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The Financial Situation

The Department of Commerce has recently estimated that straight-time wage and salary payments in nonagricultural industries in the United States during 1943 amounted to just short of \$77.5 billion. According to the same source, all wage and salary payments in these industries totaled \$89.5 billion. The difference, some \$12 billion, or nearly 13.5% of the total, represented payment for overtime work. Of the latter somewhat over \$4 billion represented overtime premium rates of pay.

Of this situation, the Department of Commerce has this to say:

"The fact that so substantial a proportion of workers' incomes during the war period resulted from overtime pay has important implications for the transition period which will follow the end of hostilities. It is apparent from the accompanying tables and charts that the reduction in income which will occur with the return to the normal workweek will eliminate the source from which a large volume of purchasing power is derived currently. This factor will be supplemented by another, operating in the same direction, namely, the transfer of workers out of relatively high wage occupations in the heavy industries to lower paid jobs in consumers' goods and services fields."

Unfortunate Analysis

This line of comment would doubtless seem exceedingly strange to many of us were similar analyses not now so common. But common or not, this sort of approach is wholly unsatisfying. Indeed it is distinctly unfortunate, since it can scarcely fail, whether intended or not, to give encouragement to labor leaders and not a few others who are even now urging that hourly wage rates be raised in this post-war

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Bretton Woods Conference Achieved A "Bulk Of Lucid, Solid Construction" Says Lord Keynes

Lord Keynes, Chairman of the British delegation and Chairman of Commission II, which drew up the plan for the International Bank of Reconstruction and Development for the Conference, in moving the adoption of the final act at the closing plenary session of the Conference on Saturday evening, July 22, made the following address: "I feel it a signal honor that I am asked to move the acceptance of the Final Act at this memorable Conference.



Lord Keynes

"We, the Delegates of this Conference, Mr. President, have been trying to accomplish something very difficult to accomplish. We have not been trying, each one to please himself, and to find the solution most acceptable in our own particular situation. That would have been easy. It has been our task to find a common measure, a common standard, a common rule applicable to each and not irksome to any. We have been operating, moreover, in a field of great intellectual and technical difficulty. We have had to perform at one and the same time the tasks appropriate to the economist, to the financier, to the politician, to the journalist, to the propagandist, to the lawyer, to the statesman—even, I think, to the prophet and to the soothsayer. Nor has the magic of the microphone been able, silently and swiftly perambulant at the hands of our attendant sprites, the faithful Scouts, Puck coming to the aid of Bottom, to undo all the mischief first wrought in the Tower of Babel.

"And I make bold to say, Mr. President, that under your wise and kindly guidance we have been successful. International conferences have not a good record. I

am certain that no similar conference within memory has achieved such a bulk of lucid, solid construction. We owe this not least to the indomitable will and energy, always governed by good temper and humor, of Harry White. But this has been as far removed as can be imagined from a one-man or two-man or three-man conference. It has been teamwork, teamwork such as I have seldom experienced. And for my own part, I should like to pay a particular tribute to our lawyers. All the more so because I have to confess that, generally speaking, I do not like lawyers. I have been known to complain that, to judge from results in this lawyer-ridden land, the Mayflower, when she sailed from Plymouth, must have been entirely filled with lawyers. When I first visited Mr. Morgenthau in Washington some three years ago accompanied only by my secretary, the boys in your Treasury curiously inquired of him—where is your lawyer? When it was explained that I had none—"Who then does your thinking for you?" was the rejoinder. That is not my idea of a lawyer. I want him to

tell me how to do what I think sensible, and, above all, to devise means by which it will be lawful for me to go on being sensible in unforeseen conditions some years hence. Too often lawyers busy themselves to make commonsense illegal. Too often lawyers are men who turn poetry into prose and prose into jargon. Not so our lawyers here in Bretton Woods. On the contrary they have turned our jargon into prose and our prose into poetry. And only too often they have had to do our thinking for us. We owe a great debt of gratitude to Dean Acheson, Oscar Cox, Luxford, Brenner, Collado, Arnold, Chang, Broches and our own Beckett of the British Delegation. I have only one complaint against them which I ventured to voice yesterday in Commission II. I wish that they had not covered so large a part of our birth certificate with such very detailed provisions for our burial service, hymns and lessons and all.

"Mr. President, we have reached this evening a decisive point. But it is only a beginning. We have to go out from here as missionaries, inspired by zeal and faith. We have sold all this to ourselves. But the world at large still needs to be persuaded.

"I am greatly encouraged, I confess, by the critical, sceptical and even carping spirit in which our proceedings have been

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The Price Of Peace

By NORMAN THOMAS*

Presidential Aspirant Urges A Proclamation Of Peace Terms Appropriate To A Lasting Peace—Opposes Commitment To Any League Pledged To A Peace Of Vengeance And Of Imperial Power And Holds A Constructive Revolution Can Bring Hope To Germany And Europe As A Primitive Peace Cannot—Lays War To Versailles Treaty And Capitalists From Europe And America

There isn't a decent American who doesn't want the earliest possible peace that will last. We want no single American boy to die to satisfy



Norman Thomas

some lust of pomp and pride or thirst for vengeance. Every American father or mother will think "that boy whose life was thrown away might have been mine." Not one of us can look in the movies at the devastation which war, even for liberation, inevitably has brought to towns of Italy and of France and want to add to Europe's sorrow and bitterness by the unnecessary destruction of one least hamlet. In our hearts we know how infinitely desirable it would be if the intrigue among

high German officials and the break in German solidarity at the top should be followed by a constructive revolution of the masses of the German people, soldiers, workers and farmers, who have already paid so terrible a price for Hitler's dream of conquest and of power. But despite all this neither President Roosevelt nor any of the Allied leaders has said one word that might shorten the war by giving the German people a little hope of a decent peace. And newspapers and individuals who have usurped the name "liberal" have denounced the demand for decent peace terms and even the request for something better than unconditional surrender, as if it were a form of treason. Rather theirs is the treason to the men who will die in vain and to the

*A speech given by Norman Thomas, Socialist candidate for President, at Oberlin Town Hall, Oberlin, Ohio, July 30, 1944.

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From Washington Ahead Of The News

By CARLISLE BARGERON

Governor Dewey's jaunt out to St. Louis is looked upon here in Washington as something historic and at the same time, something fraught with political dynamite.

In the first instance, it symbolizes the independence that our State Governors have been acquiring. That's all to the good. It has been all too long since these Governors recognized their proper estate. With

the exception of a few States, the Governors have, even before the New Deal, looked upon their jobs as a stepping stone to the Senate. An exception was the former Governor Ritchie of Maryland, who often said he would not consider giving up the great State of Maryland except for the Presidency. Your New York governors have always assumed they were pretty big shots and in direct line for the Presidency.

But aside from a few States, the ambitious men who became governors had no higher ambitions than to get to the Senate. This reflected, on their part, an accept-



Carlisle Bargeron

ance that they were merely flunkies and that the National Government was the thing. Some of these fellows, many of them, only get \$5,000 a year and a house to live in and some of them not even this latter.

Whether their attitude had to do with the centralization which we have undergone, or whether they were simply victims of the trend, is not for this writer to say. Suffice to say is that in recent years the Governors have come to mean little or nothing, except in one or two States.

We are inclined to think they had a lot to do with it because a Governor of backbone, who insisted upon handling the problems within his State, could have served a useful purpose and also attracted national attention.

Mr. Roosevelt, when he came into power, with his knowledge of human nature, fully realized this set-up. He fully realized that the great majority of our Governors were looking forward to running for the Senate. He swept over and engulfed these State am-

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What Nonsense Is This?

"I would appropriate for the first year immediately after the end of the war, a 20 days' cost of the war. I would double that for the second year. I am speaking of the cost of Federal, State and municipal public works programs, a five-year program of at least \$40,000,000,000. If we don't do that, I predict we will spend more in the long run and get less out of it, just as we did with the WPA. If funds are provided in time, the country will get full value.

"Just as soon as the war blows up in Germany, which I hope will be real quick, the city is ready to go ahead with its post-war plans. But no city in the United States, including my own, is able to fully and completely finance a post-war public works program without Federal aid."—Mayor La Guardia of New York City.

