr. Maverick testified that while he did not wish to set up another surplus disposal agency within SWPC, he did feel that the organization should have the right to acquire surplus property and dispose of it "in accordance with the best interests of small business."

Mr. Maverick made available on April 20, in pamphlet form, testimony by him before the Subcommittee on Military Affairs of the Senate on "Problems of War Contracts and Their Relation to Small Business," his remarks dealing with contract termination, surplus property, interim financing and related demobilization problems as they affect smaller concerns. At that time Mr. Maverick stated that "in my judgment, it is desirable to enact a contract termination and interim financing bill now. I think the country should have such a bill without delay. I urge the Congress to enact it now without waiting for a meeting of minds on all other questions such as disposal of surplus property, labor dislocations, readjustment financing and the like."

Wiggins Of ABA Says Banks Will Meet Post-War Credit Needs With New Facilities

"The chartered banking system is ready to answer the question, 'Can Private Enterprise Meet the Post-War Needs of This Country?' so far as credit is concerned," according to the President of the American Bankers Association, A. L. M. Wiggins, who in an address before the wartime conference of the Missouri Bankers Association at Kansas City, Mo., on May 16 declared that "far in advance of actual credit needs for conversion and post-war expansion, the banks of this country are setting up new and additional facilities that will mobilize the banking resources of the nation and make them available to the remotest community in the country."

"We recognize," said Mr. Wiggins, "that there will be new demands for credit in the post-war period, particularly for small business. Most of these," he said, "will be met by individual banks. There will be cases in which local banking resources particularly in the small communities may not be adequate for particular industrial or agricultural needs. Lines of credit may be required in excess of legal lending limits of local banks. Therefore, the banks of the country, determined that there shall be no dearth of credit to meet any legitimate need, are cooperating in a program to set up local and regional credit pools which will constitute a reservoir of supplemental credit to every one of the 15,000 banks throughout the country. No local loan will be too large for any small, local bank to service because the resources of these credit pools wherever located will be available wherever the credit is required."

Mr. Wiggins went on to say:

"These credit pools will be local or regional in management and operation. They will be flexible. The money will flow from where it is to where it is needed. The plan will multiply the usefulness and effectiveness of the correspondent bank system.

"Such a program under the sponsorship of the American Bankers Association is now under way. A Commission on Post-War Loans for Small Business has been set up under the Chairmanship of Robert M. Hanes, a former President of the ABA and President of a large bank in North Carolina. There will be 24 members of the Commission, two from every Federal Reserve district, one of whom will be a banker from a large institution and one from a smaller institution. State committees will be appointed. Funds are now being raised to finance the staff work of the Commission for a five year period. Banks, large and small, are joining in this cooperative enterprise that will multiply the credit facilities of the banks of the country in serving the post-war needs of small business. Thus will banking meet the needs of private enterprise in accepting opportunities for post-war development."

Criscuolo Urges Reorganization Of SEC

In his newsletter, entitled "The Rubicon," dated May 1, Luigi Criscuolo, financial statistician and writer, of 50 Broadway, New York, advocates that the Securities and Exchange Commission be made a party to all stockholders' suits, "so that it would have to send representatives to all court hearings" and "have some assurance that the SEC would have first-hand information of what was transpiring."

"So far as we can see," continues Criscuolo, "the only purpose which the SEC now serves is to provide an accumulation of voluminous documents of registration which cause much expense to the corporations and stockholders, waste a lot of good paper at a time when paper is so scarce, crowd the courts with litigation which could have otherwise been settled privately, and on the other hand provides much work for lawyers, engineers, accountants and printers, at high fees which corporations can ill afford these days. . . . In the old days, when a corporation got into trouble it was the banking firm that originally offered the securities to the public that came to the rescue. It formed a protective committee for the security-holders, usually hand-picked but in any case honest. The bankers underwrote the expense so that there was no necessity for 'strike suit' lawyers to get into the picture and make a racket of 'protection' to stockholders as they do now in many cases. After a period the company was reorganized or liquidated, as the circumstances necessitated. . . . But with the entrance of the SEC, the abuses have not been cured. Many a company could have been reorganized if it had been realized that people do not reorganize companies just for love. Many a company has been liquidated at 10 cents on the dollar rather than continue its agony. . . . State Senator Coudert and Assemblyman Mitchell, of New York, introduced bills into the New York State Legislature recently under which a stockholder cannot sue a corporation or its directors unless: (1) stockholders have been such for a period, and (2) they own 5% or more of the stock or (3) can deposit a bond of $50,000 to guarantee the court expenses and other legal expenses. The legislation was approved by corporate interests represented by the Chamber of Commerce of the State of New York which includes as members some corporate directors who are said to have been sued for malfeasance by minority stockholders. The legislators promptly forgot that any of the so-called 'strike suit' lawyers can always provide holders of 5% of the stock or a $50,000 bond, even if their suit be one calculated to bring a settlement out of court for a nice fat fee. But what about the honest but courageous stockholder who has a grievance? Does anyone want to deprive him of the right to sue merely because he only owns 10 shares? . . . This is the sort of legislation that is proposed in a State where there is much loud talk about democracy, the self-determination of peoples . . . of peoples abroad like the Hottentots, of course, . . . and not of real Americans. . . . One thing is certain, and that is if the New Deal wants to justify its existence in any way, it should reorganize the SEC, and the first thing the President should do is to appoint an absolutely lay commission, **no lawyers**, which will act solely to protect the Government and the public. The commissioners can appoint their own lawyers and be in a position to fire all or any of them the moment it is ascertained that they show any partiality for any former law firm friends who have cases before the Commission. Then we can have some hope that the savings of the investing public can be safeguarded, and not until then. . . . We hope that this article will bring forth a statement from the SEC or from the President who appointed the Commissioners. The public interest demands it, now, so that we shall know what we are voting for next November."

Outlines Plans For Fifth War Loan In N. Y.

The steps in prospect and the urgent requirement to distribute Fifth War Loan bonds as widely as possible, were explained on May 11 by Ted R. Gamble, national director of the War Finance Division, Treasury Department, who addressed the opening session of a two-day business meeting called by the National Association of Mutual Savings Banks at the Waldorf-Astoria Hotel.

Mr. Gamble said that expenditures for the war now had reached an unequalled peak and the financing of such expenditures must be kept within the bounds of national income as far as possible. Happily, he noted this income also is climbing to new heights, an estimated sum of $153 billions this year. Against this income he cited the necessity for the Treasury to borrow about $57 billions net and said that he was confident a large proportion of this great sum could be obtained from current income and the accrued assets of the American people. He thought that all financing agencies engaged in distributing War Savings Bonds had performed an outstanding job, but, the need in the Fifth War Loan will be greater than ever and he called upon mutual savings banks to exert their utmost efforts.

As an interesting sidelight, presented by Mr. Gamble, he stated that in the First War Loan 19 millions of securities had been distributed; in the Second Loan 32½ millions; in the Third, 52½ millions, and, finally, in the Fourth, 70 millions of individual securities were absorbed by 40 millions of the American people. He pronounced this a financing operation without equal in history, and said that it undoubtedly showed the way to reach a group of the people who perhaps had not done their utmost, numbering about 7 or 8 millions with comfortable incomes. He spoke in particular of the success achieved by mutual savings institutions and other savings agencies in the organization of payroll deduction plans for the purchase of War Savings Bonds. Generally speaking, Mr. Gamble took an encouraging view of organization plans already taking shape to make the Fifth War Loan a real victory loan. He said that the Treasury had pledges of support from every active group in the war financing campaign and looked forward to an early and complete success.

Named To Facilities Bureau

The appointment of John B. McTigue as Director of the Facilities Bureau and Vice-Chairman of the Facilities Committee of the War Production Board to succeed Roy W. Johnson was announced on May 2 by WPB Vice-Chairman Donald D. Davis. The announcement states:

"Mr. McTigue has been Deputy Director of the Facilities Bureau for the past nine months. He was previously Deputy Director of the Construction Division, WPB, whenn the headquarters of that division were located in New York City. Mr. McTigue is a graduate civil engineer and served in the last war as lieutenant in the Civil Engineers Corps, U. S. Navy. Upon resigning from the Navy he was associated with the firm of Voorhees, Gmelin & Walker, architects and engineers, of New York. He is a member of the advisory board of the Bank of the Manhattan Company of New York, and operated his own company in the building and real estate field.

"Mr. Johnson, who has served WPB for the past two years and as Director of the Facilities Bureau for the past ten months, has resigned to take an executive position with the Warren Telechron Clock Co., Ashland, Mass."

Announcement was made of two other Facilities Bureau appointments: Richard A. Kimball was named Deputy Director of the Facilities Bureau, and Robert A. Irwin, Acting Deputy Director for Tax Amortization. Both appointments are effective May 2. Mr. Kimball who has served WPB since January, 1942, in the Construction Division and as special assistant to the Director of the Facilities Bureau is a graduate architect and practiced architecture in New York City prior to the war. He is a member of the American Institute of Architects. Mr. Irwin, formerly practiced law in New York City.

Apr. Export Freight Up 49%

There were 148,256 cars of export freight, excluding coal and grain, handled through United States ports in April, compared with 99,596 cars in April, 1943, or an increase of 49%, the Association of American Railroads announced May 13. In March of this year 155,058 cars of export freight, excluding coal and grain, were handled through United States ports in April, compared States ports, compared with 100,294 cars in March, 1943, or an increase of 55%.

Export grain unloaded at the ports totaled 2,390 in April, 1944, compared with 3,041 in March, 1944, and 5,607 in April, 1943.

In addition, the railroads handled 728 carloads of coastal freight in April, 1944, compared with 452 in the same month in 1943, or an increase of 61%. In March, 1944, the roads handled 1,480 carloads compared with 521 in March of last year, or an increase of 184%.

The total of 151,374 cars of export and coastal freight, excluding coal, handled through the ports in April represented an average daily unloading of 5,046 cars. This was the second successive month in which the average unloadings have exceeded 5,000 cars per day, the record having been reached in March, 1944, when the daily average unloading was 5,148 cars.

All ports were in a completely "liquid" condition during the entire month of April, the announcement said.

Results Of Treasury Bill Offering

The Secretary of the Treasury announced on May 15 that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated May 18 and to mature Aug. 17, 1944, which were offered on May 12, were opened at the Federal Reserve Banks on May 15.

The details of this issue are as follows:

Total applied for, $2,169,935,000.

Total accepted, $1,206,012,000 (includes $59,099,000 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 18 in the amount of $1,012,743,000.

Wiggins, ABA Head, Says Banks Will Meet Post-War Credit Needs With New Facilities

"The chartered banking system is ready to answer the question 'Can Private Enterprise Meet the Post-War Needs of This Country' so far as credit is concerned. Far in advance of actual credit needs for conversion and post-war expansion, the banks of this country are setting up new and additional facilities that will mobilize the banking resources of the nation and make them available to the remotest community in the country." Such was the declaration of the president of the American Bankers Association, A. L. M. Wiggins, in an address before the wartime conference of the Missouri Bankers Association at the Muehlebach Hotel, Kansas City, Missouri, on May 16.

A. L. M. Wiggins

"We recognize that there will be new demands for credit in the post-war period, particularly for small business," continued Mr. Wiggins. "Most of these demands will be met by individual banks. There will be cases in which local banking resources particularly in the small communities may not be adequate for particular industrial or agricultural needs. Lines of credit may be required in excess of legal lending limits of local banks. Therefore, the banks of the country, determined that there shall be no dearth of credit to meet any legitimate need, are cooperating in a program to set up local and regional credit pools which will constitute a reservoir of supplemental credit to every one of the 15,000 banks throughout the country. No local loan will be too large for any small, local bank to service because the resources of these credit pools wherever located will be available wherever the credit is required.

"These credit pools will be local or regional in management and operation. They will be flexible. The money will flow from where it is to where it is needed. The plan will multiply the usefulness and effectiveness of the correspondent bank system.

"Such a program under the sponsorship of the American Bankers Association is now under way. A Commission on Post-War Loans for Small Business has been set up under the chairmanship of Robert M. Hanes, a former president of the A.B.A. and president of a large bank in North Carolina. There will be 24 members of the commission, two from every Federal Reserve district, one of whom will be a banker from a large institution and one from a smaller institution. State committees will be appointed. Funds are now being raised to finance the staff work of the commission for a five year period. Banks, large and small, are joining in this cooperative enterprise that will multiply the credit facilities of the banks of the country in serving the post-war needs of small business. Thus will banking meet the needs of private enterprise in accepting opportunities for post-war development."

Development By Latin-American Countries Of Industrialization Urged by Witherow

William P. Witherow, Chairman of the Executive Committee of the National Association of Manufacturers, suggested May 6 that if the 20 Latin-American countries developed their raw resources by industrialization, then they would make themselves "bigger and more powerful neighbors with whom to trade." The Pittsburgh, Pa., steel manufacturer, former NAM President, told the Permanent Council of American Associations of Commerce and Production that "it should be the sort of trade that is a two-way street." Mr. Witherow added:

"It will be good for us to export capital goods to equip those growing manufacturies in Latin America, for we cannot use all the productive machinery which we are now geared up to make. And those Latin-American countries, during the years of our adjustment, will not want to make such capital goods, but to make consumer goods. That is the direction in which their industrialization today is chiefly concentrated."

Mr. Witherow spoke at the four-day Permanent Council conference, attended by 60 delegates from North, Central and South America, meeting in the Waldorf-Astoria Hotel to discuss postwar economic planning on a cooperative basis.

Inviting the nationals of Latin America "to get into manufacturing," Mr. Witherow said that this nation should recognize that the best customers are those "who, like ourselves, have developed industries. We may have a few years of hard sledding," he said, "but let's welcome now the expanding opportunity to export not only capital, but brains and know-how—that is, the capitalistic system itself."

With respect to industrialization in Latin America, Mr. Witherow cited the example in Brazil "of the first steel mill to be erected south of the equator." "It is financed jointly by the United States and Brazil, and it will utilize the vast iron ores of Brazil," he added. "Strange as it may appear, the successful operation of this mill is expected to increase rather than decrease the demand for American steel products." Continuing Mr. Witherow said:

"This mill will produce rails for the much-needed extension of the railways of South America. But the very production of these rails will create a demand for locomotives, cars, and wheels, and all of the varied hardware essential to operation of a railway.

"The supply of steel sheets and rods by this Brazilian mill will make possible the establishment of hundreds, if not thousands, of small factories. Each one of these factories will need machine tools . . . but that's only one part of the picture. Homes for the families of 15,000 workmen are being constructed near the mill site. These men, recruited from coffee and cotton plantations soon, for the first time in their lives, will be drawing wages in excess of bare living costs. Their wives will have money to spend for something beyond necessities."

Mr. Witherow said that most of the new industries of Latin America would, like the Brazilian steel mill, bring new wealth into the world by processing raw materials which have in the past been unused or neglected.

"For example, there have been a number of successful cotton mills established in Sao Paulo, the center of an important cotton growing area," he added. "If it were not for the mills, this cotton would be dumped on the world market in competition with that of our Southern cotton growers . . . much of it was formerly bought by Japan to feed her textile mills."

Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES†
(Based on Average Yields)

1944— Daily Averages	U. S. Govt. Bonds	Avge. Corpo- rate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus.
May 16	119.48	112.00	118.40	116.80	111.81	101.80	105.69	113.89	116.61
15	119.48	112.00	118.40	116.80	111.81	101.80	105.69	113.89	116.61
13	119.48	111.81	118.40	116.80	111.62	101.80	105.52	113.89	116.80
12	119.48	112.00	118.60	116.80	111.81	101.64	105.52	113.89	116.80
11	119.51	111.81	118.60	116.61	111.81	101.64	105.69	113.70	117.00
10	119.51	111.81	118.40	116.61	111.81	101.64	105.69	113.70	116.80
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	116.41
5	119.48	111.81	118.40	116.61	111.62	101.47	105.52	113.70	116.41
4	119.48	111.81	118.40	116.61	111.62	101.47	105.52	113.70	116.41
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	112.00	118.80	116.80	111.81	101.80	105.69	113.89	116.80
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 15, 1943	119.27	109.97	118.00	115.63	110.70	97.47	101.80	113.12	116.02
2 Years Ago May 16, 1942	117.88	106.56	116.02	113.12	107.44	92.06	96.54	110.88	113.70

MOODY'S BOND YIELD AVERAGES
(Based on Individual Closing Prices)

1944— Daily Averages	U. S. Govt. Bonds	Avge. Corpo- rate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus.
May 16	1.85	3.06	2.73	2.81	3.07	3.64	3.41	2.96	2.82
15	1.85	3.06	2.73	2.81	3.07	3.64	3.41	2.96	2.82
13	1.85	3.07	2.73	2.81	3.08	3.64	3.42	2.96	2.81
12	1.85	3.06	2.72	2.81	3.07	3.65	3.42	2.96	2.81
11	1.85	3.07	2.72	2.82	3.07	3.65	3.41	2.97	2.80
10	1.85	3.07	2.73	2.82	3.07	3.65	3.41	2.97	2.81
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	3.06	2.71	2.81	3.07	3.64	3.41	2.96	2.81
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 15, 1943	1.92	3.17	2.75	2.87	3.13	3.91	3.64	3.00	2.85
2 Years Ago May 16, 1942	1.98	3.36	2.85	3.00	3.31	4.27	3.97	3.12	2.97

*These prices are computed from average yields on the basis of one "typical" bond (3¾% 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.

Steel Operations Again Slightly Lower—Order Volume Shows No Sign Of Decline

"With attention centered on the shell program, backlogs increasing, plate cut-backs less than had been planned, order volume showing no signs of decline, the steel industry this week finds itself close to a period of tightness never before reached," the "Iron Age" says in its issue of today (May 18), further adding in part: "Requirements for the third quarter will tax the complete facilities of the industry. There is no chance, however, that urgent war needs which are to support invasion activity will be behind schedule.

"Some mills will start third-quarter production schedules about the middle of July because of carry-overs. Since the new critical programs will undoubtedly be placed on a directive basis, it may be that other duly certified controlled materials plan order booked for delivery in June, July, August and September will be delayed for from two to six weeks. It also may be that the broad range of steel items will continue to carry deliveries extended somewhat into the future.

"Order volume in the past week was expanding in most steel centers and again in most cases exceeded shipments. Orders for sheets were heavier, and some sheet deliveries are running into the fourth quarter and into the first quarter of 1945. Bar orders are beginning to expand, especially the larger sizes, because of the shell program, and this situation will change rapidly towards further extension in deliveries by July. Obviously, order volume is heavier in the three major centers where the shell program is to be concentrated.

