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The Financial Situation

The Securities and Exchange Commission, which has all along been insisting that business has been so prosperous during the war years that it will be able to proceed without delay and without seeking additional funds to reconvert and even expand, now comes forward with a rather elaborate table of figures which are set forth as proving the case once and for all. Such preachments as this, and such interpretation of figures such as these could do a great deal of harm. Indeed there is some evidence to support suspicion that they have already done injury by leading the rank and file (including the politicians) into a feeling of false security about post-war matters. This may in part account for neglect of the Baruch-Hancock Report—which should have had immediate attention.

Here is the table which the Commission presents in support of its argument:

CURRENT ASSETS AND LIABILITIES OF U. S. CORPORATIONS 1

(In Billions of Dollars)

Item	ASSETS				
	1939	1940	1941	1942	1943
Cash on hand and in banks	10.9	13.1	13.9	17.5	22.6
U. S. Government securities	2.2	1.9	3.9	10.2	16.0
Receivables from U. S. Government		.1	.5	2.8	3.6
Other notes and accts. receivable	22.1	23.9	27.5	24.3	23.7
Inventories	18.0	19.8	25.6	27.3	26.9
Other current assets	1.4	1.5	1.4	1.3	1.3
Total current assets	54.6	60.3	72.8	83.4	94.1
LIABILITIES					
Advances & prepay'mts U. S. Gov't.		.3	.4	1.4	1.6
Other notes and accounts payable	21.9	22.6	25.6	24.7	25.5
Federal income taxes liabilities	1.2	2.5	7.1	12.1	15.9
Other current liabilities	6.9	7.4	7.6	8.7	9.5
Total current liabilities	30.0	32.8	40.7	46.9	52.5
Net working capital	24.6	27.5	32.1	36.5	41.6

1 Excluding banks and insurance companies.

The Commission's argument first of all rests upon the (Continued on page 2500)

The Re-Insurance Industry

Roger W. Babson Discusses Fire Losses

BABSON PARK, MASS.—I like most insurance stocks, especially those of the good fire companies. I am often asked however, why I invest my personal money in the Re-Insurance Industry (in addition to my investments in Merchandise Stocks). There are ten reasons:



Roger W. Babson

1. Re-insurance is an absolutely essential industry. The safety of both all insurance companies and all the policyholders of these companies necessarily depends thereon. The more that risks are divided and spread, the better for all concerned.
2. It is a form of insurance which must be used by all kinds of companies, — large and small, foreign and domestic, stock and mutual, "board" and "non-board," "union" and "non-union," "participating" and "non-participating," and so on ad infinitum.
3. Too much so-called "re-insurance" today consists of swapping policies between large companies and their subsidiaries or between other friendly companies. Some day it may be found that this practice is like a man endorsing his own note. Then there will be a stampede to get bona fide professional re-insurance protection.
4. The re-insurance industry started in Europe; but moved to the United States following World War I. It has been again upset by World War II. After peace comes, the professional U. S. Re-Insurance Companies will not only have an opportunity to hold their present business, but should be able to take on much profitable business from direct-writing, fire-insurance companies in Europe, South America and the Far East.
5. Today the stocks of professional fire re-insurance companies are depressed due to present extraordinary high national fire losses. Of the total of 25 such companies, operating in the U. S., only one showed an underwriting profit last year. The entire industry, last year, lost \$4,666,000; that is, Incurred Losses and Expenses were \$50,820,000 compared with Premiums Earned of only \$46,154,000. As losses have always gone in cycles, the time to buy any kind of insurance stocks is when the losses are greatest and the industry looks darkest.
6. The professional re-insurance companies are not involved

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The American Economic Goal

A PRACTICAL START TOWARD POST-WAR FULL EMPLOYMENT

By LEON H. KEYSERLING
General Counsel, National Housing Agency
Winner, Second Prize, Pabst Post-War Employment Awards

Recommends Establishing An "Economic Goal," By A Committee With Three Members Each From The Senate And House Of Representatives, Three From The Cabinet, And Six Representatives Of American Enterprise, Comprising Two Each From Industry, Agriculture And Labor—The "Economic Policy" Not To Be "A Regulatory Code Of Obligations," But Merely "A Framework Of An Economic Program"

This war has awakened Americans to the promise of America. We are now producing goods at a rate more than 50% higher than during the best year before the war. And when peace comes, we shall have millions of our finest manpower, drawn from the men and women in our armed forces, to add to our production forces—if we have the brains to make room for them. We shall have a chance to abolish poverty, to reach higher standards of living than ever before. We can set an example to the world, by solving economic problems underlying so many wars.



Leon H. Keyserling

ing a purpose and program on the "domestic front." In economic matters, Congress and the Executive Departments, liberals and business men, farmers and labor groups, are all at odds. The boys overseas cannot get all the facts, and some of them are developing prejudices against the folks back home.

Democracies do not want totalitarian unity. But any system, to go ahead, requires some agreement on fundamentals. In our war program we have preserved our civil liberties and argued about many things, but we have not debated whether we need to win the war. We do not want our post-war economic life to become as intense and rigorous as our war program. We prefer a lot less drive and a lot more flexibility. Nonetheless, we must evolve

some economic rules of the game, and some economic ideal to strive for, so that we can plan and work and prosper—and not bicker our way to post-war disillusion instead of America's post-war promise.

We need an American Economic Policy and American Economic Goal.

Time is short. Any plan must have a chance to be tried—quickly. We cannot start with elaborate details or theories, producing endless disagreements. We must start with a proposal so plain, democratic and consistent with our way of doing things that it will appeal at once to the American people, be accepted by Congress, and be supported by a vigorous President.

An American Economic Committee

To start, Congress should establish an American Economic Committee, with three members from the Senate and three members from the House of Representatives, appointed by their presiding officers, three members appointed by the President from his Cabinet, and six members appointed by the President to represent American enterprise, including two each from industry, agriculture and labor. The President (Continued on page 2504)

Americans Should Pull Together

Today there is one main obstacle to realizing this promise of America. We lack some simple and practical method for develop-

*This is the essay that was awarded second prize of \$10,000 by the Pabst Post-War Employment Awards, 551 Fifth Avenue, New York City.

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From Washington Ahead Of The News

By CARLISLE BARGERON

This is the season when "increasing doubts" appear in newspapers and political circles whether Dewey will get the Republican nomination after all; whether he hasn't slipped appreciably, whether Bricker, on the other hand, hasn't come up. It is an inevitable part of the political game. In situations similar to the present one we have never known it to be absent. At this stage in 1928 the Lowden forces had finally got going like a house afire and had Hoover stopped. But when the convention opened the anti-Hoover forces looked very sick indeed. In 1932, at this time, the anti-Roosevelt forces had succeeded in taking his measure. They were right resourceful at the convention and some mighty clever maneuvering took place, but the Roosevelt forces had the situation in hand from the outset. So it was at Cleveland with Landon in 1936.

It is mostly a case of the political circles getting tired of talking about the pre-convention campaign being all over and the political writers getting tired of writing it. It becomes dull. Everybody concerned tries to think up new "angles."

It is a fact that in 1940 the Dewey forces showed up at Philadelphia with close to 400 delegates, and from the beginning you realized they were a hollow shell. There was another terrific job done on Dewey at that convention. In the common battle to stop Willkie, there was the steady

rumor that the Taft and Dewey forces were to join hands, and every time the rumor appeared it was in that order: Taft and Dewey, the plain inference being that Dewey would be the second man on the combined ticket. It was a good job of belittling him.

But a lot of water has flowed over the dam since. For one thing, he has become governor of New York, but equally important, just as his name led in the popular opinion polls in the 1940 pre-convention campaign so they have steadily led in this campaign. Unquestionably a lot of his present delegate strength is due to the stop-Willkie movement. The delegates or their leaders had to have somewhere to go in resisting the Willkie drive and in going to Dewey they had the popular polls to back them up. I doubt very seriously, in fact, that with Dewey insisting he was not a candidate there would have been anything like the rush towards him except for Willkie which is quite ironic, indeed, inasmuch as there is prob-

(Continued on page 2505)

A "Relic"?

The debate concerning the concentration of power in Washington is a recurring one. It arises to some extent in every Presidential campaign and becomes particularly violent during war periods.



Wendell Willkie

But the sincerity and vigor of the present protest have been occasioned by causes beyond the normal maneuvers of politics or the dislocations created by the Federal assumption of necessary war powers. It arises from more far-reaching causes.

The spectacle of the present Administration's arbitrary use of vast authority; the caprices of a government of men grown bold and reckless with the use of power, favoring first one economic group and then another, while subjecting individuals and their rights to the judgment of whims and theories; the manifold evidences to every citizen, even in his own community, of the inefficiencies and reckless extravagances of Federal agents—all these abuses have aroused dissatisfactions among the people which have naturally formed an issue for the opposition party. But we must not be confused as to what the issue is or where the solution lies.

It is not the worn-out issue of States' rights versus strong Federal Government. That is not an issue; that is a relic.—Wendell L. Willkie.

This "worn-out issue" may be a "relic," more the pity, but for our part we dislike the idea of granting any government unlimited powers—and hoping it will not abuse them.

Mr. Willkie might re-read history to his profit.

The State Of Trade

Initial landings of the Allied armies on the coast of Normandy on Tuesday of last week, which were followed up by the subsequent extension of beachheads some miles inland, have forced upon the German Reich and its people an important decision. To date the progress of the United Nations' forces have exceeded expectations, and while hard fighting is occurring and will continue, there has up to the present appeared no

crystallization of German effort to halt the invading forces. Whether the Germans are husbanding the bulk of their troops while they determine where the major blow will be struck remains to be seen. However, the initiative of the Germans to drive the Allied armies back into the sea appears to have passed from them, and, confronted with the imminent loss of the vital port of Cherbourg and grave threats from other quarters, they must elect to wage a losing battle or, by sparing the world further misery and suffering, meet the terms laid down by the United States.

The picture as presently constituted, places the world at the crossroads of this momentous struggle. American industry's reaction to the fast-moving events of recent days, while obscure at the moment, nevertheless makes for speculation as to when the campaign now being waged in Europe will reach a decisive point. In the answer to this important question will be found the key to the future course of our industrial effort.

In some quarters the belief exists that an early peace will come from our latest military achievements. In Detroit it is reported that an acute case of "peace jitters" is developing and the automobile industry expresses the fear that no practical plans for business after victory exist at this time. That our Government is hardly prepared for the gigantic task of both industrial and military demobilization which may confront the nation should an early termination of the European war become a reality. Fear also is expressed over the flood of war-contract cancellations and cutbacks which may come before the Government has adopted a coordinated plan for smoothing and speeding the period of transition.

The effects of the invasion news on industrial production and trade the past week were not too significant. The steel market evinced some hesitancy at first, but the picture of future production hinges largely upon the progress of the war both in Europe and in the Pacific. Output, however, did reflect a slight decline from the week previous. Other fields reporting lower production levels were car loadings of revenue freight, bituminous and anthracite coal, electric kilowatt output and paper and paperboard production, while late reports indicate a record wheat crop in prospect for the United States. As for retail trade, favorable results were shown following a little indecision over the invasion news.

As for electric production, results reveal that output of electricity declined to approximately 4,144,490,000 kwh. in the week ended June 3 from 4,291,750,000 kwh. in the preceding week, as reported by the Edison Electric Institute. The latest figures represent a gain of 5.6% over one year ago, when output reached 3,925,893,000 kwh.

Consolidated Edison Company of New York reports system output of 164,500,000 kilowatt hours in the week ended June 4, 1944, and compares with 179,800,000 kilowatt hours for the corresponding week of 1943, or a decrease of 8.5%.

Local distribution of electricity amounted to 160,200,000 kilowatt hours, compared with 177,900,000 kilowatt hours for the corresponding week of last year, a decrease of 9.9%.

In a review of the steel market, "Steel" magazine in its current issue states that the effect of the invasion on steel production is not yet apparent. It says in part that "It is generally recognized that events of last week mark only the beginning and that many weeks

or months may elapse before the western European campaign assumes a definite pattern and the direction of demand is outlined. While some cutbacks are expected it also is likely that new demands and requirements will develop. Pressure for landing craft conceivably may be lessened and equipment for land fighting may be in much greater need. This causes expectation that munitions production will be much enlarged."

Speaking of the new shell and heavy artillery program, it points out that, "with hundreds of thousands of tons already scheduled, it seems likely to be expanded. Production in this line will not get well under way until at least the middle of third quarter. Quick success in Europe would cause considerable cut in this effort but a long campaign of bitter resistance, similar to that in Italy, would increase need for continued arms production. Heavy buying of steel for shell work was done last week, going far in sustaining new buying at production level; in some instances orders have been greater than output and deliveries on major products held their own or became further extended." It is felt regardless of the outcome of the European struggle that the Japanese war will continue to require a large supply of munitions and transport facilities for long supply lines. In the meantime steelmakers' books are well filled with orders for some products until the close of the year, with directives necessary to obtain deliveries on most needed steel.

Movement of iron ore from the Lake Superior region promises to exceed last year's by a substantial margin and approach the record set in 1942, the magazine reveals. May shipments totaled 12,114,211 gross tons, a gain of 10.38% over April and cumulative shipments to June 1 were 17,402,290 tons, an increase of 34.59% over the total to the same date in 1943. Shipments to June 1, 1942, were 21,327,064 tons, according to the market summary.

No consumer concern is being given to pig iron and scrap supplies with buying of both on an easy basis. Some buying of pig iron is being accomplished to cover third quarter requirements but contracts in the main are for one month.

As for the rate of steel production, the American Iron and Steel Institute places scheduled output for the week beginning June 12 at 97.1% of rated capacity, equivalent to 1,739,300 tons of steel ingots and castings. Scheduled output for the current week compares with operations at the rate of 97.8%, and output of 1,751,900 tons a week ago. For the week beginning June 14, last year, steel output totaled 1,693,600 tons, and the rate was 97.8% of capacity.

Late figures coming from the Department of Agriculture point to the largest wheat crop on record for the United States, the department's estimate placing the prospective crop at more than billion bushels this year based on conditions as of June 1. The winter wheat figure is expected to reach 714,148,000 bushels and spring wheat 320,637,000 bushels, a total of 1,034,785,000 bushels. This is the second time in the history of the United States that a crop of a billion bushels has been attained. The previous occasion was in 1915 when production reached 1,008,637,000 bushels.

With respect to freight carried by the railroads, carloadings of revenue freight for the week ended June 3 totaled 810,772 cars, the Association of American Railroads announced. This was a decrease of 59,088 cars, or 7.3% below the preceding week this year due to the holiday on May 30, last, and an increase of 143,163 cars, or 21.4% above the corresponding week of 1943. Compared with a similar period in 1942, a decrease of 43,917 cars, or 5.1%, is shown.

Bituminous coal output for the

week ended June 3 reflected a decrease of 705,000 net tons from the preceding week at 11,870,000 tons (Memorial Day, May 30, was held responsible for this decreased output), and 3,015,000 tons in the corresponding period of last year, which low figure was due to a strike at the mines which had begun on June 1, 1943, according to the National Coal Association. Output to date—Jan. 1 through June 3, 1944—aggregated 272,332,000 tons, as against 250,858,000 tons for a like period in 1943. The report of the Solid Fuels Administration placed production for the week ended May 27 at 12,575,000 net tons, against 12,300,000 tons in the preceding week.

As for production in the anthracite fields the U. S. Bureau of Mines reports estimated output of Pennsylvania anthracite at 1,204,000 tons for the week ended June 3, 1944, a decrease of 165,000 tons, or 12.1% from the preceding week. An increase of 1,068,000 tons is noted when compared with output in the corresponding week of 1943 when the coal strike accounted for the sharply curtailed production. For the calendar year to date, however, an increase of 8.4% is shown over the similar period of 1943.

Paper output for the week ended June 3 was equal to 88.3% of capacity, against 91.7% in the preceding week and 84.7% for the week ended June 5, 1943, the American Paper & Pulp Association's index of mill activity disclosed. As for paperboard, production for the same period was reported at 93% of capacity, against 96% in the preceding week.

Retail trade in New York following a spell of indecision on receipt of the invasion news, found its stride again and resumed normal buying. The reduced percentages of gain over the previous week were in measure attributable to early store closings induced by D-Day and decreased advertising. Estimated department store sales ranged from 3 to 5% above the same week of 1943. In the wholesale trade, the impact of recent developments in Europe had little effect. Buying continued with little interruption as merchants labored to build up depleted inventories to meet fall requirements in a broad range of clothing, accessories and staples that were available. According to the Federal Reserve Bank's index, sales in New York City for the weekly period to June 3 advanced by 11% over the same period of last year. For the four weeks ending June 3 sales rose by 16%, and for the year to June 3 they improved by 7%, the same percentage of increase as in the previous week.

Consumer buying in most sections continued at a high level despite early store closings on the day of the invasion, Dun & Bradstreet, Inc., noted in its review of trade for the past week. Retail volume, while exhibiting signs of some decline from previous high points, was still above the level of the last two years, according to the above source. Seasonal goods were in good demand, especially in the children's and infants' section, with cotton dresses and sports clothes selling well due to warm weather. Gains were also in evidence in the cosmetics, toilet goods and jewelry lines. In men's furnishings, such as straw hats, sports wear and gifts for Father's Day, business was good. Sales of home furnishings and garden supplies revealed a brisk tendency, while in the food section an irregular trend was noted caused by the scarcity of some kinds of meat, but notwithstanding this, retail food volume still was up 10% over a year ago, as revealed by the above source. The showing among chain stores and supermarkets was better than that of small stores. As reported by the trade review, retail volume the past week rose 4 to 8% above 1943 throughout the country. Regional

Becker Again Pres. Of Com. & Ind. Ass'n

Neal Dow Becker, President of Intertype Corp., was reelected for a third term as President of the Commerce and Industry Association of New York, Inc., at a meeting of the Board of Directors of June 12. Samuel D. Leidesdorf, head of the S. D. Leidesdorf & Co. accountants, was reelected Treasurer for his fifth term.

Elected Vice-Presidents were Herbert L. Carpenter, President of the Carpenter Container Corp. and Association Director since 1937; Colonel Allan M. Pope, President, the First Boston Corp. and Francis L. Whitmarsh, President of the Francis H. Leggett & Co., both Association Directors since 1942. Thomas Jefferson Milley was named Association Secretary for his fourth term.

Congressional Delegation To British Parliament Found Impracticable Now

An invitation extended to the United States by the British Parliament that Congress send a delegation to visit Parliament was acted upon by the Senate on May 25, in a resolution adopted, expressing "cordial appreciation" for the invitation, but explaining "that because of the urgency of official business at this time it will be impracticable for the Houses of Congress to accept the invitation" at present.

The resolution added "that when the exigencies of public business make it possible, such an invitation will have further consideration by the Houses of Congress."

Senate Majority Leader Alben W. Barkley expressed it as his hope "that at a later time we may be able to accept the invitation." He mentioned the fact that this is an election year.

The resolution was sent to the House for concurrence. At the time of the adoption of the motion on March 14 by the House of Commons and the House of Lords, members of the House of Commons hailed the action as without precedent in Parliament's history.

Redeem Cuban Bonds

Republic of Cuba, through Roberto Hernandez, Consul General of Cuba in New York City, is notifying holders of its external loan 30-year sinking fund 5½% gold bonds issued under Loan Contract dated Jan. 26, 1923, that \$965,700 principal amount of the bonds have been drawn by lot for redemption on July 15, 1944, out of moneys in the sinking fund, at 100% of their par value and accrued interest to the redemption date. The bonds drawn for redemption will be paid at the office of the fiscal agents, J. P. Morgan & Co. Incorporated, on or after July 15, 1944, after which date interest on the drawn bonds will cease. On June 10, 1944, \$427,300 principal amount of these bonds previously drawn for redemption had not been presented for payment.

Increases were: New England, 1 to 4%; East, 5 to 9%; Middle West, 3 to 7%; Northwest, 4 to 6%; South, 9 to 12%; Southwest, 12 to 15%, and the Pacific Coast, 6 to 8%. It was further noted from the foregoing source that wholesale food volume was about 10% above what it was at this time last year, with poultry and vegetables plentiful and fresh fruit in demand.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, moved upward by 7% for the week ended June 3, compared with the same week a year ago, while sales for the four weeks' period ended June 3 advanced by 16% over a similar period a year ago. For the year to June 3 an increase of 7% was noted over a like period in 1943.

Republican Congressmen To Participate In Monetary Conference At Bretton Woods

Two Republican members of Congress and Edward F. Brown of the First National Bank of Chicago (President of the Federal Advisory Council of the Federal Reserve System) will be included in the American delegation to the United Nations Monetary and Financial Conference opening July 1, at Bretton Woods, N. H. This was disclosed in Washington, on June 9, according to a special dispatch of that date to the New York Times, which continued as follows:

"President Roosevelt said at his news conference this morning that he was unable to announce the delegates because one of the Congressional delegates had not yet been agreed upon. It was learned tonight that this choice would probably be Senator Robert A. Taft of Ohio, third ranking minority member of the Banking and Currency Committee.

"Senator Robert F. Wagner of New York, Chairman of the Committee, will be in the delegation, as will Brent Spence of Kentucky, Chairman of the House Banking and Currency Committee, and Jesse P. Wolcott of Michigan, ranking minority member of that committee.

"Although no explanation for the Republican selection on the Senate side was immediately available, some discussion may have arisen over the question of adhering to the seniority basis.

"The ranking minority member of the Banking and Currency Committee is Senator Charles W. Tobey of New Hampshire. However, Senator John A. Danaher of Connecticut, second ranking minority member, said that, so far as he was concerned, there is no man on our side of the committee better qualified for that job than Bob Taft."

"From Congressional and other sources, it was learned that the other six of the 11 members of the delegation will be the following:

"Secretary Morgenthau, head of the delegation; Dr. Harry White, monetary adviser to Secretary Morgenthau; Dean Acheson, Assistant Secretary of State; Marvin S. Eccles, Chairman of the Board of Governors of the Federal Reserve System; Fred Vinson, Director of Economic Stabilization, and Dr. Mabel Newcomer of Vassar College, one of the three authors of the Treasury's report on Inter-Governmental Fiscal Relations.

"Statements by officials who returned today from an inspection trip at Bretton Woods indicated that arrangements for the press would assure maximum access of correspondents to the delegates and their staffs. The Mount Washington Hotel, scene of the conference, would be open to the press at all hours, it was said, thus discounting apprehension that the conference might create difficulties for the press such as those which marked the early stages of the Food Conference.

"Representatives of the State Department, which is in charge of conference arrangements, appeared to share the sentiment of Treasury officials that, because of the technical nature of the conference and its importance to future world peace, everything possible should be done to keep the correspondents in touch with the conferees and experts.

"The officials who visited Bretton Woods said that it was tentatively planned to convert the bowling alleys at the Mount Washington Hotel into a press room. Under the tentative plans, it was added, the correspondents would eat at the hotel and be permitted in other ways to mingle with the conferees, being barred only from formal committee meetings.

"The sessions at which the foreign exchange committee of the American Bankers Association has been going over with Treasury experts the United Nations joint statement of principles on currency stabilization and plans for an International Bank for Reconstruction and Development ended

today on a resounding note of discord.

"Although it was clear that the bankers and the Treasury were at odds on a number of points, there was no formal statement.

"Some members of the ABA committee indicated in interviews, however, that there was more opposition to the international bank plan than to the stabilization scheme, on the ground that it probably would necessitate a central bank in the United States such as most foreign governments maintain.