"Unless a depression is seen coming or some other national need arises reasonably requiring Federal grants, I do not believe that municipalities should look primarily to the Federal Government for the financing of local public works. In the absence of special or other compelling circumstances, State and local governments should not advance public works programs beyond their own ability to finance them. This is no argument against Federal funds for certain types of highways, port developments and for other projects toward which the Federal Government has been contributing from earliest times."—Edgar J. Nathan, Jr., President of the Borough of Manhattan.

It is to be hoped that the Congressional Committee to whom these gentlemen expressed these views last week will be inclined to scrutinize such doctrines with care. How, except by monetary tricks, can the people through the central government do what is beyond them otherwise? And anyhow, what reason is there to suppose welfare is promoted by outrageous profligacy.

Howard E. Blood Sees "Boom" In So. America—Foreign Commerce Board Advocated

A real estate and building "boom" of such proportions "it is reminiscent of the Florida land boom" is now in progress in most large cities of South America and is enhancing the demand for many products which will not be obtainable in quantity until after the war, Howard E. Blood, President of the Norge Division of Borg-Warner Corp., declared at Detroit, Mich., on July 27, following his return from a 17,000 mile business survey trip to the major cities of the southern continent.

Emphasizing that United States businessmen can look forward to a multitude of opportunities in South America after the war, Mr. Blood cited this real estate development as one phase of a "vast" industrial expansion which all countries of that continent are experiencing. The land "boom" is particularly notable in Sao Paulo and Rio de Janeiro in Brazil, he said.

Furthermore, Mr. Blood continued, there has developed in the last several years a "strong spirit of nationalism" in these countries with virtually everyone in government and business of the realization that the general living standard scale must be raised if improvements are to continue.

"Efforts in this direction in the last several years have resulted in general salary increases in most countries, with wages in Buenos Aires up 56.3% from January, 1937, the base year." While these gains are partially attributable to a war-borne price inflation, "it appears that purchasing power has increased considerably," Mr. Blood stated.

North American technical skill will be especially helpful in "streamlining" manufacturing operations of the many small firms which have sprung up during the war, most of which are operating under great difficulties, he continued.

Although products of these newer companies represent competition with existing United States trademarks in South America, it is historically true, he declared, that as a country industrializes, the overall market for North American goods increases with benefit to all.

To indicate further the prospects

for increased industrialization, Mr. Blood cited the anticipated widened use of the airplane post-war, a vehicle of transport and communication which has been instrumental largely in development of hitherto inaccessible areas.

Mr. Blood said that the United States Government, according to its citizen businessmen living in South America, must take at least three steps if healthy trade relations between the two continents are to be fostered in the post-war period. These would be:

1. Move to prevent arbitrary expropriation of United States-owned private property;
2. Obtain assurances that United States investors would be protected from exorbitant taxation on their share returns, and
3. Remove the United States Department of State from close association with affairs of business and set up a foreign commerce board, similar to the British Board of Trade perhaps, to coordinate trade activities.

Chase Invites Tenders On New So. Wales 5% Bonds

The Chase National Bank of the City of New York, as successor fiscal agent of external 30-year 5% sinking fund gold bonds, due Feb. 1, 1957 of State of New South Wales Australia, is inviting tenders for sale to it at prices not exceeding their principal amount and accrued interest of an amount of these bonds sufficient to exhaust the sum of \$247,569.15. Tenders will be received at the Corporate Trust Department of the bank, 11 Broad Street, New York 15, and will be opened at 12 Noon on Aug. 8, 1944.

Lend-Lease Shipments In May Reached Record Of \$1,159,000,000

Leo T. Crowley, Foreign Economic Administrator, reported on July 25 that all types of Lend-Lease shipments from the United States in the pre-invasion month of May reached the record value of \$1,159,000,000. Of the total, said the Associated Press, \$559,000,000 was shipped to the United Kingdom, \$100,000,000 more than in any previous month. Shipments to Russia totaled \$316,000,000, to the Mediterranean area, \$110,000,000; to China, India, Australia and New Zealand, \$130,000,000, and to all other areas, \$44,000,000, including \$4,000,000 to the other American Republics. The advices added:

"The May shipments brought the cumulative total of Lend-Lease exports since Mar. 11, 1941, to \$20,525,000,000, of which \$4,785,000,000 was exported during the first five months of this year."

The Associated Press accounts from Washington July 25, also stated:

"The War Food Administration reported today that June deliveries of agricultural products for Lend-Lease and other war purposes aggregated 806,942,749 pounds, a drop of 24% from May deliveries. The dollar value of the deliveries was not stated.

"June Lend-Lease deliveries at shipside amounted to 658,116,418 pounds, compared with 857,870,924 pounds in May. They were divided: British Empire, 58%; Russia, 32%; Greece, North and West Africa and the French Committee of Liberation, 10%.

The June deliveries brought total Lend-Lease agricultural deliveries for the year to 4,071,242,117 pounds.

"In a separate report, the Foreign Economic Administration said almost a half a billion pounds of food valued at \$47,911,000 were received by American troops in the South and Southwestern Pacific from the government of New Zealand as reverse Lend-Lease up to May 31.

"Of the total of 456,939,150 pounds of food supplied, 63,380,000 pounds were veal and beef, 31,910,000 were lamb and mutton, 18,270,000 were pork, 28,380,000 were bacon and ham, 42,000,820 were canned meat, and the rest included butter, cheese, milk and cream, miscellaneous dairy products, fresh vegetables, canned vegetables, apples and sugar."

Maintenance Of Union Membership For UP Ordered By NWLB

According to the New York "Times" of July 28, the United Press announced on the previous day that it had received a directive from the Daily Newspaper Printing and Publishing Commission of the National War Labor Board in Chicago instructing it to institute maintenance of union membership among its editorial employees in the United States. The "Times" added:

"The order followed a hearing before the Commission in Chicago at which the news service unsuccessfully defended its opposition to 'any and all forms of editorial employees.' The UP has 14 days in which to petition the Board for a review.

"Accompanying the directive was a dissenting opinion written by Frank R. Ahlgren, editor of The Memphis 'Commercial Appeal,' who was the industry member on the Commission hearing the case. The majority report was made by F. S. Deibler, public member and Vice Chairman of the Commission, and Sam Eubanks, Labor Member and Executive Vice President of the American Newspaper Guild.

The State Of Trade

The Federal Reserve System recently took an opposite stand to that of the SEC in its opinion that American industry has ample working capital to soften the shock of conversion to peacetime pursuits. The analysis of the SEC was covered in a previous issue of the "Chronicle." A like reaction was felt by the NAM through its President, Robert M. Gaylord, who made public a detailed analysis of corporate profits, designed as Mr.

Gaylord put it to "dispel once and for all the idea that the war has greatly enriched all industry." He added, that "while business is making money," profits in the war years have fallen below "average rates" of the peacetime years of 1936, 1937 and 1939. Discussing corporation profits, he said, these profits dropped from 3.1 in 1939 to 2.8 last year, while production volume jumped from \$131,000,000,000 to \$298,000,000,000. The NAM study was based primarily on Commerce Department figures, it was said, and gave corporation gross receipts in 1939 as \$130,972,000,000 and net income after taxes as \$4,088,000,000. The comparable figures for 1943 were \$298,000,000,000 and \$8,200,000,000.

Weekly Summary of Trade and Industry—Retribution set in a big way for the German forces the past week making their positions on the Russian and western fronts wholly untenable. The German line of defense extending from the Baltic to the Carpathians on the Russian front was thrown back in such haste that the withdrawal took on more of the nature of a complete rout. In Normandy American spearheads early in the week effected a breakthrough in the German wall west of St. Lo paving the way for future successes which up to Tuesday of the current week placed American armored forces in a position where they have entered Brittany and have struck eastward toward Paris from their salient on the lower Normandy Coast. United States forces drove 10 miles southeast of Avranches on the See River, capturing the large transport center of Brecey in a drive that threatens to turn the whole German line in France. News from Italy told of British troops fighting five miles from Florence with the Germans admitting the evacuation of Pisa. In the Pacific area American forces landed on Sansapor on North Dutch New Guinea, cutting the distance to the Philippines down to 600 miles. Immediate construction of an airport was undertaken. The past week saw diplomatic pressure applied against Argentina because of reputed pro-Axis leanings and activities of the Argentine Government. The State Department issued a White Paper which explained this country's refusal to extend recognition to the military regime of President Farrell. The week's news contained one other item worthy of mention and that was the announcement last week that the Office of the Rubber Director would come to an end effective Sept. 1, next. Rubber Director Bradley Dewey announced that the agency's job of supervising the building of the synthetic rubber industry was accomplished and that the bureau would dissolve itself.