"Aggravating the sheet and strip market recently has been heavy demands from the farm implement makers for fourth-quarter delivery. The Navy is said to have recently cancelled some hot-rolled barrel stock but has frozen the tonnage so that other consumers cannot take advantage of the openings in schedules. It is pointed out that the shell steel for the recent programs is only beginning to get on mill order books, but that within the next month or so the full effects of these requirements will become felt.

"Lend-Lease semi-finished steel needs for the third quarter are said to be exceptionally heavy and will further add to the primary mill bottleneck later in the year. One headache for the steel industry is the fact that the amount of steel to be required for the big gun program has not been definitely set. No tonnage estimates have been given so that this need will be an unknown quantity which will further complicate the distribution picture."

The American Iron and Steel Institute on May 15 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 99.2% of capacity for the week beginning May 15, compared with 99.4% one week ago, 99.5% one month ago and 98.6% one year ago. The operating rate for the week beginning May 15 is equivalent to 1,777,000 tons of steel ingots and castings, compared to 1,780,500 tons one week ago, 1,782,300 tons one month ago, and 1,707,400 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on May 15 stated in part as follows: "Steel in general exhibits signs of further tightening, in spite of a slight lull in buying which is expected to be followed by an outpouring of orders for expanded war programs.

"Among projects which will require heavy tonnages are a new and heavy landing craft program and further shipbuilding, involving 2,300 merchant ships. The latter will stimulate shipbuilding activities for some time. Container tonnage is heavy and covers considerable time and railroad buying is increasing, including substantial tonnages for fourth quarter maintenance and repair. Little change in delivery dates is taking place at the moment though generally they are so extended that nearby delivery on most needed products requires directives.

"Plate requirements are being advanced on mill schedules wherever possible, to get tonnage out before the heated term when production is expected to diminish. Some increase is noted in demand for structural shapes for construction and with this added to the heavy demand for shipbuilding assemblies deliveries are being extended. A factor in this situation is diversion of raw steel from structural shapes to billets for heavy shell work.

"Railroad buiyng of rolling stock is increasing, placing of 3,819 cars in April bringing the total for four months to 23,089 units. This is the largest total for that period since 1941 when placements were 43,386 and was only slightly larger than the 22,183 placed in this period in 1942. In the 1943 period only 11,650 were awarded. New York Central is the largest buyer, having placed 5,000 freight cars this year, as well as 300 passenger cars.

"Raw material supply for steelmaking is comfortable, both pig iron and scrap being sufficient for current needs. No buying of the former for third quarter has been done. Recent tightness in basic iron has been relieved by blast furnaces shifting from foundry grades, without reducing supply of the latter below requirements. Scrap supply is generally sufficient for the present high steel production rate in spite of labor shortage for preparing. Consumers are discriminating in acceptance and much resistance is encountered in placing tonnage carrying high freight rates from remote origins."

Individual Buying Power At All-Time High

Attention to the following facts pertinent to the Government's economic stabilization program was called on May 10 by the Office of War Information.

"After two years of war, during which incomes of Americans underwent a greater increase than did their taxes, living expenses and investments combined, the buying power of individuals in this country in the highly fluid form of cash and checking accounts, had reached an all-time high of some $33,000,000,000, not counting funds belonging to business enterprises, according to the Federal Reserve Board.

"Statistics of the Department of Commerce and the Securities and Exchange Commission indicate that net income of individuals (including unincorporated business) in the United States, after taxes and expenditures for goods and services, during 1943 exceeded individual investments in United States bonds and other forms of savings by $10,500,000,000. This, however, was $1,000,000,000 less than the excess of $11,500,000,000 in 1942.

"For the last quarter of 1943, the excess over savings of available individual income, after taxes and expenditures, was $3,200,000,000, as compared with $4,000,000,000 for the last quarter of 1942."

The summary follows:

	Fourth Quarter 1942	1943	Full Year 1942	1943
	(In billions of dollars)			
1—Income, Expenditures and Taxes of Individuals:				
Total income payments	33.6	38.4	116.6	142.3
Personal taxes (Federal, state and local)	1.3	5.6	6.6	18.3
Income after taxes (disposable income)	32.3	32.8	110.0	124.0
Spent on goods and services	23.1	25.2	82.0	91.0
*Income over taxes and spending	9.2	7.6	28.0	33.0
2—Savings and Investments:				
Net purchases U. S. Bonds	3.3	2.0	9.9	13.8
Additions to private insurance and pension reserves	.7	.8	2.4	3.1
Savings deposits	.7	1.4	.9	4.5
Other savings (excluding currency and checking accounts)	.5	.2	3.3	1.1
†Total savings and investments	5.2	4.4	16.5	22.5
3—Excess—Additions to Cash in People's Pockets and Individual Checking Accounts:				
*Income over taxes and spending	9.2	7.6	28.0	33.0
†Total savings and investments	5.2	4.4	16.5	22.5
Excess	4.0	3.2	11.5	10.5

Electric Output For Week Ended May 13, 1944 Shows 6.8% Gain Over Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended May 13, 1944, was approximately 4,238,375,000 kwh., compared with 3,969,161,000 kwh. in the corresponding week a year ago, an increase of 6.8%. The output for the week ended May 6, 1944, was 8.5% in excess of the similar period of 1943.

PERCENTAGE INCREASE OVER PREVIOUS YEAR

Major Geographical Divisions—	Week Ended— May 13	May 6	Apr. 29	Apr. 22
New England	0.7	1.8	4.3	3.3
Middle Atlantic	4.0	6.0	12.9	7.9
Central Industrial	5.5	6.1	9.5	8.0
West Central	4.4	6.1	6.1	6.0
Southern States	7.4	10.4	11.7	10.3
Rocky Mountain	*9.4	*5.0	2.2	5.1
Pacific Coast	19.8	20.9	25.3	27.0
Total United States	6.8	8.5	12.1	10.7

*Decrease under similar week in 1943.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

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	4,361,094	3,882,467	+12.3	3,320,858	1,480,738	1,696,543
April 15	4,307,498	3,916,794	+10.0	3,307,700	1,469,810	1,709,331
April 22	4,344,188	3,925,175	+10.7	3,273,190	1,454,505	1,699,822
April 29	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	4,238,375	3,969,161	+ 6.8	3,356,921	1,435,731	1,704,426
May 20	------	3,992,250		3,379,985	1,425,151	1,705,460
May 27	------	3,990,040		3,322,651	1,381,452	1,615,085

California Bankers To Hold Wartime Conf.

The California Bankers Association will hold a wartime conference in Pasadena on May 24-25, according to an announcement by Lauder W. Hodges, Executive Manager of the Association.

The Los Angeles "Times" of May 6 stated that at the invitation of A. C. Hughes, President of the Monterey County Trust & Savings Bank and President of the Association, A. L. M. Wiggins, President of the American Bankers' Association, will deliver one of the principal addresses.

Speakers will also include Ben C. Corlett, State Superintendent of Banks; Wayne L. Morse, former member of the National Labor Relations Board and Dean of the School of Law, University of Oregon; C. B. Hutchison, Dean of the College of Agriculture, University of California; Henry A. Theis, President of the Trust Division, American Bankers Association; Alexander R. Heron, Director of the California State Reconstruction and Re-employment Commission, and R. D. Hebb, former public relations officer of Swift & Co.

Moody's Daily Commodity Index

Tuesday, May 9, 1944	249.7
Wednesday, May 10	249.7
Thursday, May 11	249.7
Friday, May 12	249.5
Saturday, May 13	249.5
Monday, May 15	249.6
Tuesday, May 16	250.0
Two weeks ago, May 2	249.5
Month ago, April 15	249.7
Year ago, May 15	244.2
1943 High, April 1	249.8
Low, Jan. 2	240.2
1944 High, March 17	251.5
Low, Jan. 5	247.0

President Names J. V. Forrestal As Secretary Of Navy Succeeding Knox

Under Secretary of the Navy, James V. Forrestal, was nominated on May 10 by President Roosevelt to the post of Secretary of the Navy, succeeding Frank Knox, whose death on April 28 was noted in our issue of May 4, page 1842. Since the death of Mr. Knox, Mr. Forrestal had been Acting Secretary; he had served with the late Secretary in the Navy Department for four years.

On May 15 the Senate Naval Affairs Committee acted unanimously in recommending Senate confirmation of Mr. Forrestal's nomination and afterwards accorded him an ovation when he appeared before the Committee in response to a special invitation. Applause greeted Mr. Forrestal's appearance and the entire committee arose in a special tribute, said the Associated Press, which added:

"The committee acted on his nomination to succeed the late Frank Knox, a few minutes before his arrival, thus reversing the usual procedure under which a nominee appears to answer any questions prior to committee action."

In Associated Press Washington advices it was noted that Mr. Knox was a Republican; Mr. Forrestal is a Democrat. Mr. Knox starting work as a newspaper reporter, was active in journalism and public affairs throughout his life. Mr. Forrestal, also a reporter at first, went into business, developed a business man's desire for privacy and emerged as a leading figure in his field only when he became president of Dillon, Read & Co., Wall Street investment firm, in 1938.

It is also pointed out that the appointment of Mr. Forrestal climaxes the Washington career he started in 1940 when he gave up the presidency of Dillon, Reed & Co., as a Presidential assistant. The Associated Press added:

He was Mr. Knox's right hand in building the world's biggest Navy, going frequently to Capitol Hill to testify before committees considering Navy appropriations. On many occasions, he has urged the maintenance of this giant fleet in peacetime, declaring that peace which is not backed by power "is only a dream."

At 52, 18 years' Mr. Knox's junior, he will be one of the youngest men in the President's Cabinet.

Congressmen on both sides applauded the Forrestal appointment and Chairman Walsh (Dem., Mass.) of the Senate Naval Committee predicted speedy confirmation.

Chairman Vinson (Dem., Ga.) of the House Naval Affairs Committee, who suggested Forrestal after Mr. Knox died, said he thought the appointee was "eminently qualified."

From Associated Press Washington accounts May 11 we also quote:

Mr. Forrestal was educated in the public schools of his native Dutchess County, N. Y., where he is a neighbor of the President, studied a year at Dartmouth College and then he transferred to Princeton.

After graduation he worked for the New Jersey Zinc Co., and the Tobacco Products Co., before going to Dillon, Reed & Co.

He was working as a bond salesman for Dillon, Reed, when the United States entered the World War. He enlisted in the Naval Reserve as an aviator, receiving flight training with the Royal Flying Corps in Canada.

During most of 1918 he served in the Office of Naval Operations, in Washington, and meanwhile completed his flight training. He was released from active duty with the rank of Lieutenant in December 1918.

Allocations Of Geographical Credits For Sales In War Loan Drive Announced By Allan Sproul

In advices May 9 to the banking institutions in the New York Federal Reserve District bearing on the Fifth War Loan Drive for $16,000,000,000 which will open on June 12, Allan Sproul, President of the Reserve Bank, indicates the procedure for allocating geographical credits for sales. Mr. Sproul states:

"In order to avoid unnecessary shifts of deposit balances from one part of the country or from one institution to another, subscriptions for the securities to be offered during the drive should be entered and paid for through the banking institutions where the funds of the subscribers are located. A transfer of funds for the purpose of entering a subscription elsewhere serves no proper purpose which cannot be accomplished by an allocation of credit for the sale." Mr. Sproul in his advices further states:

"The manner in which credits will be given on a geographical basis for sales made during the drive, and the procedure under which purchasers may allocate credit for all or part of their subscriptions to counties other than those which would normally receive such credit, will be substantially the same as in the Fourth War Loan Drive, that is:

"Credit for sales of Series E War Savings Bonds will be given to the county in which the issuing agent is located, except that sales of such bonds issued directly by the Federal Reserve Banks and the Office of the Treasurer of the United States will be credited according to the addresses of the registered owners. No allocation may be made of credit for a sale of Series E bonds.

"In the absence of a specific request for allocation elsewhere, credit for sales of 2½% Treasury Bonds of 1965-70, 2% Treasury Bonds of 1952-54, 1¼% Treasury Notes of Series B-1947, ⅞% Treasury Certificates of Indebtedness of Series C-1945, and Treasury Savings Notes, Series C, will be given to the counties indicated by the addresses of the purchasers appearing on the subscription forms received by us, except that in the case of subscriptions for such issues entered in New York City for account of nonbanking corporations other than insurance companies credit will be given to the counties in New York City in which such subscriptions are entered. Credit for sales of Savings Bonds of Series F and Series G will be given to the counties indicated by the addresses of the registered owners.

"If a purchaser desires that credit for the sale of any security except a Series E War Savings Bond be allocated to a county or counties other than the county to which credit would be given under the rules stated above, a request for such allocation should be filed with us at the time the related subscription is filed. The request for allocation should be made on Form RA, a copy of which is enclosed, **and must accompany the related subscription when filed with us.** Form RA is to be prepared in quadruplicate, the first three copies to be transmitted to us and the fourth to be retained by the subscribing bank as its record. Where more than two separate allocations are requested in connection with a single subscription, additional pages designated Form RA 1 will be available.

"No allocation may be made in respect of any sale to an insurance company; such a sale will be credited to the county in which the head office of the company is situated. Since subscriptions by commercial banks for their own account under the formula permitting limited investment of savings deposits and certain time certificates of deposit will not be considered part of the drive and will not be credited to any quota, no geographical credit will be given for such subscriptions and no allocations may be made.

"It is suggested that the procedure for allocating credits for sales be studied by members of your staff who will work on matters pertaining to the drive, and that it be brought to the attention of your customers who you believe may wish to make such allocations in connection with subscriptions entered for their account."

Home Buyers In War Plant Areas Warned Against Swollen Prices

Persons contemplating the purchase of homes in crowded war industry cities were warned against swollen wartime prices by the Federal Savings and Loan Advistory Council at its semi-annual meeting on May 5 with the Federal Home Loan Bank Administration in Washington. Representing the 3,750 member thrift and home-financing institutions of the Federal Home Loan Bank System, the Advisory Council reported that increasingly inflated real estate valuations constitute a threat to the economic stability of some communities as well as to the safety of home ownership. The ability of financial institutions to supply credit for the resumption of large scale home building operations after the war also is threatened, the Council declared. Recognizing that the developing "boom" is in part encouraged by inflationary mortgage lending, the Council urged that all types of lending institutions cooperate at once to combat the danger.

The Council, according to the announcement from the FHLBA, recommended several precautions for adoption by all home-financing institutions. Among these are:

"Downward adjustment of the ratio of loans to appraised values in order to assure that excess risks are covered by the down payment rather than by the mortgage loan.

"Shortening of repayment periods.

"Accelerated repayment of principal during the first few years of the loan.

"Where possible, calculation of customary loan percentages on the basis of property prices in a prewar period during which market conditions were reasonably stabilized.

"The taking of additional security on loans, to consist of shares, government bonds, paid-up life insurance, or other collateral in cases where high percentage loans are made on the basis of current market prices."

The Federal Savings and Loan Advisory Council consists of a representative of the industry elected by each of the 12 district Federal Home Loan Banks, and six members appointed by the Federal Home Loan Bank Administration in the public interest. James J. O'Malloy, President of the First Federal Savings and Loan Association of Wilkes-Barre, is Chairman. Walter Gehrke, President of the First Federal Savings and Loan Association of Detroit, is Secretary.

Need Of Simplification Of Tax System Seen By Horne Of Society Of Public Accountants

In accepting election May 8 as President of the New York State Society of Certified Public Accountants, Henry A. Horne, of the New York City accounting firm of Webster, Horne & Elsdon, called for simplification of the "the incredible hodge-podge" into which both the Federal and State taxing systems have fallen. Pointing out that the New York State Society had been advocating tax revision for years, he declared that the time for action is the present.

Mr. Horne stated that a half-century of experience has made the American business world aware of two outstanding characteristics of professional accountancy: first, its integrity of character, and second, its competence in the performance of technical tasks. He outlined three major future responsibilities faced by the profession.

"First," he said, "is the task of accounting for the termination of war contracts. All Americans eagerly look for the Day of Victory. Terminations are a thin stream now, but victory will bring with it a flood of cancellations and terminations. Business and the government will make demands on us in respect to the preparations of settlement claims and will call for all our intelligence and for all the strength of character that we should have." Mr. Horne went on to say:

"Secondly, I think of the crying need for the simplification of the incredible hodge-podge into which our taxing systems (both Federal and State) have fallen. For years, our Society has been advocating a revision of taxation. Now is the time for action.

"Thirdly, our post-war business structure will need many adjustments that will be brought about by mergers, consolidations, refinancings, and some liquidations. These are matters wherein the professional accountants' interpretation of financial history will be of prime importance.

"In these matters, as in all fields of our activity as independent accountants, the high ethical standards that have characterized professional accountancy throughout its entire history, must be maintained. We are not special pleaders. We tell the truth."

Mr. Horne has been First Vice-President of the society during the past year. He has been a member of the Society since 1912 and has served as a Director and as member or chairman of various committees. He is a member of the American Institute of Accountants, The National Association of Cost Accountants and the Connecticut Society of Certified Public Accountants.

At the annual election, William R. Donaldson, partner of the New York accounting firm of Miller, Donaldson & Co., was elected First Vice-President, and Prior Sinclair, partner of the New York accounting firm of Lybrand, Ross Bros. & Montgomery, was elected Second Vice-President to succeed Mr. Donaldson. Mr. Donaldson has been a member of the Society since 1922 and has served as Secretary and a Director, and as chairman of the special committee on Wartime and Post-war problems. He is a member of the New York Bar, the National Association of Cost Accountants and the American Institute of Accountants. He is Chairman of the Natural Business Year Council and President of the Accountant's Club.

Mr. Sinclair, who has been a member of the society since 1913, has served as Treasurer and a director. He has been Chairman of the Ethics Committee, Chairman of the Natural Business Year Committee and Chairman of the Committee on Furtherance of the Objects of the Society. He is author of the book, "Budgeting."

Officers re-elected for another year were Charles H. Towns, Secretary, and Harry E. Van Benschoten, Treasurer. Six new directors elected were Thomas F. Conroy, William Eyre, Henry Homes, Roy B. Kester, Henry E. Mendes and Saul Levy. Mr. Levy, as President of the Society, presided at the May 8 meeting. The newly elected President and others chosen at the meeting will take office on October 1.