"Dr. White denied statements attributed to him by the United Press to the effect that this country needed a strong central bank anyway and that bankers could stand a little more Federal supervision. The Treasury issued an official denial that Dr. White had made any such remarks.

"Persons close to the banking committee said that the offhand statement of any of its members could not be regarded as representing the committee's view, since its membership was by no means of one mind on the subjects under discussion.

"The question of a central bank was viewed by some officials as academic because the Federal Reserve System had functioned during the present Administration much like a Government central bank, even if its stock is owned by member banks.

The calling of the Monetary Conference by President Roosevelt was noted in our issue of June 1, page 2282.

Gov. Bond Portfolio Study Issued By ABA

Carrying forward its program of service to country banks, the Commission on Country Bank Operations of the American Association announced on June 9 completion of a study which it has just mailed to banks to assist them in the management of their Government bonds account. The study, entitled "The Country Bank's Portfolio of United States Government Securities," is a 16-page booklet containing factors to be considered in planning an investment program, an analysis of the various Government issues and their use, several tables and charts, and a set of principles which the Commission believes should guide the management of the Government bond portfolio of a country bank. These principles are:

"Every bank can and should adopt a definite investment policy now.

"United States Government securities are available in practically every maturity, and are desirable for investment purposes.

"Spaced maturities are generally desirable for over-all normal purposes. Maximum maturities of 10 years and average maturities of five years should be the rule for commercial banks unless local circumstances indicate otherwise.

"Short-term maturities should be purchased as secondary reserves for contingencies which are or may be expected.

"Treasury Bills and Treasury Certificates, by reason of special features and discount provisions, have advantages as secondary reserves in meeting more immediate needs and requirements.

"War Loan Deposit Accounts afford an opportunity for increasing income and are desirable.

"A bank should seek to earn the average going-market rate for money. It should not speculate.

The course of long-term interest rates cannot be predicted. Any long-term rise would lower prices of long-maturity securities and imperil the capital structure of the banking system.

"With short-term Government securities available, banks should be fully invested at all times to obtain the best income results."

Mailing of the study marks the completion of the second project of the Commission on Country Bank Operations since its organization last October, the first being "The Home Front" manual and was one of four projects initiated at that time.

The purpose of the study is stated in the introduction, viz., "Present conditions have created unusual investment problems for the country bank. The purpose of this study is to state briefly the fundamental principles and essential standards of investment for commercial banks, to list the existing types of Government securities and to show their adaptability in an investment program, and to outline some of the basic factors to be considered in the formation of an investment policy."

In a letter accompanying the study, Kenneth J. McDonald, Chairman of the Commission, makes the point that it was prepared by country bankers who know the investment problems of country banks. "These men are country bankers," he says. "They do not profess to be authorities on investments but they do know the investment problems of country banks. In an attempt to find a broad solution for these problems they have combined their own training and experience with the policies and philosophies of recognized authorities in the Government bond field. This publication therefore represents the conclusion of specialists in Government bond investment presented from the practical point of view of the country banker."

Mr. McDonald, who is President of the Iowa Trust and Savings Bank at Estherville, Iowa, disclaims any attempt on the part of the Commission on Country Bank Operations to act as an investment counselor.

The study is divided into nine headings. These are "Basic Principles and Essential Standards of Investments for Commercial Banks"; "U. S. Government Securities for Banks"; "Types of Securities"; "The Treasury Pattern of Interest Rates"; "Federal Reserve Bank Lending Facilities"; "War Loan Deposit Account"; "Safe Keeping of Securities"; "Investment Policies and Bank Deposits," and "Bond Prices and Interest Rates."

Besides Mr. McDonald, the other members of the Commission on Country Bank Operations are: R. A. Bezoier, Vice-President and Cashier, First National Bank, Rochester, Minn.; T. E. Burch, President, Security State Bank, Wewoka, Okla.; R. L. Eberhardt, Executive Vice-President, Stockton Savings & Loan Bank, Stockton, Cal.; Glenn L. Emmons, President, First State Bank, Gallup, New Mexico; Howard Hambleton, Vice-President, Citizens National Bank, Waxahachie, Texas; B. M. Harris, President, Yellowstone Bank, Columbus, Mont.; Clyde D. Harris, President, First National Bank, Cape Girardeau, Mo.; Stanley A. Neilson, President, Bank of Gowanda, Gowanda, N. Y.; C. C. Neumann, Executive Vice-President, Farmers and Merchants National Bank, Oakland, Neb.; Claude F. Pack, President, Home State Bank, Kansas City, Kans.; William C. Rempfer, Cashier, First National Bank, Parkston, S. D.; S. N. Schafer, President, First National Bank, Fort Atkinson, Wis.; John B. Sloan, President, The County Bank, Greenwood, S. C.; R. B. Stewart, President, The Miami Deposit Bank, Yellow Springs, Ohio; C. D. Tedrow, President, Citizens First National Bank, Princeton, Ill., and J. E. Drew, Deputy Manager, American Bank-

ABA Delegation Confers With Treasury Officials On International Monetary Plans

Prior to the opening of the International Monetary Conference to be held at Bretton Woods, N. H., on July 1, in accordance with the call of President Roosevelt, Treasury experts are about to undertake the agenda for the meeting. This was indicated on June 8 in special advices to the New York "Times" from Washington, which stated that the preliminary meetings would begin about June 15, probably at Atlantic City, and

that the Treasury experts will be assisted by experts of United and Associated Nations. From the "Times" advices we also quote:

"Dr. Harry White, Monetary Adviser to Secretary Morgenthau, made this known today after a session at which he and assistants discussed with the Foreign Exchange Committee of the American Bankers Association the points agreed upon by the United and Associated Nations in the statement of principles announced jointly April 21. * * *

"Dr. White told reporters that the day-long discussion with the bankers showed 'differences of points of view on some matters.' In general, he said, 'they would like to see more gold in the fund and a smaller fund.'

"The joint statement of principles called for a fund of about \$8,000,000,000, of which the United States would contribute at least \$2,500,000,000, and provided for contributions in gold or domestic currency, the gold contributions being dependent upon a country's gold holdings and its quota. The quota is based upon the proportion of a nation's trade to world trade, its gold holdings and gold production.

"W. Randolph Burgess of the National City Bank of New York, Vice-President of the ABA, who arranged the conference held today, said afterward he thought that Dr. White had adequately summed up the situation.

"While there were a number of points on which the bankers do not see eye to eye with the Treasury, he said, the plan suggested in the joint statement of principles was an improvement over the Treasury's original plan.

"Mr. Burgess added that the banking group is 'intensely interested in getting a stabilization plan that will work, and certainly will not criticize merely for the sake of being critical.'

"One point on which Dr. White took issue with the bankers was with regard to their reference to a 'credit' aspect of the proposed fund. He said it was one thing for Lloyds Bank, being short of dollars, to obtain dollars from a New York bank for a stated period, but quite another for the Bank of England, being short of dollars, to obtain dollars from the proposed international fund.

"In the latter case, he explained, the Bank of England would be required to put up Sterling exchange of an equivalent gold value and, in the event of any depreciation in the gold value of the sterling, would be required to make up the difference with an addition advance of sterling to the fund.

"A great part of the bankers' fears, Dr. White said, 'arose from their lack of understanding of the plan, and not knowing all the other things we have in mind. The statement of principles is a mere skeleton, but there will be a lot of flesh on those bones before we are through.'

According to later Associated Press advices from Washington the ABA was reported (on June 9) to have expressed fears that the Administration's international monetary plans will lead to establishment of a Government central bank.

This view, it was learned, was communicated to Treasury officials by 13 members of the Association's Foreign Exchange Committee at a round table discussion which ended late the previous night. In its advices the Associated Press stated:

"Without commenting directly on the bankers' reported stand, Dr. Harry D. White, the Treasury's monetary expert, told reporters today this country's share of the fund would be deposited with the Federal Reserve Bank System. He added that the world trend has been in the direction of government-owned central banks.

"Congress twice has rejected the idea of a bank of the United States.

"Among the views presented by the bankers, reportedly critical of the plan in varying degree, were said to be those that a stabilization fund should be smaller, contain a greater percentage of gold, or that existing facilities, such as the Bank for International Settlements, might be expanded to provide stabilization junctions."

Hourly Earnings Up; Weekly Earnings Down In April

The hourly earnings of workers in manufacturing rose to a new peak in April, but due to the fact that fewer hours were worked, weekly earnings were lower than in the previous month, according to the monthly survey of 25 manufacturing industries by the National Industrial Conference Board. Employment was also down in these industries, and, as a result, man hours worked and payrolls, said the Board in its June 15 advices, which added:

"With the exception of the months of July, 1940, and August and October, 1943, when they did not change and of January, 1940, when they declined fractionally, hourly earnings have risen in each successive month since August, 1939. The net increase since this latter date is 46.8%. In the year since April, 1943, hourly earnings have risen 5.9%, and since January, 1941, 39.3%. The figure for April, 1944, is \$1.057, which is 0.4% above the previous month.

"Weekly earnings averaged \$48.09 in April, which is 0.7% below those of the previous month, but which with the exception of February and March, 1944, is higher than any other month for which the Board has data. As compared with January, 1941, weekly earnings are up 57.1%, while the increase since August, 1939, amounts to 76.2%. They were 6.8% higher in April of this year than in the corresponding month last year.

"Real" weekly earnings, or dollar earnings adjusted for changes in the costs of living, declined 1.3% in April, but were higher in that month than in April, 1943, by 6.2%. Other than March, 1944, only January and February of this year show as high a figure as April. Since January, 1941, 'real' wages have increased 29.6%, and since August, 1939, the gain has been 41.9%. The increase since 1929 is 61.7%.

"The average length of the work week at 45.2 hours in April was 0.6 hours, or 1.3% below that of March, and 3.1 hours, or 6.4% below the 1929 average. It was 0.3 hours, or 0.7%, above that of April, 1943. Employment in these industries declined 1.8% in April, and was in that month 2.5% below that of a year earlier. Man hours worked were 3.1% down in April, and 1.9% down from April, 1943. Payrolls declined 2.4% in April, but remained 4.2% above the April, 1943, figure."

The Financial Situation

(Continued from first page)

increase in net working capital from \$24.6 billion to \$41.6 billion between 1939 and 1943. Not much weight, apparently, is given to the fact that current liabilities increased over the same period at a more rapid rate than current assets, with the result that the current ratio of these corporations declined, not increased, from 1.82 in 1939 to 1.79 in 1943. By essentially the same line of reasoning it could be proved that the General Motors Corporation is in a more advantageous working capital position than a much smaller enterprise which has virtually all its capital in cash—because General Motors reports a larger amount of net working capital. When the amount of current assets is related to the need for current assets by means of the current ratio, an entirely different picture is shown.

Suppose!

But a somewhat closer analysis of the figures soon discloses some definitely disquieting facts. In order to obtain the real meaning of these figures let us suppose that peace had come on Jan. 1, 1944. No one will doubt that for many of these corporations profits would have ceased for a considerable period of time pending development of large scale peacetime operations. Precisely how long it would have taken to get industry in full peacetime production, cannot be known, of course, but for many corporations it would certainly have been surprising if operations for the full year 1944, showed more than very, very modest profit. But these corporations would still have been obliged to pay very large income taxes. For all corporations included in the SEC compilations these taxes would have totaled \$16 billion. Let us suppose that they employed the \$16 billion of government obligations held by them for this purpose.

This would have left them with various other bills to meet, including payables amounting to \$25.5. At first glance it might appear to the unthinking that with \$22.6 billion in cash on hand, \$23.7 billion in receivables (other than from the Federal Government), and \$26.9 billion in inventories, no need for anxiety would exist. But let us take a second look. According to the SEC some \$7 billion of these inventories have little peacetime value. What the companies obtain for them must come from the Government as a part and parcel of the cancellation and war liquidation process. In other words we must take some \$7 billion from the inventory

item and add it to receivables from the Federal Government. This gives a respectable total of \$10.6 billion—which might easily have been unavailable for a very considerable period of time.

Other Considerations

We can be certain that the Federal Government would have collected its \$16 billion in income taxes. If it delayed paying its \$10.6 in payables and inventory liabilities to industry, some \$27 billion of the less than \$40 billion dollars increase in current assets would have disappeared—from the current list, at least—over night. But there are still other considerations which must not be neglected. A very substantial portion of the increase in the cash on hand is a result of inability of the corporations to keep their plants in the best of condition or to expend funds set aside for depreciation and the like. This means that expenditures of this type must be made more freely in the earlier years of peace than ordinarily is the case—without doing more than make good deterioration of plant. These expenditures—granted reasonable conditions of operation—will be very nearly if not quite mandatory upon the corporations.

So much for the general, or overall figures in which the SEC finds such amazingly encouraging indications concerning the post-war situation. We have examined these data in this form with considerable reluctance. The truth of the matter is that these aggregate figures covering as they do all corporations other than bank and insurance companies could scarcely in any circumstances furnish sound foundations for such conclusions as those of the Commission for beneath or behind such grand totals infinite variety lies. Not only are the working capital needs of some types of enterprise very much greater than others in the very nature of the case, but there is reason to suspect in this instance that the very groups of companies, which will be most in need of substantial amounts of working capital when the war is over are the very enterprises which are likely to find their funds frozen in one way or another—plants with large munitions inventories, large government receivables, and under the necessity of making extensive changes in order to return to peacetime production.

There are several government organizations which should cultivate a greater degree of caution in making predictions about the post-war period.

Regulations Issued Governing Com'l Bank's Participation In Fifth War Loan Offerings

Allan Sproul, President of the Federal Reserve Bank of New York has issued the following announcement regarding the cash offering to certain commercial banks as to 2½% Treasury Bonds of 1965-70 (additional issue). Dated February 1, 1944, due March 15, 1970, with interest from June 26, 1944; 2% Treasury Bonds of 1952-54. Dated June 26, 1944, due June 15, 1954, United States Savings Bonds, series F and United States Savings Bonds, series G.

"Supplementing the arrangements made available concurrently with the Fourth War Loan Drive, commercial banks, which are defined for this purpose as banks or trust companies accepting demand deposits, will be permitted to subscribe for their own account, subject to the limitations stated below, to U. S. Savings Bonds of series F-1944 and series G-1944, and may subscribe to 2½% Treasury Bonds of 1965-70 (additional issue) and 2% Treasury Bonds of 1952-1954 in the period June 12 to July 8, 1944. However, all such subscriptions will be considered outside of the \$16,000,000,000 goal of the Fifth War Loan Drive and will not be considered a part of any quota. Copies of the official circulars relating to the offerings of such issues are included in our Circular No. 2800, dated May 19, 1944, which has been sent to all banking institutions in the Second Federal Reserve District.

"The total amount of subscriptions by a commercial bank for its own accounts to the issues referred to above, together with the total amount of any other subscriptions it may have entered for its own account for (a) Savings Bonds of series F-1944 or series G-1944 since Jan. 1, 1944, and (b) 2½% Treasury Bonds of 1965-70 or 2% Treasury Bonds of 1952-1959 between Jan. 18 and Feb. 15, 1944, may not exceed 20% of the combined amount of its savings deposits, and time certificates of deposit issued in the names of individuals, and of corporations, associations and other organizations not operated for profit, as shown on its books as of the date of the most recent call statement required by the supervisory authorities, or \$400,000 (issue price) whichever is less. In any event, a bank may not purchase more than \$100,000 (issue price) of Savings Bonds of series F-1944 and series G-1944 combined, including any bonds of such series previously purchased. If 20% of a bank's

savings deposits and eligible time certificates of deposit is an odd amount, the aggregate amount of its subscriptions may be adjusted to the next highest \$1,000.

"It will be noted that the formula set forth above is based upon the aggregate amount of commercial bank's subscriptions to such issues for its own account and not upon the amount of its holdings; accordingly, in computing the maximum amount for which a bank may subscribe, there must be taken into consideration the total amount of its previous subscription to such issues even though it may no longer be holding the securities. It should also be understood that the amount of time certificates of deposit issued in the names of corporations, associations and other organizations operated for profit must be excluded in determining the amount of securities for which a bank may subscribe.

"Savings Bonds of series F or G will be dated as of the first day of the month in which payment is received by us. Subscriptions to 2½% Treasury Bonds of 1965-70 and 2% Treasury Bonds of 1952-54 may be made during the period June 12 to July 8, 1944, both dates inclusive. Each of the issues of Treasury Bonds will be sold at par plus accrued interest from June 26, 1944, to the date payment is received by us, except that accrued interest is waived on \$500 and \$1,000 subscriptions.

"The regulations governing U. S. Savings Bonds provide that such bonds may not be hypothecated as collateral; accordingly, bonds of series F or series G may not be deposited with us as collateral for a War Loan Deposit Account. There is no restriction upon the use of 2½% Treasury Bonds of 1965-70 or 2% Treasury Bonds of 1952-54 as collateral, and bonds of such issues belonging to a banking institution qualified as a special depository of public funds will be acceptable as security for its War Loan Deposit Account."

Finnish and Swedish Co's Blacklisted By U. S.

Seeking, it is stated, to force Finland to break its alliance with Germany, the United States on June 3 blacklisted 84 Finnish companies and at the same time took similar action with regard to 53 Swedish companies, according to an Associated Press dispatch from Washington, on June 3, which also had the following to say:

The action, the most drastic taken against Finland in many months, means the Finns will suffer economic penalties after as well as during the war under the new policy of conducting the blacklist in operation in the post-war period. The companies are the first to be placed on the American blacklist.

The same blacklist supplement issued tonight also listed 53 Swedish concerns. It was announced several days ago that 38 Swedish companies would be on the list. The additional 15, it was learned, consist of eight previously put on the British blacklist but not on the American list and seven others described here as among the important business organizations in Sweden. Americans are forbidden to deal with blacklist companies.

It was thus brought out that the United States in the last few days has reinforced its policy of playing a strong economic hand with the Stockholm government and business interests in an effort to induce the Swedes to halt all ball-bearing shipments to Germany.

(SKF, the ball bearing trust of Sweden, was not on the blacklist. The names of 17 Swiss companies and individuals appeared on the list, however, despite the fact that

Switzerland made a substantial cut in its shipments of ball bearings and precision instruments to Germany in the last seven months.)

The effect of the action was viewed here as an economic knife slashing into the vitals of Finland's early post-war recovery and trade prospects. The concerns listed are among the most important in the Scandinavian country and they include among their officers and directors many leaders in political and financial circles.

Meanwhile, the United States continues to maintain diplomatic relations with Finland and has its legation in Helsinki, although no minister has been on active duty for many months. The question of breaking relations has come up for consideration on one or two occasions, but the decision has been negative in the hope that by continuing to remain friendly with Finland the United States might be able to pry her loose from Germany.

The Re-Insurance Industry

(Continued from first page)

with agents or dependent thereon. No one appreciates more than I do what all branches of the insurance industry owe to the agents. Yet, too many direct-writing companies are today so dependent upon their agents that the company officials are not free to do what they think would be best for their company. Re-insurance company officials are wholly free from such entanglements.

7. Our nation is on the verge of great progress in preventing fire, marine, casualty and life losses. After World War II better living conditions, new building codes, increased use of non-combustible materials, extended water supplies with more efficient fire and police departments, combined with sprinkler systems or fire alarm boxes in every building, should materially reduce losses of all kinds. As re-insurance suffers most as the loss ratios increase, so these professional re-insurance companies should profit most as these loss ratios are reduced.

8. The professional re-insurance industry today is disorganized and has an inferiority complex. It is existing upon "crumbs" thrown out by the big companies when it should be the leader of the entire insurance field. In Europe, these re-insurance companies have led, and dictated to direct-writing companies the basic policies of fire protection. Some day our U. S. re-insurance companies will enjoy a much more important place in fire, marine, casualty, life and other branches of the insurance industry. Furthermore, the social and political hurdles facing the direct-writing companies should re-act beneficially to the professional re-insurance companies.

9. It is true that this industry is now under a cloud; but I believe it is fundamentally sound. With the co-operation of the National Board of Fire Underwriters, the National Fire Protection Association, the Association of Casualty and Insurance Executives and the Mutual and other associations* the industry can perform a great service to all insurance companies and to the nation as a whole. It needs only organization and better co-operation among its own group and fairer treatment by the direct-writing companies which it is now efficiently serving.

10. Finally, and very important as an inflation hedge, the stocks of most professional re-insurance companies are selling for considerably less than their liquidating value.

Without doubt the fire losses for 1944 will be the largest, excepting 1932, in the history of the United States, namely about \$400,000,000. This compares with an average of \$317,615,500 for the past twelve years. But patriotic people will soon wake up and realize that insurance does not replace losses; it merely distributes them over a large number of people. When a building burns in America, it hurts America just as much as if it were burned by our enemies. People are now about ready to recognize this and be careful, first by preventing fires, and secondly by immediately going to the nearest fire alarm box and calling the fire department. "There never was a fire which could not have been put out with a pail of sand or water when it first started."

*This list includes the National Association of Insurance Commissioners, National Association of Insurance Agents, National Association of Insurance Brokers, Associated Factory Mutuals, National Association of Fire Chiefs, National Bureau for Industrial Protection, Chamber of Commerce of the United States, National Industrial Information Committee, National Industrial Conference Board, American Institute for Property and Liability Underwriters, Anti-Inflation Campaign, and the Committee for Economic Development.

WMC Issues New Rules For Hiring All Men Over 17—Explains Referral Policy

The War Manpower Commission on June 2, issued new sweeping controls over the nation's male workers to be placed in effect by July 1, said an Associated Press dispatch from Washington, on June 2, which also had the following to say regarding the new regulations:

They provide that virtually every job-seeking man in America will be required to apply to the United States Employment Service for assignment to the war plant where he is most needed, regardless of where that plant may be situated.

Employers on the other hand, will be permitted to hire only those men referred to them by the USES.

"The successful conduct of the war now requires the channeling of all available male labor in the nation to jobs of greatest war production urgency, and the retention of such labor in those jobs," Paul V. McNutt, War Manpower Commissioner, declared in announcing the new program. It extends on a nationwide basis the WMC's voluntary program, already in effect in about a dozen areas of critical labor shortage.

"We propose," Commissioner McNutt declared, to accomplish the channeling "by a system of priority referral, effective throughout the nation, but varying among communities by such adaptations as may be found desirable." Farm workers are not restricted, nor are businesses with eight or fewer employees.

Commissioner McNutt said that the program would make it possible for a worker anywhere in the country to "take his most useful place on the industrial firing line," adding: "This is just as important as it is for us to get our soldiers onto the firing line when they are needed."

He said that one principal difficulty in recruiting men for war jobs and retaining them is "over-optimism with respect to an early ending of the war—this causing workers to look for peacetime employment."

"I have been most disturbed by this attitude," he said. "The war is not nearly over, and such sentiment is positively dangerous to the war effort."

Production needs and man power demands may be easing up in specific plants or areas due to cut-backs, but "workers who may be released in such situations are sorely needed in other plants or other areas where war production schedules are being increased. Experience in the past has shown that this easing of man power does not result in the filling of all labor demands in critical war industries."

While some sources saw the expanded program as a move necessary because of the lack of national Service Legislation, Commissioner McNutt said that it had "no relation to any legislation." The WMC National Management-Labor Policy Committee has reaffirmed its conviction, he added, that the nation's manpower needs can be met best under programs developed and adopted voluntarily.

He explained that while the program is on a voluntary basis, sanctions can be imposed in cases of non-compliance. He said that workers who refuse to co-operate would find it difficult without a clearance slip to get a job, while employers who do not participate will not have workers referred to them.