Military developments of recent weeks have induced stock market investors to exercise greater caution making for rather dull and irregular markets. Some expansion was noted in trade loans, and bank clearings for the week were more than 20% above the volume for the corresponding period of 1943. On Tuesday of this week the Federal Reserve Board reported that total consumer credit outstanding on June 30, totaled \$4,952,000,000, an increase of nearly \$55,000,000 since May 31. Single payment and instalment loans accounted for most of the increase, while automotive sale credit also rose slightly. Charge account indebtedness declined about 1% during June and at the end of the month the amount outstanding

was 2% higher than on June 30, 1943.

As for industry, steel output of ingots and castings rose 1% over the previous week with electric kilowatt production higher by 4.4% more than one year ago. Residual fuel oil the past week increased by almost 1,000,000 barrels and was the highest since the first of the year. However, domestic and foreign crude petroleum decreased by 1,219,000 barrels for the week and brought stocks to the lowest level in many years. Paper production increased by 0.2% over last week and paperboard by 3% over the same week. A decline occurred in freight carloadings of 1,770 cars or 0.2% below the week preceding, while anthracite coal output fell off by 3.5% from the previous period and by 8.3% over a year ago. Bituminous coal also receded for the same period. Retail trade fared well last week as department store sales advanced 11% ahead of last year for the country as a whole and by 16% for sales volume here in New York.

Trade Loans—Expansion in trade loans, according to the New York "Sun," has already set in. Reports to that paper from commercial paper dealers on Friday, last, stated that for the first time in six months, new issues of paper were exceeding maturities and that June 3 apparently would be the low point for volume. On that date only \$136,500,000 was outstanding compared with \$150,700,000 on May 31 and \$143,300,000 on June 30, 1943. The seasonal bottom last year also was reached in June, but the subsequent expansion was only \$52,000,000 between July 1 and Dec. 31. From the same source it is reported that the increase in volume now experienced is produced by borrowings by a wide variety of trades, notably flour millers, grain dealers, seed merchants and cottonseed oil dealers. There is also a considerable volume of grocery trade paper in the market, much of which seems to have its base in wholesale purchases. Some grocery wholesalers would have paid off their commercial paper this season had it not been for the purchase of liquor at higher prices.

War Bonds—The long anticipated plan in Washington dealing with the cashing of war bonds was announced by Henry Morgenthau Jr., Secretary of the Treasury. The plan will permit holders to receive proceeds immediately and will, it is understood, be put into effect within 60 days. The new mechanism for redeeming war bonds is expected to ease the job of handling bonds that are cashed before maturity. Redemption of bonds is expected to increase as the quantity of bonds outstanding in the hands of the public grows and will help also to handle the payment of matured bonds. The first savings bonds mature in 1945. Under the plan, banks will be reimbursed for handling bond redemptions, but a scale of fees has not yet been worked out, it was stated.

In connection with the opening of the Sixth War Loan Drive, the Secretary said the date of the start of the next drive would depend on the rate of Federal expenditures between now and November. Under the new bond redemption plan, the obligation will be cashed at any commercial bank on presentation and proof of identity, at their full purchase price plus any interest due.

Steel Production—The American Iron and Steel Institute announced last Monday that the op

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Bradley Dewey Resigns As Rubber Director— First War Agency To Liquidate Its Own Bureau

In tendering his resignation as Rubber Director, Bradley Dewey has recommended that the Office of Rubber Director be abolished, and that priority powers incident to the allocation of rubber goods, and such regulation as may be needed, be given to a rubber division within the War Production Board. Mr. Dewey in submitting his resignation to the WPB and to James F. Byrnes, Director of the Office of War Mobilization, indicated in his resignation that the emergency incident to the existence of the Office of Rubber Director no longer exists. Mr. Byrnes accepted the resignation with the comment that Mr. Dewey had made "a wonderful contribution to the war effort." WPB has agreed to carry out Mr. Dewey's organizational program, said the Associated Press, whose advices from Washington July 26 said in part:

"The first war agency head to liquidate his own bureau, Rubber Director Bradley Dewey declared today that this country's new \$750,000,000 synthetic rubber industry will survive into the peacetime era.

"Mr. Dewey, who yesterday announced his own resignation and the dissolution of his office on or before Sept. 1, said the industry now was producing at the full rate recommended by the Baruch Committee nearly two years ago—about 836,000 tons a year. This is some 250,000 tons more than the country's consumption of natural rubber before the war.

"I cannot see any capitalist planting rubber trees and waiting seven years for them to grow," said Dewey, "against a future of unknown labor costs—in competition with chemists who have won every battle they ever entered between synthetics and nature."

"For a period after the war synthetic rubber probably will be one or two cents cheaper than crude rubber, he said, and thereafter may run a few cents higher than the natural product. In any case, he observed, it will act as a governor on natural rubber prices at a time when consumption will be increased enormously by the building of motor roads in many now inaccessible parts of the world.

"Mr. Dewey expressed grave concern over the labor shortage in the rubber industry, and declared the present critical shortage of heavy duty truck and bus tires would continue to threaten essential civilian and even some military activity unless the manpower were found.

"Mr. Dewey's sixth and final progress report on the rubber program disclosed the agency is turning back 35% of its funds to the Treasury for the current fiscal year. Besides meeting military needs and producing an estimated 22,000,000 passenger car tires this year, Dewey said, a stockpile of 104,000 tons of synthetics has been built up."

Mr. Dewey plans to return to the presidency of Dewey & Almy Chemical Company of Cambridge, Mass.

In tendering his resignation, Mr. Dewey, according to Washington advices July 25 to the New York "Times" by Charles E. Egan, said: "I feel that there is no reason to maintain further the broad powers that were given to the Rubber Director only because they were essential to the meeting of an emergency which now no longer exists.

"Consequently I am recommending that the Office of Rubber Director be abolished and that priority powers incident to the allocation of rubber goods and such regulation as the rubber goods manufacturing industry may need as well as the determination of the industry's needs for products which are in short supply, be given to a rubber division within the WPB.

"This rubber division might well report to the Chairman of the Executive Vice-Chairman and be organized similarly and operated in the same general way as the Steel

and Aluminum Division of the War Production Board. Once the War Production Board has determined the essentiality of a program, its production executive committee, which includes representatives of the armed forces, is the ideal body to insist that adequate manpower be provided."

In the New York "Times" of July 26 it was also stated:

"In a statement issued from his Long Island home last night, Mr. Baruch said that W. M. Jeffers, first Rubber Director, and Colonel Dewey had carried their part of the rubber program to success.

"They are the rare combination which is found in America and makes it 'tick,' he stated. 'Well done,' we can all say, and 'thanks.'"

Asked his opinion of the probable position of the synthetic rubber industry in the post-war world, Colonel Dewey said that he believed it would stand on its own feet and would not need a tariff to protect it from competition from natural rubbers.

"More efficient plants are producing synthetic rubber at about 12 cents a pound, not including cost of plant and depreciation or profit," he declared. "This means it will sell at about 14 to 16 cents a pound in the world markets. . . .

He predicted a far broader market for rubber, both synthetic and natural, than in pre-war days.

Vatican Denies Pope Congratulated Hitler

In a special cablegram from Rome July 21, to the New York "Times," it was stated that the attempt to assassinate Adolf Hitler was naturally the chief topic of conversation and speculation in Rome and the Vatican City that day, and it gave rise to a report that the Pucci agency in Vatican City put out to the effect that the Pope "is presumed to have sent a telegram to Hitler expressing pleasure at Hitler's escaping death." The advices to the "Times" went on to say:

This started a sensation of its own, but this evening a Vatican authority who ought to know about such things denied the report in strong terms.

"It is true," said this authority, "that to base oneself on questions of pure diplomatic form and protocol the Pontiff, as head of a neutral State, could send such a telegram to the head of another State with which there are normal diplomatic relations, but protocol is one thing and practice is another.

"When Hitler escaped death in the Buergerbrau Hall explosion in 1939 no telegram of any sort was sent to him by Pius. When Hitler came to Rome to see Mussolini it would have been protocol for the Fuehrer to see the Pope, but he did not. In this case protocol has also been overlooked."