Investment Bankers Map Part In Fifth War Loan Drive To Open June 12

Four hundred representatives of the city's leading investment banking houses met with officials of the War Finance Committee for New York May 3 in the auditorium of the New York Federal Reserve Bank, 33 Liberty Street, and undertook to cooperate in making, as a part of the Fifth War Loan, the most thorough canvass yet undertaken of the city's industries.

The investment bankers present are members of the Banking and Investment Division of the War Finance Committee and as such participated in previous war loan campaigns in soliciting bond purchases in the financial community. For the Fifth War Loan drive opening on June 12, the entire division not only will carry on its operations as before, but has been recruited to cooperate with the Commerce and Industry Divisions as well, in its solicitation of all business houses in the city. The purpose of the new arrangement is to utilize to the full the experience of the investment dealers in furthering the Fifth War Loan.

Nevil Ford, State Chairman of the War Finance Committe for New York, spoke of the excellent records made in previous loan drives and said:

"This Fifth War Loan must be the greatest success of all, because on it depends the outcome of the coming invasion, and upon this will depend the future of America."

Frederick W. Gehle, Executive Manager of the Committee, presided. Other speakers were Walter S. Gifford, President of the American Telephone & Telegraph Co.; Col. Allan M. Pope, President of the First Boston Corp.; William E. Cotter, general counsel for the Union Carbide & Carbon Corp. and Chairman of the Commerce & Industry Division; William R. White, Vice-President of the Guaranty Trust Co. and newly appointed Chairman of the Banking & Investment Division, and W. Randolph Burgess, Chairman of the Executive Committee of the War Finance Committee for New York.

The Commerce & Industry Division has organized 275 divisions representing all industries in the city, with 14 group chairmen working under the general direction of Mr. Cotter.

Peterson Elected V.-P. of St. Louis Reserve Bank

At a meeting of the board of directors of the Federal Reserve Bank of St. Louis on May 11, William E. Peterson was elected a Vice-President, and Laurence K. Arthur, an Assistant Vice-President. Mr. Peterson, says the announcement by Chester C. Davis, President of the St. Louis Reserve Bank, has been in the employ of the Bank since 1918, and has been its Chief Examiner since 1934. Mr. Arthur became affiliated with the institution when it opened in 1914, and has been serving as a department manager.

Leroy Lincoln Elected President Of N. Y. Chamber Of Commerce; Other Officers

Leroy A. Lincoln, President of the Metropolitan Life Insurance Co., on May 4 became the 49th President of the Chamber of Commerce of the State of New York following his election at the 176th anunal meeting held that day. He succeeds Frederick E. Hasler, Chairman of The Continental Bank & Trust Co., who having served two consecutive terms was ineligible for re-election. A member of the Chamber since 1930, and one of its Vice-Presidents from 1938 to 1942, Mr. Lincoln is the second Metropolitan Life official to head the Chamber within a period of 20 years. Frederick H. Ecker, now Chairman of the Metropolitan, was President of the Chamber from 1924 to 1926.

Three new Vice-Presidents to succeed John D. Rockefeller, Jr., J. Stewart Baker and Thomas W. Lamont, whose terms had expired, were elected by the Chamber for four-year terms. They were John A. Brown, President of Socony Vacuum Oil Co.; George Whitney, President of J. P. Morgan & Co., Inc., and Arthur Hays Sulzberger, President and publisher of the New York "Times."

William J. Graham, Vice-President of the Equitable Life Assurance Society of the United States, was elected Treasurer of the Chamber to succeed William S. Gray, Jr. William B. Scarborough was continued as Assistant Treasurer and B. Colwell Davis, Jr., as Executive Secretary.

Robert F. Loree was re-elected Chairman of the Executive Commitee. H. Donald Campbell and Leon O. Head were elected members-at-large of the Committee for three and two-year terms, respectively, and James T. Lee and J. H. Haffner were re-elected to similar posts for three years. Four new chairmen of standing committees of the Chamber were re-elected: Arthur M. Reis, Internal Trade and Improvements; J. J. Kelleher, Harbor and Shipping; Edward V. Otis, Public Service in the Metropolitan District; Joseph H. McMullen, Admissions.

Mr. Lincoln, the new President of the Chamber, was born in Little Valley, N. Y., was graduated from Yale in 1902 and admitted to the bar in 1904. He was counsel for the New York State Insurance Department (1915-1917) where he was instrumental in bringing the fire insurance companies into agreement with the Department on a standard policy. For two years he was a partner in the law firm of Rumsey & Morgan, during part of which time he served also as general attorney for the Metropolitan Life Insurance Co., becoming its General Counsel in 1926, First Vice-President in 1928, a Director in 1929 and President in 1936.

House Increases Federal Debt Limit To $240,000,000,000

The bill increasing the debt limit of the Federal Government from $210,000,000,000 to $240,000,000,000 was passed by the House on May 10, by a voice-vote reference to the action of the House Ways and Means Committee in approving the bill on May 8 was referred to in our issue of May 11, page 1942. Reporting that there was no controversy over the measure and the only amendment adopted was one offered by the Ways and Means Committee, which reported the bill, Washington advices May 10 to the New York "Times" stated:

"The Committee proposed that in estimating the National debt outstanding at any time the Treasury shall continue to follow its present policy of figuring its obligations due to discount bonds, such as the Series E War Bonds, at the original sale price plus interest actually accrued. The bill, as originally introduced, provided for computation of the outstanding debt at the face amount.

"Representative Jere Cooper (Dem.-Tenn.), ranking majority member of the Ways and Means Committee, denied newspaper reports that Republican Committeemen 'forced' a reduction in the proposed new limit from the $260,000,000,000 which the Treasury originally asked.

"He said he offered a motion to fix the new limit at the lower amount, and that Treasury officials accepted his proposal.

"At the rate of present expenditure, the limit will be reached about March 31, unless the war ends sooner, Mr. Cooper said, and thus the Treasury will have to go to Congress again for legislation for further extension.

"The Tennesseean said the debt limit extension is necessary to permit holding of the $16,000,000,000 Fifth War Loan Drive, schedule to begin June 12."

Representative Dewey, in noting in the House on May 10 that there is now outstanding $185,000,000,000 of the present public debt limit of $210,000,000,000, stated that "this leaves an unused portion of public-debt limit as of today of $25,000,000,000. "The bill we have under consideration," he went on to say, "increases that limit from $210,000,000,000 to $240,000,000,000, providing an increased limit of public debt of $30,000,000,000. If one adds this $30,000,000,000 to the $25,000,000,000 unused and now existing one has a total unemployed borrowing power on the part of the Government amounting to $55,000,000,000."

Record Growth For N. Y. Savs. Bank Depositors

With a record-breaking gain of $60,885,651 in deposits during April, a month when such heavy savings are not generally expected, the total deposits of New York State's 132 mutual savings banks reached another all-time high of $6,382,792,395 as of May 1, 1944, according to figures released by the Savings Banks Association on May 11. New savings during the first four months of this year are over $207,000,000—an average of almost $52,000,000 a month, and an increase of 110% over the gain during the months of January to April, 1943, according to the Association, which says:

"This deposit gain was accompanied by a gain in depositors during April, 1944, of 17,108 and brings total accounts open to 6,314,158. Further account figures for the first four months of 1944 reveal a growth substantially greater than for the similar period in 1943, though not as impressive as the growth in deposits. The average account now stands at $1,010, an increase of over $9 per account since March 31, 1944, at which time the average account first passed the $1,000-mark.

"The total deposit figures of $6,382,792,395 and the open-account figure of 6,314,158 compare with deposits of $5,677,146,754 and accounts of 6,061,811 on May 1, 1943—gains of 12.4% and 4.2%, respectively.

"The sale of war bonds and stamps during April totals $12,735,916.60, bringing total sales for the first four months of the year to $95,224,140. Three years ago, on May 1, 1941, sales of war bonds were inaugurated. During these three years the savings bank of New York State have sold to the public war bonds in the amount of $777,812,750."

From Washington Ahead Of The News

(Continued from first page)

It was a very signal victory for the "workingman." And it was thus hailed wide and far.

Capitulating overnight, Ford capitulated in a big way as he does everything. We now recognize the CIO 100%, said Henry, and no qualifications about it. The result was that one of the first things the new order of Ford labor relations ran into was the complaint of the workers against this foreman and that. And Ford went about firing these foremen that the CIO demanded be fired. Men, part of the management setup for years, suddenly found themselves being fired because the unionized workers were demanding that they be fired because they had in the past exercised their managementship responsibilities. These men invariably were told that they could come back and work on the assembly line alongside those workers whom they had previously bossed and who now, feeling their oats, were out after them. Following experience after experience of this kind, the foremen decided they had better work out some collective form of protection. They began organizing as an offset to what was being done to them.

The headlines screamed, asked what the country was coming to, when the unionization movement had come to the point where the managers, which it was insisted the foremen were, demanded the right of collective bargaining. Really, this was going just too far.

The whole thing was and is that the foremen want to work. They can't manage if they are to be fired when an employes' group complains against them. It is a commentary on something that these "managers" felt they had to organize. It is more of a commentary on the experience they have had since.

What do you suppose these fellows think when Messrs. Patterson of the Army and Bard of the Navy send them a message saying they can't understand how these gentlemen could be striking right here on the eve of a great military adventure. What do you suppose they think when these great masterminds tell them they are helping Hitler. They are a group of "executives" fighting for their lives and they wonder what in the name of Heavens is going on in this country in the guise of defeating Hitler.

The point which we hope we have made clear is that under this capitulation of the automobile industry to the CIO, the latter is moving in gradually to take over the management of the industry. They are out after those who have served in an executive capacity in the past. It isn't very intelligent for big shots here in Washington and the editors to be telling these "executives" they are unpatriotic to strike in time of war. Unless they take some forceful action they won't be executives. They are fighting for their jobs. It is noteworthy that under the pressure of public opinion, the National Labor Relations Board has finally ruled these men had a right to organize but have no rights under the National Labor Relations Act. This being the case, of course, the Board has nothing in the world to do with it and its decision was just another pompous expression of Bureaucracy. But in the meantime, these men of "management" are fighting to hold their jobs as such.

President Asks Funds For UNRRA Participation; Seeks To Transfer Supplies Under Lend-Lease

Congress was asked by President Roosevelt on May 4 to authorize an appropriation of $450,000,000 under the act of March 28, 1944, designed to enable the United States to participate in the fund for the United Nations Relief and Rehabilitation Administration. Under the act referred to, details of which were given in our issue of April 6, page 1430, the United States is authorized to provide $1,350,000,000 of an international pool for UNRRA.

Besides the initial appropriation of $450,000,000 sought by the President, he also in his communication to Congress on May 4, requested authority to transfer supplies, services or funds to the amount of $350,000,000 under the Lend-Lease Act of March 11, 1941. This would be counted toward the total promised contribution, said Associated Press advices from Washington May 4, which also reported a White House statement as saying:

"It is estimated that UNRRA will need from the United States in the first field operations in liberated areas this minimum of additional supplies and services.

"The date when UNRRA relief operations in liberated areas will begin cannot be determined in advance of impending military developments.

"The beginning of fuller relief operations by UNRRA may be accompanied by a decline in military and lend-lease requirements for operations in the European theater, making such war purpose materials available."

"At such a stage," the President is quoted as telling Congress, "every effort should be made to utilize available stocks of goods held by any department or agency of the Government."

Savs. Bk. Money Order Sales Expanding

During April, 1944, a fairly normal month insofar as demand is concerned, savings bank money orders were sold by issuing banks at the rate of 2,300 a day, an increase of 130% over the average daily volume of 1,000 during the same month in 1943, according to advices from the Savings Banks Association of the State of New York, which points out that increased volume will be enlarged still further, it is expected, when additional issuing banks get their service into full swing and their depositors and the public have been fully informed of the availability of the service. From the announcement of the Savings Banks Association we also quote:

"While the adoption of the savings bank money order service was perhaps somewhat slow in its first four years of operation, its rapid growth during the past two months is a clear indication that the savings banks have recognized its advantages and usefulness as a regular banking service. Since early March, 28 banks have installed the system, bringing the total number of issuing banks to 68, and, with their branches, to 105, the total number of savings bank offices where the money orders are obtainable.

"A late development of the money order system, particularly among many of the newer banks, has been the completion of arrangements with Savings Banks Trust Co., the paying agent under the plan, to sell money orders up to $250. While the old rate of 10 cents for money orders in any amount up to $100 has been retained, the trend has been to increase the fee to 15 cents for amounts between $100 and $250, an increase which, incidentally, has had no unfavorable public reaction, according to banks offering the service. . . .

"While there are a great variety of policies regarding the promotion and sale of savings bank money orders among the issuing banks, due primarily to local conditions, there is a unanimous feeling among savings bank officials that the system has at least these four distinct advantages: First, it can and will be of great value not only in advertising the individual bank but in promoting the mutual savings bank system as well; second, it has a ready and complete public acceptance as a normal banking service for which a reasonable fee is justifiable; third, by substituting, in whole or in part, the uniform system for the furnishing of tellers' checks, there has been a considerable decline in the number of checks requested—particularly among those of the 'nuisance' variety; and, fourth, the collection of money order fees, small as they may be in some cases, has changed a service previously operated at almost a total loss to one on at least a self-sustaining basis.

Great Britain Extends Huge Credit To China

Foreign Secretary Anthony Eden announced in the House of Commons on May 3 that the British Government had signed an agreement with the Chinese Government on May 2 granting a loan of £50,000,000 "to finance the goods and services required by China in the sterling area for purposes arising out of the war." A cablegram from London May 3 to the New York "Times" in which this was reported, further said in part:

"A second agreement covering the provision of arms, munitions and military equipment on lend-lease terms was signed at the same time, Mr. Eden said.

"The loan was first proposed by Great Britain early in 1942 at about the time when the United States made a $500,000,000 loan that President Roosevelt requested as urgently needed to fortify China economically and strengthen her war effort. The negotiations on the British loan have gone slowly because of discussions on the scope of the goods and services to be covered. From neither British nor Chinese sources could any amplification of Mr. Eden's statement of the purposes be obtained.

"Both sides, however, said that the slowness had not affected British supplies to China. There had remained unexpected balances of previous credits belonging to China."

St. Louis Reserve Eases Credit For Flood Sufferers

The Federal Reserve Bank of St. Louis announces that the usual consumer credit restrictions regarding down payments and installment terms, contained in the Consumer Credit Regulation W of the Federal Reserve System were removed on May 10 for flood sufferers.

In a statment issued that day by the St. Louis Reserve Bank, authority was given to merchants and lenders to extend consumer credit on any terms satisfactory to them providing such credit was for the sole purpose of repairing or replacing real or personal property lost or destroyed as a result of the current floods. The bank also says:

"This easing of restrictions applies only to the Eighth (St. Louis) Federal Reserve District, which includes all of Missouri, except the western tier of counties; southern Illinois and Indiana; western Tennessee and Kentucky; northern Mississippi and all of Arkansas."

President Returns To Washington After Month At Baruch Plantation In South Carolina

President Roosevelt, who had been sojourning in the South for nearly a month, following colds from which he had been suffering for some weeks, returned to Washington on May 7 in "excellent shape," according to his physician. Upon his return, it was disclosed by the White House, that the President had spent his vacation at Hobcaw Barony, Bernard M. Baruch's plantation at Georgetown, S. C. Before leaving the plantation the President told reporters that he was feeling a great deal better. Associated Press Washington advices May 7, noting this, said:

And whatever rigors the eventful months ahead may hold for the Chief Executive as President, politician or Commander-in-Chief, his vacation companions said they were convinced he once more was in fine physical trim.

Mr. Roosevelt's doctor, Vice-Admiral Ross T. McIntire, declared:

"My own feeling is that we gained everything we expected from a four-weeks rest and I am perfectly satisfied with his physical condition."

Secretary of State Hull met the Chief Executive when his special train rolled in from the South this morning and rode with him to the White House. White House officials said the President would confer tomorrow with Congressional leaders.

During the month's rest the President eased up more than at any time since he entered the White House. He slept 12 hours a night. He worked at times, but only when he felt like it. And he had a chance to enjoy a shirt-sleeved type of relaxation—sopping up sunshine, fishing and not caring too much if the biting was good, cruising waterways and highways, and looking in on scenic and historic spots.

He returned to the capital with an improved color and with some of the tired seams smoothed from his face. He said he could not think of any major issues or problems confronting him here, since he had been able to dispose of nearly all current official business as it dribbled into Hobcaw Barony by courier.

At the President's conference with Congressional leaders on May 8, the legislative situation was reviewed, according to Senator Barkley of Kentucky, majority leader of the Senate, the President recommended no new legislation and the Senator saw no indication that Mr. Roosevelt would do so soon. There was no talk, he asserted, about Congressional inquiries into the Government's seizure of Montgomery Ward & Co.'s Chicago plants. From the Associated Press advices May 8, we also quote:

"We apprised the President of the status of legislation in both houses," Senator Barkley asserted, "which is getting along very well."

With Senator Barkley at the White House were Vice-President Wallace, Speaker Rayburn and Representative McCormack, the majority leader of the House. Mr. Wallace remained a few minutes after the others had left. Asked whether he had discussed with Mr. Roosevelt a projected trip to China which he is planning in the next few months, the Vice-President replied: "Naturally it came up."

The President's vacation in the South, originally planned for two weeks, was referred to in our April 20 issue, page 1647.

Munitions Productions Increased In March. Industrial Effiiency Must Continue To Improve

The report on munitions production for the month of March was issued on April 28 by Donald M. Nelson, Chairman of the War Production Board. The text follows:

"Output of munitions during March rose 3% above the February level, ending a three-month downtrend which was scheduled for the early part of the year.

"From March onward, the overall schedule rises throughout the summer. The major problem in war production for the next few months will be to keep the level of the actual output abreast of the increasing schedule as set by the armed forces.

"The outstanding characteristic of the munitions program at the present time is that it splits into two pieces.

"First, there are the rising programs—types of war materials for which there is an increasing demand—for example, aircraft, airborne electronics equipment, large trucks, most types of Naval combatant ships, landing craft, heavy artillery.

"Then there are the declining programs—munitions items for which the demand is decreasing, due to adequate stockpiles or other reasons—for example, most ground Army items, destroyer escort vessels, Liberty ships, radio. Roughly, four-fifths of the entire munitions program consists of the rising programs.

"A challenging aspect of the future munitions schedule is that the most critical munitions items —as represented by the rising programs—are scheduled to rise 25% by the end of this year.