Industries most in need of "strong male labor" at present, Commissioner McNutt asserted, are foundries and forge shops, rubber and tire production, ship repair, logging and lumbering. Similar acute shortages, he added, are developing in such fields as textile manufacturing, coal mining and electronic equipment.

To stiffen further the voluntary man power system, Commissioner McNutt directed that in the 184 certain specified areas of serious labor shortage there should be established:

1. Employment ceiling pro-

gram fixing the total number of men who may be employed in specific establishments. These programs already exist in about 25 areas.

2. Man power priority committees to decide which industries in their respective areas are entitled to worker priorities. About 35 areas have such committees.

The broadened program provides that USES offices will expose applicants to jobs available in the order of their relative importance to the war effort.

"To the greatest degree consistent with the war effort, workers shall be given the maximum possible freedom of choice as to the jobs they accept," Commissioner McNutt said. "Employers also shall be given the maximum possible freedom of choice as to the workers they employ."

In some areas, he continued, the choice will be wider than in others, depending upon the stringency of the labor situation. Under the plan, a worker may be referred to other than an essential job only if he is not needed for an essential job in the area, if he is not adaptable to an essential job outside the area, or if there is "undue hardship, special emergency circumstances or other good cause."

Commissioner McNutt stressed that every WMC area in the country will have considerable latitude in determining detailed application of the plan. In order to "utilize all the help we can get," other agencies will be approved by the area USES offices for clearing and referring workers.

These will include union hiring halls, colleges and universities and other normal employment channels. While the WMC order instructs each regional man power director to put the plan into effect by July 1, Commissioner McNutt said that it could be adopted earlier by any area wishing to do so.

This supplements the previous order of Mr. McNutt, Chairman of the War Manpower Commission, who on May 19 authorized regional directors to extend the program for directing all male workers to jobs through the United States Employment Service or such channel as USES may designate. This action, he said, would permit a better allocation of available male labor. We quote from advices to the New York "Journal of Commerce" from its Washington bureau on May 19, in which it was further stated:

"Up to the present time, such 'controlled referral' has been limited to group I and II areas, in which labor has become very scarce. The extension of these provisions to Group III and IV areas, Mr. McNutt said, is a recognition of the fact that even in areas of more plentiful labor supply, male labor suitable for jobs that can be filled only by men is exceedingly limited.

"The action took the form of an amendment to Regulation 7, which governs the employment stabilization program. It becomes effective May 22.

"This amendment, Mr. McNutt explained, will make it possible for a regional director to control the placement of men in certain age brackets; for instance, those between 18 and 45. From the point of view of the individual, it will make it impossible for him to get a job in non-essential or even in an essential activity unless he is sent there by the U. S. Employment Service, even though he may have a statement of availability from his employer.

Another amendment to Regula-

tion 7 is intended to strengthen the commission's system of instituting employment ceilings, which limits the number of workers or specified types of workers that may be employed in an establishment during specified periods.

Details of the ruling, as officially announced on June 4 by the WMC follow:

Paul V. McNutt, Chairman of the War Manpower Commission, acted today to give industries that are most vital in the nation's war effort priority on all available male labor.

He directed his regional directors to put into effect not later than July 1 a plan designed to aid war industries in which there is now a critical shortage of strong male labor. The order stiffened the voluntary manpower system by extending throughout the nation methods locally developed and tested in previous operations.

The order resulted from a critical review of existing operations requested by the WMC National Management-Labor Policy Committee last month. It permits adaptations to local community needs.

Four steps will be taken to carry out the priority referral plan. They are:

1. Establishment of a nationwide system of priority referrals, after consultation with regional and area committees to the degree necessitated by regional and national manpower demands, which provides that employers shall hire all male workers only from those referred by WMC's United States Employment Service, or by approved arrangements.
2. Setting employment ceilings in the 184 areas of labor shortage as defined by WMC. These are cities listed as Group I and Group II areas. The ceilings fix the total number of men who may be employed in specified establishments.
3. Creation of manpower priorities committees in all of these areas. These committees will decide which industries in their respective areas are entitled to priorities in the referral of available male labor.
4. Intensification of the recruiting activities of USES so that men may be transferred from areas of labor surplus into those areas where urgent war production requires more labor.

and in coal mining, he warned.

"The ability of these industries to produce on schedule is absolutely essential to the continuing supply of our armed forces," he said.

"One primary reason why holding these workers in these critical and vital industries, and the recruiting of additional workers for them, are becoming increasingly more difficult is employers' and workers' over-optimism with respect to an early ending of the war. This sentiment is positively dangerous to the whole war effort.

"Our war production needs and our manpower demands may be easing up in a specific plant or in a specific area where production schedules are being cut because of changed requirements for certain munitions and other goods. Such adjustments are being made constantly. Workers who may be released in such situations are needed sorely in other plants or in other areas where war production schedules are being increased.

"Experience in the past has indicated that this easing of manpower does not automatically result in the filling of all labor demands in critical war industries. Even if there should be a marked increase in these adjustments, priority referrals still would be required to channel available workers into urgent war jobs.

"Priority referral is a program providing that employers, except those in agriculture, may hire male workers only from among those referred by WMC's United States Employment Service or in accordance with arrangements approved by the USES. This action is taken so that workers may be referred to jobs in the order of relative importance to the war effort."

He explained that "arrangements" will include placements through union hiring halls, by colleges and universities, and other normal employment channels approved by the various area organizations of WMC. Each regional and area director will meet with his regional or area committee within the next few weeks to work out local agreements to channel workers through USES to the degree necessitated by manpower demands of the area and nation.

"To the greatest degree consistent with the war needs," Mr. McNutt continued, "workers subject to priority referral shall be given the maximum possible freedom of choice as to the jobs they accept. Employers also shall be given the maximum possible freedom of choice as to the workers they employ.

"So long as we have a shortage of workers to fill critical needs in any area in the country, we have a national manpower problem which we must solve on a nationwide basis in order to meet production quotas. That means we must mobilize our men wherever they are available, to see that every area and every industry which needs labor is supplied with the help which it must have.

"To achieve this objective, USES or other authorized referral agency shall offer successively to each worker job opportunities for which he is qualified in essential and locally needed activity in the order of the relative urgency to the war effort. A worker may be referred to other than essential jobs only when:

1. The worker is not needed for any essential jobs in the area;
2. The worker is not able to accept essential jobs outside the area, or
3. There is undue hardship, special emergency circumstances or other good cause which prevents the acceptance of an essential job.

"Normal referral policies, such as those relating to the referral of workers at their highest recognized skills, to jobs at rates of pay reasonably consistent with prior earnings, will be followed.

"On the basis of the stringency of the labor market situation and the urgency of production in the

local area, and subject to fair and reasonable standards, an area priority referral program may provide for limiting the number of jobs offered a worker, exclusive of those jobs which the worker has good cause for refusing."

Mr. McNutt pointed out that there may be wide variation in giving male workers their choices of employment under the priority referral plan. In some areas where labor is very scarce and where certain war-necessary industries must have more help to meet their critical production schedules, a man may have only a very limited choice of jobs. In other areas there may be much greater freedom of choice because there is more labor available and need for male workers is not so acute.

Several weeks ago the WMC National Management-Labor Policy Committee reaffirmed its conviction that the nation's manpower needs can best be met under manpower programs voluntarily developed and adopted. The committee had recommended that WMC regional and area directors take a fresh look at existing manpower operations to determine in consultation with management-labor committees whether they could be strengthened to provide an adequate supply of male workers.

It also recommended that existing regulations be amended so that plans for the guided placement of all male workers could be put into effect in any area as needed at the option of the regional manpower director after consultation with management-labor war manpower committees.

After examining local problems with regional war manpower committees throughout the nation, WMC's regional directors met in Chicago and developed the principal points in the extended program announced today. Last week their proposals also were submitted to the national management-labor policy committee in Washington.

Mr. McNutt emphasized the fact that every WMC area in the country will have considerable latitude in determining the detailed application of its priority referral plan.

Allendorfer Wins Nat'l Speaking Contest

First prize in the annual National Public Speaking Contest for the A. P. Giannini Educational Endowment Prizes, held as a feature of the Wartime Conference of the American Institute of Banking, at St. Louis, was won on June 6 by Maurice Allendorfer of Kansas City Chapter and the Federal Reserve Bank of Kansas City, Mo. Mr. Allendorfer was winner in a field of eight contestants representing the eight districts into which the country is divided for the purpose of this contest. His prize was \$500 in war bonds and cash. Second place was won by Francis G. Stradcuter of the Bank of California National Association, San Francisco. His prize was \$300 in war bonds and cash. Forde U. Steele of the Central National Bank of Cleveland took third place and won \$200. Halsey G. Bechtel, Jr., of the Chemical Bank & Trust Co., New York City, took fourth place and a prize of \$100.

The national public speaking contest, now entering its 19th year, was made possible in 1926 by A. P. Giannini, Chairman of the Board of the Bank of America National Trust & Savings Association, San Francisco, who set up an endowment fund for this purpose. The income from the endowment is used each year to pay the traveling expenses of each district winner to the annual meeting and contest, to provide him with \$100 for personal expenses, and to provide the four money prizes.

Choice Of Voters Between Centralized Control Or Constitutional Government Says Emery

Terming 1944 as "the year of final decision," DeWitt Emery, President of the National Small Business Men's Association, in his keynote address at the annual membership meeting in Chicago June 3, told delegates that "the choice that voters have to make this fall is not a choice between one of two parties, nor between one of two men for the office of President, but rather a choice between two philosophies of government—centralized control of everything and everybody on the one hand, or Constitutional Government with the rights of the people, including freedom of religion, freedom of speech and freedom of opportunity, guaranteed by a Bill of Rights on the other hand."

He reported that small business is making a tremendously large contribution to the war effort, pointing out that although 100 companies have 80% of the prime contracts it would be impossible for any one of these prime contracts to be completed without the bits and pieces produced by tens of thousands of subcontractors—all of whom are small business. He estimated that if the total dollar volume of all the small plants in the country engaged in war production were reported separately, instead of being added into the big plants' production figures, it would exceed that of all the big plants put together. "If small business men are so important in these respects," he demanded, "doesn't it naturally follow that they are also important in all other respects?"

He asserted that "the small business men of this country do not want anyone, the Government least of all, to hold an umbrella above them." What they do want, over and above everything else, he said, "is an administration in Washington in which they can place full confidence, and with which they can cooperate to help bring about conditions under which they have a fair chance to operate their respective businesses with a reasonable expectation of profit."

The Association's stand on labor relations, taxes, Government competition with business climaxed the meeting and in its preamble submitted the resolutions "to the end that we, as a nation may—

"1. Victoriously emerge from the war; 2. Return to free constitutional government; 3. Restore to ourselves and preserve to posterity those principles of freedom which have made available to the enterprise of each individual of this society unlimited opportunities for free employment of his talents; and a social order which has established this nation as the paragon of all the organized societies of recorded history."

The resolutions follow:

Taxes

"1. We believe the ordinary cost of conducting government should and must be drastically reduced by the elimination of every non-essential board and bureau. We urge that Congress investigate such boards and bureaus and pass legislation to effect the maximum reduction possible.

"We commend and support Senator Byrd in his sound and patriotic campaign to bring about reduction in the cost of essential government.

"2. We favor the adoption of the principles of single taxation on corporate profits by exempting dividends paid.

"3. We urge that the tax on corporation incomes be amended to provide for a drastic reduction on normal tax and surtaxes on the first \$25,000 of net corporate income, to a total tax of 10%.

"4. We believe that the Cooperative form of conducting business is a legitimate form of competition with private free enterprise, but we favor the elimination of subsidies, preferential government loans or exemptions from taxation which create unfair advantages over private taxable business."

Labor Relations

"1. We urge earliest possible revision by Congress of existing labor laws to the end that they shall be fair equally to employers, employees and the general public.

"2. We condemn as unpatriotic and in many cases treasonable, the wave of strikes in industries directly or indirectly involved in the war effort.

"3. We oppose the insertion by the National War Labor Board of compulsory maintenance of membership clauses in contracts between employers and unions, which we believe to be an unconstitutional exercise of authority.

"4. We favor the principle of incentive pay.

"5. We recognize the wartime necessity for control of wages and salaries but urge that the rules and procedures of the National War Labor Board and the Wage Administration be simplified and expedited.

"6. Small business, being in the aggregate the Biggest Business in America, will be called upon unquestionably to shoulder the major portion of the burden of post-war re-employment. Small Business can be depended upon to furnish employment to at least four million returned servicemen and women provided that Small Business, after the war is won, is freed from the restrictions and controls which strangle initiative and enterprise. Such a resurrection of our traditional freedoms would inure as well to the benefit of agriculture and labor and the nation as a whole.

"7. We again urge that the American people recapture and protect the fundamental American principles involved in the right of every man to work without paying tribute to any private organization and of every employer to employ without fear of discrimination or reprisal by administrative agencies of government or by any other organized group; and that all citizens have full protection of person and property by civil authorities in defense of these rights.

"We reaffirm our support of the open shop principle, with full recognition of the right of workers to organize and to bargain collectively for the advancement of their own interests. We insist that no man or woman in the armed services shall, upon return to civilian life, be forced to join a union to get a job."

Hoarding of Labor

"We urge an immediate investigation by Congress of the regulation of the War Manpower Commission on hoarding of labor, which denies labor to small essential businesses."

Labor Legislation

"Whereas various official and unofficial interpretations of the Hatch Act and the Smith-Connally Bill indicate that the provisions of such legislation are to be administered so as to show partiality and discrimination, we urge the Congress to revise and reenact the principles of such legislation to the end that the same may be uniformly impartial as to all persons, groups and organizations."

Government Competition With Business

"We commend the present governmental policy regarding the disposition of surplus war materials, plants and equipment through regularly established dealer channels and giving small business equal opportunity to bid upon such surpluses, by selling in small lots."

Price Control

"1. As a war measure, we favor control of prices, salaries and wages by federal authority until production is brought into reasonable balance with demand. When production of any materials or goods has been brought into such balance, price controls on such items shall be abolished.

"2. Reasonable control must include reasonable profit to invested capital. We believe price control to be a necessary wartime evil and that it constitutes, in the hands of a centralized administration, a dangerous threat to freedom of enterprise. We favor final and permanent termination of any form of federal control of prices, salaries and wages at the earliest practicable date. We strongly recommend reconsideration and re-establishment of base period for fixing prices.

"3. We favor Federal legislation providing for judicial review of final rulings of O.P.A. and all other administrative agencies."

Renegotiation

"1. We recommend that renegotiation of war contracts be simplified by unified procedure, applicable to all adjustment boards; and that the right of appeal from those findings be preserved to the contractor.

"2. We also recommend that contract termination be completed as speedily as possible so that the contractor can obtain final payment at the earliest possible date, and in the event his claims are not quickly settled that he be promptly given payment for all except the disputed amount or given a loan during the pendency of the settlement."

All the Association's present officers were reelected. They are: DeWitt Emery, Chicago, President; A. F. Mathews, Saginaw, Mich., Vice-President; D. H. Holloway, Akron, Ohio, Treasurer; James S. Westbrook, Bridgeport, Conn., Secretary; Miss Margaret Robson, Akron, Ohio, Assistant Secretary; and J. Raymond Tiffany, Hoboken, N. J., General Counsel.

Three trustees of the Association were reelected and two new trustees were elected to serve 6-year terms. Reelected trustees are: C. R. Boyd of the H. C. Boyd Lumber Co., Coraopolis, Pa.; A. F. Mathews of the Consolidated Freight Co., Saginaw, Mich.; and J. Raymond Tiffany, attorney, Hoboken, N. J. New trustees are: W. J. Boos of the Walk-Easy Footrest Co., St. Louis, Mo., and Wilbur Jones of the Northrup-Jones Co., Omaha, Neb.

Canada-U. S. Signs Convention To Avoid Double Estate Taxation

The signing of a convention for the avoidance of double succession and estate taxation between Canada and the United States was announced in the House of Commons at Ottawa on June 8 by Prime Minister Mackenzie King. The latter signed for Canada while Ambassador Ray Atherton signed for the United States. The Montreal "Gazette" reporting this stated:

"Officials here said that in the past estates paid double succession duties when the assets were in both countries. For example, if a Canadian died leaving securities of United States companies, these securities were taxed in both Canada and the United States. Now they will only be taxed once and the rate will not be greater than as if the assets were all in one country.

"The convention, however, applies only to Federal taxation. Any arrangement between states and provinces to take care of their succession taxes are made directly between the governments concerned.

Morgenthau Opening Fifth War Loan Drive Says U. S. Has Spent \$200 Billion On War

In officially opening the \$16,000,000,000 Fifth War Loan Drive on June 12, Secretary of the Treasury Morgenthau stated that the United States has spent \$200,000,000,000 on the war so far and before the year is out another \$95,000,000,000 will be spent. The drive was officially brought under way by Mr. Morgenthau, at Texarkana, the city on the border of Texas and Arkansas. To start the event, Mr. Morgenthau spent the entire day in Texarkana. The day's first activity was an inspection tour through the Lone Star Ordnance plant and Red River Ordnance depot.

In a broadcast the Treasury chief said, according to Associated Press accounts:

"General Marshall told me last Wednesday (June 7) before he left for England that our war expenditure for the last three months of this year will be the highest yet and that we've just started.

"To march from Naples to Rome cost \$6,700,000,000. I leave it to you to imagine what it will cost to march from Rome to Berlin.

"The cost of taking the Marshall Islands was \$6,000,000,000. I leave it to you to imagine what it will cost us to go from the Marshall Islands to Tokyo."

Urging support of the Fifth War Loan drive, Mr. Morgenthau stated: "The harder we fight the sooner we're going to win. If our armed forces don't get the money they need—all the money they need—they can't fight as hard, and they can't win as soon. It's just as simple as that."

The drive was described by Mr. Morgenthau as "a contribution by

the people of this country toward the liberation of the world."

The spearhead of the campaign was an hour-long radio program produced by Orson Welles and originating at KCMC at Texarkana. Secretary Morgenthau, Governors of five Gulf Southwest States, and some 20 stage, screen and radio stars pooled their talents for the opening.

Mr. Morgenthau was the guest of honor at a civic luncheon in the Hotel Grim, to which the entire city was invited. Throughout the afternoon his time was divided between rehearsing for the radio show and reviewing a parade in which troops, military equipment and war bond workers took part.

Selection of Texarkana as the point from which to start the Fifth War Loan was made, it is said, because of its unique position. The city itself, divided between two States, regards itself simply as "Texarkana, U. S. A." The city many weeks ago began preparations for the opening of the Fifth War Loan, proposing to make the opening day of the campaign a local D-Day to stimulate greater interest in the war, and back up the fighting forces.

Plans For Opening New York's Fifth War Loan

The Army, in cooperation with the Treasury Department, will play an important role in promoting the Fifth War Loan campaign, which opens on June 12, according to plans announced by Frederick W. Gehle, executive manager of the War Finance Committee for New York, at a press luncheon given at Toots Shor's Restaurant, in New York on June 6. New York City will jump the gun in the Fifth War Loan Mr. Gehle said, by staging two giant military spectacles on Sunday, June 11, the day before the drive officially gets underway.

These will be an all-infantry parade to be called "A Salute to the Infantry"—up Fifth Avenue. The parade will consist of a full battle strength battalion, totaling more than 1,200 fully equipped doughboys, plus a special 80-piece Infantry band and a 60-piece drum and bugle corps. This unit is part of the 100th Infantry Division, from Fort Bragg, N. C., under command of Major-Gen. Withers A. Burrell, which has been ordered to New York City by the War Department, in cooperation with the Fifth War Loan.

In order to give New Yorkers a graphic idea of what the money they invest in War Bonds is buying this special unit will bring with it for the parade a cross section showing the various mobile guns and equipment taken into battle by an Infantry Division.

The parade will get under way from 40th Street at 12:15 p.m. and will move north on Fifth Avenue to 85th Street. It will be reviewed from the steps of the Metropolitan Museum of Art by officials of the War, Treasury Departments and the city including: Under Secretary of War Robert P. Patterson, Under Secretary of the Treasury Daniel W. Bell, Lieut.-General Brehon B. Somervell, commanding the Army Service Forces; Major General Thomas A. Terry, Commanding General Second Service Area; Brigadier General Ralph K. Robertson, Commanding General of the 1st District, New York City; Nevil Ford, Chairman of the War Finance Committee for New York, Mr. Gehle, Mayor LaGuardia, the Borough Presidents and members of the City Council.

As the parade reaches the reviewing stand, Mayor LaGuardia will broadcast his regular Sunday program from the stand devoting it to a description of the parade, and the various pieces of equip-

ment as they roll by. Following the parade, the guests will be transported from the reviewing stand to the Great Lawn of Central Park, directly back of the Museum, for the official opening of the Army Service Forces "Weapons Of War" exhibit, which will take place at two o'clock. Major General Terry will officiate at the opening of this spectacle, which begins a 12-day stand in connection with the Fifth War Loan. Mr. Gehle, in describing the exhibit, said that it covers 750,000 square feet in the Park, which has been turned into a huge model of a modern battle ground, by the troops assigned to the show. On display, in contrasting exhibits, will be every type of weapon and equipment issued to American soldiers, along with pieces of German and Japanese equipment captured in battle.

A miniature German village has been erected, complete with Nazi booby traps, slit trenches, machine gun positions and block houses. This model will be the scene of a sham battle every 45 minutes throughout the exhibits' stay in the city.

"Weapons Of War" will be open to the public daily and Sunday from 11 a.m. until 11 p.m. Admission is free and spectators will be escorted through the area by trained service men. The Fort Jay, Camp Upton and WAC bands from the Second Service Command will furnish continuous music. In explaining the cooperation which the Army is giving the War Finance Committee for New York, Mr. Gehle emphasized the fact that New York City will be asked to account for one-quarter of the Fifth War Loan's national total of \$16,000,000,000. He also stressed the importance of the Fifth War Loan in view of the beginning of the long-awaited invasion of western Europe, and expressed the hope that the invasion, coming on the heels of the fall of Rome, would not lead the public to a false feeling of optimism.

New Machinery For Handling Foreign Relations Of U. S. Needed: Former Ambassador Gibson

The assertion that our machinery for handling foreign relations is in need of "a drastic overhauling," was made on June 3 by Hugh Gibson, former Ambassador to Belgium and Brazil, in an address at the Haverford College commencement at Haverford, Pa. In making this statement Mr. Gibson proposed a permanent autonomous Council of National Defense, composed of representatives of all branches of the Government dealing with foreign affairs, "to maintain and formulate" the United States' foreign policy. Mr. Gibson further expressed the view that "if we bring the people's representatives to participate in the formulation of foreign policy, we get back something like the spirit of the Constitution, which prescribed sensational 'advice' as well as consent for important decisions."

The foregoing account of Mr. Gibson's views were given in special advices to the New York "Times" from Haverford, June 3, from which we also quote in part as follows:

Mr. Gibson, who is co-author with former President Herbert Hoover of "The Problems of Lasting Peace" and has had a quarter of a century experience as a career diplomat, outlined his idea of the Council, which, he said, he would elaborate on in the forthcoming book.

Mr. Gibson said that for obvious reasons, the Council, a Government department, should be "under the jurisdiction of the Secretary of State and made up of high-ranking, responsible representatives of the Departments of Treasury, Commerce, War, Navy and some of the alphabeticals."

"I would also make the radical suggestion," he continued, "that it should include the majority and minority representatives of the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs."

The people's representatives, he said, having sat in on the discussions leading to important decisions, "would be in a position to go before the Senate and vouch for the reasonableness of the agreements reached."