Oscar Schlaikjer Named Vice-President Of Federal Reserve Bank of Boston

Oscar A. Schlaikjer has been appointed Vice-President and General Counsel of the Federal Reserve Bank of Boston, bank officials announced on July 17, said the Boston "Herald," which added that coincident with announcing the promotion of Mr. Schlaikjer from counsel to the new position, the bank also reported the advance of Ansgar R. Berge from Assistant Secretary to Secretary.

Argentina Recalls Ambassador To U. S.

The recall by the Argentine Government of its Ambassador to Washington, Adrian Escobar, was made known in Associated Press accounts from Buenos Aires on July 25, which stated that according to a communique the decision was taken "in view of statements regarding Argentina's position attributed to the U. S. Secretary of State in dispatches from Washington." The Buenos Aires Associated Press added:

The announcement said that such statements, if confirmed, "would constitute expressions which the Government and the people of Argentina could not accept without impairment of their dignity."

Although the communique failed to specify the statements attributed to Secretary Hill, it apparently referred to dispatches from Washington which said Mr. Hull disclosed yesterday that the State Department had sent a report to all Latin American nations setting forth Washington's views on Argentina.

At a press conference yesterday, the dispatches added, Mr. Hull said the United States was making known the basic policies which separate the attitude of American nations supporting the Allied cause and of the attitude of the American nation supporting another cause.

The dispatches were approved for publication by Argentine authorities early today, about nine hours after their receipt here.

The recall of Mr. Escobar came several weeks after U. S. Ambassador Norman Armour and British Ambassador Sir David V. Kelly had been called home by their respective governments for consultations. Most Latin American Ambassadors to Buenos Aires left Argentina about the same time and have not returned.

The text of the communique: "In view of the statements regarding Argentina's position attributed to the U. S. Secretary of State in dispatches from Washington, and considering that such statements, if confirmed, would constitute expressions which the Government and the people of Argentina could not accept without impairment of their dignity, the Foreign Office has resolved as the first step to recall the Ambassador to the United States, Dr. Adrian C. Escobar.

"The Minister of Foreign Relations will issue July 26 a full statement on our international policy, especially in connection with the aforementioned facts."

Under date of June 27 it was announced at Washington by the State Department that Ambassador Norman Armour had been ordered home from Argentina "for consultation." Associated Press advices from Washington at that time said:

A Department official said it should be considered only logical that Ambassador Armour would be recalled at this time when the whole course of Argentine relations is under discussion with other American governments.

Nonetheless, Ambassador Armour's recall was regarded here as a deterioration of United States-Argentina diplomacy. The United States has not recognized the Argentine regime since General Edelmiro Farrell seized power at the head of a militarist junta on Feb. 25.

A few days later, July 2, London United Press accounts stated:

Sir David Kelly, British Ambassador to Argentina, has been recalled to London "for consultation" with his Government, authoritative sources said today. Ambassador Kelly is expected to leave Buenos Aires as soon as transportation can be arranged, these sources said.

Industrial Activity Continued To Decline In June, Federal Reserve Board Reports

The Board of Governors of the Federal Reserve System in its summary of general business and financial conditions in the United States, based upon statistics for June and the first half of July, stated on July 26 that "employment and production at factories continued to decline slightly in June; output of minerals was maintained in record volume." "Retail trade and commodity prices showed little change in June and the early part of July," said the Board, which in its advices also stated:

Industrial Production

"The Board's seasonally adjusted index of industrial production was 235% of the 1935-39 average in June as compared with 237 in May and 243 in the first quarter.

"Steel production declined 4% from the rate in May, reflecting partly manpower shortages. Output of non-ferrous metals dropped 8%, largely owing to the continued planned curtailment of aluminum and magnesium production. The lifting on July 15 of some of the restrictions on the use of these metals was the initial step in a program to prepare for limited reconversion to peacetime output. Activity in the machinery and transportation equipment industries in June was maintained at the level of the preceding month. Increasing emphasis was reported on output of heavy artillery and artillery shells and of tanks. Lumber production continued to decline and was approximately 10% below June, 1943.

"Production of nondurable goods was maintained in June. Meatpacking activity declined further from the exceptionally high level in the first quarter, but output of most other food products continued to rise seasonally. Refinery output of gasoline advanced further and reached the earlier record level of December, 1941. Activity in cotton textile mills and in the chemical and rubber industries showed little change in June.

"Mine production of metals and coal was maintained in large volume and crude petroleum production continued to rise to new record levels.

Distribution

"Department store sales declined more than seasonally in June, following a considerable increase in May, and the Board's index was 175% of the 1935-39 average as compared with 183 in May and an average of 177 in the first four months of this year. Value of sales in the first half of 1944 was 7% greater than in the first half of 1943. In the early part of July sales were 9% larger than a year ago.

"Railroad freight carloadings showed little change in June and the first three weeks of July after allowance for seasonal movements.

Commodity Prices

"Legislation extending Federal price controls for one year was enacted June 30; certain restrictive provisions were relaxed, especially those relating to prices of cotton products. Prices of most commodities in wholesale and retail markets have recently shown little change.

Agriculture

"Well over a billion bushels of wheat and almost 3 billion bushels of corn were in prospect on July 1. This is an improvement over June 1 prospects and aggregate crop production in 1944 may be about the same as in 1943 and larger than any year prior to 1942.

"The number of chickens raised this year was 19% smaller than last year; the spring pig crop was 24% smaller and the fall crop may be a third smaller than in 1943. Marketings of cattle, however, have been normal in relationship to the numbers and unless marketings are increased during the rest of this year no material re-

duction of the large numbers of cattle on farms will occur.

Bank Credit

"As payments for securities purchased during the Fifth Drive transferred funds from private deposits to reserve-exempt Government accounts, the average level of required reserves at all member banks declined by close to 1 1/4 billion dollars. Reserve balances were reduced by about \$800,000,000 and excess reserves rose by around \$400,000,000. Reserve funds were absorbed through declines in Reserve Bank holdings of Government securities, by a moderate increase in currency, and by temporary increases in Treasury deposits at the Reserve Banks. Over the four weeks ending July 12, money in circulation rose by \$230,000,000, which is a smaller rate of growth than prevailed in recent months, reflecting the influence of the War Loan drive.

"During the Fifth Drive, between June 14 and July 12, Government security holdings at reporting member banks in 101 leading cities increased by \$4,700,000,000. Additions to bank holdings resulted from purchases of securities from investors who were adjusting their positions prior to subscription during the drive, from increased purchases of Treasury bills, and from subscriptions to new securities in limited amounts.

"Loans for purchasing and carrying Government securities increased by \$1,800,000,000 over the Fifth War Loan, an increase larger than that of any other drive. Of the total amount advanced by banks in 101 cities, loans to brokers and dealers accounted for \$500,000,000 and loans to others for \$1,300,000,000.

"Accompanying purchases of securities during the Fifth Drive, adjusted demand deposits declined by \$4,700,000,000 at banks in 101 cities. Government deposits at these same banks increased by \$10,500,000,000. The difference reflected the effect of the increase in bank loans and investments."

Prospective Buyers Of Farms Urged To Be Cautious

The Department of Agriculture, concerned over a new land boom, urged on July 27 caution by prospective purchasers to an Associated Press dispatch from Washington, which also said:

Would-be buyers of farms were told they would realize that the present period of favorable prices and ready markets for agricultural products—prime factors in the land market—may be drawing to a close.

In many areas, the report said, farm values have advanced far beyond averages likely to be maintained if prices of farm commodities return to pre-war levels.

Secretary of Agriculture Wickard has warned several times that the present situation corresponds in many ways to the runaway land market of World War I, which was followed by a collapse in land values and ruin for many who had bought at inflated prices. Farmland sales during the 12 months ended in March rose up 20% from the previous year to a record, while values for the country as a whole increased 3% between March and July this year. They now stand at 42% above the 1935-39 average.

The Financial Situation

(Continued from first page)

period in amounts sufficient to make the actual weekly pay of the worker, working on the "normal" 40-hour week or an even shorter week in a number of instances, fully equal to what it has been during the war.