"Meeting the goal that lies ahead is going to tax the resourcefulness and cooperativeness of both management and labor. This is illustrated by the fact that during March the actual output in the critical uptrending programs was up 6%, while the required gain was 8%. In order to meet the future schedules of these rising programs, men and women workers who are released from work in the declining programs must shift to plants which are working on the critical expanding programs, instead of leaving war plants and going into less essential activities. Similarly, management and labor must continue to improve industrial efficiency and must make determined efforts to remove such production drains as are represented by unhealthful working conditions and industrial accidents."

To Pay Panama Bond Int.

The National City Bank of New York, as Fiscal Agent, is notifying holders of Republic of Panama 35-Year 5% External Secured Sinking Fund Gold Bonds, Series A, due May 15, 1963, that funds have been received under the Fiscal Agency Contract of June 22, 1928, under which the bonds were issued, and "are now available for distribution (a) as a final payment on account of the interest represented by the November 15, 1940, coupons pertaining to the said bonds, in the amount of $5.22 for each $25 coupon and $2.61 for each $12.50 coupon, and (b) as a partial payment on account of the interest represented by the May 15, 1941, coupons pertaining to the said bonds, in the amount of $15.62 for each $25 coupon and $7.81 for each $12.50 coupon."

The distribution will be made at the office of the Fiscal Agent, The National City Bank of New York, 22 William Street, upon surrender of the November 15, 1940 coupons and upon presentation of the May 15, 1941 coupons, accompanied by properly executed letters of transmittal.

Support Congressman Dewey's $500,000,000 International Reconstruction Bill

(Continued from first page)

By Prof. JAMES W. BELL

As a first step toward international co-operation H. J. Res. 226, providing for a Central Reconstruction Fund, presents a practical and realistic approach to the solution of problems which will arise as soon as the shooting stops. Without constructive plans and workable machinery available for immediate use, there is little hope that we will be able to avoid repetition of the disastrous experiences following World War I. It was made clear at that time that disrupted foreign exchanges, collapsed monetary systems, internal economic disorganization and unbalanced foreign trade led to cutthroat competition and eventually to warfare.

Under the provisions of H. J. Res. 226, international financial co-operation with regard to short- and long-term reconstruction credits can be entered into in a sound and practical way, country by country, as soon as these territories are freed from Axis occupation. The financial problems of reconstruction can be taken up in each case as they arise, and on the basis of that experience, succeeding situations can be dealt with in the light of knowledge gained. We would thus be proceeding from the known to the unknown, rather than the reverse, —from the ground up instead of from speculative plans down. Activities can be enlarged with increased demands for financial assistance without committing the United States, in the beginning, to a program which under some proposed plans involves this country in undertakings expressed in the terms of billions of dollars with the risk of suffering heavy losses,—losses resulting from decisions which may be made over our protests.

From the beginning I have been favorably impressed with all plans of international economic collaboration having as their objectives relatively stable exchanges and balanced international trade. At the same time, I have been skeptical of applying on a large scale such untried plans as the Keynes, White, and United Nations Bank plans with their potentially inflationary provisions and with the immense stake involved in the matter of control.

With a devastated Europe, the United States will continue to export much more than war-exhausted countries will be able to pay for immediately. The relatively high price of dollar exchange will cause pressure on these foreign currencies which will have to be relieved by loans, both short- and long-term. These loans will bulk large and may roughly have to equal the difference between exports and imports. The definition of the problem will do much to point to its solution and my first impulse was to favor the establishment of an international agency representing all nations concerned, but endowed with little or no functions except to investigate, report and advise. However, some controls and regulations seem patently necessary if certain codes of international conduct are to be observed; and collaboration can be made more effective if such a body has some capital to use. Under these circumstances, an international board representing a few key countries who have the greatest stake in sound currencies and balanced trade, would be a safer approach, although even here, use of money and power may be made on the basis of nationalistic interests. Ample safeguards against such abuse can hardly be devised.

H. J. Res. 226 recognizes the need of our assuming responsibilities in reconstruction finance, but it also recognizes that it is necessary for the United States to safeguard its own interests and to economize and to conserve its resources. In its organization and its operation it recognizes the principle that the chief creditor should have dominant control over the loan transactions it makes, and that Congress should have a direct knowledge of what is going on. This bill assumes that control over our own participation in financial operations would be retained, at least, until the satisfactory results in participation loans show the way to closer co-operation.

By J. SPENCER SMITH

poses that gave birth to the agreements or treaties. If all of this be true regarding conditions wherein the parties speak the same language, where living conditions are alike, where they have mutual interests, then what may be anticipated where differences are present in every respect? Instead of mutual interests, you have intense rivalry—each one justified in striving to accomplish what will serve the interest of the country he represents.

The Board as set up under House Joint Resolution 226 accomplishes two things—it keeps the control of any assistance we may render strictly within our own hands and, secondly, should avoid partisan criticisms.

In advocating the adoption of the principles contained in House Joint Resolution 226, I have in mind that international trade is not something that can be regimented or planned in advance. Neither can it be confined within certain channels. If it is to function for the benefit of mankind and produce employment not only with us but throughout the world, it must be free. Free from governmental control. You may ask why. The answer is that the very nature of business between peoples of different lands is the antithesis of static. The conditions that make for trading are constantly changing. A demand for certain commodities may spring up over night. A group may associate themselves together in the belief that they can develop a business here in an imported item, or they can develop a market in China, say, for products we produce. These are some of the facts that bring about constant shifting of the currents of trade.

Exporters and importers feel that they can contend with the problems that arise due to market conditions, crop failures, and so forth, and all the other hazards that are incidental to the producing, buying, and selling of goods. What they fear, however, are the unknown factors over which they have no control or knowledge, such as come under the heading of governmental edicts or orders. The direction or control of foreign exchange by an international governmental authority would to my mind present such hazards to those engaged in the export and import business that they would hesitate to make any commitments, other than what might be termed on a "day-to-day" basis. The reason being that they could not tell what the repercussions would be due to some decree by the international agency controlling the monetary and foreign exchange situation. Those engaged in the export and import business have avenues of information available to them which through years of experience can indicate the trend of affairs within the confines of a nation. With such knowledge in hand they can form an opinion regarding the risks that are involved. From a practical angle it would be almost impossible for them to arrive at an opinion that would be worth while and which would embrace all of the factors that would have to be included in sizing up a market situation when they have to contend with conclusions that might be reached by a body dealing with the foreign exchange situation when the opinions of such a body would be the result of trying to harmonize conflicting interests. Bear in mind the fluid status that must surround all international trading. It is inconceivable that any group made up of representatives of different nations could make plans or arrive at the adjustment of the currencies of different nations which would be satisfactory to the nationals of the respective countries they hail from. It is this very fact that gives strength to the plan proposed in House Joint Resolution 226. According to this plan, the terms upon which financial aid will be given to any nation are known, the conditions are stated in advance before the aid is extended.

General Outlook

(Continued from first page)

probably no use of now discussing Willkie, Dewey, Bricker or anyone else. The Republicans' opportunity will come in 1948.

Granting Mr. Roosevelt will be physically able to run and the War is still on, he will be re-elected. However, he may later resign in favor of a conservative vice president to become head of a World Organization. In this capacity, he could be of great service. The New Dealers want Mr. Wallace again as Vice President; but the conservative Democrats want someone like Senator Byrd.

Labor and Private Enterprise

Private enterprise progressed very well until the introduction of mass production. Then it became difficult to avoid periods of unemployment. Under a capitalistic system, labor is controlled by supply and demand just as are all commodities. It is a mistake now to bring the question of the "open" or "closed" shop into politics. Before long there will be a surplus of labor; then talk about open or closed shops will dry up of itself.

Some day the U. S. A. and England may have to take a leaf out of Russia's Book. In Russia, an individual can own a reasonable amount of land or a small business as long as he and his family operate it without hired help. Otherwise all farms, factories and stores are operated by the Government. The same thing applies to home ownership; property must be occupied and not rented. No one can take a profit from labor other than his own or his family's.

Importance of Education

All nations, including our own, will ultimately have troublesome years. We must devise means of meeting unemployment, of competing for world trade, of combatting inflation and of preserving our free enterprise system. To some extent, we can rely upon our man-made laws and business integrity. However, unless our efforts are supplemented by a spiritual and educational awakening, we may have difficulty in maintaining the equanimity necessary to see us through these momentous times.

Young people should now insist upon a good education. Wise are those who become **experts** in some one line of work. Whatever may happen to the capitalistic system, such experts will have little to fear. The best insurance against radicalism is to be an **expert** in something useful. For the next six years wise parents will pour money into **fool-proof** education. This will be the safest of all investments and pay the biggest dividends.

Selected Income And Balance Sheet Items Class I Railways For February

The Bureau of Statistics of the Interstate Commerce Commission has issued a statement showing the aggregate totals of selected income and balance sheet items for class I steam railways in the United States for the month of February, 1944 and 1943, and for the two months ending with February, 1944 and 1943.

These figures are subject to revision and were compiled from 131 reports representing 135 steam railways. The present statement excludes returns for class A switching and terminal companies. The report is as follows:

	All Class I Railways			
	For the Month of February		For the two months of	
Income Items—	1944	1943	1944	1943
Net ry. operat. income	$84,493,179	$105,834,245	$167,317,093	$210,923,392
Other income	13,172,828	11,465,770	27,633,139	25,068,692
Total income	97,666,007	117,300,015	194,950,232	235,992,084
Miscellaneous deductions from income	2,745,329	2,157,692	5,287,324	4,287,836
Income available for fixed charges	94,920,678	115,142,323	189,662,908	231,704,248
Fixed charges:				
Rent for leased roads and equipment	12,102,413	14,636,130	24,576,462	29,394,575
*Interest deductions	34,318,014	36,275,198	68,798,807	72,738,210
Other deductions	119,440	126,872	239,942	248,879
Total fixed charges	46,539,867	51,038,200	93,615,211	102,381,664
Inc. after fixed charges	48,380,811	64,104,123	96,047,697	129,322,584
Contingent charges	2,342,510	2,212,359	4,685,939	4,466,725
†Net income	46,038,301	61,891,764	91,361,758	124,855,859
Depreciation (way and structures and equip.)	26,314,184	26,232,010	52,919,796	52,685,097
Amortization of defense projects	14,441,295	10,478,984	27,519,341	19,860,870
Federal income taxes	101,218,643	95,149,452	196,985,472	183,079,102
Dividend appropriations:				
On common stock	17,819,556	15,933,174	20,179,556	18,293,174
On preferred stock	2,516,440	2,600,500	5,080,128	5,211,921
¶Ratio of income to fixed charges	2.04	2.26	2.03	2.26

	All Class I Railways Balance at end of February		**Class I Railways Not in Receivership or Trusteeship Balance at end of February	
Selected Asset Items—	1944	1943	1944	1943
Investments in stocks, bonds, etc., other than those of affiliated companies	$590,545,098	$548,628,300	$546,802,616	$519,333,019
Cash	1,179,653,123	1,055,457,415	905,609,888	754,504,341
Temporary cash investments	1,901,110,849	972,040,581	1,412,501,834	819,037,122
Special deposits	192,638,188	127,818,625	161,083,432	91,966,531
Loans and bills receivable	210,344	335,345	206,974	283,435
Traffic and car-service balances (Dr.)	48,410,932	43,762,871	35,863,537	36,408,055
Net balance receivable from agents and conductors	157,794,943	173,362,781	127,298,650	142,353,945
Miscellaneous accounts receivable	665,146,187	481,273,626	516,788,605	375,660,145
Materials and supplies	555,018,517	507,039,373	443,586,491	409,006,567
Interest and dividends receivable	23,105,126	17,811,638	19,420,249	16,308,869
Rents receivable	1,802,969	1,193,107	1,234,976	784,369
Other current assets	59,429,267	13,889,551	55,268,052	9,964,569
Total current assets	4,784,320,445	3,393,984,913	3,678,862,688	2,656,277,948
Selected Liability Items—				
‡Funded debt maturing within six months	113,761,313	126,862,690	92,620,024	110,682,918
§Loans and bills payable	14,888,834	15,927,203	2,600,000	1,603,100
Traffic and car-service balances (Cr)	206,719,730	136,596,733	153,575,200	88,882,138
Audited accounts and wages payable	589,748,086	397,911,944	490,129,330	321,892,087
Miscellaneous accounts payable	115,092,155	79,812,910	86,674,884	58,370,127
Interest matured unpaid	45,698,032	48,286,334	40,289,168	41,196,710
Dividends matured unpaid	7,131,455	3,034,506	6,789,382	2,692,341
Unmatured interest accrued	72,212,537	77,803,959	68,361,466	72,680,149
Unmatured dividends declared	29,070,546	30,732,927	29,070,546	30,732,927
Unmatured rents accrued	22,672,924	23,811,727	19,957,717	20,794,859
Accrued tax liability	1,901,005,058	1,160,054,424	1,611,306,790	1,032,551,349
Other current liabilities	165,828,175	63,939,352	114,110,799	47,762,919
Total current liabilities	3,170,067,582	2,037,912,019	2,622,865,282	1,719,158,706
Analysis of accrued tax liability:				
U. S. Government taxes	1,768,451,412	1,032,951,244	1,508,968,432	931,249,474
Other than U. S. Government taxes	132,553,646	127,103,180	102,338,358	101,301,875

*Represents accruals, including the amount in default. †For railways not in receivership or trusteeship the net income was as follows: February, 1944, $37,639,386; February, 1943, $47,206,848; for the two months ended February, 1944, $73,451,923; two months ended February, 1943, $95,790,695. ‡Includes payments of principal of long-term debt (other than long-term debt in default) which will become due within six months after close of month of report. ¶For railways in receivership and trusteeship the ratio was as follows: February, 1944, 1.75; February, 1943, 2.19; two months, 1944, 1.78, two months, 1943, 2.17. §Includes obligations which mature not more than one year after date of issue. **Figures include returns of the Minneapolis and St. Louis which emerged from receivership on Dec. 1, 1943.

Feb. Mortgage Financing Up In Non-Farm Areas

The Federal Farm Loan Bank Administration announced on Apr. 1, that contrary to the usual tendency for nonfarm mortgage activity to decline in Feb., the estimated volume of mortgage recordings of $20,000 or less increased during the month when 99,345 mortgages in the amount of $309,600,000 were recorded. These figures compare with 94,530 mortgages amounting to $301,900,000 recorded during the previous month and represent the highest February volume in the history of the mortgage recording series.

The FHLBA announcement continued:

"Only two types of mortgagees participated in the February increase. Savings and loan associations with a gain of 13% accounted for most of the rise while miscellaneous lenders experienced a gain of less than 1%. The remaining types of lenders reported decreases ranging from one-half of 1% for individuals to 9% for insurance companies.

"Savings and loan associations increases their share in the total volume by recording 33% of the February total. In the same month of 1942 and 1943, their share was 30% of the aggregate amount. Individuals remained in second place, accounting for a little more than 23% of the total volume compared with slightly less than 23% in 1943 and 18% in 1942.

"Comparison of the volume of February recordings with that for the corresponding month of 1943—when recordings were at the lowest level since 1939—reveals marked increases for each class of lender. Total recordings were 41% above the figure for last year. Savings and Loan associations gained 52% during this period while the recordings for individuals were up 45%; commercial banks, 36%; mutual savings banks, 18%; and insurance companies, 4%."

	February 1944				February 1943			Cumulative Recordings January-February		
Type of Lender	Volume (000)	% of Total	% Chg. from Jan. 1944	% Chg. from Feb. 1943	Volume (000)	% of Total	% Chg. from Jan. 1943	Volume (000) 1944	Volume (000) 1943	% Chg.
S. &L. Assns.	$101,705	32.8	+13.1	+51.9	$66,938	30.5	+3.1	$191,592	$131,873	+45.?
Ins. Cos.	18,753	6.1	— 8.9	+ 3.8	18,064	8.2	—9.2	39,338	37,964	+ 3.6
Bk. & Tr. Cos.	60,346	19.5	— 2.9	+36.3	44,273	20.1	—9.0	122,526	92,913	+31.9
Mut. Svg. Bks.	9,294	3.0	— 4.5	+17.7	7,895	3.6	—1.9	19,025	15,940	+19.4
Individuals	72,246	23.3	— 0.5	+44.9	49,854	22.7	—1.4	144,846	100,437	+44.2
Others	47,300	15.3	+ 0.7	+44.0	32,858	14.9	—9.2	94,266	69,038	+36.5
Total	$309,644	100.0	+ 2.5	+40.8	$219,882	100.0	—3.7	$611,593	$448,165	+36.5

"During the first two months of this year approximately 193,875 instruments, representing a total dollar volume of $611,600,000, were filed for public record, compared with 153,301 mortgages totaling $448,200,000 during the same period of 1943. This was an increase of 27% in number and 37% in dollar amount over 1943 but was still 7% less in number and almost 1% lower in volume than recordings during the comparable period of 1942."

Latest Summary Of Copper Statistics

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

SUMMARY OF COPPER STATISTICS REPORTED BY MEMBERS OF THE COPPER INSTITUTE

(In Tons of 2,000 Pounds)

U. S. Duty Free Copper	Production *Crude	Production Refined	Deliveries to Customers †Domestic	Deliveries to Customers Export	‡Refined Stocks End of Period	Stock Increase (+) or Decreases (—) Blister	Stock Increase (+) or Decreases (—) Refined
Year 1939	836,074	818,289	814,407	134,152	159,485	+17,785	—130,270
Year 1940	992,293	1,033,710	1,001,886	48,537	142,772	—41,417	— 16,713
Year 1941	1,016,996	1,065,667	1,545,541	307	75,564	—48,671	— 67,208
Year 1942	1,152,344	1,135,708	1,635,236	----	65,309	+16,636	— 10,255
§Year 1943	1,194,699	1,206,871	1,643,677	----	52,121	—12,172	— 13,188
4 Mos. 1944	384,463	374,307	538,271	----	38,382	+10,156	— 13,739
July, 1943	100,456	105,589	129,631	----	55,097	— 5,133	— 610
Aug., 1943	97,413	100,077	147,135	----	53,726	— 2,664	— 1,371
Sep., 1943	98,867	98,333	141,111	----	45,844	+ 534	— 7,882
Oct., 1943	102,589	97,274	129,212	----	47,148	+ 5,315	+ 1,304
Nov., 1943	99,340	102,136	138,881	----	52,027	— 2,796	+ 4,879
§Dec., 1943	98,568	104.644	115,850	----	52,121	— 6,076	+ 94
§Jan., 1944	95,424	92,781	101,779	----	45,800	+ 2,643	— 6,321
§Feb., 1944	95,713	87,128	124,532	----	36,489	+ 8,585	— 9,311
§Mar., 1944	101,289	99,118	156,083	----	37,259	+ 2,171	+ 770
Apr., 1944	92,037	95,280	155,877	----	38,382	— 3,243	+ 1,123

*Mine or smelter production or shipments, and custom intake including scrap.