"Under present conditions they have no such yardstick, and much of the present difficulty is due to the fact that there is no adequate provision for Senatorial advice."

"The Senate is largely ignored until agreements are reached, then is faced with the alternative of accepting a fait accompli or being held up to public scorn for obstruction. We should be able to devise some more sensible and grown-up method."

There has been some attempts to improve the collaboration of Federal Departments and to keep Congress informed, Mr. Gibson said, but "for all practical purposes we are still improvising, tidying up messes rather than avoiding them."

"What we need is a joint effort of governmental agencies to build up and maintain a clear and understandable picture of the situation over the world, our own problems and the means at our disposal for dealing with them."

He pointed out that a policy, without an adequate diplomacy to put it into effect, was practically useless and that "until we build a foreign policy we cannot hope to play our full part in the world."

"If we are to have peace and order, it must be on the basis of long-range planning among the principal powers," he said. "We stand alone among the great powers as a nation that can never plan more than four years ahead."

If the Government possessed a complete understanding of its task, he added, "the people could for the first time be given a true picture and would be able to judge developments on a broader basis of knowledge."

"The people should be informed as to policy, not as to current negotiations; but as to aims and purposes. Without full information they cannot exercise the intelligent control of government, and our representatives will continue

at the mercy of shifts of feeling." Shifts in public opinion inspired by emotional rather than accurate knowledge are responsible for many changes in our foreign policy, Mr. Gibson declared.

Along this line, he said one of the fundamental problems is the need for education of the people on our own history so that they will be able to appraise the information given them by the Government.

Declaring that nothing could take the place of historical background in fitting the citizen for judging political proposals and the conduct of government, Mr. Gibson cited the high degree in which other countries stress their national history and added:

"This is not true in America. Here we have a shocking situation. Something over a year ago the New York "Times" published a report on the teaching of history in the United States, a report that has something like the importance of a state paper. It made the startling revelation that in 82% of our institutions of higher learning no knowledge of American history is required for the granting of a degree."

"In defense of this the argument was advanced that it would be a waste of time for the universities to teach history as the students had already covered the ground in high school."

"The results of the inquiry hardly support the argument. In any event the sort of elementary history taught in schools should be no more than a foundation for the more mature study of the colleges. This survey of the information possessed by some 7,000 representative freshmen in 36 universities indicated an appalling ignorance of the most elementary aspects of our history. The survey was not concerned with insignificant details or obscure dates. To offer one striking illustration, 25% of these students did not know that Lincoln was President of the United States during the War Between the States. Eighty-four per cent could not recall two achievements of Thomas Jefferson. Many of them thought the Bill of Rights guaranteed the right to work, to play, to happiness and to choose one's own recreation. Others described the Bill of Rights as securing us against want and fear. Not many of them referred to freedom of speech, press, religion and assembly."

"The 'Times' survey has revealed an urgent need for overhauling our whole system of teaching history. We need American history first of all, for without a grounding in it we are seriously handicapped even in judging our own interests. But if we are to play an effective part in the world we need at least an elementary knowledge of world history. We want to act wisely in our relations with other countries. But we cannot hope to form intelligent opinions about them—why they act as they do and what we can expect them to do—without some familiarity with their background and traditions. Fortunately, we aspire to play a worthy part in the world, but we shall be seriously handicapped until our citizens are equipped with a better knowledge of history."

Argentina, Spain In Pact

From Buenos Aires, June 2 Associated Press advices to the New York "Times" said:

The Finance Ministry announced yesterday a commercial agreement under which Argentina will supply Spain 1,000,000 tons of

King Victor Emmanuel Yields Rule To Son, But Does Not Abdicate

Fulfilling his promise to the Italian people, King Victor Emmanuel III of Italy on June 5, signed over his royal powers to his son Crown Prince Umberto as Lieutenant General of the realm. As reported by Associated Press advices from Naples June 5 in the New York "Times" the advices went on to say:

"The King, who is 74-years old, did not abdicate his throne. A formal statement said that he had turned over all his powers 'without exception' to 39-year-old Umberto, who would hold them 'irrevocably' as long as he lives, but that Victor Emmanuel would remain King of Italy and head of the House of Savoy."

"The historic documents were signed at 3 p.m. in the King's closely guarded villa at Ravello. The action carried out to the letter his April 12 pledge to the Allies that this appointment (of Umberto as Lieutenant General) will become effective by a formal transfer of power on the day on which Allied troops enter Rome."

"In effect, Prince Umberto becomes the King's regent."

The text of the King's withdrawal decree, according to United Press cables to the New York "Herald Tribune" read:

"I, Victor Emmanuel III, by the Grace of God and the will of the Italian people King of Italy,

"In collaboration with the Premier and with agreement of the Council of Ministers we have ordered an order as follows:

"My dearly beloved son Humbert of Savoy, Prince of Piedmont is nominated our Lieutenant General. In collaboration with responsible ministers he will in our name superintend all matters administrative and exercise all royal prerogatives without exception, signing royal decrees which will be countersigned and authenticated in the usual way."

"We order all concerned to observe this decree and see that it is observed as the law of the State."

"Given at Ravello the 5th of June, 1944."

Signed: "VICTOR EMMANUEL. Countersigned: "PIETRO BADOGLIO."

The first act of the Italian Council of Ministers after the transfer of royal powers was a formal denunciation of the 1940 armistice treaty inflicted on France, the United Press said.

Under date of June 9, Washington advices to the New York "Times" said:

"Without drawing any comparison between France and Italy, President Roosevelt today reiterated his feeling that in Italy itself no government would be considered as definitely established until the Italians had had a chance to register their choice."

"A reporter asked the President if he would comment on the recent shifts whereby King Emmanuel apparently stepped aside by designating his son, Prince Humbert, as Lieutenant General of the realm, and the subsequent resignation and immediate re-designation of Marshal Badoglio as Premier."

"Mr. Roosevelt replied only that the Allies would not be satisfied until the Italian people themselves had made their choice as to the government under which they wish to live."

wheat, 500 tons of tobacco and 10,000 tons of cotton in exchange for iron, steel and cash.

The agreement which supplements one signed in 1942, requires that Spain deliver 52,500 tons of iron and steel by next May 15, in addition to 30,000 tons stipulated in the former agreement, and thereafter 60,000 tons annually. The period covered by the agreement was not announced.

Supreme Court Invades Legislative Field, Says Senator Bilbo

Senator Bilbo (Dem.-Miss.), on June 5, in a speech in the Senate, contended that the Supreme Court is fostering an "evident plan and purpose" to "invade the legislative field for the purpose of destroying and robbing it of its duties, functions and responsibilities," and said that the court had gone far afield to interpret the Constitution through "hair-splitting definitions and fine-spun theories." We quote from an Associated Press dispatch from Washington on June 5, as given in the New York "Sun," which gave other remarks of Senator Bilbo as follows:

"There is just reason for every patriotic and thoughtful citizen to be disturbed and alarmed when one of the outstanding Justices of this Court is alleged to have given utterance to this statement: 'The notion that because the words of a statute are plain, its meaning also is plain, is merely pernicious over-simplification.'"

The words Senator Bilbo cited were in a dissenting opinion delivered by Justice Frankfurter Jan. 11, 1943. Justice Douglas joined in the Frankfurter dissent from the majority opinion by Justice Roberts holding that persons who testify in obedience to a subpoena before a Grand Jury inquiring into an alleged anti-trust act violation obtain immunity from prosecution even though they do not claim their constitutional right against self-incrimination.

Senator Bilbo particularly singled out for criticism a 4 to 3 decision written by Justice Frankfurter last week that a person's constitutional right against self-incrimination is not violated by admission in a Federal Court of testimony given by the defendant under compulsion in a State Court. The case involved a mail fraud conviction against Samuel Feldman of New York.

Describing the decision as a "damnable stab at the Constitution," the Senator said he was introducing legislation to prevent a recurrence. His bill, he said, would provide that "no testimony given by any person who shall have been compelled to testify as a witness in a judicial proceeding under the laws of any State shall be admissible as evidence against such person in any criminal prosecution in a court of the United States."

"The most alarming and discouraging, oft repeated observation of modern times," he declared, "is to the effect that the meaning of the Constitution of the United States is not what it says in plain and understandable English but that its meaning is what the Supreme Court construes it to be."

"In the face of specific and definite pronouncements, couched in the plainest of understandable English, the judicial branch of our republican scheme of Government, to my mind, in recent decisions, by and through hair-splitting definitions and fine-spun theories, has gone far afield in their natural and human desires to construe and interpret the written Constitution to make the Constitution say what was never intended by the founding fathers, reaching conclusions and shaping the policies of government in such a way and to such an extent that the framers and writers of the Constitution never intended in their wildest dreams."

"The Court's holding that a defendant can be so convicted," the Mississippian said, "cuts into the very substance of the Fifth Amendment. And it justifies this result not by the language or history of the Constitution itself but by a process of syllogistic reasoning based upon broad premises of 'dual sovereignty' stated in previous opinions of the Court relating to immunity statutes."

"Even were there here a 'dual sovereignty' problem, which there is not, such a method of decision would be questionable. Constitutional interpretation should involve more than dialectics. The great principles of liberty written in the Bill of Rights cannot safely be treated as imprisoned in walls of formal logic built upon vague abstractions found in the United States reports."

Nelson Says Industry Must Find Own Work When War Contracts End With Peace Time

Donald M. Nelson, Chairman of the War Production Board told the House post-war committee on June 7 that industry must find its own work when peace ends war contracts, adding that the government can't do it, Associated Press advices from Washington, indicating further what Mr. Nelson had to say, reported as follows:

Using the recent cancellation of Navy contracts with the Brewster Aeronautical Corp. and the subsequent Government hunt for new war work for the plants as an illustration.

"Companies such as Brewster must depend on private ingenuity and initiative in planning their post-war program. After the war it won't be the Government's job to find work for each company in its present expanded position. It's impossible to find a post-war market for the 8,900 airplanes we now produce monthly."

On the labor aspect of cancellations, Mr. Nelson pointed out that on the day of the War Manpower Commission was notified of the Brewster shut-down, that agency's officials offered 11,000 jobs to the 8,000 workers affected, but were turned down because of salary differences and commuting problems.

"We don't want to set a WPA for small businesses," he said. "We want companies to give us the plans and policies for reconversion. I am 100% in favor of helping them, but not running them."

The Brewster affair was cited by the current issue of "Nam News," publication of the National Association of Manufacturers, as showing that the country "faces the imminent reconversion of

American industry from war to peace with neither plans nor machinery to do the job."

The publication added that the flurry of Government activity to find other work for Brewster plants at Long Island City and Johnsville, Pa., led to the "inescapable conclusion that there is still no broad, clean-cut policy or authority to handle similar situations."

Mr. Nelson suggested a post-war streamlining of the WPB and other emergency agencies so that they can be incorporated in an existing Government agency or disappear. He envisioned an "expansionist" economy in the post-war era, sparked by private enterprise and with a minimum of Government pump-priming.

"It's not going to be possible to shrink back to the economy of 1939," he said. "We have gone too far. After the war we must have full utilization of our resources and our facilities."

He urged exploration of foreign markets and said he would like to tell in executive session his plan for selling the capital goods that the world will need for rebuilding.

The American Economic Goal

(Continued from first page)

would designate the chairman. The committee would have a small technical staff, supplemented by experts from Government agencies who would serve in rotation, staying for a time and then returning. Each committee member could be called before Congress for questioning and exposition. The committee, in addition to representation at weekly Cabinet meetings, would make quarterly reports to the President.

The committee would have four main tasks:

(1) To recommend to Congress, at the earliest opportunity, an *American Economic Policy*, and periodically to recommend improvements in this policy;

(2) To define and popularize an *American Economic Goal*;

(3) To outline broad tasks of research and information to help achieve the *American Economic Goal* (these to be undertaken mostly by other public or private bodies);

(4) To evaluate governmental tools, emphasizing which tools developed during war-time should be retained, altered or abandoned to help achieve the *American Economic Goal* in accord with the greater freedom and flexibility of the *American Economic Policy*—and to recommend "modernization" of congressional procedures and of the Executive Departments accordingly.

The committee would not recommend specific legislation—because that would confuse it with specialized agencies, bury it in pressure politics, and distract it from its big job.

The committee would be the first practical step in an evolving democratic teamwork by American enterprise, Congress, the Departments and the President—toward an *American Economic Policy* and an *American Economic Goal*.

An American Economic Policy

The Congress should adopt by joint resolution, and the President should approve, an *American Economic Policy*, taking into account the recommendations of the *American Economic Committee*. This policy would not be a regulatory "code" of obligations, but only a framework of reference for an affirmative, purposeful economic program. To emphasize its flexibility, the resolution would recommend to the President (i) that he comment upon the policy in each annual message, and (ii) that whenever he signed or vetoed a major law affecting economic matters, he attach a short statement relating his decision to the policy.

This might be a first *American Economic Policy*:

(1) "Conversion" to peace does not mean a \$90,000,000,000 income, privation and millions of unemployed. The American economy should enable all the people to enjoy material comfort, good education, security, jobs, and creative leisure. These standards of living should rise as invention and efficiency enlarge our national income;

(2) Maximum standards of living depend upon full employment of manpower, skills, plant and resources. This is the *American Economic Goal*;

(3) Even at some sacrifice of some speed, we should not continue in peace-time the more drastic war-time tools incompatible with the broad freedoms of this *American Economic Policy*. Tools consistent with this policy and essential to help achieve the *American Economic Goal* should be utilized;

(4) Full employment of manpower includes all who are willing and able. Soldiers and war workers will be the largest group seeking post-war employment. Put special systems "to take care of veterans," instead of treating the whole economy comprehensively,

would harm veterans as much as the rest of us;

(5) Achievement of full employment is predominantly a task for the system of American enterprise, including industry, agriculture and labor, working in a democratic environment which encourages collective bargaining by all groups and discourages restrictive monopolies by any;

(6) The Government should provide incentives to American enterprise to expand toward full employment, beginning with:

(a) A Government policy stable enough to encourage enterprise to plan;

(b) Direct incentives to enterprise to plan, including tax incentives where workable;

(c) Governmental research and fact-finding where enterprise needs facts but cannot get them alone. For example: The timing and volume of demobilization for the armed forces and war workers, and the skills and areas of residence of these groups; major locations of job opportunity according to type; technological factors in plant "conversion"; research into new products, methods, and markets here and abroad; and over-all "needs and resources" facts relating to the *American Economic Goal*;

(d) Timely simplification of restrictions and regulations peculiar to war-time;

(7) Insofar as additional incentives are needed to expand American enterprise toward full employment, the Government should prepare fiscal incentives, moving only where necessary from narrower to broader commitments, in this suggested order:

(a) Government insurance or guarantees, such as those stimulating \$4,000,000,000 of private housing investment without public cost, should be utilized in additional fields to encourage large-scale investment at moderate return;

(b) Public credits, providing cheaper money in the city and on the farm;

(c) "Marginal" public expenditures to generate private investment. For example: Interest subsidies on insured, long-term, low-rate loans for acquiring and clearing blighted urban areas, could stimulate \$80,000,000,000 worth of city rebuilding, mainly by private construction, over a 10 to 15-year period;

(d) We should boldly explore additional incentives, using systems and funds to encourage employment at least as willingly as palliatives for unemployment, and discarding the paralyzing doctrine that utilizing American enterprise is incompatible with planning or adequate social controls;

(8) Where all these incentives fail to achieve full employment by American enterprise, direct Government programs represent bed-rock civilized responsibility. Profiting by experience, these programs should be readjusted as follows:

(a) We should abandon defeatism, such as seeking more unemployment protection by higher payroll taxes on low wages and low employment, using shorter hours to "share unemployment," taxing "excess profits" without questioning the inevitability of capital stagnation, or planning public works on the assumption that seven to ten million post-war "unemployed" are inevitable. If we overemphasize economic-Maginot-line strategy, we shall be overwhelmed by the magnitude of post-war problems;

(b) Adopting a creative offensive against unemployment, we should integrate spending, taxing and regulation with an *American Economic Policy*, measuring their long-term effect upon all employment, and using them primarily as incentives to full employment by encouraging a healthy balance

of prices, business activity, savings, investment and consumer expenditures, instead of just using them to cure maladjustments after they occur;

(c) Public works and related undertakings to provide jobs, instead of being planned in isolation, should be coordinated with plans for expansion of American enterprise, so that they will be really supplementary to the employment capacity of American enterprise;

(d) Public works should be planned to enrich our environment instead of just "making jobs," and to avoid new manpower maladjustments by sporadic overexpansion of construction. The harnessing of water power, conservation of natural resources, improvement of public facilities for communication, are all dramatic aspects of the *American Economic Goal*;

(e) These improvements in methods will tend to stabilize public undertakings at reasonable levels, not by sacrificing goals, but by success in achieving them;

(9) We should continue measures to prevent exploitation, establish decent standards of work and pay, set up systematic protection against old age, accident and illness, and maintain community services—reflecting what an expanding economy can permanently afford, rather than what a stricken economy turns to for temporary relief;

(10) America should participate in international economic arrangements, to enlarge world trade and to make our world healthier, more stable, more prosperous and more peaceful. This participation should be part of an *American Economic Policy*, and not random political or economic adventures.

The American Economic Goal

The *American Economic Committee* should define an *American Economic Goal*, reflecting America's optimum productive capacity, national income and employment, and correlating these with an "optimum standard of living within the reach of all American families." The goal would be a continuing inventory of our needs and resources—with sub-goals reflecting major categories.

This goal would involve neither regimentation nor compulsion. Democratically conceived by a representative committee, it would express America's voluntary sense of its power and promise. We would not proceed toward it under the forced draft of war "quotas." We would move at whatever pace the people approve.

To achieve this goal American enterprise and government, whose tools have proved superb in producing for war, would function in peace-time under the greater freedom and flexibility, but equally clear purpose and determination, of an *American Economic Policy*.

The committee would present the goal to the public, in a brief, popular report, signed by committee members and approved by the President. At intervals there would be progress reports, including timely features, such as the reemployment of veterans. The President would discuss these reports in radio talks.

Thus the driving force toward the goal, focusing continually upon the performance of both enterprise and government, would be that prime weapon of democracy, the watchful eye of an informed people.

We wait breathlessly for reports on war progress. Nationwide interest and discussion relating to the goals of peace-time will increase our post-war progress.

We Should Start Now

Americans should not fear planning above board. They should fear the confusion and dissent which enable evil groups to

plan secretly. This plan takes a first practical

Inauguration Of Local Development Service By N. Y. State Division Of Housing Announced

Inauguration of a Community Development Service by the State Division of Housing to help cities, towns and villages plan for their post-war housing needs, was announced at Syracuse, N. Y., on June 7 by Ira S. Robbins, Acting State Commissioner of Housing, in an address at the annual meeting of the Conference of Mayors and Other Municipal Officials. Commissioner Robbins advocated immediate

action by municipalities to enable them to deal effectively with the housing, urban redevelopment and other planning problems which they will inevitably face in the post-war era. He outlined the following eight points on which the State Division of Housing is now in a position to work with communities requesting aid in:

1. Establishing the facts about housing conditions and needs for all income groups in the community.

2. Formulating a program for builders, lending institutions and public agencies to meet those needs.

3. Preparing an effective demolition code to eliminate unsafe or uninhabitable buildings.

4. Modernizing and fitting building codes to meet local needs.

5. Mapping out a practical program of urban development or redevelopment.

6. Encouraging programs for neighborhood conservation and improvement by neighborhood groups.

7. Effectively controlling unnecessary or premature subdivision of vacant land.

8. Tackling the job of preparing a practical rural housing program.

"As far as I know," said Commissioner Robbins, "the inauguration of the Community Development Service is the first of its kind by any state agency in the country, and is another step in the pioneering efforts of New York State in improving housing, neighborhood, and community conditions throughout the State. In carrying out this program, field representatives of the Division of Housing will be available to confer with municipal officials and other responsible groups. We will also work in close cooperation with the New York State Conference of Mayors and Other Municipal Officials, and the Association of Towns of the State of New York, so that there will be no duplication of effort."

Copies of an illustrated pamphlet describing the Community Development Service of the State Division of Housing were distributed to officials, approximately 1,000 attending the conference. The booklet, entitled "The State in Which We Live" carries a message from Governor Thomas E. Dewey, in which he said in part:

"The Community Development Service of the Division of Housing . . . explains how your State Government can help your community to mold itself according to the best concepts of modern planning. This huge task will be done soundly and effectively only if there is the greatest degree of cooperation between the State Government, local housing authorities and private enterprise.

"We can set new and higher living standards for the people of this State through the building of large and small scale housing developments by private enterprise supplemented by State-aided projects for families of lower income. To do the job well, we must

step toward bringing one increasing purpose into our economic life.

It strengthens the capacity of enterprise, government and the people to fulfill that purpose.

It establishes no blueprint, because Americans perfect their plans in action. But it suggests how to get into action.

Parts of the plan could be changed without affecting its core. For these reasons it might be adopted quickly.

To realize America's post-war promise, we must begin now.

enlist the full energies of both private and public endeavor."

According to Commissioner Robbins, the pamphlet will be given State-wide distribution to public officials, Chambers of Commerce and other service organizations, labor groups, banks, civic, welfare and educational groups and others interested in various aspects of the housing problem. He stated that additional copies could be obtained without charge upon application to the State Division of Housing at 80 Centre Street, New York City.

Commissioner Robbins pointed out in his address that while urban redevelopment was the most immediate and pressing problem facing cities, every indication pointed to the fact that the first post-war building rush would be in the outlying suburban and rural areas. For this reason he felt the initial essential step for each community was to determine its housing needs in advance, and then plan accordingly.

Results Of Treasury Bill Offering

The Secretary of the Treasury announced on June 12 that the tenders for \$1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated June 15 and to mature Sept. 14, 1944, which were offered on June 9, were opened at the Federal Reserve Banks on June 12.

The details of this issue are as follows:

Total applied for, \$2,193,852,000.
Total accepted, \$1,200,955,000 (includes \$52,297,000 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, 99.909, equivalent rate of discount approximately 0.360% per annum.

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

(49% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on June 15 in the amount of \$1,016,136,000.

Natl. Air Cargo Packaging Luncheon and Forum

The first National Air Cargo Packaging Luncheon and Forum of the Aviation Section of the New York Board of Trade will be held on June 23 at the Hotel Pennsylvania. Following the luncheon, which will be featured by a prominent speaker from the Air Transport Command, A.E.F.

There will be a panel discussion with forum; the panel leaders will be G. F. Bauer, International Trade & Air Commerce Consultant; J. D. Malcholson, Chief of Technical Section, Paper Board Division, WPB; Louis deGarmo, Consultant on Package Styling & Display; Ida Bailey Allen, House Economist, Radio Broadcaster, Author, Consultant and Woman's Interest Editor of Parade Magazine.

The displays will include a large exhibit of the Airlines, Shippers, packaging, processing and cooperating companies, container manufacturers, express companies, warehousemen and others on air cargo packaging, styling placement and use. Dan H. Ecker is Secretary of the Aviation Section, New York Board of Trade, 291 Broadway.

Liberation Of Rome By Armed Forces Of Many Nations Held Significant By Roosevelt

With the capture of Rome on June 5 by the American and Allied troops, President Roosevelt in a talk broadcast from Washington that night, noting that "the first of the Axis capitals is now in our hands," observed that "it is perhaps significant that the first of these capitals to fall should have the longest history of all of them. The story of Rome goes back to the time of the foundations of our civilization."