At any rate, the situation to which the Department of Commerce refers does have a good many implications for the post-war world which are not even hinted at in the Department's own study, and since this whole question of wages and working hours is subject perhaps to as much popular misunderstanding as most others it may be well to scrutinize the facts with some care. In the first place, what is this "overtime" for which such large payments were made last year? Work over 50, 60, 70 hours a week? Not at all. The work week in all manufacturing during the year was actually just short of 45 hours long. A 48-hour week was the exception rather than the rule. Under the law, or laws, and according to now almost universally accepted custom, the "normal" work week has come to be considered 40 hours long, and overtime must be paid for work in excess of that number of hours.

40-Hour Week

Probably a good many have even come to suppose that there is something heaven-ordained about a work week of that length. The fact is that when World War I broke out in 1914, the work week in American industry averaged well upward of 50 hours, and in some branches the week was a good deal longer than that. Even as late as 1929 the 40-hour week was virtually unknown in American industry. The average was probably over 48 hours. Indeed the idea of a 40-hour week was adopted in this country as a part of the New Deal program as a means of "spreading" work (and on the part of some of those supporting it as an indirect means of raising wages) not on the basis of any theory that a work week longer than that was in any way deleterious to the workman or unreasonable or unfair to him.

Only truly remarkable technological progress made it possible for the 40-hour week to continue prior to the war without a very substantial rise in prices. During the war the taxpayers have borne the bulk of the cost of the 40-hour week. It may be that we shall be able to continue after the war with this 40-hour a week business without very serious penalties, but if so very great strides in productivity must be made without delay. We may enjoy the relative leisure which the shorter work week gives, or

we may have the more abundant goods which a longer week would provide. We must make our choice. We must not imagine that we can have both.

Uneven Incidence

But there are other aspects of this war overtime situation which should not be overlooked. For one thing it has probably given rise to a number of serious maladjustments as between the various trades and industries. Let us note a few typical examples. When the "average" wage earner—if there is any such thing—took home in 1943 a pay envelope containing, say \$50, more than \$10 of it represented overtime. A federal civilian employee had about the same experience. A state or local government employee, however, found his weekly pay increased only 4% by overtime allowances. In finance, service industries and the like overtime payments were negligible. In transportation and the public utilities it amounted to only about 11%. In construction it was 22.1%. Similar variations appear within the manufacturing industry. Thus overtime in the iron and steel industry amounted to 22.5%, in machinery 27.1%, and transportation equipment manufacturing, 24%, but in textile, clothing and leather goods it amounted to less than 9%, and in paper products, printing and publishing less than 14%. Generally speaking, the overtime has been the greatest where the industry was most heavily engaged in war work. Workers elsewhere, and of course salaried employees have been in much less degree beneficiaries of this 40-hour, overtime, system of New Deal authorship.

Whatever may have been the case in other sections of the economy, the Administration has certainly most dismally failed to prevent inflation of labor costs, and this inflation, as is usual with inflation, has affected the various elements subject to it very unevenly. And now what are we to expect of it all when the war is over. For one thing, we may count on the most strenuous effort on the part of the unions to force hourly wages up in those industries where men have been receiving heavy overtime payments. Indeed some of the leaders have already served notice to that effect. But after industry has returned to peacetime pursuits, the consumer and not the taxpayer will have to foot the bill. The taxpayer has to pay what is exacted of him. There is little that he can do about it—at least in any direct way. The consumer is in a more advantageous position. He can simply refuse to buy the

UNRRA Gets \$4 Million For Administrative Expenses In 1944

The United States Government has paid \$4,000,000 to the United Nations Relief and Rehabilitation Administration to cover this country's share of administrative expenses of the organization during this year, Herbert H. Lehman, Director General of the agency, announced on July 17, according to Washington advices to the New York "Times," which also stated.

"The United Kingdom, it was made known, has advanced \$1,500,000 for the same purpose and other payments include \$200,000 by Russia; \$400,000, India; \$500,000, China, and \$300,000, the Dominion of Canada.

"Administrative payments also have been made by Belgium, Poland and South Africa, \$100,000 each; \$50,000 each, France and Greece; \$70,000, Mexico; \$30,000 each, New Zealand and Norway; \$25,000 each Czechoslovakia and Peru; \$20,650, Egypt, and \$5,000 each, the Dominican Republic, El Salvador, Ethiopia, Guatemala, Haiti, Honduras, Iceland, Liberia, Luxembourg, Nicaragua, the Philippines and Yugoslavia.

"Congress has appropriated \$800,000,000 for UNRRA, the major part of which is expected to be spent in this country for supplies and service."

In an item in our issue of May 18, page 2065, reference was made to an initial appropriation of \$450,000,000 asked by President Roosevelt on May 4 (under the Act of March 28, 1944) to enable the United States to participate in the UNRRA; he also requested at the same time authority to transfer supplies, service or funds, to the amount of \$350,000,000 under the Lend-Lease Act of Mar. 11, 1941. The signing by the President on Mar. 28, 1944, of the legislation authorizing the United States to provide a \$1,350,000,000 fund for the UNRRA was referred to in our issue of Apr. 6, page 1430.

product if it is priced too high. He may do so. If he does, then the pampered men of a good many industries are in for a tough time. If not, then they will continue to draw large money wages, but their wages will not buy so much as they would like to have them.

But what of the other elements in the economic system whose pay has not risen correspondingly? So far as they are organized and are represented by aggressive leaders, they will soon have their demands in—and should inflation be the order of the day, they will promptly get what they demand. If some other course is chosen, they too may be headed for trouble. Meanwhile if wages and prices are definitely headed upward, then the vast army of white collar workers will sooner or later obtain adjustments in their salaries. All this, of course, adds to the costs of producing goods and to the prices which manufacturers must ask.

Perhaps, free movement of prices may yet teach some of our dreamers much that they do not appear to be able to learn from the books. And it may be that the American people at large will have to learn the hard way, too.

Hull Sees Attack On Hitler As Realization Of Impending Defeat In Germany

Referring to the attack on Adolf Hitler on July 20, as a clear indication that a realization of impending defeat is spreading in Germany, Secretary of State Cordell Hull at the same time warned on July 21 the American people against overoptimism.

Special Washington advices to the New York "Times" on July 21 reporting this added:

"Mr. Hull made his statement after studying closely official and press reports. The official reports were said to have been along the same lines as those gathered by the press from Germany's borders. "While not prepared to forecast what would follow in the Reich, officials looked upon the reports of developments thus far as highly important. The fact that the German authorities made the announcements they did, it was remarked by diplomatic observers, was evidence in itself of the importance of the situation.

"The attacks on Hitler, and his explanatory speech," Secretary Hull said in his statement, "clearly indicate that a realization of Germany's impending defeat is spreading in the Reich. He and two of his most important military advisers have now denounced as criminal traitors a 'clique of former general who had to be chased from their posts for a leadership as cowardly as it was incompetent.'"

"Hitler has furthermore been compelled to remove the Chief of the German General Staff and to appoint his Chief Executioner, Heinrich Himmler, as Commander of the Army in Germany. These frantic attempts to restore the apparent unity of the German General Command illustrate the divergence of views between the Army and the party which has developed as a result of the stead-

ily deteriorating military position of Germany. But no amount of internal reshuffling or repression by Himmler can conceal from the German people the fact that many German generals believe that Germany has lost the war.

"We should not let these apparent developments give rise to overoptimism. The fighting ahead will be hard and we should intensify our efforts here at home and make all the sooner and more certain the defeat of our enemies."

At the time of the attack on Hitler, Associated Press advices from London July 20 stated:

"Berlin announced that Adolf Hitler was burned and bruised in an unsuccessful bombing attempt on his life today. Three of Hitler's military leaders were seriously injured, while his chief military adviser, Col.-Gen. Alfred Jodl, was less severely hurt, as were also five other generals and two admirals."

In a broadcast to the German nation on July 21 Herr Hitler said that he was addressing his people for two reasons: "first, so that you shall hear my voice and know that I personally am unhurt and well; and, secondly, so that you shall hear the details about a crime that has no equal in German history. . . . I personally am entirely unhurt apart from negligible grazes, bruises or burns."

Bankhead Urges Farmers To Withhold Cotton Until Price "At Least Equal to Parity"

A statement in which he advised farmers "to withhold their cotton from sales until the price at the farm is at least equal to the parity price," was issued at Jasper, Ala., on July 30, by Senator Bankhead (Democrat) of Alabama. Mr. Bankhead said that the possibility of an early German defeat and the inability of the OPA and cotton mills to agree on the cost of raw cotton at the mills had depressed the price of cotton despite

recent legislation to bring it to parity. In his statement, according to the United Press, he said: "If the cotton farmers refuse to sell their cotton at a price below parity and, where necessary, put it under the Government loan, they should in due time receive that parity price which is assured to them by law.