†Beginning March, 1941, includes deliveries of duty paid foreign copper for domestic consumption.

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

§Corrected.

Non-Ferrous Metals — Raw Materials Board Now Asks for Full Output of Foreign Copper

"E. & M. J. Metal and Mineral Markets," in its issue of May 11, stated: "The Combined Raw Materials Board announced last week that the position of copper in the United States has continued to be tight and the situation has been worsened by the prospective decline in this country because of manpower shortages. The Board has decided to safeguard the Allied nations' copper position and has asked that production from all sources should be maintained as far as practicable. Early this year the group held that the British copper position eased sufficiently for the United Kingdom to plan reducing its purchases of copper from Rhodesia." The publication further went on to say, in part:

Copper

The Bureau of Mines reports that copper production at domestic mines during March, in terms of recoverable metal, totaled 93,617 tons. The daily rate of production for March was 3,020 tons, against 3,012 tons in February. Mine output of copper held at a fairly even rate over the first three months of 1944, with the trend slightly upward. However, the industry doubts that production schedules can be maintained after March, owing to the draft of mine workers for the armed forces that made inroads on the manpower supply at the beginning of the second quarter.

Copper supplies will be viewed as tight until the successful invasion of Europe has been achieved.

Lead

Mine workers in Mexico postponed action on May 4 in reference to demands for higher wages until May 23, according to advices from Mexico City. In other words, production at the mines is being maintained and the movement of lead and zinc from Mexico to the United States continues at a fairly high level.

Sales of lead in the domestic market for the week ended yesterday amounted to 7,519 tons, against 6,497 in the preceding week. The price situation was unchanged.

Shipments of lead by domestic refineries during the first three months of 1944, with comparable figures for the Jan.-March period of 1943, in tons, were as follows:

	Jan.-March 1943	Jan.-March 1944
Cable	25,065	30,990
Ammunition	13,735	7,571
Foil	2,024	4,042
Batteries	16,562	23,803
Brass mills	1,305	2,054
Sundries	12,576	15,620
Jobbers	1,707	1,224
*Unclassified	64,097	66,770
Totals	137,071	152,074

*The American Bureau of Statistics observes that the major part of the "unclassified" metal goes into white lead, red lead, litharge, and other oxides, and into sheet and pipe. Other items are solder, babbitt metal, and lead for tetraethyl gasoline.

Zinc

Holding to the view that production of zinc in the United States will decline over the remainder of the year, chiefly because of the labor shortage, producers were not concerned about the increase in stocks reported for April. With some foreign zinc also stored in this country, and not included in the regular statistics, the total supply picture is even larger than the 218,598 tons reported as on hand at the end of April.

Production, shipments, and stocks of slab zinc since the begining of 1943, by months, as shown by the Institute, in tons:

	Production	Total Shipments	Stock
1943—			
January	83,870	77,221	96,107
February	76,667	74,762	98,012
March	83,787	76,033	105,766
April	81,057	78,781	108,042
May	82,399	79,426	111,015
June	78,865	74,191	115,689
July	80,249	70,778	125,160
August	79,736	71,810	133,086
September	79,361	69,160	143,287
October	83,066	71,946	154,407
November	79,834	75,508	158,733
December	83,165	68,232	173,666
1944—			
January	84,066	63,637	194,095
February	79,894	62,696	211,293
March	86,037	84,443	212,887
April	80,405	74,694	218,598

Tin

Though news reports from Bolivia indicate that the political situation remains highly strained, it is assumed here that exports of tin concentrates continue at about the normal rate. In fact, with some of the ore that formerly went to England now moving to Texas, the total supply available here has probably increased. Stocks of tin concentrates at the smelters are believed to be fairly large.

Essential tin needs of consumers are being supplied. Production of tin-plate during the third quarter is expected to be maintained at about the current rate, which is 825,000 tons for the April-June period.

The price situation in tin remains unchanged. Straits quality metal for shipments, in cents per pound, was as follows:

	May	June	July
May 4	52.000	52.000	52.000
May 5	52.000	52.000	52.000
May 6	52.000	52.000	52.000
May 8	52.000	52.000	52.000
May 9	52.000	52.000	52.000
May 10	52.000	52.000	52.000

Chinese, or 99% tin, held at 51.125 cents per pound all week.

Quicksilver

Though the trade feels that consumption of quicksilver in the United States now exceeds production, the tone of the market has not improved. On quantity business, for shipment from the Pacific Coast, prices remain unsettled and subject to "negotiation." The quotations in New York continued at $120 to $125 per flask, depending on quantity.

Mines are being shut almost daily to offset the reduced rate of consumption. The decline in the price that has occurred since the beginning of 1944 has been more severe than most observers anticipated. As 1943 ended the quotation in New York was $190 per flask, or $70 above the current price.

Production of quicksilver in the United States during March amounted to 3,800 flasks, the same as in February. Consumption for March was 3,600 flasks, against 3,700 flasks in February, the Bureau of Mines reports.

Silver

During the last week the London markets for silver has been quiet, with the price unchanged at 23½d.

The New York Official for foreign silver and the Treasury's price continued at 44¾ cents and 35 cents, respectively.

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.

Manship Heads London Censorship Office

Charles P. Manship, Sr., Louisiana newspaper publisher and past President of the Southern Newspaper Publishers' Association, was appointed London director of the Office of Censorship on May 2. Director Byron Price announced that Mr. Manship, who will take up his duties in a month, succeeds John S. Knight, of the Knight Newspapers, who has returned to the active management of his properties in Akron, Miami and Detroit, after a year's service in censorship.

Reporting that Mr. Manship has been a newspaper man since 1899 said:

"He is President of the Capital City Press, which publishes 'The Baton Rouge (La.) Advocate' and 'The Baton Rouge State-Times,' and he is owner also of the Baton Rouge Broadcasting Company, Inc., which operates stations WJBO and WBRL. He served as President of the Southern Newspapers Publishers' Association for two terms in 1942 and 1943."

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 May 6, 1944, is estimated at 12,150,000 net tons, a decrease of 210,000 tons, or 1.7%, from the preceding week. Output in the corresponding week of 1943 amounted to 9,930,000 tons. Cumulative production of soft coal from Jan. 1 to May 6, 1944, totaled 222,835,000 tons, as against 212,561,000 tons in the same period last year, a gain of 4.8%.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended May 6, 1944, was estimated at 1,278,000 net tons, a decrease of 66,000 tons (4.9%) from the preceding week. When compared with the output in the corresponding week of 1943 there was, however, an increase of 247,000 tons, or 24.0%. The calendar year to date shows an increase of 5.1% 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 May 6, 1944, showed an increase of 3,300 tons when compared with the output for the week ended April 29, 1944, but was 9,000 tons more than for the corresponding week of 1943. Production for the 127 days ended May 6, 1944, was 146,500 tons below that for the same period last year.

ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS

Bituminous coal and lignite—	Week Ended— May 6, 1944	April 29, 1944	May 8, 1943	January 1 to Date— *May 6, 1944	May 8, 1943	May 8, 1937
Total, incl. mine fuel	12,150,000	12,360,000	9,930,000	222,835,000	212,561,000	169,764,000
Daily average	2,025,000	2,060,000	1,655,000	2,058,000	1,959,000	1,570,000

*Subject to current adjustment.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

(In Net Tons)

Penn. anthracite—	Week Ended— ‡May 6, 1944	§April 29, 1944	May 8, 1943	Calendar Year to Date— May 6, 1944	May 8, 1943	May 11, 1929
*Total incl. coll. fuel	1,278,000	1,344,000	1,031,000	22,963,000	21,841,000	26,698,000
†Commercial produc.	1,227,000	1,290,000	990,000	22,046,000	20,967,000	24,776,000
Beehive coke—						
United States total	143,500	140,200	134,500	2,749,900	2,896,400	2,286,600

*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)

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

State—	Week Ended— April 29, 1944	April 22, 1944	May 1, 1943	May 1, 1937
Alabama	385,000	382,000	191,000	26,000
Alaska	5,000	5,000	4,000	3,000
Arkansas and Oklahoma	88,000	88,000	74,000	13,000
Colorado	170,000	170,000	137,000	90,000
Georgia and North Carolina	1,000	1,000	*	*
Illinois	1,514,000	1,511,000	1,341,000	573,000
Indiana	511,000	524,000	475,000	209,000
Iowa	42,000	43,000	52,000	22,000
Kansas and Missouri	150,000	168,000	162,000	63,000
Kentucky—Eastern	941,000	942,000	692,000	832,000
Kentucky—Western	393,000	381,000	274,000	158,000
Maryland	36,000	37,000	32,000	15,000
Michigan	5,000	4,000	2,000	2,000
Montana (bitum. & lignite)	92,000	85,000	88,000	31,000
New Mexico	38,000	36,000	34,000	30,000
North & South Dakota (lignite)	31,000	33,000	20,000	24,000
Ohio	705,000	680,000	571,000	396,000
Pennsylvania (bituminous)	3,057,000	3,100,000	1,899,000	1,855,000
Tennessee	138,000	147,000	114,000	37,000
Texas (bituminous & lignite)	3,000	3,000	2,000	16,000
Utah	118,000	115,000	112,000	30,000
Virginia	413,000	377,000	301,000	204,000
Washington	28,000	27,000	29,000	32,000
†West Virginia—Southern	2,247,000	2,145,000	1,962,000	1,697,000
‡West Virginia—Northern	1,063,000	1,068,000	681,000	500,000
Wyoming	184,000	177,000	164,000	64,000
§Other Western States	1,000	1,000	*	*
Total bituminous & lignite	12,360,000	12,250,000	9,413,000	6,922,000
¶Pennsylvania anthracite	1,344,000	1,322,000	978,000	1,419,000
Total, all coal	13,704,000	13,572,000	10,391,000	8,341,000

†Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and on the B. & O. in Kanawha, Mason and Clay counties. ‡Rest of State, including the Panhandle District and Grant, Mineral and Tucker counties. §Includes Arizona, Idaho and Oregon. ¶Data for Pennsylvania anthracite from published records of the Bureau of Mines. *Less than 1,000 tons.

Civil Engineering Construction $42,209,000 For Week

Civil engineering construction volume in continental U. S. totals $42,209,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 1% above a week ago, and 18% higher than the average for 1944 to date, but 54% lower than the volume reported to "Engineering News-Record" for the corresponding 1943 week. The report made public on May 11, went on to say:

Private construction is 2 and 370% higher, respectively, than a week ago and a year ago. Public construction is up 0.2% compared with last week, but is 68% lower than last year.

The current week's construction brings 1944 volume to $679,227,000 for the 19-week period, a decrease of 51% from the $1,381,365,000 reported for the 1943 period. Private construction, $153,323,000, is 13% above last year, but public construction, $525,904,000, is down 58% as a result of the 4% decrease in state and municipal and the 61% drop in federal volume.

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

	May 13, '43	May 4, '44	May 11, '44
Total U. S. Construction	$91,019,000	$41,856,000	$42,209,000
Private Construction	2,943,000	13,512,000	13,822,000
Public Construction	88,076,000	28,344,000	28,387,000
State and Municipal	7,435,000	4,675,000	6,807,000
Federal	80,641,000	23,669,000	21,580,000

In the classified construction groups, gains over last week are in waterworks, sewerage, commercial buildings, streets and roads, and unclassified construction. Increases over the 1943 week are in industrial and commercial buildings, and earthwork and drainage. Subtotals for the week in each class of construction are: waterworks, $580,000; sewerage, $322,000; bridges, $108,000; industrial buildings, $9,022,000; commercial buildings, $2,769,000; public buildings, $6,528,000; earthwork and drainage, $638,000; streets and roads, $6,684,000; and unclassified construction, $15,558,000.

New capital for construction purposes for the week totals $6,554,000, and is made up entirely of state and municipal bond sales. The week's new financing brings 1944 volume to $412,152,000, a decrease of 16% from the $489,286,000 reported for the nineteen-week period in 1943.

National Fertilizer Association Commodity Price Index Declines Fractionally

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on May 15, declined fractionally to 137.0 in the week ending May 13 from 137.1 in the preceding week. A month ago this index stood at 137.1 and a year ago at 135.4, based on the 1935-1939 average as 100. The Association's report went on to say:

The fractional decline in the general level of the all-commodity index was due principally to lower prices in the farm products group. The grains group declined slightly as lower prices were quoted for rye. The livestock group registered a marked decline. Light weight hogs were the only item to advance in this group while lower prices were quoted on lambs, ewes, and heavy weight hogs. Values on live fowls also dropped substantially. The foods group advanced as a sharp increase in white potatoes was more than sufficient to offset the slight decrease in the price of eggs. None of the other group indexes changed from the preceding week.

During the week 2 price series in the index advanced and 6 declined; in the preceding week there were 5 advances and 4 declines; and in the second preceding week there were 6 advances and 3 declines.

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

% Each Group Bears to the Total Index	Group	Latest Week May 13, 1944	Preceding Week May 6, 1944	Month Ago Apr. 15, 1944	Year Ago May 15, 1943
25.3	Foods	139.5	138.8	138.4	140.0
	Fats and Oils	146.1	146.1	146.1	147.9
	Cottonseed Oil	159.6	159.6	159.6	159.0
23.0	Farm Products	154.7	155.8	156.7	152.1
	Cotton	198.9	198.9	200.9	199.5
	Grains	164.8	164.9	164.8	140.8
	Livestock	144.0	145.8	146.9	146.9
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	152.0	152.3	150.7
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	117.7
.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	137.0	137.1	137.1	135.4

*Indexes on 1926-1928 base were: May 13, 1944, 106.7; May 6, 106.8, and May 15, 1943, 105.5.

Market Value Of Bonds On N. Y. Stock Exchange

As of the close of business April 29, there were 1,074 bond issues, aggregating $95,013,084,742 par value listed on the New York Stock Exchange with a total market value of $95,305,318,075. This compares with 1,087 bond issues, aggregating $95,408,673,237 par value with a total market value $95,713,288,544 on Mar. 31.

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

Group—	April 29, 1944 Market Value $	Average Price $	Mar. 31, 1944 Market Value $	Average Price $
U. S. Government (incl. N. Y. State, Cities, etc.)	78,511,722,966	103.22	78,826,477,692	103.25
U. S. companies:				
Automobile	7,809,000	102.75	7,790,000	102.50
Building	13,313,500	101.63	13,334,250	101.79
Business and office equipment	15,937,500	106.25	15,750,000	105.00
Chemical	47,205,750	102.84	47,164,125	102.75
Electrical equipment	20,300,000	101.50	35,878,125	102.51
Financial	48,604,865	103.05	53,631,746	102.87
Food	264,936,923	106.23	266,973,139	106.28
Land and realty	12,048,270	91.56	11,825,001	89.87
Machinery and metals	36,221,831	102.23	36,252,510	102.32
Mining (excluding iron)	91,965,493	70.40	91,853,572	70.31
Paper and publishing	33,592,142	103.43	33,491,304	103.12
Petroleum	628,983,958	103.82	628,668,846	103.77
Railroad	7,942,239,451	81.77	7,958,198,086	81.72
Retail merchandising	13,035,983	94.48	12,844,891	93.10
Rubber	70,701,421	104.19	70,950,188	104.56
Shipping services	18,431,775	86.61	22,274,715	86.44
Steel, iron and coke	483,095,709	102.58	482,665,623	102.49
Textiles	36,312,500	103.75	36,531,250	104.38
Tobacco	172,938,845	105.47	173,147,918	105.60
Utilities:				
Gas and electric (operating)	3,214,915,688	108.62	3,268,154,491	108.52
Gas and electric (holding)	60,093,250	107.36	59,603,500	106.48
Communications	1,168,707,388	111.27	1,174,725,874	111.47
Miscellaneous utilities	102,047,996	70.63	103,307,760	71.50
U. S. companies oper. abroad	145,440,067	81.93	140,850,805	79.36
Miscellaneous businesses	31,149,780	105.49	31,204,563	105.67
Total U. S. companies	14,680,029,085	91.07	14,777,072,282	91.07
Foreign government	1,362,668,879	67.86	1,357,832,984	67.58
Foreign companies	750,897,145	91.09	751,905,586	91.18
All listed bonds	95,305,318,075	100.31	95,713,288,544	100.32

The following table, compiled by us, gives a two-year comparison of the total market value and the total average price of bonds listed on the Exchange:

1942—	Market Value $	Average Price $	1943—	Market Value $	Average Price $
Apr. 30	57,923,553,616	95.63	May 29	81,048,543,830	99.47
May 29	59,257,509,674	95.64	June 30	80,704,321,646	99.64
June 30	59,112,072,945	95.50	July 31	80,352,221,151	99.35
July 31	61,277,620,583	95.76	Aug. 31	80,109,269,964	99.23
Aug. 31	62,720,371,752	96.08	Sept. 30	80,149,558,292	99.37
Sept. 30	62,765,776,218	96.18	Oct. 30	90,501,768,934	99.45
Oct. 31	64,843,877,284	96.48	Nov. 30	90,076,888,558	99.02
Nov. 30	64,543,971,299	96.11	Dec. 31	90,274,071,634	99.38
Dec. 31	70,583,644,622	96.70	1944—		
1943—			Jan. 31	90,544,387,232	99.78
Jan. 30	71,038,674,932	97.47	Feb. 29	96,837,573,171	100.21
Feb. 27	71,346,452,852	97.79	Mar. 31	95,713,288,544	100.32
Mar. 31	71,575,183,604	98.24	Apr. 29	95,305,318,075	100.31
Apr. 30	71,857,596,488	98.69			

Changes In NYSE Rules On Special Offerings

In making known "two important changes" in the rules covering special offerings, the New York Stock Exchange in advices addressed on April 25 to members by John C. Korn, Acting Secretary, says:

The present rules provide:

(1) that a special offering shall become automatically suspended whenever a low priced "regular way" offering enters the auction market, and

(2) that a member or member firm holding an open order for the purchase of a security which becomes the subject of a special offering; or who has received an unsolicited order for the purchase of such security; or who proposes pursuant to a discretionary authority from a customer to effect a purchase for such customer's account in a special offering, shall make a bona fide attempt to execute such purchase in the regular market at a price more advantageous to the customer than the gross offering price under the special offering.