"It is also significant," said the President "that Rome has been liberated by the armed forces of many nations. The American and British armies, who bore the chief burdens of battle, found at their side our own North American neighbors, the gallant Canadians, the fighting New Zealanders from the far South Pacific, the courageous French and the French Moroccans, the South Africans, the Poles and the East Indians—all of them fought with us on the bloody approaches to the city of Rome."

The President took occasion to state that "our victory comes at an excellent time, while our Allied forces are poised for another strike at western Europe." He referred to the task of the Allies in occupation, "as having been stupendous, and following a reminder that Germany has not yet been driven to surrender," he added, "therefore, the victory still lies some distance ahead. That distance will be covered in due time—have no fear of that. But it will be tough and it will be costly, as I have told you many, many times." From the President's remarks we also quote:

"Some of us may let our thoughts run to the financial cost of it. Essentially it is what we can call a form of relief. At the same time we hope that this relief will be an investment for the future—an investment that will pay dividends by eliminating Fascists, by ending any Italian desires to start another war of aggression in the future, and that means that they are dividends which justify such an investment because they are additional supports for world peace."

The President, in noting that the Italian people are capable of self-government, stated that "we do not lose sight of their virtues as a peace-loving nation."

He said further, "Italy should go on as a great mother nation contributing to the culture and the progress and the good-will of all mankind."

The President likewise said:

"The Germans after years of domination in Rome left the people in the Eternal City on the verge of starvation. We and the British will do, and are doing everything we can to bring them relief."

In his concluding remarks, the President extended the congratulations and thanks of the American people to the Generals in command of the forces, "to all their brave officers and men."

The talk of the President, as given in Associated Press accounts, follows in full:

"Yesterday, June 4, 1944, Rome fell to American and Allied troops. The first of the Axis capitals is now in our hands. One up and two to go!

"It is perhaps significant that the first of these capitals to fall should have the longest history of all of them. The story of Rome goes back to the time of the foundations of our civilization. We can see there monuments of the time when Rome and the Romans controlled the whole of the then known world. That too is significant, for the United Nations are determined, that in the future no one city and no one race will be able to control the whole of the world.

"In addition to the monuments of the older times, we also see in Rome the great symbol of christianity, which has reached into almost every part of the world. There are other shrines, and other churches in many places, but the churches and shrines of Rome are visible symbols of the

faith and determination of the early saints and martyrs that christianity should live and become universal. And now it will be a source of deep satisfaction that the freedom of the Pope and of the Vatican City is assured by the armies of the United Nations.

"It is also significant that Rome has been liberated by the armed forces of many nations. The American and British Armies—who bore the chief burdens of battle—found at their sides our own North American neighbors, the gallant Canadians, the fighting New Zealanders from the far South Pacific, the courageous French and the French Moroccans, the South Africans, the Poles and the East Indians—all of them fought with us on the bloody approaches to Rome.

"The Italians, too, forswearing a partnership in the Axis which they never desired, have sent their troops to join us in our battle against the German trespassers on their soil.

"The prospect of the liberation of Rome meant enough to Hitler and his generals to induce them to fight desperately at great cost of men and materials and with great sacrifice to their crumbling eastern line and to their western front. No thanks are due to them if Rome was spared the devastation which the Germans wreaked on Naples and other Italian cities. The Allied generals maneuvered so skillfully that the Nazis could only have stayed long enough to damage Rome at the risk of losing their armies. But Rome is, of course, more than a military objective.

"Ever since before the days of the Caesars, Rome has stood as a symbol of authority. Rome was the republic. Rome was the empire. Rome was, and is, in a sense, the Catholic church, and Rome was the capital of a united Italy. Later, unfortunately, Rome became the seat of Fascism—one of the three capitals of the Axis.

"For a quarter century the Italian people were enslaved and degraded by the rule of Mussolini from Rome. They will mark its liberation with deep emotion. In the north of Italy, the people are still dominated and threatened by the Nazi overlords and their Fascist puppets.

"Somehow, in the back of my head is still remembered a name—Mussolini.

"Our victory comes at an excellent time, while our allied forces are poised for another strike at western Europe—and while armies of other Nazi soldiers nervously await our assault. And our gallant Russian allies continue to make their power felt more and more.

"From a strictly military standpoint, we had long ago accomplished certain of the main objectives of our Italian campaign—the control of the sea lanes of the Mediterranean to shorten our combat and supply lines, and the capture of the airports of Foggia from which we have struck telling blows on the Continent.

"It would be unwise to inflate in our own minds the military importance of the capture of Rome. We shall have to push through a long period of greater effort and fiercer fighting before we get into Germany itself. The Germans have retreated thousands of miles, all the way from the gates of Cairo, through Libya and Tunisia, and Sicily and southern Italy. They have suffered heavy losses, but not great enough yet to cause collapse.

"Germany has not yet been driven to surrender. Germany

has not yet been driven to the point where she will be unable to recommence world conquest a generation hence.

"Therefore, the victory still lies some distance ahead. That distance will be covered in due time—have no fear of that. But it will be tough and it will be costly.

"In Italy the people had lived so long under the corrupt rule of Mussolini that, in spite of the tinsel at the top, their economic condition had grown steadily worse. Our troops have found starvation, malnutrition, disease, a deteriorating education and lowered public health—all by-products of the Fascist misrule.

"The task of the Allies in occupation has been stupendous. We have had to start at the very bottom, assisting local government to reform on democratic lines. We have had to give them bread to replace that which was stolen out of their mouths by the Germans. We have had to make it possible for the Italians to raise and use their own local crops. We have to help them cleanse their schools of Fascist trappings.

"The American people as a whole approve the salvage of these human beings, who are only now learning to walk in a new atmosphere of freedom.

"Some of us may let our thoughts run to the financial cost of it. Essentially it is what we can call a form of relief. At the same time we hope that this relief will be an investment for the future—an investment that will pay dividends by eliminating Fascism and ending any Italian desires to start another war of aggression in the future. They are dividends which justify such an investment, because they are additional supports for world peace.

"The Italian people are capable of self-government. We do not lose sight of their virtues as a peace-loving nation.

"We remember the many centuries in which the Italians were leaders in the arts and sciences, enriching the lives of all mankind.

"We remember the great sons of the Italian people—Galileo and Marconi, Michelangelo and Dante—and that fearless discoverer who typifies the courage of Italy—Christopher Columbus.

"Italy cannot grow in stature by seeking to build up a great militaristic empire. Italians have been overcrowded within their own territories, but they do not need to try to conquer the lands of other peoples in order to find the breath of life. Other peoples may not want to be conquered.

"In the past, Italians have come by the millions to the United States. They have been welcomed, they have prospered, they have become good citizens, community and governmental leaders. They are not Italian-Americans. They are Americans—Americans of Italian descent.

"Italians have gone in great numbers to the other Americas—Brazil and the Argentine, for example—and to many other nations in every continent of the world, giving of their industry and their talents, and achieving success and the comfort of good living.

"Italy should go on as a great mother nation, contributing to the culture and progress and good will of all mankind—and developing her special talent in the arts, crafts, and sciences, and preserving her historic and cultural heritage for the benefit of all peoples.

"We want and expect the help of the future Italy toward lasting peace. All the other nations opposed to Fascism and Nazism should help give Italy a chance.

"The Germans, after years of domination in Rome, left the people in the Eternal City on the verge of starvation. We and the British will do everything we can to bring them relief. Anticipating the fall of Rome, we made preparations to ship food supplies to the city, but it should be borne in mind that the needs are so

From Washington Ahead Of The News

(Continued from first page) ably nobody whom Willkie despises more.

The bulk of the present Dewey delegates being of the nature they are, essentially refugees from Willkie, the situation at Chicago would very likely permit of some mastermind manipulation if there were any of this mastermind inclination. We see absolutely none of it in the quarters where we have heretofore looked for masterminded stuff.

One can bet his boots, however, that from now on until the nomination is made there will be increasing reports about Dewey's not being able to get along with the newspapermen; such stories as those that recently flowed out of the Hershey governor's conference that his fellow governors didn't like him. Such stories accompanied him in 1940. As for his so-called inability to get along with the newspapermen, after viewing so many aspirants who have flopped from overly catering to them, I am inclined to think this is a distinct asset. Certainly—ability to get along is not a requirement of being President because no one has kicked them around more than Mr. Roosevelt.

On the general question of requirements for the Presidency, I can't get out of my head what Mr. Roosevelt was up against in the preparation of that prayer on D day. The National Catholic Press Association didn't distribute it to its hundreds of Catholic newspaper clients because it seemed studiously to avoid a reference to the Son of God, yet if it had done so, we are told by our ecclesiastical authorities, it would have offended those of the Jewish faith. Now you take a man of no Presidential attainments, he would never have thought of such wrinkles as this.

Getting back to Dewey, the Bricker forces really ought to put a reporter for the Leftist Philadelphia Record on the payroll for the Hershey stories that the Governors disliked their New York colleague. It is really amazing the job one of these proletarian reporters can do at a gathering. They are different from the reporters for the conservative papers in that the latter are not out to make news, or to develop news favorable to their side. They just

great and the transportation requirements of our armies so heavy that improvement must be gradual. We have already begun to save the lives of the men, women and children of Rome.

"This is an example of the efficiency of your machinery of war. The magnificent ability and energy of the American people in growing the crops, building the merchant ships, making and collecting cargoes, getting the supplies over thousands of miles of water, and thinking ahead to meet emergencies—all this spells, I think, an amazing efficiency on the part of our armed forces, all the various agencies working with them, and American industry and labor as a whole.

"No great effort like this can be a hundred per cent perfect, but the batting average is very, very high.

"I extend the congratulations and thanks of the American people to General Alexander, who has been in command of the whole Italian operation; to General Clark and General Leese of the 5th and the 8th Armies; to General Wilson, the supreme Allied commander of the Mediterranean theater, and General Devers, his American deputy; to General Eaker; to Admirals Cunningham and Hewitt, and to all their brave officers and men.

May God bless them and watch over them and over all of our gallant fighting men.

go along picking up whatever develops. The proletarian writers have their heart in their work and our observation is that they are purposely kept underfed and frustrated for this very purpose.

As I am able to get the picture, the situation at Hershey was just the same as at any other gathering of prima donnas, a group of journalists for example. It gave none of the Governors any appetite that Dewey was the center of attraction. But whatever jealousy or envy they had, they were keeping to themselves, until the enterprising gentleman of the Record began to develop resentments. The Governors were somewhat amazed later to read in the papers, for the Philadelphia had passed the story around to his colleagues, that their feelings amounted to a "Dewey slipping" movement.

I recall another episode of this kind. In the 1936 Campaign Landon visited Philadelphia. As the procession moved through the streets, the reporters for one newspaper would lean from their cars and shout epithets at the WPA workers to give the impression members of Landon's party were doing it. Throughout Willkie's '40 campaign similar tactics were pulled by New Deal members of the press. On one occasion at a Willkie gathering, they got a band to play "Happy Days Are Here Again."

Frankly, I can't see anything stopping Dewey. He had held up under fire for so long as to seem Destiny's fair-haired boy. The Bricker forces are naturally getting desperate, legitimately so. And I see some signs that they might try to get up a fight or an issue in the Resolutions Committee on our post-war policy in world affairs. But chances for a controversy there seemed to have evaporated, even between the Republicans and the New Dealers. It seems to have boiled down to where not even Mr. Roosevelt would advocate any foreign or world agency having the authority to set American troops in motion, and when you eliminate this you realize there has been an awful stew about nothing. The only issue between the two parties will be an unwritten one, which side will throw away the most billions overseas after the war.

Nation's Rayon Shipments Continue at High Levels

Shipments of rayon filament yarn by American mills totaled 45,600,000 pounds in May, stated the "Rayon Organon", published by the Textile Economics Bureau, Inc. The total compares with deliveries of 43,200,000 pounds reported for April and with 41,300,000 pounds shipped in May 1943. Five months shipments to May 31 totaled 219,100,000 pounds, an increase of 8% compared with shipments of 203,000,000 pounds reported during the corresponding period in 1943. The "Organon" also states:

"Stocks of filament yarn held by producers on May 31 totaled 8,200,000 pounds against 7,800,000 pounds held on April 30 and 6,700,000 pounds held on May 31, 1943.

"Rayon staple fiber shipments by American producers totaled 14,600,000 pounds in May against 11,300,000 pounds in April and 12,900,000 pounds in May 1943. Staple fiber shipments for five months to May 31 aggregated 68,300,000 pounds, an increase of 4% as compared with shipments of 65,400,000 pounds reported for the first five months in 1943.

"Staple fiber stocks held on May 31 totaled 2,500,000 pounds against 1,200,000 pounds on April 30 and 2,800,000 pounds on May 31, 1943."

Invasion "Up To Schedule," Said President Roosevelt At Press Conference

At a press conference on June 6, in which he commented upon the invasion of France by Allied troops on that day, President Roosevelt indicated that the operation was proceeding according to schedule. The President's conference took place about 13 hours after the initial announcement of the invasion and his remark that it was "up to schedule" was given in response by a question by a reporter as to how he felt "about the progress of the invasion. The President's answer, said special advisers to the New York "Times" on June 6, was the summation of all of the day's dispatches "as they were analyzed by the Constitutional Commander-in-Chief of the United States, who, since being awakened early with news that the invasion had started, had read reports and conferred with top-ranking officers. The "Times" advices went on to say:

The President added that, as of noon today, General Eisenhower had reported the loss of only two American destroyers and one LST (landing ship tank), a heavy type of invasion barge. Losses of our air forces in the same period, Mr. Roosevelt added, were about 1% of the airplanes involved. There was no figure on personnel casualties.

Other salient points emphasized by the press conference included the following:

1. Tentative dates for the invasion were set last December at the Teheran conferences, slated in May or early this month, according to the weather.
2. General Eisenhower alone decided the actual date and place.
3. Marshal Joseph Stalin has known of the plan since Teheran and has been entirely satisfied with it.
4. A "second front" a year ago would have been impossible because of lack of available men and equipment.
5. The war is not over by any means; this operation is not even over, and this is no time for over-confidence.

The President's press conference, a regularly scheduled one, was attended by 181 reporters, who filled the Executive Office almost to capacity.

Mr. Roosevelt said that relatively few persons in the United States knew the tentative date for the invasion and that very few knew the actual date. He added that the actual date was set only a few days ago, being dependent on weather conditions.

It was largely a question of weather in the English Channel, the President emphasized. Long-time charts indicate that the first good weather each year occurs at this season, and for the invasion small-boat weather was necessary. He confirmed reports that the invasion was postponed for 24 hours at the last moment because of adverse weather.

When a reporter asked if the invasion of France was timed to occur after the fall of Rome, the President replied emphatically in the negative, saying that no one knew when Rome would fall.

The first consideration of this invasion, Mr. Roosevelt went on, began early in 1941 in talks between himself and the Chiefs of Staff, and the plans have been consistently carried forward. Only military men, he emphasized, could understand the vast requirements for the undertaking, not the politicians who a year ago clamored for a second front.

He recalled that before the entry of the United States into the last war a political figure had said that America was always safe, because if this country should be attacked 1,000,000 men would spring to arms. The problem, Mr. Roosevelt said, was providing the arms.

We had to wait and do what we could, he added, although the plans came gradually to a head, first at the Cairo conference and

afterward at Teheran. The last six months of preparation particularly made a great deal of difference, with the vast additions of men and material to the forces overseas.

The President said that the choice of landing places had been made since the Teheran conference. He refused to be drawn into a discussion of possible other attack points or other matters of strictly military information.

Mr. Roosevelt said he had no information as to how much surprise figured in the initial success of the landing operations; he also had no reports on operations by the French underground.

When he was asked to summarize his own personal reaction to the news, he said substantially that the whole country was extremely thrilled but that he hoped it would not develop over-confidence. He told reporters that you just don't land on a beach and walk to Berlin.

As for his hopes, he told a questioner he had only one desire, to win the war and win it 100%.

The invasion of France by the Allied troops was noted in our June 8 issue, page 2387.

Roosevelt Commends States For United Action Against Enemy

The States of the Nation were congratulated on May 29 by President Roosevelt for quick mobilization of their resources "for effective unified action against the common enemy" the President at the same time expressing confidence the problems ahead "will be met by the same co-operative spirit." The Presidents' message was presented by Gov. Leverett Saltonstall of Massachusetts, chairman of the National Conference of Governors, at the opening session of the 36th annual meeting of State Governors held at Hershey Pa.

In his message the President said:

"From my own personal experience in attending these conferences as Governor of the State of New York, I know the fine spirit of cooperation in which the conferences meet and also the practical benefits which can come from this kind of cooperative discussion among the several states.

"Governors' conferences have led to a unity of purpose which has served our nation so well in peace, and which is serving with increased effect during these days of war. Within a comparatively short time since the attack upon us, the various states have been able to adjust their activities, convert their agencies and institutions and mobilize their resources for effective action against the common enemy.

"In anticipation of our inevitable victory, it becomes necessary for the states to make plans and programs and arrange their resources, so that they may continue individually and collectively, to serve the public welfare, and provide the high standard of living which the physical and human assets of America are capable of producing.

"My congratulations to the Governors' Conference upon the work which it has already accomplished. I am confident that the problems and tasks which lie ahead will be met by the same cooperative spirit which has meant so much to the well-being of our nation."

Gov. Saltonstall, in opening the conference, asserted that "the

May Export Freight 40% Higher Than A Year Ago

There were 170,487 cars of export freight, excluding coal and grain, handled through United States ports in the month of May compared with 122,080 cars in May, 1943, or an increase of 40%, the Association of American Railroads announced on June 14. A total of 148,256 cars were handled in April of the current year.

Export grain unloaded at the ports totaled 3,443, compared with 6,084 in May, 1943, or a decrease of 43%.

In addition, the railroads handled 410 carloads of coastal freight in May, 1944, compared with 524 in the same month in 1943, or a decrease of 22%.

The total of 174,340 cars of export and coastal freight, excluding coal, handled through the ports in May represented an average daily unloading of 5,624 cars, the highest on record. This is the third consecutive month that average daily unloadings have exceeded 5,000 cars.

All ports were in a completely "liquid" condition during the entire month. The "bank" of freight held at the ports was lower than at any time since Pearl Harbor. There were only 2,254 cars, approximately 9% of the total holdings, held in cars over 10 days at the ports at the close of the month. These included 13 cars which had been held over 30 days. This is a record that has not been equalled since before the opening of hostilities in Europe, the announcement concluded.

Time of Invasion on French Coast Set By Gen. Eisenhower

General Dwight D. Eisenhower was the man who set H Hour and D Day, said United Press advices from London on June 6 to the New York "Herald Tribune," from which we also quote:

"President Roosevelt and Prime Minister Churchill approved the battle plans at Quebec in August, 1943, but the selecting of the exact time was left to the Allied Supreme Commander.

"This was stated today in a 37-page unofficial 'invasion summary,' written by British officers and released by the War Office. The summary revealed that Roosevelt and Churchill agreed at Casablanca early in 1943 to knock Italy out of the war before invading France, even though they knew this would delay the western assault until 1944."

New Cotton Exchange Member

Eric Alliot, President of the New York Cotton Exchange, on June 2, announced the election of Edmundo S. Blum to membership in the Exchange. Mr. Blum is Vice-President of Sociedad Anonima Comercial de Exportacion e Importacion y Financiera Louis Dreyfus & Cia., Lda., of Buenos Aires, Argentine.

economic and social stability of the world will depend largely upon the strength of the United States" and said that "our people count much on the unit of State government."

Gov. Saltonstall (Republican) also said:

"We want freedom and opportunity. Yet we can't have the fullest freedom and opportunity if we turn to Government to provide the initiative and the wherewithal for us in ever increasing degree. We want our country to be governed from the bottom up and not from the top down."

Pope Pius Grateful For Sparring Of Rome From Horrors Of War—Allies Statement As To Rome

In giving details of the capture of Rome by the Allies and the retreat of the Germans therefrom, United Press advices from Naples, on June 4, had the following to say in part:

The Fifth Army captured Rome tonight, liberating for the first time a German-enslaved European capital. German rear guards were fleeing in disorganized retreat to the northwest.

Except for the railway yards, smashed by the Allies' bombs, the city is 95% intact. United Press correspondents reported, after their arrival in the city.

Late tonight, the British Eighth Army, rushing into Rome from the southeast along the Via Casilina, was reported to be joining the Fifth Army in close pursuit of the hard-pressed enemy remnants, under orders to destroy them to a man if possible. Only enough troops to maintain order and ferret out any German snipers or suicide nests were to be left in Rome as the Allies' main armies pounded on without pausing to celebrate their greatest triumph, coming 270 days after the start of the Italian campaign.

At the very gates of Rome, the Germans had made a final stand but Lieut. Gen. Mark W. Clark, after having waited three hours for the enemy troops to withdraw in accordance with their own declaration of Rome as an open city, ordered a violent anti-tank barrage. Then masses of Fifth Army men and weapons crashed into the city and began mopping up enemy snipers and a few tanks and mobile guns trying to cover the retreat.

More of the enemy survivors of the Allies' whirlwind offensive were streaming in congested retreat to the northwest at the mercy of the Allies' planes, which, during the day, destroyed or damaged 600 enemy trucks and other vehicles. The Germans jammed traffic columns stretched 55 miles to Lake Bolsena.

On June 3, with its armies nearing Rome, the Allied command placed upon the German military the responsibility for making the city a bloody battlefield or withdrawing and sparing it further ravages of war. We quote from Naples Associated Press advices June 3, which also said: "The Germans countered quickly with an assertion that Rome 'can be regarded as a city free from armed forces.'"

Issuing a special communique one day after Pope Pius expressed hope that Rome "at all costs may be saved from becoming a theatre of war," the Allied command said the United Nations forces "have only taken and will only take military action against Rome in so far as the Germans use the city, its railways and roads for military purposes."

Promptly the German propaganda agency Transocean issued what it called an official statement by a German Foreign Office spokesman concerning the Pontiff's plea. It said:

"On the German side, everything has been done for months to preserve Rome from such a fate. Rome today can be regarded as a city free of armed forces."

The Allied communique declared the United Nations forces to be interested only in "the destruction and elimination of German forces" in Italy, adding that every possible precaution had been and would be taken "to spare innocent civilians and cultural and religious monuments of permanent value to civilization."

The text of the Allies' statement follows as given in Associated Press advices to the New York "Times":

Allied military authorities, confronted by the ruthless enemy in Italy, are interested solely in the destruction and elimination of German forces in that country.

They have taken and will continue to take every possible precaution during the course of their campaign to spare innocent civilians and cultural and religious

monuments of permanent value to civilization.

In particular they are deeply conscious of the unique position occupied by Rome as one of the chief historical religious and cultural centers of the world, and of the fact that Rome is the seat of His Holiness, the Pope, and contains the neutral State of the Vatican City.

It is therefore the firm intention of Allied Governments and of Allied military authorities to continue to take every precaution in their power, consistent with essential military requirements, to safeguard the population of Rome and its historical and religious monuments.

The Allies have only taken and will only take military action against Rome in so far as the Germans use the city, railways and roads for their military purposes. If the Germans choose to defend Rome the Allies will be obliged to take appropriate military measures to eject them. It therefore is the sincere hope of His Majesty's Government and the United States Government that the enemy will not make such an ill-considered choice.

Upon the occasion of the capture of Rome, Pope Pius XII expressed his gratefulness that Rome had been spared, his remarks addressed to a gathering assembled before St. Peter's Church on June 5, being reported as follows by the Associated Press:

These were the brief words he spoke to the soldiers who had conquered Rome and the citizens who had welcomed them:

"We have been troubled over the lot of the city.