"Farmers should not give to cotton buyers or cotton mills any part of the parity price, all of which belongs to them."

Senator Bankhead also stated that the recent reduction in price had given "a windfall to the cotton mills and an unjust loss to the farmers."

From the United Press we also quote:

Asserting that Congress has directed President Roosevelt to take all lawful action necessary to assure that cotton farmers receive no less than the parity price, the Senator said he felt sure that "the President will, at an early date, carry out in good faith" the provisions of the cotton parity amendment to the recent OPA Extension Act.

He predicted that, if farmers continue to receive less than parity, Congress would vest in the President "further legal authority" to carry out provisions of the amendment.

Mr. Bankhead pointed out that it is unlawful, under the new legislation, for the OPA to establish, or maintain, ceiling prices and for cotton mills to maintain a maximum price which does not reflect parity.

He further said:

"There should be no loss of markets for cotton and cotton goods caused by peace. There will be a gradual reduction in sales to

the armed forces, but that reduction will be promptly met by increased requirements for cotton goods to meet the civilian demands and to replenish the depleted stocks in all the American stores and to meet the great need of cotton and cotton goods throughout the world."

The extension of the price control act for one year to June 30, 1945, was noted in our issue of July 13, page 174. Under date of July 30, advices to the New York "Journal of Commerce" from its Washington bureau said:

The Bankhead-Brown amendment to the Stabilization Act makes it unlawful for the OPA to establish a ceiling price which does not reflect at least parity to cotton producers. It also makes it unlawful for cotton mills to maintain a maximum price which does not reflect at least parity to cotton producers.

In order to enable farmers to withhold their cotton from sale until they can get parity prices, Congress increased the loan rate to 92½% of parity.

"I feel," Senator Bankhead said "that the President will, at an early date, carry out in good faith the provisions of the law." He may issue appropriate orders to prevent the collection of money by the mills from the public which is intended to be used by them to pay parity prices to the farmers if it is used for that purpose, Senator Bankhead explained since he is directed to take away lawful action to assure the receipt by the producers of parity prices.

Senator Bankhead said that "further legal authority is needed it will doubtless be granted by Congress when it reassembles."

Russian Pact With Polish Committee Advances Plan For Incorporation Of East Poland In USSR

The Russian Foreign Commissariat announced officially at Moscow on July 25, that the Government had decided to enter into an agreement with the new Polish Committee of National Liberation for the civil administration of liberated Polish territory. It also reiterated that it had no territorial or social ambitions inside the territory of Poland, which it regards as a "sovereign, friendly, allied State," said wireless advices July 25, to the New York "Times" from Moscow.

London Associated Press accounts (July 25) had the following to say in the matter:

"Russia has concretely advanced her program for incorporating the eastern part of old Poland into the Soviet Union and compensating a re-born Poland with German lands.

"The Soviet Union announced that it recognized the newly-created Polish Committee of National Liberation as the sole civil authority in territory now being wrested from the Germans west of the Bug River.

"Administrators of this committee are moving right up with the Red Army and setting up civil administrations," Moscow said.

"It disavowed any Russian intention of changing the Polish social system or creating any Soviet authority in Polish lands.

"Moscow made it clear, however, that it considered the Bug River the boundary, and that the vast territories east of that line, which were Polish before 1939, were regarded as integral parts of the Soviet Republics of White Russia, the Ukraine and Lithuania. Such a boundary has the approval of the liberation committee.

"The committee apparently has Russian backing for its claim of a western boundary on the Oder River, which would place within a new Poland all of East Prussia, Polish Silesia, most of Pomerania and part of Brandenburg and give Poland a broad outlet to the Baltic, all at German expense."

The above advices are taken from the Detroit "Free Press," which also stated:

"The formation and the recognition by the Soviet Union were both apparently without any advance notice to the United States Department of State or the British Foreign Office, both of which recognize the exiled Government as the official Polish regime.

"It was stated on high authority in Washington that the United States intends to pursue a strictly nonpartisan course in the Russo-Polish dispute over the administration of the liberated areas.

"American officials are hopeful that a way will be found to avoid any direct clash of interests between Britain and the United States, on one hand, and Russia on the other over the Polish question, despite the outburst of denunciation which has marked the organization of an administrative authority for Poland under Russian sponsorship.

"As Ambassador Jan Ciechanowski, of the Polish Government in Exile, called on Secretary of State Cordell Hull, he denounced the Soviet-approved Polish Committee as a 'typical puppet government imposed by Moscow.'

The text of the Russian Government statement on Poland, recorded by the Russian monitor from a Moscow broadcast, as contained in Associated Press accounts from London, and given in the New York "Times" follows:

"The People's Commissariat for Foreign Affairs of the USSR has been entrusted by the Soviet Government with making the following statement:

"The Red Army, successfully advancing, has reached the State frontier between the Soviet Union and Poland.

"Pursuing the retreating German troops, Soviet troops, together with the Polish army operating on the Soviet-German front, have crossed the western Bug River, have crossed the Soviet-Polish frontier and have entered Polish territory. Thus a beginning of the

liberation of our long-suffering brother Polish people from German occupation has been made.

"Soviet troops have entered Polish territory filled with one determination: to rout the enemy German armies and to help the Polish people in the task of their liberation from the yoke of the German invaders and of the restoration of an independent, strong and democratic Poland.

"The Soviet Government declares that it considers the military operations of the Red Army on the territory of Poland as operations on the territory of a sovereign, friendly, allied State. In connection with this, the Soviet Government does not intend to establish on Polish territory organs of its own administration, considering this the task of the Polish people.

"It has been decided to conclude with the Polish Committee of National Liberation an agreement on relations between the Soviet Command and the Polish administration.

"The Soviet Government declares that it does not pursue aims of acquiring any part of Polish territory or of a change of social structure in Poland, and that the military operations of the Red Army on the territory of Poland are dictated solely by military necessity and by the striving to render the friendly Polish people aid in its liberation from German occupation.

"The Soviet Government expresses its firm confidence that the fraternal people of the USSR and Poland will jointly bring to a conclusion the war of liberation against the German invaders and will lay a firm foundation for friendly Soviet-Polish collaboration."

Dewey Sees U. S. Unable To Face Another Roosevelt Depression

At a press conference in Pittsburgh on July 31, Gov. Thomas E. Dewey of New York said that "the United States simply cannot face another period like a Roosevelt depression, which lasted for eight years with more than 10,000,000 men unemployed continuously from 1933 to 1940." The New York "World-Telegram" of July 31, quoting Mr. Dewey to the foregoing effect, also, in Pittsburgh advices reported him as saying:

"The Republican Presidential nominee urged the country to remember that in November it would be electing a President 'most of whose term will be in peace time.'

"I think proper government policies can contribute enormously and I believe successfully," he added, "in avoiding unemployment which so many now regard as inevitable under an administration that failed for eight years to meet the problem despite tremendous deficits."

"Mr. Dewey struck hard at the Roosevelt administration, charging it with failing to prepare for post-war problems.

"We don't need to surrender our liberties to a totalitarian New Deal," he said, "in order to provide job opportunities for the future."

"Asked what he thought about the Democrats' slogan, 'Don't change horses in the middle of the stream,' in the light of that party's nomination of Senator

Truman for Vice-President, he replied:

"I should say that idea was demolished in Chicago at the Democratic National Convention—they changed one-half of the horse."

"Which half?" a reporter asked.

"The Governor, smiling, was interrupted by laughter and unable to continue.

"Pointing out that Pittsburgh produced one-fourth of the nation's steel and Pennsylvania one-fourth of its coal, the New York chief executive said he wanted to talk first hand with people close to the problem of continuing our employment levels after the war ends.

"While physical reconversion will not be as great in steel and coal as in the arms industries, according to Mr. Dewey, 'the employment problem will be perhaps even more acutely affected here with the tapering off of production as we come closer to the end of the war.'

"We are making gratifying progress in the fighting of the war," he said. "But governmentally we are making no progress toward what happens after the war."

"Later in the morning, the Presidential candidate met 41 labor leaders, including officials of the United Mine Workers of America, Pittsburgh Carpenters' Union, International Association of Machinists and Office Workers Union; also Ace Amceo, president of McKeesport Local 1406 of the Congress of Industrial Organizations.