"These two provisions have been amended to provide:

(1) that the special offering be suspended by the existence of a "regular way" offering only when the "regular way" offering is at a price which permits a purchase at a lower net cost than in the special offering, and

(2) that a member firm with any order for the purchase of a security which is the subject of a special offering shall effect such purchase in the regular market whenever a "regular way" offering is available which would permit such purchase at a lower net cost than in the special offering and that every order for a purchase in a special offering shall be accepted pursuant to this condition.

The amendments to Rues 492(c) and 496(d) giving effect to these changes were approved by the Board of Governors on April 13, 1944 and were submitted to the Securities and Exchange Commission. The Commission has declared the Plan as amended to be effective on April 25, 1944.

Rules 492(c) and 496(d), as amended, read as follows:

Rule 492(c). A special Offering shall be automatically suspended as long as an offering exists 'regular way' at a price which would permit a purchase at a lower net cost than in the Special Offering. Unless otherwise specifically exempted by the Exchange, every Special Offering shall remain open for a minimum period of 15 minutes, inclusive of any period during which it is suspended by operation of the above provision. A Special Offering which has not been completed at the 15-minute minimum period shall not be withdrawn before completion without the approval of the Exchange.

"Rule 496(d). A member or member firm with an order for the purchase of a security which is the subject of a Special Offering shall effect such purchases in the regular market whenever a 'regular way' offering is available which would permit such purchase at a lower net cost than in the Special Offering. Every order for purchase in a Special Offering shall be accepted pursuant to the above condition."

Cotton Exchange Elects

Eric Alliot, President of the New York Cotton Exchange, announced on May 13 that the Board of Managers have elected Clifford W. Michel, partner of J. S. Bache & Co., to membership. Mr. Michel is serving in the Army with the rank of Captain and is stationed in Washington, D. C.

Daily Average Crude Oil Production For Week Ended May 6, 1944 Increased 87,250 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended May 6, 1944 was 4,518,550 barrels, an increase of 87,250 barrels per day over the preceding week, and a gain of 498,050 barrels per day over the corresponding week of last year. The current figure, however, was 1,150 barrels less than the daily average figure recommended by the Petroleum Administration for War for the month of May, 1944. Daily production for the four weeks ended May 6, 1944 averaged 4,452,300 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,316,000 barrels of crude oil daily and produced 13,115,000 barrels of gasoline; 1,510,000 barrels of kerosene; 4,118,000 barrels of distillate fuel oil, and 8,948,000 barrels of residual fuel oil during the week ended May 6, 1944; and had in storage at the end of that week 88,267,000 barrels of gasoline; 6,673,000 barrels of kerosene; 30,438,000 barrels of distillate fuel, and 49,841,000 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 May	*State Allowables begin. May 1	Actual Production Week Ended May 6, 1944	Change from Previous Week	4 Weeks Ended May 6, 1944	Week Ended May 8, 1943
Oklahoma	330,000	328,000	†335,550	+ 1,700	334,200	346,950
Kansas	285,000	269,600	†267,200	— 6,450	269,200	293,050
Nebraska	900		†1,150	+ 50	1,200	2,200
Panhandle Texas			91,000	— 100	91,100	91,100
North Texas			147,200	+ 3,350	144,700	131,900
West Texas			429,150	+ 55,150	387,800	226,750
East Central Texas			136,950	+ 9,700	129,700	124,300
East Texas			364,100	+ 1,800	362,700	339,300
Southwest Texas			307,050	+ 14,000	296,500	214,000
Coastal Texas			519,850	+ 1,050	519,100	375,200
Total Texas	1,972,000	‡1,976,904	1,995,300	+ 84,950	1,931,600	1,502,500
North Louisiana			75,100	— 250	75,700	87,000
Coastal Louisiana			283,100	+ 600	282,600	259,500
Total Louisiana	350,000	390,500	358,200	+ 350	358,300	346,500
Arkansas	76,700	77,991	79,950	+ 400	79,700	71,850
Mississippi	43,000		41,600	— 1,300	42,000	54,550
Alabama			150	+ 100	100	----
Florida			50	----	50	----
Illinois	220,000		220,150	+ 13,900	210,900	236,150
Indiana	14,000		14,550	+ 800	14,000	15,250
Eastern— (Not incl. Ill., Ind., Ky.)	73,800		71,400	— 2,600	72,500	74,050
Kentucky	23,000		22,600	+ 2,700	22,200	23,150
Michigan	54,000		51,950	— 150	51,300	60,400
Wyoming	94,000		91,150	— 5,500	93,800	94,500
Montana	24,400		21,400	----	21,400	20,500
Colorado	7,200		8,400	+ 100	8,400	6,650
New Mexico	111,700	111,700	112,100	----	112,300	97,200
Total East of Calif	3,679,700		3,692,850	+ 89,050	3,623,200	3,245,500
California	840,000	§840,000	825,700	— 1,800	829,100	775,000
Total United States	4,519,700		4,518,550	+ 87,250	4,452,300	4,020,500

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

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. May 4, 1944.

‡This is the net basic allowable as of May 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 1 to 14 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 STILLS; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED MAY 6, 1944

(Figures in Thousands of barrels of 42 Gallons Each)

Figures in this section include reported totals plus an estimate of unreported amounts and are therefore on a Bureau of Mines basis

District—	Daily Refining Capacity Potential Rate	Daily Refining Capacity % Reporting	Crude Runs to Stills Daily Average	Crude Runs to Stills % Operated	§Gasoline Production at Refineries Includ. Natural Blended	‡Stocks Finished and Unfinished Gasoline	‡Stocks of Gas Oil and Distillate Fuel Oil	‡Stocks of Residual Fuel Oil
*Combin'd: East Coast Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and inland Texas	2,518	90.3	2,209	87,7	6,448	38,785	15,048	14,633
Appalachian— District No. 1	130	83.9	95	73.1	291	2,143	844	213
District No. 2	47	87.2	57	121.3	161	1,212	355	150
Ind., Ill., Ky.	824	85.2	702	85.2	2.516	19,753	4,933	2,633
Okla., Kans., Mo.	418	80.2	350	83.7	1.169	8,443	1,449	1,226
Rocky Mountain— District No. 3	8	26.9	10	125.0	36	75	6	31
District No. 4	141	58.3	91	64.5	332	2,172	323	528
California	817	89.9	802	98.2	2.162	15,684	7,480	30,427
Total U. S. B. of M. basis May 6, 1944	4,903	87.3	4,316	88.0	13,115	†88,267	30,438	49,841
Total U. S. B. of M. basis April 29, 1944	4,903	87.3	4,300	87.7	13,126	88,462	30,236	49,985
U. S. Bur. of Mines basis May 8, 1943			3,744		10,669	87,970	30,854	67,659

*At the request of the Petroleum Administration for War. †Finished, 76,259,000 barrels; unfinished, 12,008,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,510,000 barrels of kerosine, 4,118,000 barrels of gas oil and distillate fuel oil and 8,948,000 barrels of residual fuel oil produced during the week ended May 6, 1944, which compares with 1,592,000 barrels, 4,284,000 barrels and 8,398,000 barrels, respectively, in the preceding week and 1,399,000 barrels, 3,717,000 barrels and 7,781,000 barrels, respectively, in the week ended May 8, 1943.

Note—Stocks of kerosine at May 6, 1944 amounted to 6,673,000 barrels, as against 6,585,000 barrels a week earlier and 5,588,000 barrels a year before.

Trading On New York Exchanges

The Securities and Exchange Commission made public on May 6 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 22, 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 22 (in round-lot transactions) totaled 1,271,036 shares, which amount was 15.08% of the total transactions on the Exchange of 4,214,500 shares. This compares with member trading during the week ended May 6 of 1,069,796 shares, or 14.70% of the total trading of 3,639,260 shares. On the New York Curb Exchange, member trading during the week ended April 22 amounted to 264,790 shares, or 13.41% of the total volume on that exchange of 987,531 shares; during the April 15 week trading for the account of Curb members of 278,495 shares was 14.35% of total trading of 970,545 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 22, 1944

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	139,420	
‡Other sales	4,075,080	
Total sales	4,214,500	
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	341,650	
Short sales	43,320	
‡Other sales	322,250	
Total sales	365,570	8.39
2. Other transactions initiated on the floor—		
Total purchases	141,810	
Short sales	15,000	
‡Other sales	171,010	
Total sales	186,010	3.89
3. Other transactions initiated off the floor—		
Total purchases	109,776	
Short sales	7,510	
‡Other sales	118,710	
Total sales	126,220	2.80
4. Total—		
Total purchases	593,236	
Short sales	65,830	
‡Other sales	611,970	
Total sales	677,800	15.08

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

WEEK ENDED APRIL 22, 1944

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	7,815	
‡Other sales	979,716	
Total sales	987,531	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	58,180	
Short sales	4,125	
‡Other sales	77,760	
Total sales	81,885	7.09
2. Other transactions initiated on the floor—		
Total purchases	22,205	
Short sales	1,425	
‡Other sales	17,210	
Total sales	18,635	2.07
3. Other transactions initiated off the floor—		
Total purchases	42,920	
Short sales	650	
‡Other sales	40,315	
Total sales	40,965	4.25
4. Total—		
Total purchases	123,305	
Short sales	6,200	
‡Other sales	135,285	
Total sales	141,485	13.41
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
§Customers' other sales	39,098	
Total purchases	39,098	
Total sales	31,893	

*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."

Gen. MacArthur Asserts He Does Not Covet Nor Would He Accept Nomination For Pres.

The statement that he neither desired nor would accept nomination for President of the United States, was made by General Douglas MacArthur on April 30, according to Associated Press advices from "Advanced Allied Headquarters," New Guinea, from which we also quote:

Noting "a widespread public opinion that it is detrimental to our war effort" for an active military leader to be considered for the office, he said:

"I request that no action be taken that would link my name in any way with the nomination."

"I do not covet it nor would I accept it," read his brief statement concerning movements in the United States to make him the Republican Presidential nominee.

"It was his first unequivocal and positive reply to individuals and groups who long have been urging the General either to come out into the open or to be a silent but draftable candidate.

"The flat statement capped a series of developments in which a Republican Representative in Congress from Nebraska had urged the General to be a silent candidate and General MacArthur had expressed appreciation of the interest manifested but did not make clear whether he would accept if drafted.

"The complete text of the statement read:

"Since my return from the Hollandia operations I had had brought to my attention a widespread public opinion that it is detrimental to our war effort to have an officer in high position on active service at the front considered for nomination for the office of President.

"I have on several occasions announced I was not a candidate for the position. Nevertheless, in view of these circumstances, in order to make my position unequivocal, I request that no action be taken that would link my name in any way with the nomination.

"I do not covet it nor would I accept it."

In the advices from which the above is taken (as given in the New York "Times,") it was also noted:

[The Hollandia operation referred to was the invasion and conquest within less than a week of a Dutch New Guinea sector which has three vital airdromes, within bombing range of the Philippines. American warplanes now are using those fields.]

[General MacArthur's statement was broadcast by the Melbourne radio to Allied forces in the areas north of Australia.]

"Neither General MacArthur nor his spokesman had any comment to make on his statement, but the war correspondents at his advanced headquarters did not fail to note the significant contrast between today's unequivocal statement and the wording of a statement which he issued after publication of an exchange of letters with Representative A. L. Miller of Nebraska.

In the statement he said:

"I have not sought the office nor do I seek it."

Today he said:

"I do not covet it nor would I accept it."

General MacArthur's statement today backed up a previous one he had made some time ago when mention of his Presidential possibilities in the United States was in the early discussion stages. At that time he stated that he was a military man who had started his career as a soldier and hoped to finish as one.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on May 6 a summary for the week ended April 29 of complete figures showing the daily volume of stock transactions for 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 29, 1944

	Total for Week
Odd-Lot Sales by Dealers (Customers' purchases)	
Number of orders	14,820
Number of shares	400,049
Dollar value	$16,720,537
Odd-Lot Purchases by Dealers— (Customers' sales)	
Number of Orders:	
Customers' short sales	296
*Customers' other sales	14,740
Customers' total sales	15,036
Number of Shares:	
Customers' short sales	9,377
*Customers' other sales	370,868
Customers' total sales	380,245
Dollar value	$13,671,764
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	170
†Other sales	100,940
Total sales	101,110
Round-Lot Purchases by Dealers:	
Number of shares	126,770

*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."

Federal Reserve March Business Indexes

The Board of Governors of the Federal Reserve System issued on April 26 its monthly indexes of industrial production, factory employment and payrolls, etc. At the same time, the Board made available its customary summary of business conditions. The indexes for March, together with comparisons for a month and a year ago, follow:

BUSINESS INDEXES

1935-39 average = 100 for industrial production and freight carloadings;
1939 = 100 for factory employment and payrolls;
1923-25 average = 100 for all other series

	Adjusted for Seasonal Variation 1944 Mar.	Feb.	1943 Mar.	Without Seasonal Adjustment 1944 Mar.	Feb.	1943 Mar.
Industrial production—						
Total	*242	244	235	*239	241	232
Manufactures—						
Total	*260	262	253	*258	259	251
Durable	*366	368	351	*364	367	350
Nondurable	*175	177	174	*171	173	171
Minerals	*139	143	133	*133	137	127
Construction contracts, value—						
Total	*39	45	85	*39	38	84
Residential	*16	21	42	*17	18	44
All other	*58	64	119	*57	55	117
Factory employment—						
Total	*164.0	166.9	168.1	*163.6	165.9	167.6
Durable goods	*225.2	228.8	224.7	*224.9	228.1	224.3
Nondurable goods	*115.8	118.1	123.5	*115.2	116.9	122.9
Factory payrolls—						
Total	---	---	---	†	327.6	304.5
Durable goods	---	---	---	†	460.1	421.0
Nondurable goods	---	---	---	†	198.0	190.7
Freight carloadings	140	143	138	132	133	130
Department store sales, value	*154	151	136	*143	120	121
Department store stocks, value	†	*105	91	†	*101	93

*Preliminary or estimated. †Data not yet available.

Note—Production, carloading, and department store sales indexes based on daily averages. To convert durable manufactures, nondurable manufactures, and minerals indexes to points in total index, shown in Federal Reserve Chart Book, multiply durable by .379, nondurable by .469, and minerals by .152.

Construction contract indexes based on 3-month moving averages, centered at second month, of F. W. Dodge data for 37 Eastern States. To convert indexes to value figures, shown in the Federal Reserve Chart Book, multiply total by $410,269,000, residential by $184,137,000, and all other by $226,132,000.

Employment index, without seasonal adjustment, and payrolls index compiled by Bureau of Labor Statistics.

INDUSTRIAL PRODUCTION
(1935-39 average = 100)

	Adjusted for Seasonal Variation 1944 Mar.	Feb.	1943 Mar.	Without Seasonal Adjustment 1944 Mar.	Feb.	1943 Mar.
Manufactures—						
Iron and steel	214	212	210	214	212	210
Pig iron	206	‡207	202	206	‡207	202
Steel	238	236	234	238	236	234
Open hearth	191	188	188	191	188	188
Electric	572	580	559	572	580	559
Machinery	*456	460	436	*456	460	436
Transportation equipment	*740	749	692	*740	749	692
Automobiles	*231	235	204	*231	235	204
Nonferrous metals and products	*286	285	260	*286	285	260
Smelting and refining	*297	299	255	*297	299	255
Lumber and products	*126	130	129	*120	120	123
Lumber	*116	122	119	*108	107	110
Furniture	*145	146	149	*145	146	149
Stone, clay and glass products	*164	168	175	*157	160	168
Plate glass	59	58	35	59	58	35
Cement	†	88	154	†	67	126
Clay products	*125	126	142	*119	121	136
Gypsum and plaster products	*198	202	202	*191	193	196
Abrasive & asbestos products	*302	314	308	*302	314	308
Textiles and products	*153	152	*158	*153	152	158
Cotton consumption	150	151	166	150	151	166
Rayon deliveries	*191	187	181	*191	187	181
Wool textiles	†	159	163	†	159	163
Leather products	*111	111	117	*111	114	117
Tanning	†	105	120	†	113	119
Cattle hide leathers	†	110	128	†	119	128
Calf and kip leathers	†	76	92	†	79	90
Goat and kid leathers	†	84	93	†	88	93
Sheep and lamb leathers	†	160	160	†	177	155
Shoes	*115	114	115	*115	114	115
Manufactured food products	*159	158	143	*142	143	128
Wheat flour	*117	125	118	*114	127	116
Meatpacking	*204	215	151	*189	207	140
Other manufactured foods	*160	158	146	*142	143	130
Processed fruits & vegetables	*159	143	125	*88	90	69
Tobacco products	123	119	129	117	114	123
Cigars	92	92	93	92	92	93
Cigarettes	154	145	159	143	136	148
Other tobacco products	73	79	89	73	77	89
Paper and products	†	138	141	†	138	141
Paperboard	147	148	150	147	148	150
Newsprint production	†	74	90	†	74	90
Printing and publishing	*101	102	112	*103	101	114
Newsprint consumption	83	85	97	86	83	101
Petroleum and coal products	†	228	166	†	228	166
Petroleum refining	†	236	166	†	236	166
Gasoline	*131	128	99	*131	128	99
Fuel oil	†	161	137	†	161	137
Lubricating oil	†	126	118	†	124	117
Kerosene	†	124	118	†	130	120
Coke	*173	176	169	*173	176	169
Byproduct	*164	166	158	*164	166	158
Beehive	*478	503	551	*478	503	551
Chemicals	*343	360	370	*346	360	372
Rayon	*231	229	204	*231	229	204
Industrial chemicals	*404	406	341	*404	406	341
Rubber	*242	243	222	*242	243	222
Minerals—						
Fuels	*141	145	133	*141	145	133
Bituminous coal	*155	162	161	*155	162	161
Anthracite	*123	143	128	*123	143	128
Crude petroleum	*137	139	122	*137	139	122
Metals	†	128	131	†	87	90
Iron ore	†	†	†	†	72	79

*Preliminary or estimated. †Data not yet available. ‡Revised.

FREIGHT CARLOADINGS
(1935-39 average = 100)

Coal	140	149	144	140	149	144
Coke	185	180	187	187	191	189
Grain	136	148	142	125	145	131
Livestock	131	135	117	103	108	92
Forest products	141	146	133	141	140	133
Ore	174	193	193	51	48	56
Miscellaneous	149	147	145	142	138	138
Merchandise, l.c.l.	67	67	61	67	64	62

Note—To convert coal and miscellaneous indexes to points in total index, shown in the Federal Reserve Chart Book, multiply coal by .213 and miscellaneous by .548.