"Today we rejoice because, thanks to God and to the will of both belligerent parties, Rome has been saved from the horrors of war.

"For this we must show gratitude to the Madonna for the salvation of the Roman people."

Cheers echoed through the square and many men and women sobbed.

Liberty Bell Sounded With News of Invasion of Europe

In Philadelphia the Liberty Bell sounded on June 6 from the cradle of liberty to proclaim once again "Liberty throughout the land and unto the inhabitants thereof." It tolled last July 8, 1935, for the death of Chief Justice John Marshall. We quote from a Philadelphia despatch to the New York "Times," in which it was also stated:

"On news of the invasion of Europe, Mayor Bernard Samuel hurried to Independence Hall before 7 a.m., where he tapped the Liberty Bell with a wooden mallet, sending its voice throughout the country over a radio network. He then offered this prayer:

"Our voices are raised in fervent prayer for the success and welfare of the men engaged in this mission of freedom."

"There was little or no cheering among the men who know the real meaning of facing the enemy on a strange beach. At Valley Forge General Hospital hundreds of wounded men of this war joined in prayers and listened quietly to radios. A spokesman said that from the comment he heard 'they were thinking what the other fellows were going through over there.'"

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	Ave. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Jun 13	119.87	112.00	118.40	116.61	111.81	102.46	105.86	113.70	117.00	
12	119.88	112.00	118.40	116.61	111.81	102.46	105.86	113.70	117.20	
10	119.88	112.19	118.60	116.61	111.81	102.46	105.69	113.70	117.20	
9	119.88	112.19	118.60	116.61	111.81	102.46	105.69	113.89	117.20	
8	119.88	112.00	118.60	116.61	111.81	102.30	105.69	113.89	117.00	
7	119.90	112.19	118.40	116.80	111.81	102.46	105.86	113.70	117.20	
6	119.92	112.19	118.40	116.80	111.81	102.63	106.04	113.70	117.00	
5	120.02	112.19	118.40	116.61	111.81	102.63	105.86	113.70	117.00	
4	119.99	112.19	118.60	116.80	111.81	102.46	105.86	113.89	117.00	
3	119.75	112.19	118.40	116.80	111.81	102.46	105.86	113.70	117.00	
2	119.66	112.19	118.40	116.80	111.81	102.30	105.86	113.89	117.00	
1	119.59	112.00	118.60	116.80	111.81	102.13	105.86	113.89	116.80	
May 26	119.48	112.00	118.60	116.80	111.81	101.64	105.52	113.89	116.80	
19	119.48	112.00	118.60	116.80	111.81	101.64	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	
5	119.48	111.81	118.40	116.61	111.62	101.47	105.52	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	
Jan. 28	119.47	111.07	118.20	116.22	111.07	100.16	104.14	113.31	116.41	
High 1944	120.44	112.19	118.80	116.80	112.00	102.63	106.04	113.89	117.20	
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										
June 12, 1943	119.99	110.52	118.60	116.02	111.07	97.94	102.30	113.50	116.41	
2 Years Ago										
June 13, 1942	118.35	106.21	116.02	112.75	107.62	91.19	95.62	110.88	113.50	

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices)										
1944— Daily Averages	U. S. Govt. Bonds	Ave. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Jun 13	1.82	3.06	2.73	2.82	3.07	3.60	3.40	2.97	2.80	
12	1.82	3.06	2.73	2.82	3.07	3.60	3.40	2.97	2.79	
10	1.82	3.05	2.72	2.82	3.07	3.60	3.41	2.97	2.79	
9	1.82	3.05	2.72	2.82	3.07	3.60	3.41	2.96	2.79	
8	1.82	3.06	2.72	2.82	3.07	3.61	3.41	2.96	2.80	
7	1.82	3.05	2.73	2.81	3.07	3.60	3.40	2.96	2.79	
6	1.82	3.05	2.73	2.81	3.07	3.60	3.40	2.97	2.79	
5	1.82	3.05	2.73	2.81	3.07	3.59	3.39	2.97	2.80	
4	1.81	3.05	2.73	2.82	3.07	3.59	3.40	2.97	2.80	
3	1.81	3.05	2.72	2.81	3.07	3.60	3.40	2.96	2.80	
2	1.83	3.05	2.73	2.81	3.07	3.60	3.40	2.97	2.80	
1	1.83	3.05	2.73	2.81	3.07	3.61	3.40	2.96	2.80	
May 26	1.84	3.05	2.73	2.81	3.07	3.62	3.40	2.96	2.81	
19	1.85	3.06	2.72	2.81	3.07	3.65	3.42	2.96	2.81	
12	1.85	3.07	2.73	2.82	3.08	3.66	3.42	2.97	2.83	
5	1.86	3.07	2.73	2.82	3.08	3.66	3.43	2.97	2.83	
Apr. 28	1.83	3.08	2.73	2.83	3.08	3.67	3.44	2.97	2.83	
21	1.82	3.08	2.74	2.82	3.09	3.68	3.44	2.97	2.83	
14	1.83	3.09	2.74	2.82	3.09	3.69	3.46	2.96	2.84	
6	1.83	3.09	2.74	2.83	3.10	3.70	3.47	2.97	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	
Jan. 28	1.87	3.11	2.74	2.84	3.11	3.74	3.50	2.99	2.83	
High 1944	1.87	3.13	2.74	2.84	3.12	3.81	3.55	3.00	2.85	
Low 1944	1.79	3.05	2.71	2.81	3.06	3.59	3.39	2.96	2.79	
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										
June 12, 1943	1.87	3.14	2.72	2.85	3.11	3.88	3.61	2.98	2.83	
2 Years Ago										
June 13, 1942	1.95	3.38	2.85	3.02	3.30	4.33	4.03	3.12	2.98	

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

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

Electric Output For Week Ended June 10, 1944 Shows 5.5% Gain Over Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended June 10, 1944, was approximately 4,264,600,000 kwh., compared with 4,040,376,000 kwh. in the corresponding week a year ago, an increase of 5.5%. The output for the week ended June 3, 1944, was 5.6% in excess of the similar period of 1943.

Major Geographical Divisions—	PERCENTAGE INCREASE OVER PREVIOUS YEAR			
	June 10	June 3	May 27	May 20
New England	2.0	*1.2	2.7	*0.8
Middle Atlantic	*1.9	*0.2	5.1	3.6
Central Industrial	5.7	4.4	7.2	4.9
West Central	6.3	5.7	8.2	7.4
Southern States	8.7	10.4	9.4	9.3
Rocky Mountain	*3.6	*11.2	*8.2	*9.7
Pacific Coast	15.7	16.0	14.5	15.2
Total United States	5.5	5.6	7.6	6.3

*Decrease under similar week in 1943.

Week Ended—	DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)				
	1944	1943	% Change over 1943	1942	1929
March 4	4,464,686	3,946,630	+13.1	3,392,121	1,538,452
March 11	4,425,630	3,944,679	+12.2	3,357,444	1,537,747
March 18	4,400,246	3,946,836	+11.5	3,357,032	1,514,553
March 25	4,409,159	3,928,170	+12.2	3,345,502	1,480,208
April 1	4,408,703	3,889,858	+13.3	3,348,608	1,465,076
April 8	4,381,094	3,862,467	+12.3	3,320,858	1,480,738
April 15	4,307,498	3,916,794	+10.0	3,307,700	1,469,810
April 22	4,344,188	3,925,175	+10.7	3,273,190	1,454,505
April 29	4,336,247	3,866,721	+12.1	3,304,602	1,429,032
May 6	4,233,756	3,903,723	+8.5	3,365,208	1,436,928
May 13	4,238,375	3,969,161	+6.8	3,356,921	1,435,731
May 20	4,245,678	3,992,250	+6.3	3,379,985	1,425,151
May 27	4,291,750	3,990,400	+7.6	3,322,651	1,381,452
June 3	4,144,490	3,925,893	+5.6	3,372,374	1,435,471
June 10	4,264,600	4,040,376	+5.5	3,463,528	1,441,532
June 17		4,098,401		3,433,711	1,440,541
June 24		4,120,038		3,457,024	1,456,961

Steel Operations Slightly Off—Shell Program Being Pushed—Demand Exceeds Shipments

"Entering the second week after invasion, steel demand continues at its overinflated level of the past several weeks, the 'Iron Age' states in its issue of today (June 15), further adding: Flat rolled (mainly plates) and shell rounds, remain the number one critical items with carryovers running higher each month. Only the success of the war in Europe can be the determining factor that would cause a letdown in demand for these steel products. If that operation is brought to a speedy conclusion, then total steel demand for war items will be expected to decline sharply. However, until it is definitely known that the European phase of the war will be a short one, plans must be carried out to take care of any eventuality and hence war production will go along at the current peak rates.

"In the past few weeks, demand and orders for steel have gained some over steel production. Recent steel ingot operating rates are about three points below the so-called 100% of rated capacity. While such a decline has been expected by steel officials during hot weather, recent factors indicate that manpower shortages are also contributing to the inability of the industry to operate at maximum capacity levels. With hotter weather to come, with vacations expected to be taken at a greater rate than a year ago, and with the manpower shortage becoming more serious, earlier predictions of a 5% or greater decline in steel output from recent levels appear to be sound.

"Steel order volume this week was maintaining a high level and, with most companies, continued to be in excess of shipments. Consequently unfilled order backlogs were unchanged or expanded. The exceedingly heavy demand for plates and sheets appears to be such that the only way in which carryovers will be reduced will be by cutbacks and re-arrangement of war production programs. "Authenticated plate orders are already running well over the 110% of production directives and the Maritime Commission is expected to require about 10% more plate tonnage in the fourth quarter than in the third quarter. The delivery situation on plates this week is more extended with some producers booked solidly through the remainder of this year and others into the first quarter of 1945. The steel sheet situation this week is in somewhat the same position as plates with deliveries becoming more extended. Sheets naturally take the brunt of any expanded program on plates or tinplate. Except for such major programs as shell containers, ammunition boxes, landing mats, and steel drums, there are very few sheets left over for other consumers. Some steel plants have substantial carryovers on sheet bookings, running almost as much as one full month.

"A tri-partite panel consisting of the public and labor members of the 'basic steel' panel will hear the CIO demands on the 19 iron ore companies at the hearings which will begin in Washington on June 27."

The American Iron and Steel Institute on June 12 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 97.1% of capacity for the week beginning June 12, compared with 97.8% one week ago, 99.2% one month ago and 97.8% one year ago. The operating rate for the week beginning June 12 is equivalent to 1,739,300 tons of steel ingots and castings, compared to 1,751,900 tons one week ago, 1,777,000 tons one month ago, and 1,693,600 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on June 12, stated in part as follows: "Reaction on the steel and iron market of the initial success in the invasion of Europe is

Special Libraries Ass'n Will Meet

The Special Libraries Association, a professional organization of more than 3,000 persons engaged in special library or research work in such organizations as banks, advertising agencies, law firms and government agencies will meet for their 36th Annual Conference in Philadelphia at the Benjamin Franklin Hotel, June 19-21. The theme of the Conference is "In Time of War Prepare for Peace."

The first general session will consider post-war planning and will be addressed by M. Albert Linton, President, Provident Mutual Life Insurance Co., who will speak on the subject "Social Security—Today and Tomorrow," Dwight L. Armstrong, Vice President, Armstrong Cork Company, who will speak on the subject "Industry's Problems in Post-War Planning" and Donald M. Hobart, Manager of Research, Curtis Publishing Company, who will speak on the subject "Business Looks to the Future."

The second general session will be devoted to the theme: Libraries in War and Peace. On this program will be Leah E. Smith, Librarian, Bell Telephone Laboratories, New York, who will speak on "Libraries in the Post-War World"; William F. Jacob, Librarian, General Electric Company, Schenectady, who will speak on "Libraries in War Production" and Mary Louise Alexander, Librarian, Ferguson Library, Stamford, Conn., who will talk on "Library Service to the Community." The third general session will be a business meeting devoted to a discussion of the Constitution and election of officers.

The many groups of the Association are holding their own programs in conjunction with this conference.

The Financial Group has announced a tentative program, through its Chairman Ruth Miller, who is Librarian of the Central Hanover Bank & Trust Company of New York. Various subjects will be discussed by those scheduled to speak at this group's session.

New Ecuador Government Now Recognized by U. S.

The revolutionary government of Dr. Jose Maria Velasco Ibarra in Ecuador received full recognition from the United States and other American republics today, it is learned from Washington advices June 6, to the New York "Times" which also had the following to say:

The list of Latin-American republics taking this action was not available here but as they consulted before the decision here was reached it is assumed that all will follow this course.

In announcing the action of the United States, Edward R. Stettinius, Jr., Acting Secretary of State, said its basis was our full confidence in the friendly attitude of the government at Quito toward the cause of the United Nations in the present war and its announced purpose of fulfilling its international obligations.

No question arose

Daily Average Crude Oil Production For Week Ended June 3, 1944 Increased 8,700 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended June 3, 1944 was 4,522,750 barrels, an increase of 8,700 barrels over the previous week and 589,800 barrels per day more than produced during the corresponding week of 1943.

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,620,000 barrels of crude oil daily and produced 13,680,000 barrels of gasoline; 1,477,000 barrels of kerosine; 4,890,000 barrels of distillate fuel oil, and 9,157,000 barrels of residual fuel oil during the week ended June 3, 1944; and had in storage at the end of that week 87,084,000 barrels of gasoline; 8,216,000 barrels of kerosine; 32,586,000 barrels of distillate fuel, and 50,238,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

Table with columns: State, P.A.W. Recommendations, State Allowables, Actual Production, Change from Previous Week, 4 Weeks Ended, Week Ended. Rows include Oklahoma, Kansas, Nebraska, Texas, Louisiana, Arkansas, Mississippi, Alabama, Florida, Illinois, Indiana, Kentucky, Michigan, Wyoming, Montana, Colorado, New Mexico, California, and Total United States.

*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.

†This is the net basic allowable as of June 1 calculated on a 30-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 15 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.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE, STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED JUNE 3, 1944

Table with columns: District, Daily Refining Capacity, Crude Runs, Gasoline Production, Stocks of Gasoline, Stocks of Fuel Oil, Stocks of Residual Fuel Oil. Rows include Texas, Louisiana, Oklahoma, Arkansas, California, and Total U.S.B. of M.

*At the request of the Petroleum Administration for War. †Finished, 74,881,000 barrels; unfinished, 12,203,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,477,000 barrels of kerosine, 4,890,000 barrels of gas oil and distillate fuel oil and 9,157,000 barrels of residual fuel oil produced during the week ended June 3, 1944, which compares with 1,582,000 barrels, 4,702,000 barrels and 8,568,000 barrels, respectively, in the preceding week and 1,414,000 barrels, 3,059,000 barrels and 7,454,000 barrels, respectively, in the week ended June 5, 1943.

Market Value Of Stocks On New York Stock Exchange Higher On May 31

The New York Stock Exchange announced on June 7 that as of the close of business May 31, there were 1,243 stock issues, aggregating 1,492,655,670 shares listed on the New York Stock Exchange, with a total market value of \$50,964,039,424.

In making public the May 31 figures the Stock Exchange further said: As of the close of business May 31, New York Stock Exchange member total net borrowings amounted to \$654,930,729 of which \$467,360,429 represented loans which were not collateralized by U. S. Government issues.

The ratio of the latter borrowings to the market value of all listed stocks, on that date, was, therefore, 0.92%. As the loans not collateralized by U. S. Government issues include all other types of member borrowings, these ratios will ordinarily exceed the precise relationship between borrowings on listed shares and their total market value.

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

Table with columns: Industry, May 31, 1944 Market Value, May 31, 1944 Av. Price, April 29, 1944 Market Value, April 29, 1944 Av. Price. Rows include Amusement, Automobile, Aviation, Building, Business and Office Equipment, Chemical, Electrical Equipment, Farm Machinery, Financial, Food, Garment, Land & Realty, Leather, Machinery & Metals, Mining, Paper & Publishing, Petroleum, Railroad, Retail Merchandising, Rubber, Ship Building & Operating, Shipping Services, Steel, Iron & Coke, Textiles, Tobacco, Utilities, Gas & Electric, Gas & Electric (Holding), Communications, Miscellaneous Utilities, U. S. Cos. Operating Abroad, Foreign Companies, Miscellaneous Businesses, and All Listed Stocks.

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

Table with columns: Year, Market Value, Average Price. Rows show data for 1942 and 1943 for various months (May, June, July, Aug., Sept., Oct., Nov., Dec.).

Bank Debits For Month Of May

The Board of Governors of the Federal Reserve System issued on June 9 its usual monthly summary of "bank debits," which we give below:

SUMMARY BY FEDERAL RESERVE DISTRICTS

Table with columns: Federal Reserve District, May 1944, May 1943, 3 Months Ended (May 1944, May 1943). Rows include Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, San Francisco, and Total 334 centers.

Governors Conference Adopts Resolutions Calling For Curb Of Powers Of Federal Govt.

Eight resolutions aimed at curbing many of the powers of the Federal Government and restoring to the States many of the rights and responsibilities that have been taken over by Washington in the last decade were adopted by the Governors of 36 States at an executive session that concluded the annual Conference of State Governors at Hershey, Pa., on May 31.

(1) The States be permitted wider participation in administration of Federal agencies that operate within the States. (2) State employment services which were Federalized as a war measure be returned promptly to jurisdiction of the States. (3) The Federal Government announce immediately its plans for post-war public works and co-

ordinate them with plans already being made by the States.

(4) Plans to Federalize unemployment compensation be dropped.

(5) War surpluses be disposed of through State agencies and the States be given preference in buying these materials.

(6) The National Guard be restored to control of the respective States after the war.

(7) A Federal-State Commission be appointed to study the nation's entire tax structure with the aim of drafting legislation to insure that Federal, State and local governments will have access to adequate taxable resources.

(8) Fuller Federal cooperation and consultation with the States relating to activities of Federal agencies operating in the States.

The account in the "Herald Tribune" further said:

The Governors also adopted a resolution on post-war reconversion in which they declared that the task of providing peacetime jobs "belongs primarily to a just, competitive system of free enterprise" and called upon Congress to develop plans and policies concerning:

(1) Human demobilization, so that men and women in the armed forces and factory workers may be released for resumption of peacetime production.

(2) Prompt contract termination and plant clearance, thereby releasing factories for resumption of peacetime production.

The wording of the resolution dealing with the activities of Federal agencies in the States provoked a sharp debate among several Republican Governors and prolonged the session for nearly an hour.

Governor Thomas E. Dewey of New York, now regarded as the most likely Republican Presidential nominee, acted as mediator of the dispute and finally solved it by drawing up a new resolution which overcame the objections of several other Governors that the original draft would have required the Federal Government to obtain State permission to build an airport or post office.

The revised resolution follows:

"We believe that there should be better cooperation between the Federal Government and the States, and that the Governors should be kept more fully and completely advised of the activities being carried on by Federal agencies within the respective States, particularly when new activities are started.

"We believe further that whenever the Federal Government comes into several contiguous States to accomplish some new Federal program, it should first give to those States the opportunity for full and free consultation and joint recommendations."

Freeze Yugoslav Funds

Under date of May 30, London advices (Reuter) to the New York "Times" said:

The diplomatic correspondent of "The Daily Telegraph" reported today that the credits of the Yugoslav Government in London, held at Barclay's Bank, had been frozen.

The bank decided on this action soon after resignation of the Government, in view of the absence of a Minister of Finance with whom dealings were usually conducted. No restoration is contemplated, until the new Government has been formed and a Minister responsible for financial settlements has been appointed.

These credits are used for the payment of salaries of Government officials and for the discharge of similar commitments.

According to reports reaching Yugoslav circles in London, officers in Cairo loyal to Gen. Draja Mihailovitch have seized funds of the Yugoslav Government amounting to \$30,000.

Civil Engineering Construction \$42,923,000 For Week — Private Work 68% Above Year Ago

Civil engineering construction volume in continental U. S. totals \$42,923,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 38% below the corresponding week last year as reported to "Engineering News-Record," but tops the \$23,214,000 reported for the short preceding week, and is 42% above the previous four-week moving average. The report made public on June 8, added:

Private construction is 68% higher than in the 1943 week as a result of the increased activity in industrial buildings. Public work is 54% below the week last year due to the 23% decline in state and municipal and the 60% decrease in federal volume.

The current week's construction brings 1944 volume to \$800,156,000 for the 23 weeks of the year, a decline of 52% from the \$1,668,276,000 reported for the 1943 period. Private construction, \$186,784,000, is 12% lower than last year, and public construction, \$613,372,000, is down 58% as a result of the respective 4 and 61% decreases in state and municipal work and federal volume.

Civil engineering construction volumes for the 1943 week, the holiday-shortened preceding week, and the current week are:

	June 10, '43 (5 days)	June 1, '44 (4 days)	June 8, '44 (5 days)
Total U. S. Construction	\$69,644,000	\$23,214,000	\$42,923,000
Private Construction	8,933,000	2,911,000	14,961,000
Public Construction	60,711,000	20,303,000	27,962,000
State and Municipal	9,445,000	3,344,000	7,256,000
Federal	51,266,000	16,959,000	20,706,000

In the classified construction groups, gains over the holiday-shortened preceding week are in waterworks, bridges, industrial, commercial and public buildings, streets and roads, and unclassified construction. Gains over the 1943 week are in bridges, industrial buildings, and streets and roads. Subtotals for the week in each class of construction are: waterworks, \$975,000; sewerage, \$672,000; bridges, \$504,000; industrial buildings, \$7,075,000; commercial building and large-scale private housing, \$5,660,000; public buildings, \$11,477,000; earthwork and drainage, \$349,000; streets and roads, \$7,318,000; and unclassified construction, \$8,893,000.

New capital for construction purposes for the week totals \$1,602,000, and is made up entirely of state and municipal bond sales. The week's new financing brings 1944 volume to \$429,099,000, a total 13% lower than the \$493,400,000 reported for the 23-week 1943 period.

National Fertilizer Association Commodity Price Average Unchanged

Fluctuating within a very narrow range this year, the weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on June 12, registered 137.0 in the week ending June 10, the same as in the previous week. A month ago this index also stood at 137.0 and a year ago at 135.5, based on the 1935-1939 average as 100. The Association's report went on to say:

The farm products group declined fractionally due to lower prices for timothy hay, rye, cattle, heavy weight hogs, and lambs. Higher prices for ewes and live fowl were not sufficient to affect this decline. The foods group advanced fractionally as higher prices were registered for eggs and cottonseed oil, the latter item causing the fats and oils index number to rise. Invasion news brought about a slight recession in raw cotton quotations in the early part of the week. However, by the end of the week it had advanced to a figure slightly higher than that of the previous week, causing the textiles group to reach a new high. All other group indexes remained unchanged from last week.

During the week 5 price series advanced and 6 declined; in the preceding week there were 11 advances and only 2 declines; and in the second preceding week there were 2 advances and 7 declines.

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

Each Group Bears to Total Index	Group	1935-1939=100*			
		Latest Preceding Week	Month Ago	Year Ago	Year Ago
25.3	Foods	138.2	137.5	139.5	140.4
	Fats and Oils	144.9	143.0	146.1	145.1
	Cottonseed Oil	163.1	156.7	159.6	159.0
23.0	Farm Products	154.9	155.1	154.7	152.7
	Cotton	202.3	202.0	198.9	200.0
	Grains	164.6	164.7	164.8	143.9
	Livestock	143.7	144.0	144.0	146.7
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	152.5	152.4	152.0	151.1
7.1	Metals	104.4	104.4	104.4	104.4
6.1	Building materials	153.4	153.4	152.4	152.6
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	104.4	104.4	104.3	104.1
100.0	All groups combined	137.0	137.0	137.0	135.5

*Indexes on 1926-1928 base were: June 10, 1944, 106.7; June 3, 106.7, and June 12, 1943, 105.6.