"After a session attended by American Federation of Labor officers, one of them, Thomas Mallon, district AFL director for Pennsylvania, Delaware and Southern New Jersey, said his group found Dewey's views on labor entirely satisfactory and felt he is the best candidate.

"We found Dewey in agreement with us," he said, "and opposed to regimentation of labor, the wage freeze and the July 1 order freezing men to their jobs."

"He told us he was not opposed to stabilization of wages, but as long as the OPA couldn't do its job he felt we should get a wage increase which would enable us to live."

"We insisted," added Mallon, "that the Secretary of Labor be a member of organized labor and the Governor agreed."

"Subsequently, Mr. Dewey told more than 200 businessmen that this country must be prepared to accept its share if imports if it expects to export to other nations after the war."

Increasing Business Of Intermediate Credit Banks

Federal Intermediate Credit Banks did a business in the fiscal year ended June 30, 1944, of \$948,333,052, bringing to a total of \$7,835,000,000 their loans and discounts for the past 20 years, and the largest annual volume in the history of the organization, the banks reported on July 31, through Charles R. Dunn, Fiscal Agent in New York. Losses on the entire total, it is stated, were 11/100 of 1%.

Net return on the \$60,000,000 Government capital invested in these banks over the past 20 years has been \$57,208,000, earning 3.9% per annum after writing off all losses and expenses. By comparison the average per annum interest cost of all direct U. S. Treasury obligations outstanding Dec. 31, 1943, was approximately 1.96%.

Despite the increasing volume of business, the number of persons employed has been more than cut in half since 1934, says the announcement by Mr. Dunn. The interest charged by the Federal Intermediate Credit Banks has been held at the uniform rate of 1½% since 1939.

Stettinius To Head U. S. Group At International Security Conference To Be Held In Washington

Roosevelt Reports Favorable Reception For Plan To Preserve Peace

Announcement that Edward R. Stettinius will head the American delegation in the post-war security conversations to be held in this country the current month between the United States, Russia, Great Britain and China was made by Secretary of State Hull on July 27. Mr. Hull, in answer to a question at his news conference on July 27 stated that the other members of the American delegation have not yet been designated but that he

himself had appointed Mr. Stettinius, who is Under-Secretary of State.

According to an announcement by the State Department on July 19 the forthcoming conference on plans for a world peace organization will be held at the Dumbarton Oaks estate in the Georgetown section of Washington. As to this the Associated Press reported:

Dumbarton Oaks was made available for the talks by the trustees of Harvard University. A spacious estate, it was presented to Harvard in 1940 by Robert Woods Bliss, special assistant to Secretary Hull and formerly United States Ambassador to Argentina.

Harvard has been using the mansion as a research library.

The conference will bring together the United States, Great Britain and Russia in one session, and the United States, Britain and China in another. While a date for the talks has not been announced, they are expected to be held simultaneously early next month.

The Dumbarton Oaks mansion was built in 1801 and was a private residence until 1940 when it was turned over to Harvard.

The Georgian style, red brick building is surrounded by 16 acres of gardens. Since its conversion to a library it has had no living quarters.

It is stated that Sir Alexander Cadogan, permanent Under-Secretary for Foreign Affairs, already has been named chief British representative to the Conference. Russia and China have not disclosed whom they will send. It is likewise said that conclusions reached at the talks here will be referred to the respective governments and to other members of the United Nations for further discussion.

Under date of June 27 United Press advices from London stated: Prime Minister Churchill assured the House of Commons today that any peace plans would be laid before Parliament for discussion before they were adopted. Asked whether all the Allies would participate in the plans, he said: "It is our hope that the arrangements to be made regarding the maintenance of international peace and security will be the subject

of consultation, at the appropriate time, between all the United Nations."

It was indicated on July 18 by Secretary Hull that the forthcoming talks on world peace organization would be held at the expert level rather than by the foreign ministers of Russia, the United States, Britain and China. From the Associated Press we quote:

Mr. Hull said the conference will not necessarily be on a top level, and that means, he added, that the foreign ministers may not attend. It has been understood that the chiefs of the four delegations probably would have a rank corresponding to that of Under-Secretary in this country.

The statement was made by President Roosevelt on June 27 that the Administration's plan to unite the peace-loving nations of the world in an organization to prevent future wars, by force if necessary, had had a generally favorable public reaction. We quote from Associated Press advices from Washington June 27, which also said:

Mr. Roosevelt, in response to a question, said the plan he outlined on June 15 had inspired lots of letters—all favorable so far.

He made the remark to a news conference soon after the Platform Committee of the Republican National Convention in Chicago made public a foreign policy plan opposing a world State and urging "peace forces" to outlaw aggressions.

The Republicans called for adequate post-war military forces to defend the United States and its outposts, to maintain the Monroe Doctrine and to meet military commitments of Congress.

The post-war program outlined by the President would set up an international organization of peace-loving nations to work for world stability. It would include a world council composed of the four major powers and a "suitable number" of other nations, and an international court. Participating nations would use armed force, if necessary, to prevent wars.

President Roosevelt's plans for an International Security Council, announced on June 15, were referred to in these columns June 22, page 2609.

Commission To Aid Rehabilitation Of Philippine Islands

First steps looking toward the rehabilitation of the Philippines, once they are freed from Japanese occupation, were taken at Washington on July 21, when a special commission created by Congress organized by electing Senator Millard E. Tydings, Democrat, of Maryland, as Chairman. Sergio Osmena, Vice-President of the Philippine Commonwealth, was elected Vice-Chairman of the sixteen-member group composed of representatives of the United States and the Philippine governments and members of both branches of Congress. Reporting this, Washington Associated Press advices July 24 stated:

"Philippine President Manuel L. Quezon, in a statement issued from Saranac Lake, N. Y., urged the commission to start work at once on problems of post-war economy, trade, finance and reconstruction in the islands.

"Named at today's meeting was

a four-member subcommittee to prepare an agenda for the full commission. On the subcommittee are Senator Tydings, Vice-President Osmena, E. D. Hester, representing the Department of the Interior, and Colonel Carlos P. Romulo, Philippine army officer."

From Saranac Lake, N. Y., on July 22, the Associated Press was reported in the New York "Times" as saying:

"President Manuel L. Quezon of the Japanese-occupied Philippines predicted today a rehabilitation job on the islands much greater than was indicated when Congress created the Filipino Rehabilitation Commission in 1939.

"In a statement preliminary to the commission's first meeting in Washington Monday, Mr. Quezon said:

"It is obvious that the task of this commission is vastly more difficult than that contemplated in the original Tydings-McDuffie Independence Act."

Legislation promising Philippine independence, approved by President Roosevelt on June 30, was referred to in our July 13 issue, page 205.

The State Of Trade

(Continued from page 514)

erating rate of steel companies (including 94% of the industry) will be 96.9% of capacity for week beginning July 31 compared with 95.9% one week ago. This week's operating rate is equivalent to 1,735,800 tons of steel ingots and castings and 1,702,200 tons one year ago.

An early internal collapse in Germany and possibly Japan, growing out of events recently occurring in those two countries, have thus far not been reflected in either steel order cancellations or a sharp decline in new business, states the "Iron Age," in its current issue. A modest decline in the ingot rate was also sufficient to cause officials to question the possibility of increasing the rate close to the 100% mark. Commenting on the volume of new business, it pointed out that steel orders were heavier than in the previous week, effecting an increase in backlogs. The prevailing policy of war contractors, the magazine adds, is to buy for actual contract requirements rather than with a liberal margin for eventualities. Touching upon the shell container program, the above source stated, the sharp slash in this program cutting steel requirements from 385,000 tons to 185,000 tons, leads some to believe that the shell steel program itself may be susceptible to similar action, although there is nothing tangible to indicate such a possibility.

Taking up the increase in order volume the past week, the magazine states, "the stepup in order volume this week was all the more important in view of the belief in some quarters that demand for steel had reached its peak. There was little indication this week of any easing in the volume of steel buying. As a general rule, weekly totals of bookings are not taken as an indication of a general trend. Ordering is usually heavy preceding the so-called quarterly directives. Quality steels this week were still tight as far as deliveries were concerned but Bessemer grades remained fairly free."