Wholesale Commodity Index Unchanged In Week Ended May 6, Labor Dept. Reports

Although prices for certain agricultural commodities and building materials continued to move upward at a moderate rate, the Bureau of Labor Statistics' composite index of nearly 900 price series remained unchanged at 103.7% of the 1926 average during the first week of May, it was indicated by the U. S. Department of Labor on May 11, which added that "the all commodity index is at the same level it was for the corresponding weeks of last month and last year."

The Department further said:

"**Farm Products and Foods**—Average prices for farm products in primary markets rose 0.2% during the week as a result of higher quotations for rye, wheat and hay, for live poultry and eggs, and for lemons and potatoes. Lower prices were reported for hogs and sheep, for cotton and for fresh milk. Apples went up in the New York market and down in the Chicago market. Although farm product prices have moved upward during the past two weeks, they are 0.6% below their early April level and 1.2% lower than at this time last year.

"With increases of over 2% in prices for fresh fruits and vegetables and more than 1% for dressed poultry, average prices for foods at the primary market level rose 0.3% in the first week of May. Potatoes were substantially higher in most markets. Lemons and eggs advanced seasonally. Despite the upward tendency in food prices during the past two weeks, they are 4% lower than for the first week of May a year ago.

"**Industrial Commodities**—OPA action in making upward adjustments in ceiling prices for certain building materials, particularly cement, Douglas fir lumber and millwork, was reflected in the Bureau's index of building materials, which rose 0.3% during the week. Rosin and turpentine continued to decline and a further decrease, 2.8%, occurred in prices for quicksilver."

The Department's announcement also contains the following notation:

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

The following tables show (1) index numbers for the principal groups of commodities for the past three weeks, for April 8, 1944 and May 8, 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 29 to May 6, 1944:

WHOLESALE PRICES FOR WEEK ENDED MAY 6, 1944
(1926=100)

Commodity Groups—	5-6 1944	4-29 1944	4-22 1944	4-8 1944	5-8 1943	Percentage change to May 6, 1944 from— 4-29 1944	4-8 1944	5-8 1943
All commodities	*103.7	*103.7	*103.6	*103.7	103.7	0	0	0
Farm products	*123.3	*123.1	*122.9	*124.1	124.8	+0.2	—0.6	— 1.2
Foods	105.0	104.7	104.4	105.0	109.4	+0.3	0	— 4.0
Hides and leather products	117.6	117.6	117.6	117.6	118.4	0	0	— 0.7
Textile products	97.3	97.3	97.3	97.3	96.9	0	0	+ 0.4
Fuel and lighting materials	*83.7	*83.7	*83.7	*83.6	81.6	0	+0.1	+ 2.6
Metals and metal products	*103.8	*103.8	*103.8	*103.8	103.9	0	0	— 0.1
Building materials	115.0	114.7	114.6	114.7	110.4	+0.3	+0.3	+ 4.2
Chemicals and allied products	105.4	105.4	105.4	105.4	100.2	0	0	+ 5.2
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	*113.3	*113.2	*113.0	*113.6	113.2	+0.1	—0.3	+ 0.1
Semimanufactured articles	93.5	93.5	93.5	93.5	92.9	0	0	+ 0.6
Manufactured products	*101.0	*101.0	*100.9	*100.9	101.0	0	+0.1	0
All commodities other than farm products	*99.5	*99.5	*99.4	*99.4	99.1	0	+0.1	+ 0.4
All commodities other than farm products and foods	*98.6	*98.5	*98.5	*98.5	96.9	+0.1	+0.1	+ 1.8

*Preliminary.

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM
APRIL 29, 1944 TO MAY 6, 1944

Increases

Fruits and vegetables	2.1	Lumber	0.4
Cement	1.8	Grains	0.3
Other farm products	0.7	Cotton goods	0.2
Other foods	0.1		

Decreases

Livestock and poultry	0.7	Dairy products	0.4
Paint and paint materials	0.4		

Finished Steel Shipments By Subsidiaries Of U. S. Steel Corporation Declined in April

Shipments of finished steel products by subsidiaries of the United States Steel Corp. in April amounted to 1,756,797 net tons, a decrease of 117,998 tons when compared with March (which was the peak month for all time) and an increase of 125,969 tons over April, 1943.

For the 25 working days in April, 1944, shipments averaged 70,272 net tons per day. This compared with 69,437 net tons per day for the 27 days in March. In April of last year shipments averaged 63,724 net tons per day for 26 working days.

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

	1944	1943	1942	1941	1940	1939
January	1,730,787	1,685,993	1,738,893	1,682,454	1,145,592	870,866
February	1,755,772	1,691,592	1,616,587	1,548,451	1,009,256	747,427
March	1,874,795	1,772,397	1,780,938	1,720,366	931,905	845,108
April	1,756,797	1,630,828	1,758,894	1,687,674	907,904	771,752
May	------	1,706,543	1,834,127	1,745,295	1,084,057	795,689
June	------	1,552,663	1,774,068	1,668,637	1,209,684	607,562
July	------	1,660,762	1,765,749	1,666,667	1,296,887	745,364
August	------	1,704,289	1,788,650	1,753,665	1,455,604	885,636
September	------	1,664,577	1,703,570	1,664,227	1,392,838	1,086,683
October	------	1,794,968	1,787,501	1,851,279	1,572,408	1,345,855
November	------	1,660,594	1,665,545	1,624,186	1,425,352	1,406,205
December	------	1,719,624	1,849,635	1,846,036	1,544,623	1,443,969
Total by mos.	------	20,244,830	21,064,157	20,458,937	14,976,110	11,752,116
Yearly adjust.	------	*97,214	*449,020	*42,333	37,639	*44,865
Total	------	20,147,616	20,615,137	20,416,604	15,013,749	11,707,251

*Decrease.

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

Factory Workers' Hours Earnings Drop In February

Factory workers put in a million and a quarter fewer man-hours per week in February than in January, reducing total manufacturing hours to 616 million, Secretary of Labor Frances Perkins reported on April 27. "The average number of hours worked per man per week was 45.4, slightly longer than in January," she said. "However, the decline in employment of 74,000 more than offset the slight increase in the work-week," she said.

Secretary Perkins further stated:

"In comparison with November, 1943, the peak month of man-hour utilization, there were almost 21 million fewer hours of manufacturing time in the mid-week of February. Inasmuch as the February work-week was approximately the same length as in November 1943, declines in employment were entirely responsible for the decrease in total hours.

"Four of the durable-goods groups reported more hours per week in February than in January. The decline of approximately one million hours in the machinery group and in the automobile group reflected a shorter work-week coupled with declines in employment. The declines of 500,000 hours in the transportation equipment group and of 130,000 in the nonferrous group occurred in spite of a longer work-week. The increase in total man-hours in all but one of the remaining groups was due to lengthening of the work-week and occurred in spite of declines in employment. The largest increase was reported by the lumber group. Only in the electrical machinery group did the increase in employment serve to offset the decline in the work-week so that no change in the aggregate hours occurred.

"Of the 11 nondurable groups, 5 showed declines in total manufacturing hours, the largest declines occurring in the food and chemical groups. In the food group, a seasonal employment decline of 7,000, coupled with a slightly shorter work-week, resulted in almost 700,000 fewer hours of manufacturing time while the decline in the chemicals group was due entirely to declines in employment reflecting cut-backs in production.

"Weekly earnings in February averaged $45.54. The earnings in the durable-goods group in which most of the war production is concentrated amounted to $51.48, while the earnings in the nondurable group averaged $36.33. Workers in the textile group of industries still average less than $30.00 a week.

"The average hours per week in anthracite and bituminous coal mining increased over the past month. The work-week in the anthracite mines averaged almost eight hours more in February than in January reflecting a longer scheduled work-week and a good deal of Sunday work. Weekly earnings in the anthracite mines jumped $13.00 between January and February reflecting premium payments for Sunday work. Weekly earnings in this industry now average $58.12 while in bituminous coal mines the average is $52.99."

Bell Aide To Morgenthau

The appointment has been announced of Charles S. Bell, of Chevy Chase, Md., as Administrative Assistant to Secretary of the Treasury Henry Morgenthau, Jr. Mr. Bell succeeds the late W. Norman Thompson, whose assistant he was. During the first World War he was a cost accountant for the War Department. Subsequently, he served as assistant to the Chairman of the U. S. Shipping Board. In 1939 he became executive secretary of the President's Committee on Civil Service.

Revenue Freight Car Loadings During Week Ended May 6, 1944 Fell Off 14,879 Cars

Loading of revenue freight for the week ended May 6, 1944, totaled 836,978 cars, the Association of American Railroads announced on May 11. This was an increase above the corresponding week of 1943 of 20,440 cars, or 2.5%, but a decrease below the same week in 1942 of 2,308 cars or 0.3%.

Loading of revenue freight for the week of May 6, decreased 14,879 cars, or 1.8% below the preceding week.

Miscellaneous freight loading totaled 377,134 cars, a decrease of 13,777 cars below the preceding week, and a decrease of 12,536 cars below the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 106,346 cars, a decrease of 867 cars below the preceding week, but an increase of 8,221 cars above the corresponding week in 1943.

Coal loading amounted to 172,106 cars, a decrease of 3,101 cars below the preceding week, but an increase of 29,966 cars above the corresponding week in 1943.

Grain and grain products loading totaled 38,388 cars, an increase of 532 cars above the preceding week but a decrease of 7,233 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of May 6, totaled 22,920 cars, an increase of 417 cars above the preceding week but a decrease of 7,578 cars below the corresponding week in 1943.

Live stock loading amounted to 15,857 cars, an increase of 354 cars above the preceding week, and an increase of 169 cars above the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of May 6 totaled 12,153 cars, an increase of 534 cars above the preceding week, and an increase of 214 cars above the corresponding week in 1943.

Forest Products loading totaled 43,657 cars, an increase of 763 cars above the preceding week but a decrease of 1,135 cars below the corresponding week in 1943.

Ore loading amounted to 69,083 cars, an increase of 1,605 cars above the preceding week and an increase of 2,104 cars above the corresponding week in 1943.

Coke loading amounted to 14,407 cars, a decrease of 388 cars below the preceding week, but an increase of 884 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 Eastern, 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
5 weeks of April	4,068,625	3,924,981	4,209,907
Week of May 6	836,978	816,538	839,286
Total	14,996,727	14,402,500	15,205,395

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended May 6, 1944. During the period 68 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED MAY 6

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Eastern District—					
Ann Arbor	256	245	434	1,477	1,540
Bangor & Aroostook	2,072	1,053	1,806	486	345
Boston & Maine	7,455	6,199	6,372	15,645	13,808
Chicago, Indianapolis & Louisville	1,262	1,409	1,307	2,057	1,881
Central Indiana	47	36	31	44	44
Central Vermont	1,046	1,008	1,003	2,317	2,239
Delaware & Hudson	5,967	5,647	6,829	12,908	10,850
Delaware, Lackawanna & Western	7,853	7,118	8,154	11,857	12,575
Detroit & Mackinac	257	334	299	115	113
Detroit, Toledo & Ironton	1,670	1,777	1,738	1,433	1,405
Detroit & Toledo Shore Line	335	302	280	2,871	2,222
Erie	14,034	11,553	14,806	17,272	18,333
Grand Trunk Western	3,810	3,854	3,771	8,993	7,852
Lehigh & Hudson River	190	210	252	3,105	2,370
Lehigh & New England	2,314	1,972	2,031	1,758	1,379
Lehigh Valley	9,137	8,149	9,398	17,958	14,424
Maine Central	2,169	2,241	2,156	3,755	2,286
Monongahela	6,367	5,355	6,963	351	370
Montour	2,576	2,071	2,443	23	58
New York Central Lines	49,007	54,725	45,752	57,475	46,719
N. Y., N. H. & Hartford	10,139	10,006	9,704	19,846	17,501
New York, Ontario & Western	1,088	949	1,008	3,271	2,009
New York, Chicago & St. Louis	6,973	6,948	7,561	15,935	14,596
N. Y., Susquehanna & Western	607	565	472	1,953	1,708
Pittsburgh & Lake Erie	7,832	7,272	8,001	8,781	7,422
Pere Marquette	4,744	4,906	5,443	8,440	7,236
Pittsburg & Shawmut	876	881	874	22	32
Pittsburg, Shawmut & North	300	335	407	223	231
Pittsburgh & West Virginia	1,314	1,110	1,162	2,532	3,532
Rutland	406	300	370	1,112	988
Wabash	5,319	5,477	5,146	11,200	12,788
Wheeling & Lake Erie	6,029	5,196	5,655	4,479	5,391
Total	163,451	159,203	161,628	239,694	214,247
Allegheny District—					
Akron, Canton & Youngstown	706	713	682	1,184	1,164
Baltimore & Ohio	46,493	40,434	41,619	28,723	27,153
Bessemer & Lake Erie	6,334	5,953	7,690	2,083	1,688
Buffalo Creek & Gauley	*348	253	291	*4	4
Cambria & Indiana	1,738	1,578	1,980	6	6
Central R. R. of New Jersey	7,219	6,910	7,414	20,720	21,212
Cornwall	61	665	765	38	55
Cumberland & Pennsylvania	193	210	299	13	17
Ligonier Valley	133	130	150	25	52
Long Island	1,396	1,216	845	3,814	3,581
Penn-Reading Seashore Lines	1,771	1,779	1,543	2,643	3,237
Pennsylvania System	86,551	80,787	84,158	67,980	60,673
Reading Co.	14,577	14,672	15,060	29,712	26,812
Union (Pittsburgh)	19,605	22,124	21,065	7,341	7,231
Western Maryland	4,080	3,357	3,962	12,868	11,785
Total	191,205	180,781	187,523	177,154	164,670
Pocahontas District—					
Chesapeake & Ohio	28,905	24,833	29,587	14,273	11,487
Norfolk & Western	21,530	18,907	23,004	7,643	7,130
Virginian	4,376	4,054	4,421	2,138	2,177
Total	54,811	47,794	57,012	24,054	20,794

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Southern District—					
Alabama, Tennessee & Northern	349	258	429	475	289
Atl. & W. P.—W. R. R. of Ala.	831	700	746	2,689	2,303
Atlanta, Birmingham & Coast	849	802	703	1,581	1,421
Atlantic Coast Line	13,513	14,050	13,441	10,236	11,103
Central of Georgia	3,912	4,181	3,883	4,831	4,473
Charleston & Western Carolina	445	564	420	1,785	1,698
Clinchfield	1,703	1,573	1,703	3,184	2,326
Columbus & Greenville	239	351	304	235	175
Durham & Southern	165	109	243	813	662
Florida East Coast	2,765	2,965	2,042	1,672	2,061
Gainesville Midland	59	46	44	142	103
Georgia	1,349	1,362	1,169	2,880	2,505
Georgia & Florida	364	319	415	732	552
Gulf, Mobile & Ohio	3,903	3,648	3,913	4,284	4,698
Illinois Central System	27,046	25,614	27,182	16,440	18,882
Louisville & Nashville	24,905	22,936	26,265	12,834	11,960
Macon, Dublin & Savannah	163	256	146	1,099	1,072
Mississippi Central	275	238	281	534	465
Nashville, Chattanooga & St. L.	3,179	3,256	3,571	4,825	5,048
Norfolk Southern	1,085	1,266	1,392	1,490	1,386
Piedmont Northern	389	351	375	1,177	1,046
Richmond, Fred. & Potomac	459	460	547	12,137	10,982
Seaboard Air Line	11,045	12,294	10,961	9,140	8,311
Southern System	23,821	22,062	23,817	25,489	23,953
Tennessee Central	711	545	732	885	793
Winston-Salem Southbound	129	114	103	1,040	952
Total	123,653	120,320	124,827	122,629	119,219
Northwestern District—					
Chicago & North Western	19,460	19,343	20,980	13,765	12,629
Chicago Great Western	2,393	2,604	2,282	3,446	2,948
Chicago, Milw., St. P. & Pac.	20,505	19,332	19,182	11,227	11,353
Chicago, St. Paul, Minn. & Omaha	3,201	3,269	3,407	3,418	3,695
Duluth, Missabe & Iron Range	21,035	18,619	26,800	234	277
Duluth, South Shore & Atlantic	687	1,121	1,503	585	469
Elgin, Joliet & Eastern	8,852	8,678	10,393	11,610	9,745
Ft. Dodge, Des Moines & South	388	432	536	87	101
Great Northern	20,697	19,505	23,313	6,788	5,793
Green Bay & Western	467	453	533	962	862
Lake Superior & Ishpeming	1,729	1,245	3,081	44	37
Minneapolis & St. Louis	1,984	1,875	1,883	2,578	2,378
Minn., St. Paul & S. S. M.	6,319	6,034	6,969	4,197	2,974
Northern Pacific	10,365	10,130	10,477	5,910	5,400
Spokane International	112	176	151	673	568
Spokane, Portland & Seattle	2,728	2,443	2,422	3,273	3,447
Total	120,922	115,259	133,912	68,797	62,676
Central Western District—					
Atch., Top. & Santa Fe System	21,512	22,094	21,325	14,711	12,575
Alton	2,945	3,058	2,979	3,297	3,647
Bingham & Garfield	414	493	692	101	103
Chicago, Burlington & Quincy	17,298	18,018	14,671	13,400	12,265
Chicago & Illinois Midland	3,315	2,738	2,726	811	679
Chicago, Rock Island & Pacific	10,730	12,548	10,693	14,273	13,475
Chicago & Eastern Illinois	2,457	2,534	2,377	6,358	6,070
Colorado & Southern	656	737	786	2,199	2,314
Denver & Rio Grande Western	3,312	3,091	2,810	6,470	6,102
Denver & Salt Lake	700	695	472	34	23
Fort Worth & Denver City	870	921	973	1,377	2,455
Illinois Terminal	2,012	1,614	1,771	2,103	2,314
Missouri-Illinois	949	1,149	1,270	416	370
Nevada Northern	1,903	2,012	1,953	124	124
North Western Pacific	846	1,036	1,093	760	636
Peoria & Pekin Union	2	3	19	0	0
Southern Pacific (Pacific)	30,590	31,070	29,358	14,616	13,954
Toledo, Peoria & Western	295	365	248	2,008	2,036
Union Pacific System	14,231	12,732	12,090	18,265	16,980
Utah	521	541	486	4	3
Western Pacific	1,972	2,043	1,753	4,391	3,210
Total	117,530	119,482	110,545	105,718	99,335
Southwestern District—					
Burlington-Rock Island	273	1,126	130	428	228
Gulf Coast Lines	6,807	7,002	4,890	2,319	2,477
International-Great Northern	2,111	2,049	*3,073	4,177	4,102
Kansas, Oklahoma & Gulf	252	383	187	1,065	1,175
Kansas City Southern	5.609	5,588	5,199	2,590	3,100
Louisiana & Arkansas	3,240	3,836	3,475	2,452	2,978
Litchfield & Madison	302	171	279	1,265	1,048
Midland Valley	580	696	734	501	272
Missouri & Arkansas	185	148	184	473	442
Missouri-Kansas-Texas Lines	5,929	6,051	4,695	5,017	6,193
Missouri Pacific	12,373	17,562	15,501	19,208	18,808
Quanah Acme & Pacific	49	60	106	382	266
St. Louis-San Francisco	8,171	7,881	8,223	9,489	8,351
St. Louis Southwestern	2,826	3,270	3,040	7,699	7,494
Texas & New Orleans	11,951	13,502	9,505	4,547	5,373
Texas & Pacific	4,628	5,238	4,428	7,098	7,735
Weatherford M. W. & N. W.	106	115	147	53	38
Wichita Falls & Southern	14	21	33	21	25
Total	65,406	73,699	63,839	68,784	70,105

Note—Previous year's figures revised.
*Previous week's figure.