Wholesale Prices Unchanged In Week Ended June 3, Labor Dept Reports

The Bureau of Labor Statistics' index of commodity prices in primary markets remained unchanged at 103.9% of the 1926 average for the week ended June 3. "Average prices for agricultural commodities rose slightly as a result of higher quotations for eggs and for new potatoes and onions in Eastern markets," according to the advices of the United States Department of Labor on June 8, which stated that "in the past four weeks the all-commodity index has risen 0.2% to the same level it was at this time last year." The Department's announcement further said:

"Farm products and foods. Led by sharp seasonal increases in prices for white potatoes in the Boston and New York markets, together with higher quotation for onions, cotton, and eggs, average prices for farm products in primary markets rose 0.2% during the week. In addition rye and sheep advanced about 1% and hogs were

fractionally higher. Lower prices were reported for wheat, for live poultry, and for apples, oranges, sweet potatoes and white potatoes at Chicago. The index for farm product prices is 0.5% higher than at this time last month and nearly 2% lower than early in June last year. Market prices for foods rose 0.3% largely because of an increase of 0.6% for fruits and vegetables and substantially higher prices for glucose and eggs. Although the level of food prices is slightly higher than at this time last month it is nearly 5% lower than for the first week of June, 1943. Lower quotations for wheat flour brought the index for cereal products down 0.1%. Prices for rye flour advanced slightly.

"Industrial commodities. Few changes were reported in industrial commodity markets during the week. Minor decreases were reported in prices for bituminous coal in some areas, and as a result the index for fuel and lighting materials dropped fractionally. Rosin continued to advance and quotations were also higher for doors and window sash. Lower production costs and increased offerings caused prices for oleic and stearic acids to drop and brought the index for chemicals and allied product down 0.1% during the week."

The Departments' announcement also contained 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 May 6, 1944 and June 5, 1943, and the percentage changes from a week ago, a month ago, and a year ago and (2) percentage changes in subgroup indexes from May 27 to June 3, 1944.

WHOLESALE PRICES FOR WEEK ENDED JUNE 3, 1944
(1926=100)

Commodity Groups—	June 3, 1944 from—					Percentage change to June 3, 1944 from—		
	1944	1944	1944	1944	1943	5-27	5-6	6-5
All commodities	*103.9	*103.9	*103.8	*103.7	103.9	0	+0.2	0
Farm products	*123.9	*123.7	*123.3	*123.3	126.3	+0.2	+0.5	-1.9
Foods	105.2	104.9	104.7	105.0	110.6	+0.3	+0.2	-4.9
Hides and leather products	117.7	117.7	117.6	117.6	118.4	0	+0.1	-0.6
Textile products	97.3	97.3	97.3	97.3	96.9	0	0	+0.4
Fuel and lighting materials	83.7	83.9	83.9	83.7	81.4	-0.2	0	+2.8
Metals and metal products	*103.8	*103.8	*103.8	*103.8	103.9	0	0	-0.1
Chemicals and allied products	115.7	115.6	115.6	115.0	110.4	+0.1	+0.6	+4.8
Housefurnishing goods	105.3	105.4	105.4	105.4	100.2	-0.1	-0.1	+5.1
Miscellaneous commodities	106.0	106.0	106.0	106.0	104.2	0	0	+1.7
Raw materials	93.3	93.3	93.3	93.3	91.7	0	0	+1.7
Semimanufactured articles	*113.8	*113.6	*113.3	*113.3	114.1	+0.2	+0.4	-0.3
Manufactured products	93.6	93.6	93.6	93.5	92.9	0	+0.1	-0.8
All commodities other than farm products	*101.1	*101.1	*101.1	*101.0	100.9	0	+0.1	+0.2
All commodities other than farm products and foods	*99.6	*99.6	*99.6	*99.5	99.1	0	+0.1	+0.5
Preliminary	*98.7	*98.7	*98.7	*98.6	98.9	0	+0.1	+1.9

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM MAY 27, 1944 TO JUNE 3, 1944

Commodity Groups	Increases		Decreases	
	Index	Change	Index	Change
Other foods	1.0	Fruits and vegetables	0.6	
Other farm products	0.7	Other building materials	0.2	
Plumbing and heating	0.7	Paint and paint materials	0.2	
Grains	0.5	Bituminous coal	0.1	
Livestock and poultry	0.2	Cereal products	0.1	
Chemicals	0.1			

Finished Steel Shipments By Subsidiaries Of U. S. Steel Corporation Increased In May

Shipments of finished steel products by subsidiaries of the United States Steel Corp. in May amounted to 1,776,934 net tons, an increase of 20,137 net tons over April and a gain of 70,391 tons over May, 1943. The deliveries in May, 1942, were 1,834,127 net tons and in May, 1941, 1,745,295 tons.

For the five months ended May 31, last, shipments totaled 8,895,085 net tons as compared with 8,487,353 net tons in the same period of 1943.

This is the highest first five months of a year on record comparing with previous high of 8,729,439 net tons shipped during that period in 1942.

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	1,776,934	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	607,562
July	1,660,762	1,765,749	1,666,667	1,296,887	745,364	745,364
August	1,704,289	1,788,650	1,753,665	1,455,604	885,636	885,636
September	1,664,577	1,703,570	1,664,227	1,392,838	1,086,683	1,086,683
October	1,794,968	1,787,501	1,851,279	1,572,408	1,345,855	1,345,855
November	1,660,594	1,665,545	1,624,186	1,425,352	1,406,205	1,406,205
December	1,719,624	1,849,635	1,846,036	1,544,623	1,443,969	1,443,969
Total by mos.	20,244,830	21,064,157	20,458,937	14,976,110	11,752,116	11,752,116
Yearly adjust.	*97,214	*449,020	*42,333	37,639	*44,865	*44,865
Total	20,147,616	20,615,137	20,416,604	15,013,749	11,707,251	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.

Moody's Common Stock Yields

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

MOODY'S WEIGHTED AVERAGE YIELD OF 200 COMMON STOCKS

	Industrials (125)	Railroads (25)	Utilities (25)	Banks (15)	Insurance (10)	Average Yield (200)
January, 1944	4.6%	7.0%	5.5%	3.8%	3.9%	4.8%
February, 1944	4.6	6.7	5.5	3.7	4.0	4.8
March, 1944	4.6	6.9	5.5	3.8	3.7	4.8
April, 1944	4.6	6.9	5.6	3.8	3.8	4.9
May, 1944	4.7	6.7	5.4	3.6	3.7	4.8

Import-Export Guide For 1944 Available

The Custom House Guide, 1944 edition, in its 83rd year, is now being distributed. In announcing this new edition, John F. Budd, Publisher, stated:

"The new edition appears as the year 1944 approaches its halfway mark, when no man can tell what the next half-year will bring. Just as there was two years ago, there is still a great war to be won. But the important fact today—a fact now—though merely a hope two years ago—is that the war is already being won, however far away the final victory may be."

Mr. Budd went on to say: "1944 is the year to plan for foreign trade; therefore, it is not premature to begin planning for the post-war years—years which should bring foreign trade to a position of importance in the United States that it has never before enjoyed. Our greatest hope of being able to sustain the American economy of the future lies in foreign trade that is not merely revived to pre-war levels, but is pushed far beyond the brightest pre-war highmarks."

As to the new edition, it is stated:

"Revisions of the annual Guide, during the past year, have been unusually heavy; several trade agreements have changed many rates of duty in the alphabetical index of 30,000 commodities; shipping and commerce regulations are now included in the new Customs Regulations of 1943; these as well as the Internal Revenue Code have likewise been considerably altered due to war legislation and regulations."

"The annual Custom House Guide of over 1,500 pages (seven volumes in one), thumb-indexed, completely covers the descriptions and limits of each port in the United States as well as its activities, facilities, port charges, and directory of those engaged in shipping and allied commerce trades. There is a General Information Section devoted to weights, measures, coin values, trade terms, air services, Government departments, and other valuable data on foreign and domestic commerce."

"The annual Guide is supplemented monthly by the American Import & Export Bulletin, a publication of some 48 pages, which, in addition to keeping the Annual revised to date, assures subscribers a complete 'Import-Export Information Service' covering the latest laws, regulations, decisions, rulings, export and import control requirements, reciprocal trade agreements, etc., affecting foreign trade."

"Air Transportation, the new monthly informative and authoritative guide to cargo-by-air in both foreign and domestic fields, is also sent free to all Guide subscribers."

Custom House Guide is published by Custom House Guide, Box 7, Station P, Custom House, New York 4, N. Y.—\$20 plus postage. (Includes monthly Bulletin and Air Transportation as well as a loose-leaf binder.)

Landing of Allies on French Coast on Sixth Hour, Day, Month

The following is from the New York "Sun" of June 6:

"To persons interested in the study of numbers and their meaning, especially as applied to world events, D Day has a special significance since the initial landings on the French coast were made at 6 o'clock this morning, June 6."

"Thus, at the sixth hour of the sixth day of the sixth month began a phase of World War II; on the soil of the country where World War I terminated on another set of numbers, Armistice Day, 1918—the 11th day of the 11th month at the 11th hour."

Trading On New York Exchanges

The Securities and Exchange Commission made public on June 3 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 May 20, 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 May 20 (in round-lot transactions) totaled 1,289,965 shares, which amount was 16.15% of the total transactions on the Exchange of 3,993,920 shares. This compares with member trading during the week ended May 13 of 1,126,728 shares, or 15.41% of the total trading of 3,658,310 shares. On the New York Curb Exchange, member trading during the week ended May 20 amounted to 248,425 shares, or 14.62% of the total volume on that exchange of 849,800 shares; during the May 13 week trading for the account of Curb members of 254,815 shares was 15.07% of total trading of 845,295 shares.

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

WEEK ENDED MAY 20, 1944		
A. Total Round-Lot Sales:	Total for Week	%
Short sales.....	118,730	
†Other sales.....	3,875,190	
Total sales.....	3,993,920	
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.....	334,900	
Short sales.....	53,350	
†Other sales.....	283,660	
Total sales.....	337,010	8.41
2. Other transactions initiated on the floor—		
Total purchases.....	198,470	
Short sales.....	11,130	
†Other sales.....	168,710	
Total sales.....	179,840	4.74
3. Other transactions initiated off the floor—		
Total purchases.....	121,945	
Short sales.....	9,400	
†Other sales.....	108,400	
Total sales.....	117,800	3.00
4. Total—		
Total purchases.....	655,315	
Short sales.....	73,880	
†Other sales.....	560,770	
Total sales.....	634,650	16.15

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

WEEK ENDED MAY 20, 1944		
A. Total Round-Lot Sales:	Total for Week	%
Short sales.....	9,535	
†Other sales.....	840,265	
Total sales.....	849,800	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	73,070	
Short sales.....	4,280	
†Other sales.....	63,795	
Total sales.....	68,075	8.30
2. Other transactions initiated on the floor—		
Total purchases.....	25,730	
Short sales.....	2,400	
†Other sales.....	13,925	
Total sales.....	16,325	2.48
3. Other transactions initiated off the floor—		
Total purchases.....	36,860	
Short sales.....	1,500	
†Other sales.....	26,865	
Total sales.....	28,365	3.84
4. Total—		
Total purchases.....	135,660	
Short sales.....	8,180	
†Other sales.....	104,585	
Total sales.....	112,765	14.62
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales.....	0	
†Customers' other sales.....	44,743	
Total purchases.....	44,743	
Total sales.....	27,301	

*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."

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 June 3, 1944 is estimated at 11,870,000 net tons, as against 12,575,000 tons in the preceding week and 3,015,000 tons in the corresponding period of last year, which low figure was due to a strike at the mines which had begun on June 1, 1943. Cumulative production of soft coal from Jan. 1 to June 3, 1944 totaled 272,357,000 net tons, compared with 250,858,000 tons in the same period last year—a gain of 8.6%. The decreased output reported for the June 3, 1944 week was due to the observance of Memorial Day, May 30.

Production of Pennsylvania anthracite for the week ended June 3, 1944, the U. S. Bureau of Mines reports, amounted to 1,204,000 tons, a decrease of 165,000 tons (12.1%) from the preceding week. When compared with the output in the corresponding week of 1943, there was an increase of 1,068,000 tons. The calendar year to date shows an increase of 8.4% 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 June 3, 1944 showed a decrease of 14,600 tons when compared with the output for

the week ended May 27, 1944; but was 70,500 tons more than for the corresponding week of 1943.

ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS

	Week Ended				January 1 to Date			
	June 3, 1944	May 27, 1944	June 5, 1943	June 5, 1944	June 5, 1943	June 5, 1944	June 5, 1943	June 5, 1944
Bituminous coal and lignite.....	11,870,000	12,575,000	3,015,000	272,357,000	250,858,000	198,749,000	198,749,000	198,749,000
Total incl. mine fuel.....	11,870,000	12,575,000	3,015,000	272,357,000	250,858,000	198,749,000	198,749,000	198,749,000
Daily average.....	2,082,000	2,096,000	520,000	2,063,000	1,896,000	1,513,000	1,513,000	1,513,000

*Revised. †Subject to current adjustment.

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

	Week Ended				Calendar Year to Date			
	June 3, 1944	May 27, 1944	June 5, 1943	June 5, 1944	June 5, 1943	June 5, 1944	June 5, 1943	June 5, 1944
Penn. anthracite.....	1,204,000	1,369,000	136,000	28,167,000	25,991,000	31,812,000	31,812,000	31,812,000
†Total incl. coll. fuel.....	1,204,000	1,369,000	136,000	28,167,000	25,991,000	31,812,000	31,812,000	31,812,000
‡Beehive coke.....	1,156,000	1,314,000	131,000	27,042,000	24,951,000	29,522,000	29,522,000	29,522,000
United States total.....	130,500	145,100	60,000	3,313,100	3,444,600	2,890,300	2,890,300	2,890,300

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

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

(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			
	May 27, 1944	May 20, 1944	May 29, 1943	May 29, 1943
Alabama.....	405,000	383,000	411,000	290,000
Alaska.....	5,000	5,000	5,000	2,000
Arkansas and Oklahoma.....	85,000	91,000	49,000	17,000
Colorado.....	125,000	119,000	152,000	96,000
Georgia and North Carolina.....	1,000	1,000		
Illinois.....	1,522,000	1,478,000	1,068,000	563,000
Indiana.....	532,000	543,000	428,000	261,000
Iowa.....	32,000	38,000	51,000	26,000
Kansas and Missouri.....	181,000	188,000	137,000	84,000
Kentucky—Eastern.....	967,000	927,000	1,011,000	783,000
Kentucky—Western.....	460,000	383,000	257,000	121,000
Maryland.....	40,000	40,000	41,000	17,000
Michigan.....	5,000	4,000	2,000	1,000
Montana (bitum. & lignite).....	71,000	76,000	83,000	34,000
New Mexico.....	34,000	36,000	33,000	27,000
North & South Dakota (lignite).....	33,000	32,000	24,000	16,000
Ohio.....	705,000	705,000	689,000	460,000
Pennsylvania (bituminous).....	3,162,000	3,164,000	3,067,000	2,011,000
Tennessee.....	151,000	139,000	148,000	110,000
Texas (bituminous & lignite).....	2,000	3,000	1,000	16,000
Utah.....	114,000	116,000	118,000	31,000
Virginia.....	401,000	383,000	410,000	258,000
Washington.....	29,000	29,000	27,000	32,000
West Virginia—Southern.....	2,273,000	2,180,000	2,373,000	1,749,000
West Virginia—Northern.....	1,133,000	1,080,000	1,005,000	526,000
Wyoming.....	166,000	156,000	166,000	67,000
†Other Western States.....	1,000	1,000		
Total bituminous & lignite.....	12,575,000	12,300,000	11,756,000	7,598,000
Pennsylvania anthracite.....	1,369,000	1,305,000	1,346,000	1,176,000
Total, all coal.....	13,944,000	13,605,000	13,102,000	8,774,000

†Includes operations on the N. & W., C. & O.; Virginian; K. & M.; B. C. & G.; and on the B. & O. in Kanawha, Mason and Clay counties. ‡Rest of State, including the Panhandle District and Grant, Mineral and Tucker counties. §Includes Arizona, California, Idaho, Nevada and Oregon. *Less than 1,000 tons.

Non-Ferrous Metals—Market Unchanged—Lead, Zinc And Copper Consumption At A High Rate

"E. & M. J. Metal and Mineral Markets," in its issue of June 8, states: "Producers of strategic non-ferrous metals were well aware of the fact that the invasion of Western Europe on June 6 marked the beginning of the critical phase of the war, but the market place did not reflect the increased tension and the situation last week remained unchanged. Consumption of copper, lead, and zinc continued at a high rate. Production and consumption of zinc during May were about in balance, according to statistics released June 7. Production of the light metals has been reduced further by WPB. Quicksilver output during April was larger than expected." The publication further went on to say in part:

Copper

Labor shortages are cutting into mine output, and the stockpile of copper will be reduced further over the summer months, the industry believes. From present indications, consumption of copper will be maintained at a high rate throughout the third quarter. Wire mills may obtain a larger percentage of the total volume of business.

WPB has amended Order M-9 to include copper precipitates, or cement copper, under copper raw materials.

Lead

With reserves of lead still ample, the market in this country is not expected to suffer from a strike at Mexican plants of moderate duration.

Sales of lead in the domestic market last week totaled 8,369 tons, against 4,299 tons in the week previous.

The Tin-Lead Division of the War Production Board recently released information that brought into the open the volume of lead actually imported in recent years. The material was contained in a report on production and consumption of lead in which it was declared that in 1942 we received large tonnages from Australia and Canada. Termination of contracts brought an end to those imports early in 1943, and none is now

available from these countries. Our dependence is solely on Mexican and Peruvian pig lead imports, according to the report. Imports of lead for five years, beginning with 1939, in tons:

	Pig Lead	In Ore Bullion, Etc.
1939.....	7,139	79,744
1940.....	151,568	130,924
1941.....	274,000	106,819
1942.....	369,000	123,220
1943.....	243,000	70,328

*Source: Tenth report of the Truman Committee.

The government's stockpile reached a maximum of four months' supply in March, 1943, it was stated officially, but on Jan. 1, 1944, the reserve contained only about a three months' supply. The Tin-Lead Division observes that the prospect for the duration is that we will be faced with declining supplies; but due to the existence of the stockpile, which can be drawn upon, lead will be in sufficient supply to meet war demands plus essential controlled industrial needs.

Zinc

Production of zinc during May amounted to 80,497 tons, against 80,405 tons in April. Shipments totaled 80,383 tons, and stocks increased slightly to 218,122 tons. The trade showed only mild interest in the figures.

The slab zinc statistics of the American Zinc Institute are summarized as follows, in tons:

	April	May
Production.....	80,405	80,497
Production, daily rate.....	2,680	2,597
Shipments.....	75,284	80,148
Domestic.....	235	235
Export.....	218,008	218,122
Stock at end.....	32,058	29,634
Unfilled orders.....		

*Revised.

Tin

The market situation in tin was unchanged last week. News from Bolivia in regard to the political developments has been more encouraging.

Straits quality tin for shipment, in cents per pound, was as follows:

	June	July	August
June 1.....	52,000	52,000	52,000
June 2.....	52,000	52,000	52,000
June 3.....	52,000	52,000	52,000
June 4.....	52,000	52,000	52,000
June 5.....	52,000	52,000	52,000
June 6.....	52,000	52,000	52,000
June 7.....	52,000	52,000	52,000

Chinese, or 99% tin, held at 51.125c per pound.

Quicksilver

The April statistics were disappointing, for production declined only 100 flasks, to 3,700 flasks, and consumption dropped 400 flasks, to 3,200 flasks. Holding that production has declined steadily since April and is still falling, the market last week was quotably unchanged. Prices in New York ranged from \$110 to \$112 per flask, with rumors that some distressed material changed hands at moderately lower levels.

Silver

The London market for silver was unchanged last week at 23½d. The New York Official continued at 44¼c on foreign metal, with domestic at 70¼c.

Two minor changes have been incorporated in existing regulations governing the sale of silver bullion, semi-fabricated articles, and scrap. The revised order provides for specific differentials on sales of small lots.

Willkie to Speak at War Loan Rally in N. Y.

Wendell L. Willkie will be the principal speaker at a Fifth War Loan rally of the Banking and Investment Division of the War Finance Committee for New York at the Sub-Treasury Building, Wall and Nassau Streets, at 12 o'clock, noon on Flag Day, June 14. William R. White, Director of the Division, announced on June 8. The rally will be a colorful spectacle, including a massing of flags, Mr. White said. An important feature of the exercises will be the reading of the Star Spangled Banner by Helen Hayes.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on June 6 a summary for the week ended May 27 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 May 27, 1944	
Odd-Lot Sales by Dealers (Customers' purchases)	Total for Week
Number of orders.....	19,514
Number of shares.....	544,525
Dollar value.....	\$23,120,446
Odd-Lot Purchases by Dealers— (Customers' sales)	
Number of Orders:	
Customers' short sales.....	146
*Customers' other sales.....	18,943
Customers' total sales.....	19,089
Number of Shares:	
Customers' total sales.....	4,493
*Customers' other sales.....	489,470
Customers' total sales.....	493,973
Dollar value.....	\$17,257,199
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales.....	90
†Other sales.....	131,880
Total sales.....	131,970
Round-Lot Purchases by Dealers:	
Number of shares.....	174,360
*Sales marked "short exempt" are reported with "other sales."	
†Sales to offset customers' odd-lot orders, and sales to liquidate a long position which is less than a round lot are reported with "other sales."	

Revenue Freight Car Loadings During Week Ended June 3, 1944 Decreased 59,088 Cars

Loading of revenue freight for the week ended June 3, 1944, totaled 810,772 cars, the Association of American Railroads announced on June 8. This was an increase above the corresponding week of 1943 of 143,163 cars, or 21.4%, but a decrease below the same week in 1942 of 43,917 cars or 5.1%.

Loading of revenue freight for the week of June 3, decreased 59,088 cars, or 7.3% below the preceding week due to the holiday on May 30.

Miscellaneous freight loading totaled 360,349 cars, a decrease of 25,175 cars below the preceding week, but an increase of 2,963 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 97,080 cars, a decrease of 8,005 cars below the preceding week, but an increase of 6,121 cars above the corresponding week in 1943.

Coal loading amounted to 169,965 cars, a decrease of 12,727 cars below the preceding week, but an increase of 128,688 cars above the corresponding week in 1943 due to coal strike in 1943.

Grain and grain products loading totaled 37,107 cars, a decrease of 4,018 cars below the preceding week and a decrease of 1,270 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of June 3, totaled 23,982 cars, a decrease of 2,260 cars below the preceding week and a decrease of 845 cars below the corresponding week in 1943.

Live stock loading amounted to 12,655 cars, a decrease of 1,455 cars below the preceding week, but an increase of 551 cars above the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of June 3 totaled 9,216 cars, a decrease of 1,386 cars below the preceding week, but an increase of 344 cars above the corresponding week in 1943.

Forest products loading totaled 39,382 cars, a decrease of 4,244 cars below the preceding week and a decrease of 2,049 cars below the corresponding week in 1943.

Ore loading amounted to 79,563 cars, a decrease of 3,178 cars below the preceding week but an increase of 4,908 cars above the corresponding week in 1943.

Coke loading amounted to 14,671 cars, a decrease of 286 cars below the preceding week, but an increase of 3,251 cars above the corresponding week in 1943.

All districts reported increases compared with the corresponding week in 1943, but all districts reported decreases compared with 1942, except the Allegheny.

	1944	1943	1942
5 Weeks of January	3,796,477	3,531,811	3,858,470
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
4 weeks of May	3,446,252	3,363,195	3,311,637
Week of June 3	810,772	667,609	854,689
Total	18,416,773	17,616,766	18,532,435

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended June 3, 1944. During the period 87 roads showed increases when compared with the corresponding week a year ago when the coal miners were on strike.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED JUNE 3

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Eastern District—					
Ann Arbor	219	229	427	1,331	1,366
Bangor & Aroostook	1,002	748	1,356	423	340
Boston & Maine	6,511	6,018	6,124	14,164	13,218
Chicago, Indianapolis & Louisville	1,140	1,180	1,306	2,179	1,979
Central Indiana	33	32	23	36	48
Central Vermont	92	983	1,044	2,098	2,487
Delaware & Hudson	5,295	2,854	6,129	12,052	11,378
Delaware, Lackawanna & Western	7,300	5,304	7,694	10,066	11,315
Detroit & Mackinac	278	290	329	122	71
Detroit, Toledo & Ironton	1,643	1,536	1,703	1,031	1,014
Detroit & Toledo Shore Line	264	258	280	2,603	2,283
Erie	12,822	10,300	14,932	17,335	17,019
Grand Trunk Western	3,307	3,492	3,405	8,231	8,038
Lehigh & Hudson River	166	153	204	3,022	2,577
Lehigh & New England	1,555	785	1,621	1,722	1,356
Lehigh Valley	8,381	5,596	8,891	16,259	13,953
Maine Central	1,982	2,069	2,181	2,742	2,014
Monongahela	6,274	1,492	6,367	325	404
Montour	2,451	536	2,504	11	130
New York Central Lines	45,356	43,540	46,673	55,125	44,989
N. Y. N. H. & Hartford	8,530	9,002	10,035	18,634	17,373
New York, Ontario & Western	1,257	1,026	1,051	2,955	2,032
New York, Chicago & St. Louis	6,055	7,114	7,616	16,490	14,339
N. Y. Susquehanna & Western	399	505	553	2,010	2,209
Pittsburgh & Lake Erie	7,555	6,208	7,724	8,866	6,968
Pere Marquette	4,168	4,989	5,369	7,273	6,255
Pittsburgh & Shawmut	905	361	718	37	21
Pittsburgh, Shawmut & North	279	224	331	238	191
Pittsburgh & West Virginia	1,265	461	1,098	2,495	3,237
Rutland	335	313	310	1,106	935
Wabash	4,568	3,980	5,119	12,423	11,739
Wheeling & Lake Erie	5,231	4,174	5,351	4,065	4,862
Total	147,428	125,752	158,468	227,469	206,140
Allegheny District—					
Akron, Canton & Youngstown	707	695	635	1,323	994
Baltimore & Ohio	44,669	28,455	43,308	28,352	28,930
Bessemer & Lake Erie	6,765	4,563	7,479	2,076	1,840
Buffalo Creek & Gauley	327	279	288	4	2
Cambria & Indiana	1,491	236	1,935	8	5
Central R. R. of New Jersey	6,643	5,191	6,863	19,884	20,624
Cornwall	442	602	633	50	45
Cumberland & Pennsylvania	163	55	290	11	9
Ligonier Valley	167	97	118	35	22
Long Island	1,124	1,004	1,054	3,573	3,674
Penn-Reading Seashore Lines	1,505	1,527	1,673	2,535	3,076
Pennsylvania System	83,805	65,269	82,184	66,721	56,666
Reading Co.	15,065	10,578	14,143	27,808	26,101
Union (Pittsburgh)	19,680	19,829	20,963	7,265	6,805
Western Maryland	4,121	2,244	4,112	13,136	11,496
Total	186,654	140,624	185,678	172,781	160,322
Pocahontas District—					
Chesapeake & Ohio	28,154	10,608	29,236	13,062	11,304
Norfolk & Western	22,279	8,331	23,135	7,443	6,866
Virginian	4,518	1,202	4,799	2,339	2,020
Total	54,951	20,141	57,170	22,844	20,190

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Southern District—					
Alabama, Tennessee & Northern	332	280	395	396	267
Atl. & W. P.—W. R. R. of Ala.	732	663	737	2,845	2,687
Atlanta, Birmingham & Coast	718	691	757	1,571	1,343
Atlantic Coast Line	12,019	13,437	12,877	9,861	10,934
Central of Georgia	3,734	3,745	3,609	5,501	5,365
Charleston & Western Carolina	387	539	474	1,902	1,655
Chinchfield	1,661	1,580	1,703	3,009	2,138
Columbus & Greenville	199	324	295	257	157
Durham & Southern	123	102	136	591	535
Florida East Coast	1,169	2,187	741	1,436	1,750
Gainesville Midland	59	38	40	149	108
Georgia	1,234	1,134	1,311	2,975	3,196
Georgia & Florida	433	377	399	546	516
Gulf, Mobile & Ohio	4,088	3,359	4,459	4,323	4,561
Illinois Central System	27,146	21,175	26,269	16,457	19,689
Louisville & Nashville	25,305	15,547	26,574	11,769	12,451
Macon, Dublin & Savannah	192	209	132	1,124	728
Mississippi Central	281	195	187	466	435
Nashville, Chattanooga & St. L.	2,963	2,992	3,822	4,616	5,021
Norfolk Southern	940	1,118	1,564	1,520	1,788
Piedmont Northern	422	383	329	1,118	1,101
Richmond, Fred. & Potomac	403	319	536	10,443	11,876
Seaboard Air Line	10,739	11,225	12,594	8,353	8,045
Southern System	23,227	19,607	23,777	24,250	24,498
Tennessee Central	680	501	611	768	982
Winston-Salem Southbound	150	113	94	976	791
Total	119,336	101,840	124,422	117,222	122,617
Northwestern District—					
Chicago & North Western	16,937	17,269	21,421	12,570	12,479
Chicago Great Western	2,276	2,149	2,371	3,198	2,911
Chicago, Milw., St. P. & Pac.	18,090	15,061	18,315	9,896	9,295
Chicago, St. Paul, Minn. & Omaha	2,966	2,595	3,353	3,438	3,759
Duluth, Missabe & Iron Range	29,309	24,449	28,715	229	286
Duluth, South Shore & Atlantic	754	892	1,340	562	609
Elgin, Joliet & Eastern	8,677	8,275	9,983	12,767	10,033
Et. Dodge, Des Moines & South	369	380	517	94	73
Great Northern	21,212	23,130	27,276	6,873	6,693
Green Bay & Western	436	364	566	858	607
Lake Superior & Ishpeming	2,025	2,096	3,147	44	39
Minneapolis & St. Louis	1,936	1,288	1,753	2,513	2,043
Minn., St. Paul & S. S. M.	6,112	5,658	7,911	3,945	2,861
Northern Pacific	8,801	9,181	11,961	5,700	5,528
Spokane International	149	131	181	661	795
Spokane, Portland & Seattle	1,235	2,309	2,806	3,293	3,381
Total	121,284	115,227	141,616	66,641	61,452
Central Western District—					
Atch., Top. & Santa Fe System	23,110	21,358	22,359	12,086	11,629
Alton	3,031	2,335	3,134	3,511	4,621
Bingham & Garfield	504	54	636	83	91
Chicago, Burlington & Quincy	16,439	12,775	16,614	11,881	12,056
Chicago & Illinois Midland	3,413	668	2,446	1,035	632
Chicago, Rock Island & Pacific	10,451	10,454	11,795	11,681	12,272
Chicago & Eastern Illinois	2,097	1,692	1,991	6,720	5,369
Colorado & Southern	512	580	724	2,550	2,023
Denver & Rio Grande Western	3,488	1,661	2,806	6,028	6,139
Denver & Salt Lake	706	240	608	19	8
Fort Worth & Denver City	677	1,022	1,127	1,310	2,380
Illinois Terminal	1,593	1,324	1,831	1,878	1,408
Missouri-Illinois	1,073	683	1,559	457	237
Nevada Northern	1,660	1,997	1,981	117	91
North Western Pacific	761	1,048	1,080	654	696
Peoria & Pekin Union	7	1	1	0	0
Southern Pacific (Pacific)	27,512	29,190	29,619	13,046	14,794
Toledo, Peoria & Western	266	323	236	2,082	1,887
Union Pacific System	12,754	11,795	12,483	16,042	16,567
Utah	461	90	560	5	5
Western Pacific	2,061	1,814	2,036	4,126	3,801
Total	112,576	101,604	115,626	96,111	97,436
Southwestern District—					
Burlington-Rock Island	510	851	211	600	266
Gulf Coast Lines	4,700	5,169	5,547	2,355	2,435
International-Great Northern	2,532	2,290	3,143	3,939	3,450
Kansas, Oklahoma & Gulf	245	295	326	1,000	594
Kansas City Southern	6,404	5,010	5,445	2,596	3,070
Louisiana & Arkansas	3,726	3,332	3,978	2,866	3,245
Litchfield & Madison	330	259	388	1,097	1,175
Midland Valley	541	284	630	408	234
Missouri & Arkansas	179	181	125	396	502
Missouri-Kansas-Texas Lines	6,106	5,794	6,082	4,810	5,138
Missouri Pacific	15,031	12,259	18,439	19,471	19,175
Quannah Acme & Pacific	71	50	80	352	176
St. Louis-San Francisco	8,075	6,126	8,330	8,445	11,785
St. Louis Southwestern	3,151	2,850	3,140	7,348	6,231
Texas & New Orleans	12,356	13,303	10,812	4,877	5,928
Texas & Pacific	4,439	4,220	4,887	7,399	7,888
Weatherford M. W. & N. W.					

Items About Banks, Trust Companies

The election to the directorate of the Colonial Trust Co. of New York of James S. Carson, a Vice-President and director of American & Foreign Power Co., Inc., James A. Beha, attorney, formerly Superintendent of Insurance of the State of New York, and John S. Everts, a Vice-President of the bank, was announced on June 13 by Arthur S. Kleeman, President of the institution. "In electing these three new members to its Board of Directors," said Mr. Kleeman, "Colonial Trust Co. is adding to its directorate men distinguished in those special fields in which the bank has become increasingly active." Mr. Kleeman also said in part:

"Mr. Carson, who is also an officer and director of many of the Latin American subsidiaries of American & Foreign Power, has widespread business affiliations with important inter-American commercial organizations. He has, since 1918, been a member of the Council of the Pan American Society of the United States, Inc., and is a Vice-President of the organization. He is a director of the National Foreign Trade Council and the Chairman of its Foreign Trade Education Committee, President of the Argentine-American Chamber of Commerce and a director of the American-Brazilian Association, Chile-American Association, Colombian-American Chamber of Commerce, Cuban Chamber of Commerce, Mexican Chamber of Commerce, Peruvian American Association, Venezuelan Chamber of Commerce and a member of the Foreign Commerce Committee of the Chamber of Commerce of the United States.

"Mr. Beha, who was appointed head of the State Insurance Department by Governor Smith, served with distinction in that capacity from 1924 to 1928; he is a member of the Insurance Board of the State of New York, a member of the boards of Brooklyn Mortgage Guaranty & Title Co., New Amsterdam Casualty Co., Seaboard Fire & Marine Insurance Co., Union Labor Life Insurance Co., Trinity Building Corp. and Lombardy Hotel Corp. of New York and the Western & Southern Life Insurance Co. of Cincinnati, Ohio. Mr. Beha also gives much time to outside interests, being President of the Guild of Catholic Lawyers, a former President of the Catholic Club of the City of New York and active in a number of charitable and philanthropic projects.

"Mr. Everts, who is a Vice-President and the senior credit officer of our institution, has been with the Colonial organization for 15 years."

From the bulletin June 9 of the New York State Banking Department we quote: Royal Industrial Bank, 1134 Broadway, New York, N. Y. Approval given to certificate of increase of capital stock from \$175,000, consisting of 2,625 shares having a par value of \$66.66% each, to \$225,000, consisting of 3,375 shares having a par value of \$66.66% each.

The Geneva Trust Company, of Geneva, N. Y., a State member bank, merged on June 1 into the Lincoln-Alliance Bank & Trust Co., Rochester, N. Y., a State member bank. In connection with the merger a branch was established at Geneva, said an announcement June 3 by the Board of Governors of the Federal Reserve System.

The New York State Banking Department on June 1 reported that the Lincoln-Alliance Bank & Trust Co. received approval for a certificate of increase of the capital stock from \$5,000,000, consisting of 40,000 shares of convertible preferred stock of the par value of \$50 each and 150,000 shares of common stock of the par value of \$20 each, to \$5,133,340, consisting of 40,000 shares of convertible

preferred stock of the par value of \$50 each and 156,667 shares of common stock of the par value of \$20 each.

The New York State Banking Department also announced on June 2, action by it incident to mergers among Rochester, N. Y., banks.

Security Trust Co. of Rochester, May 29. Authorization issued for the opening and maintenance of a branch office at 58 South Main St., Fairport, Monroe County, N. Y., on or after June 1, 1944. (This authorization issued in connection with the merger of Fairport National Bank & Trust Co. into Security Trust Co. of Rochester.) Security Trust Co. of Rochester. Agreement of merger and sworn copies of proceedings of meetings of directors and stockholders of the respective corporations, held for the purpose of considering and acting upon the merger of the Fairport National Bank & Trust Co. into the Security Trust Co. of Rochester under the title "Security Trust Co. of Rochester" pursuant to Section 600 of the Banking Law filed. Security Trust Co. of Rochester. Agreement of merger and sworn copies of proceedings of meetings of directors and stockholders of the respective corporations, held for the purpose of considering and acting upon the merger of Pittsford National Bank into Security Trust Co. of Rochester under the title "Security Trust Co. of Rochester," pursuant to Section 600 of the Banking Law, filed. Security Trust Co. of Rochester. Authorization issued for the opening and maintenance of a branch office at 9 North Main St., Pittsford, Monroe County, N. Y., on or after June 1, 1944.

The East Side Savings Bank of Rochester, May 31. Agreement of merger and verified copies of the minutes of the meetings of the Boards of Trustees of the respective corporations held for the purpose of approving the merger of the Mechanics' Savings Bank of Rochester into the East Side Savings Bank of Rochester, under the title "The Community Savings Bank of Rochester." Merger agreement provides that offices of the merged Mechanics' Savings Bank of Rochester, located at 21 Exchange St. and 89 East Ave., shall be maintained as branches of the continuing corporation.

Attention to a local underwriting, involving \$900,000, is called by Kiser, Cohn & Shumaker, Inc., of Indianapolis, dealers in investment securities, who state:

"A group of local dealers underwrote the issuance of 66,666% shares of capital stock of American National Bank of Indianapolis, offered to stockholders at \$13.50 per share. At the same time the bank declared a stock dividend of 33 1/3% upon their outstanding 100,000 shares with the net result that the capital stock of the bank was increased from 100,000 to 200,000 shares.

"One feature of the underwriting was that it lasted for a period of approximately 45 days from April 24, the date the notice of stockholders meeting was sent out, until June 5, the last day upon which rights to purchase additional stock could be exercised by stockholders.

"The underwriting was a huge success, 93.08% of the stock being subscribed to by stockholders and leaving only 6.92% of the stock to be taken by the underwriters. The underwriters immediately resold the same at \$14.50 per share and stock is now quoted 15 bid, 16 asked.

"The managers of the underwriting group were City Securities Corp., Indianapolis Bond & Share Corp., Collett & Co., Inc., Kiser, Cohn & Shumaker, Inc., and Thomas D. Sheerin & Co., all of Indianapolis. In addition, the following Indianapolis and na-

tional houses participated in the underwriting: A. G. Becker & Co., Inc.; Blyth & Co., Inc.; N. Leonard Cohen & Co.; Paul H. Davis & Co.; Hemphill, Noyes & Co.; F. S. Moseley & Co.; Gavin L. Payne & Co., Inc.; Cochran Morrissey & Co.; Newton Todd; Breed, Elliott & Harrison and Sherk & Co., Inc."

A tabulation, presented by the bank, showing the effect of the plan upon the bank's capital accounts, follows:

Capital Accounts as of 4-13-44	Capital after giving effect to the 3 1/3% Stock Dividend (Cents omitted)
Preferred stock	\$725,000
Common stock	1,333,333
Surplus	1,000,000
Undivided profits	450,174
Reserve for retirement of pfd. stock	400,000
Res. for div. pay. in common stock	325,000

Total capital funds (excluding contingent res.)	\$3,900,174	\$3,900,174
Less pfd. stock	725,000	725,000

Total common capital funds	\$3,175,174	\$3,175,174
No. of com. shs.	133,333 1/3	133,333 1/3
Book value per common share	\$31.75	\$23.81

Application from sale of 66,666% shares of common stock (par value \$10) upon completion at \$13.50 per share of transactions (Cents omitted)

Preferred stock	---	---
Common stock	\$666,666	\$2,000,000
Surplus	233,333	\$1,750,000
Undivided profits	---	325,174

Total capital funds (excluding contingent res.)	---	\$4,075,174
Total common capital funds	\$900,000	\$4,075,174
No. of com. shs.	66,666 2/3	200,000
Book value per common share	---	\$20.37

*Preferred stock retired out of cash received from sale of new common stock.
 †Includes (a) \$400,000 from reserve for retirement of preferred stock, (b) \$233,333 received as premium from sale of new stock and (c) \$116,666 to be transferred from undivided profits.

Directors of the First National Bank of Chicago, at their regular monthly meeting on June 9, authorized the transfer of \$10,000,000 to surplus, making the surplus \$50,000,000. The Chicago "Journal of Commerce" reporting this added:

"Part of the \$10,000,000 addition was taken from reserves and the balance from undivided profits. The combined capital and surplus accounts, after the transfer, total \$100,000,000."

The purchase of \$1,000,000 in War Bonds by Wiley R. Reynolds, President of the First National Bank in Palm Beach, Fla., was announced on June 6 by R. E. Conn, Chairman of the Town of Palm Beach War Finance Committee. This sale of bonds to Mr. Reynolds, which was made as of the opening of the drive on June 12, will be for the purchase of a LSM—Landing Ship to be given to the U. S. Navy. The following plaque is to be placed aboard the craft: "This ship sponsored and made possible by War Bond purchases of the citizens of the Town of Palm Beach, Fla."

Lawrence M. Arnold, Chairman, and J. A. Swallow, President of the Seattle-First National Bank, Seattle, Wash., announce that at the close of business on June 6, 1944, the present stockholders of the bank had purchased 49,679 of the 50,000 shares of stock offered at \$35 a share to stockholders of record on May 2. The balance of 321 shares have all been subscribed for by other stockholders through the purchase of rights. It was also announced that a stock dividend of an additional 50,000 shares of stock would be issued to the stockholders of record on June 6, on the basis of one new share for each nine shares then held, and delivery of these new stock certificates will be made at an early date. This transaction will increase the bank's capital

W. C. Way Elected President Of A.I.B.

William C. Way, trust officer of the Central National Bank of Cleveland, was elected President of the American Institute of Banking, educational section of the American Bankers Association, at its Wartime Conference and 42nd annual meeting at the Hotel Statler at St. Louis on June 8.

David T. Scott, Assistant Cashier of the First National Bank of Boston, was elected national Vice President of the AIB at the closing session of the Conference.

Mr. Way, who was born in England, and received his elementary and secondary education in public and private schools in Bristol, England. He came to Cleveland from Bristol in September 1913. In October of that year he started in the employ of The Guardian Trust Company of Cleveland, Ohio, as a messenger. He worked in the real estate management department and as paying teller for the trust department—a period interrupted by 18 months of service in the aviation division of the United States Army. In 1924 he was made chief clerk of the cooperate trust department, which post he held until June 1933, when he became connected with Central National Bank of Cleveland. In January 1936 he was elected Assistant Trust Officer of his bank, and in 1943 he became Trust Officer.

He joined the Cleveland Chapter of the American Institute of Banking in 1914, and has held practically every office in his Chapter, including the Presidency in 1932-1933. He received his Standard Certificate in 1929. He has been an instructor in Cleveland Chapter since 1933. Prior to his election as a member of the Executive Council at the Boston Convention in June, 1940, he served seven years as an Associate Councilman for Northeast Ohio. At the Chicago Wartime Conference in 1943 he was elected Vice-President of the Institute and has now been elevated to the Presidency.

Mr. Scott, a native of Boston, Mass., began his banking career with the Old Colony Trust Co. in Boston in 1925 and continued with The First National Bank of Boston when the two institutions were merged in 1929. He has been Assistant Branch Manager, Assistant Manager of the real estate department and Assistant Manager of the control division, and is now assigned to the personnel department. Mr. Scott has long been identified with Boston Chapter of the American Institute of Banking, graduating and receiving the Standard Certificate in 1931. In 1937 he enrolled in The Graduate School of Banking, conducted by the American Bankers Association, and graduated with the Class of 1939 at Rutgers University.

Mr. Scott was the first Chairman of the Boston Chapter's Public Speaking Club and has held every elective office in the Chapter. He was its President in the year 1939-1940. After serving for three years as Associate Councilman for the State of Massachusetts, Mr. Scott was elected to the National Executive Council of the AIB for a three-year term at the Institute's annual convention in San Francisco in 1941. He will now serve as Vice-President for the year ending in June, 1945. Mr. Scott is a member of the National Bank Cashiers Association and the Bank Officers Association of the City of Boston.

stock from \$8,000,000 to \$10,000,000, and gives it total capital funds of \$21,587,000. The last published figures of the bank reported total resources of over \$528,000,000.

NYSE Short Interest Higher On May 31

The New York Stock Exchange announced on June 10 that on the May 31 settlement date, as compiled from information obtained by the N. Y. Stock Exchange from its members and member firms was 1,181,293 shares, compared with 1,090,581 shares on April 28, both totals excluding short positions carried in the odd-lot accounts of all odd-lot dealers. As of the May 31 settlement date, the total short interest in all odd-lot dealers' accounts was 33,899 shares, compared with 37,357 shares on April 28.

This announcement of the Exchange added:

Of the 1,243 individual stock issues listed on the Exchange on May 31, there were 61 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 May 31, exclusive of odd-lot dealers' short positions, was 662 compared with 624 on April 28.

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

1943—	Shares
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
May 31	1,181,293

Money in Circulation

The Treasury Department in Washington has issued its customary monthly statement showing the amount of money in circulation after deducting the money held in the U. S. Treasury and by Federal Reserve Banks and agents. The figures this time are those of April 30, 1944, and show that the money in circulation at that date (including of course that held in bank vaults of member banks of the Federal Reserve System) was \$21,552,231,236 as against \$21,115,488,125 on March 31, 1944, and \$16,659,573,874 on April 30, 1943, and compares with \$5,698,214,612 on Oct. 31, 1920. Just before the outbreak of the first World War, that is, on June 30, 1914, total was \$3,459,434,174.

NYSE Borrowings Lower

The New York Stock Exchange announced on June 6 that the total money borrowed as reported by Stock Exchange member firms as of the close of business May 31, was \$654,930,729, a decrease of \$41,820,376 below the April 29 total of \$696,751,105.

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 \$187,570,300.

2. on all other collateral \$467,360,429, reported by New York Stock Exchange Member Firms as of the close of business May 31, 1944, aggregated \$654,930,729.

The total of money borrowed, compiled on the same basis, as of the close of business April 29, 1944, was

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—\$696,751,105.