Weekly Statistics Of Paperboard Industry

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

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

STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY

Period 1944—Week Ended	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity	
				Current	Cumulative
Feb. 5	185,069	151,102	628,048	97	93
Feb. 12	154,797	151,870	630,449	97	94
Feb. 19	130,252	148,533	609,429	96	94
Feb. 26	151,980	139,044	621,875	93	94
March 4	178,375	146,926	650,606	95	94
March 11	152,627	144,761	655,682	95	94
March 18	136,105	150,940	639,537	95	94
March 25	125,806	147,604	613,978	97	94
April 1	138,724	141,959	607,537	93	94
April 8	179,056	144,422	635,727	94	94
April 15	145,936	143,883	636,176	92	94
April 22	138,712	158,871	610,555	98	94
April 29	147,768	156,041	601,880	98	95
May 6	186,666	158,534	628,495	98	95

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

NYSE Short Interest Higher On May 9

The New York Stock Exchange announced on April 28 settlement date, as compiled from information obtained by the New York Stock Exchange from its members and member firms, was 1,090,581 shares, compared with 1,028,489 shares on March 31, both totals excluding short positions carried in the odd-lot accounts of all odd-lot dealers. As of the April 28 settlement date, the total short interest in all odd-lot dealers' accounts was 37,357 shares, compared with 34,923 shares on March 31.

This announcement of the Exchange added:

Of the 1,242 individual stock issues listed on the Exchange on April 28, there were 59 issues in which a short interest of 5,000 or more shares existed, or in which a change in the short position of 2,000 or more shares occurred during the month.

The number of issues in which a short interest was reported as of April 28, exclusive of odd-lot dealers short positions, was 624 compared with 664 on March 31.

In the following tabulation is shown the short interest existing at the close of the last business day for the last 12 months:

	Shares
1943—	
April 30	882,376
May 28	980,047
June 30	879,575
July 30	836,764
Aug. 31	801,321
Sept. 30	761,827
Oct. 29	729,291
Nov. 30	760,166
Dec. 31	737,042
1944—	
Jan. 31	847,335
Feb. 29	960,617
Mar. 31	1,028,489
April 29	1,090,581

Bliss of London Embassy To Confer on Foreign Trade In New York City

John F. Sinnott, Manager of the New York Regional Office of the Department of Commerce, has announced that Don C. Bliss, Jr., Commercial Attache of the United States Embassy at London, England, will visit New York during the period from May 22 to 27 inclusive and will be available for conferences with business men interested in foreign trade, at the Department of Commerce office at 130 West 42nd Street. Mr. Bliss began his foreign service career in Tokyo in 1923, and since then has served as trade commissioner and Commercial Attache in many foreign countries, both in the Far East and Europe. Mr. Bliss has been attached to the London Embassy for the past three years.

Lumber Movement—Week Ended May 6, 1944

According to the National Lumber Manufacturers Association, lumber shipments of 502 mills reporting to the National Lumber Trade Barometer were 3.0% above production for the week ended May 6, 1944. In the same week new orders of these mills were 5% below production. Unfilled order files of the reporting mills amounted to 125% of stocks. For reporting softwood mills, unfilled orders are equivalent to 42 days' production at the current rate, and gross stocks are equivalent to 32 days' production.

For the year-to-date, shipments of reporting identical mills exceeded production by 8.0%; orders by 13.6%.

Compared to the average corresponding week of 1935-39, production of reporting mills was 30.9% greater; shipments were 27.7% greater; and orders were 18.4% greater.

Items About Banks, Trust Companies

At the regular meeting of the Board of Directors of The National City Bank of New York, held May 16, Highland C. Moore was appointed an Assistant Vice-President, and Fred W. Bender, Albert F. Guder and E. Harold Wetsel were appointed Assistant Cashiers.

Marking the further expansion of its commercial banking division the directors of the Morris Plan Industrial Bank of New York announced the election of the following three members to its executive staff: Walter E. Kolb, Vice-President (formerly of Chase Securities Corp., Empire Trust, more recently Vice-President of Colonial Trust in charge of its head office, Rockefeller Center); Howard E. Patten, Assistant Vice-President (formerly with the Clinton Trust Co. and other New York banks), and Cornelius W. Bishop, Assistant Vice-President (formerly on executive staff of The National City Bank and other institutions).

On May 11 the Excelsior Savings Bank of New York celebrated its 75th anniversary. The bank states that since 1869 an uninterrupted payment of dividends has been made, and that it enters its 76th year with deposits over $46,800,000, the largest in the bank's history.

Allan Sproul, President of the Federal Reserve Bank of New York, announces that the Peoples Bank of Johnstown, N. Y., Johnstown, N. Y., has become a member of the Federal Reserve System effective May 10.

The stockholders of the Anacostia Bank of Washington, D. C., elected three new directors on May 10, expanding the board from 12 to 15 members. At the same time stockholders approved a proposal to increase the capital stock to $200,000 from $100,000, according to the Washington "Post" of May 11, which also said:

"Newly elected directors are: F. Tracy Campbell, hardware dealer and a son of the former President of the Anacostia Bank; Walter F. Fowler, budget officer for the District of Columbia, and C. Bayne Marbury, Treasurer of the Acacia Mutual Life Insurance Co. All other directors were reelected.

"Directors of the bank met yesterday afternoon and reelected the following officers: W. L. Koontz, President; L. W. Thompson, Vice-President; Irving B. Yochelson, Secretary; Howard I. Beall, Cashier; Allen H. Cannon, Harold W. Ricker and W. W. Young, Assistant Cashiers.

"President Koontz said last night the approval of the capital stock increase is a step toward eventual retirement of the bank's outstanding $92,000 in preferred stock. As of May 9, the bank's deposits totaled $6,250,000, an increase of about 1½ million for the past 12 months."

A news item in the Washington "Post" of May 11 by S. Oliver Goodman reports that consolidation of the East Washington Savings Bank with the National Capital Bank was approved on May 10 by boards of the two institutions. The item also stated in part:

"Until quarters of National Capital Bank are remodeled and enlarged, offices of East Washington Savings will remain temporarily open for business. Eventually, however, the plan of consolidation calls for the housing of both banks in the quarters of National Capital.

"The merger is still subject to ratification by stockholders of both banks. East Washington shareholders will vote on June 7 and National Capital investors will vote on June 9.

"It is understood that after consolidation the board of directors of the emerging institution will be composed of directors of the two former banks. H. H. McKee, President of East Washington, is expected to become Chairman of the Board, and George A. Didden, Jr., President of National Capital, will become head of the merged institutions. All officers and employes of East Washington will become associated with the staff of National Capital, according to Mr. Didden."

The Bank of Brinkley, Brinkley, Ark., became a member of the St. Louis Federal Reserve Bank on May 10, it is learned from the Reserve Bank, which states:

"The new member was chartered in 1903. It has a capital of $50,000, surplus of $33,000 and total resources of $1,604,724. Its officers are: Andrew Flora, President; Frank Andrews, Vice-President; John F. Cole, Cashier, and Robert Moore, Assistant Cashier.

"The addition of the Bank of Brinkley brings the total membership of the Federal Reserve Bank of St. Louis to 465. These member banks hold over 70% of the net deposits of all banking institutions in the Eighth District."

The Board of Governors of the Federal Reserve System announced on May 6 that the Brunswick Bank and Trust Co. of Brunswick, Ga., has been converted into a national bank under the title of the American National Bank of Brunswick.

Associated Press advices from Jacksonville, Fla., May 13 reported that the American National Bank of Pensacola has been acquired by the Alfred I. du Pont estate, controlling factor in the Florida National group banks, it was announced by Edward Ball, a trustee of the du Pont estate. The advices added:

"This raises to 15 the number of banks either acquired or organized by the du Pont estate in 14 years. Their combined statements issued last month disclosed total resources of $259,164,759, Mr. Ball said."

D. C. Armanino, Assistant Cashier and Assistant Secretary of the American Trust Co. of San Francisco has been elected President of the San Francisco Chapter, American Institute of Banking, according to the San Francisco "Chronicle" of April 28, which also said:

"He accepted the gavel from William T. Dunn, Assistant Cashier of Bank of America, retiring President. Wesley P. Johnson, the Bank of California, N. A., was elected First Vice-President; Walter L. Muller, Wells Fargo Bank and Union Trust Co., was elected Second Vice-President; Willard McPherson, Crocker First National Bank, was elected Treasurer and F. Gustavson, Jr., was named Secretary."

V-Mail To Australians Serving in U. S. Domains

Postmaster Albert Goldman announced on May 11 that information has been received from the Post Office Department that arrangements have been made to extend the V-Mail Service to correspondence between Australia and Australian service personnel in the United States or in United States waters, under which the Canadian Airgraph Service, which is in operation between Canada and Australia, will handle both incoming and outgoing V-Mail letters. The announcement states:

"Under this arrangement V-Mail letters sent by Australian service personnel in the United States or its possessions should bear on the outside the name of the addressee and be addressed 'c/o The Canadian Airgraph Service, Toronto, Canada,' no reference to the Australian address being made, while the complete Australian address should be shown in the address panel at the top of the message side with no reference to Canada. Such letters will be subject to the United States domestic rate of three cents which is applicable to mail addressed to Canada, or eight cents if sent by air mail to Canada."

Rubber Control Comm. Dissolved; Plan New Group On Wider Basis

From its London bureau the "Wall Street Journal" of May 2 reported the following:

The Colonial Office announced yesterday the dissolution of the International Rubber Regulation Committee. The agreement, which officially expired at the end of 1943, was extended four months without the resumption of rubber regulations, and expired April 30. Negotiations to set up a new committee on a wider basis, but without regulatory powers, are now in progress.

In commenting on the above the paper indicated said:

The International Rubber Regulation Committee was formed on May 7, 1934, by representatives of the United Kingdom, France, India, the Netherlands and Thailand for themselves and their rubber producing colonial possessions in the Far East.

Its primary purpose was to gear the production of rubber to demand and thus maintain rubber prices. Signatory powers renewed the agreement in 1938.

Since the principal natural rubber producing centers of the world, located in the Far East, were occupied by the Japanese, the rubber committee's operations had become perfunctory.

In the past, despite the fact that the United States was the major consumer of rubber, it had only an advisory voice in the operation of the regulation agreement. Actual voting power was in the hands of the signatories only, with Great Britain and the Netherlands possessing three votes each.

March Cotton Consumption Report

The Census Bureau at Washington on May 15, issued its report showing cotton consumed in the United States, cotton on hand, and active cotton spindles for the month of April.

In the month of April, 1944, cotton consumed amounted to 776,007 bales of lint and 110,659 bales of linters as compared with 902,102 bales of lint and 115,502 bales of linters during March this year, and 939,178 bales of lint and 104,701 bales of linters in April last year.

In the nine months ending with April 30, cotton consumption was 7,580,279 bales of lint and 985,875 bales of linters compared with 8,439,480 bales of lint and 998,366 bales of linters in the corresponding period a year ago.

There was 2,221,800 bales of lint and 440,497 bales of linters on hand in consuming establishments on April 30, 1944, which compares with 2,290,201 bales of lint and 475,036 bales of linters on Mar. 31, 1944, and with 2,421,094 bales of lint and 478,845 bales of linters on Apr. 30, 1943.

On hand in public storage and at compresses on Apr. 30, 1944, there were 10,276,595 bales of lint and 88,264 bales of linters, which compares with 10,887,457 bales of lint and 81,347 bales of linters on Mar. 31 and 10,601,339 bales of lint and 79,327 bales of linters on Apr. 30, 1943.

There were 22,411,922 cotton spindles active during Apr., 1944, which compares with 22,568,308 active cotton spindles during Mar., 1944, and with 22,894,718 active cotton spindles during Apr., 1943.

NYSE Borrowings Show Decrease

The New York Stock Exchange announced on May 5 that the total of money borrowed as reported by Stock Exchange member firms as of the close of business April 29, was $696,751,105, a decrease of $50,710,116 below the March 31 total of $747,461,221.

The following is the announcement of the Stock Exchange:

The total of money borrowed from banks, trust companies and other lenders in the United States, excluding borrowings from other members of national securities exchanges: (1) on direct obligations of or obligations guaranteed as to principal or interest by the United States Government, $228,380,041; (2) on all other collateral, $468,371,064; reported by New York Stock Exchange member firms as of the close of business April 29, 1944, aggregated $696,751,105.

The total of money borrowed, compiled on the same basis, as of the close of business March 31, 1944, was: (1) on direct obligations of or obligations guaranteed as to principal or interest by the U. S. Government, $260,150,550; (2) on all other collateral, $487,310,671; total, $747,461,221.

Financial Condition of Motor Carriers Improve

The financial condition of motor carriers improved somewhat in March, although expenses absorbed 96.7% of revenues, according to a report by the American Trucking Associations, Inc., which further adds in part as follows:

Based on reports from 331 motor carriers in 44 states and the District of Columbia, the study showed March revenues increased 9.2% over Feb., while expenses increased 6.9%.

March revenues represented a slight increase of 0.5% over March, 1943, while expenses were 3.7% higher than in March of last year.

The ratio of expenses to revenues was 96.7 in March. The same carriers had operating ratios of 98.8 in Feb. and 93.7 in March of last year.

Of the 331 reporting carriers, 98 whose revenues amounted to almost 30% of the total, suffered operating losses. One hundred sixteen of them showed operating deficits for Feb., and 84 reported losses for March, 1943.

April Construction Contracts Ahead of March

Construction contracts awarded during April were valued at $179,286,000 in the 37 eastern States, according to F. W. Dodge Corporation in a report made public on May 14. This was slightly better than the $176,383,000 recorded in the previous month but 41% below April, the report said, and added:

"Non-residential building totaled $69,491,000 for the month and was below both March, 1944, and April, 1943, while both residential building and heavy engineering work showed an improvement over the preceding month but were 47% and 56%, respectively, behind April a year ago.

"The largest drop was in the utilities classification which amounted to $31,926,000 this April as compared with $85,841,000 in April, 1943. The second largest drop was in multi-family residential structures which were off $26,021,000 from the $35,280,000 recorded in April last year. These declines were accompanied by an $8,357,000 drop in miscellaneous non-residential buildings and $7,584,000 in shelter construction of the barracks and temporary dormitory type."

Propper In Post On Nat'l Housing Comm.

The appointment of Henry M. Propper as Executive Vice-Chairman of the National Committee on Housing, 512 Fifth Avenue, was announced on May 14 by Mrs. Samuel I. Rosenman, Chairman. Long active in private and public agencies concerned with housing and city planning, Mr. Propper succeeds the late Gladys LaFetra in the executive direction of the committee's program. At the same time Mrs. Rosenman announced that John F. Toedtman, formerly Executive Secretary of the Dayton, Ohio, Real Estate Board has joined the staff of the committee as Director.

The announcement also says:

"The National Committee on Housing was organized in 1941 by business, trade and professional leaders for the initial purpose of assisting in the emergency created by the critical shortage of homes for war workers. With war housing demands well over the peak in most areas, the Committee has devoted itself increasingly to postwar housing and planning problems. It is serving as a coordinating center for national trade, professional and public efforts in these fields and is assisting cities to study and evaluate their need for homes and to prepare postwar programs.

"Recently Mr. Propper served as Administrative Assistant to the Commissioner in the New York State Division of Housing.

"He has been actively identified with housing organizations, being one of the organizers, and until this year Secretary, of the Citizens' Housing Council of New York, as well as a member of its board and executive committee."

Business Failures Higher

April business failures were higher in both number and amount of liabilities involved than in March, 1944. Business insolvencies in April, according to Dun & Bradstreet, Inc., totaled 131 and involved $3,524,000 liabilities, as compared with 96 involving $1,460,000 in March and 362 involving $3,523,000 in April a year ago.

The increase in the number of failures and the amounts involved in April over March took place in all the divisions of trade into which the report is divided with the execption of the Commercial Service Group which had the same number of failures in April as in March but which had smaller liabilities involved.

Manufacturing failures last month numbered 37, involving $2,676,000 liabilities, compared with 28 in March with $801,000 liabilities. Wholesale failures increased from 5 to 9 and the liabilities from $68,000 in March to $135,000 in April. In the retail trade section insolvencies were up from 43 to 56 and liabilities from $303,000 in March to $338,000 in April. Construction failures numbered 20 with $318,000 liabilities in April, which compares with 11 with $115,000 liabilities in March. Commercial service failures numbered nine in April, the same as in March, but liabilities involved in April were lowered to $57,000 from $173,000 in March.

When the country is divided into Federal Reserve Districts, it is seen that the Richmond, Minneapolis and Dallas Reserve Districts did not have any failures in April, the Boston and Cleveland Reserve Districts had the same number in April as in March, the Atlanta and Kansas City Reserve Districts had fewer failures, while all of the remaining districts had more failures in April than in March. When the amount of liabilities involved is considered it is found that outside of the districts that did not report any failures, only the Boston and San Francisco Reserve Districts had fewer liabilities involved in April than in March.