With respect to pig iron, "Steel" magazine the current week, indicated some tightening was in evidence, although no distress has been felt. Steelmaking is taking by far the larger part of production with foundry demand low because of inability to operate at a high rate with present labor forces.

Scrap supply in steelmaking grades, according to the magazine, continues ample and many melters refuse to add to inventory, a number being out of the market. Secondary grades are inspected closely before acceptance. Battlefield scrap continues to arrive, but its alloy content makes it difficult to move.

Coal Production—The U. S. Bureau of Mines reports production of Pennsylvania anthracite for week ending July 22, 1944, at 1,222,000 tons, a decrease of 44,000 tons (3.5%) over the preceding week, or a decrease of 111,000 tons (8.3%) from the corresponding week of 1943. The 1944 calendar year to date shows an increase of 9.1% when compared with the corresponding period of 1943.

The report of the Solid Fuels Administration placed bituminous production for the week ended July 22 at 11,985,000 net tons, against 12,260,000 tons in the preceding week and 12,090,000 tons in the July 24 week of last year while output for Jan. 1 to July 22 totaled 353,030,000 tons, as against 324,165,000 tons in the same 1943 period.

Electric Production—The Edison Electric Institute reports that the output of electricity increased to approximately 4,380,930,000 kwh. in the week ended July 22 from 4,377,152,000 kwh. in the preceding week. The latest figures

represent a gain of 4.4% over one year ago, when output reached 4,196,357,000 kwh.

Consolidated Edison Company of New York reports system output of 159,300,000 kilowatt hours in the week ended July 23, 1944, and compares with 207,100,000 kilowatt hours for the corresponding week of 1943, or a decrease of 23.1%.

Local distribution of electricity amounted to 153,700,000 kilowatt hours, compared with 187,700,000 kilowatt hours for the corresponding week of last year, a decrease of 18.1%.

R. R. Freight Loadings—Carloadings of revenue freight for the week ended July 22 totaled 903,034 cars, the Association of American Railroads announced. This was a decrease of 1,770 cars, or 0.2% below the preceding week this year, and an increase of 19,196 cars, or 2.2% above the corresponding week of 1943. Compared with a similar period in 1942 an increase of 47,519 cars, or 5.6%, is shown.

Silver—The Monetary Conference concluded its sessions at Bretton Woods, N. H., last week, but took no action on silver. A resolution was approved to give further study to the proposal that the metal be used in the stabilization fund. The London market was quiet and unchanged at 23½d. The New York official for foreign silver continued at 44¼c.

Oil—Stocks of domestic and foreign crude petroleum in the United States July 22 totaled 225,294,000 barrels, a net decrease of 1,219,000 barrels for the week, the Bureau of Mines reports. This brought stocks to the lowest level in many years. The stock change was brought about by a reduction of 1,118,000 barrels in domestic crude stocks, and a reduction of 101,000 barrels in stocks of foreign crude. Texas was responsible for the bulk of the decrease in stocks, as the reduction in the State approximately totaled 1,036,000 barrels. The stock total on July 22 was 5.05% less than that of July 24, 1943.

Stocks of residual fuel oil in the same week increased close to 1,000,000 barrels and were the highest since the first of the year. Notwithstanding current gains, these stocks are much below year-earlier levels. Indiana-Illinois-Kentucky stocks have been increasing steadily, until now they are higher than at any time in the last year. The combined East Coast and Gulf area showed the largest stock gain for the country. Meanwhile, stocks of all heavy and light fuel oils combined showed an increase of 1,325,000 barrels.

Residual fuel stocks July 22 totaled 55,315,000 barrels against 54,332,000 barrels a week earlier, an increase of 983,000 barrels and 66,992,000 barrels in the corresponding week a year earlier, indicating a stock reduction of 17.43%.

Lumber Shipments—The National Lumber Manufacturers Association reports that lumber shipments of 501 reporting mills were 9.1% below production for the week ended July 22. New orders of these mills were 20.7% below production for the same period, while unfilled order files amounted to 118.2% of stocks. Reporting softwood mills indicated unfilled orders were equivalent to 40 days' production at the current rate, and gross stocks equivalent to 32 days' production. For 1944 to date, shipments of reporting mills exceeded production by 5.4% and orders by 7.9%.

Paper Production—Paper production for the week ended July 22 was at 91.3% of capacity as against 91.1% the preceding week, the American Paper & Pulp Association's index of mill activity disclosed. As for paperboard, pro-

duction for the same period was reported at 94% of capacity, against 91% in the preceding week and 97% in the comparative week last year.

Department and Retail Store Sales—Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index were 11% ahead of a year ago for the week ending July 22, while the previous week (ending July 15) showed a 15% gain (revised figure) over the corresponding week in 1943. For the four weeks ending July 22, 1944, sales increased by 10%. A 7% increase in department store sales for the year to July 22, 1944, over 1943 was noted.

Steadiness was a feature of retail trade for the country at large, reflecting moderate gains the past week over a year ago, Dun & Bradstreet reported in its weekly survey of business conditions. Less activity was noted in wholesale markets than for a week ago, due to the fact that summer merchandise is no longer available. Another reason for the quiet tone of the market is that heavy orders have already been placed for fall in many lines.

Demand for seasonal merchandise has practically ceased in the wholesale markets and little new merchandise appeared to raise the volume. Delivery schedules appeared to absorb the attention of buyers most, according to the survey, which stated that although reports are mixed, general deliveries appear to be at a more favorable rate than last year. In the apparel markets the trend is for quality merchandise and a tendency to avoid long-term commitments.

Wholesale & Retail Food Volume—According to Dun's survey of business conditions, wholesale food volume was about 11% above last year, with moderate receipts noted in the hog market supported by a good demand. Beef supplies were tighter. In the retail market dollar volume was reported running well above a year ago, activity remained firm as summer merchandise kept moving and more fall displays appeared. Absence of many items from shelves tended to curtail sales.

Retail food volume was approximately 10% above last year. Fresh fruit and vegetables were in ample supply and an upturn in sales was noted along with numerous requests for jars and tops for home canning. Meat stocks were better, but still below demand in many places.

Department and Specialty Stores—The Controllers' Congress of the National Dry Goods Association reveals that department and specialty stores last year established new high records in both sales and profits, before taxes, according to the Congress' study on merchandising and operating results. Based on statistics from 229 stores the record results are credited to wartime buying power and a reduction in customer service by the stores. The report discloses that the net profit from operations in the typical store was 10.2% of sales, as compared with 7.5% in 1942, 5.1% for 1941, 2.3% for 1940 and 1.6% in 1939. The operating rates dropped 28.7%, the decline in percentage to sales being 2.5%. Main store sales made the better showing, with a rise of 21%, compared with a 12% gain for basement sales. For the trade as a whole the survey reports a 17% increase over 1942, top gains going to specialty stores, up 20%. Department store gains ranged from 13% to 23%.

According to Federal Reserve Bank's index, sales in New York City for the weekly period to July 22 increased by 16% over the same period of last year. For the four weeks ending July 22 sales rose by 12%, and for the year to July 22 they improved by 8%.

The extremely warm weather and high humidity the past week

Official Summary Of The Agreements At Bretton Woods Conference

As Annex C to the Final Act of the United Nations Monetary and Financial Conference held at Bretton Woods, N. H., from July 1 to July 22, 1944, the following official summary of the agreements of the Conference was issued:

This Conference at Bretton Woods, representing nearly all the peoples of the world, has considered matters of international money and finance which are important for peace and prosperity. The Conference has agreed on the problems needing attention, the measures which should be taken, and the forms of international cooperation or organization which are required. The agreement reached on these large and complex matters is without precedent in the history of international economic relations.

I. International Monetary Fund

Since foreign trade affects the standard of life of every people, all countries have a vital interest in the system of exchange of national currencies and the regulations and conditions which govern its working. Because these monetary transactions are international exchanges, the nations must agree on the basic rules which govern the exchanges if the system is to work smoothly. When they do not agree, and when single nations and small groups of nations attempt by special and different regulations of the foreign exchanges to gain trade advantages, the result is instability, a reduced volume of foreign trade, and damage to national economies. This course of action is likely to lead to economic warfare and to endanger the world's peace.

The Conference has therefore agreed that broad international action is necessary to maintain an international monetary system which will promote foreign trade. The nations should consult and agree on international monetary changes which affect each other. They should outlaw practices which are agreed to be harmful to world prosperity, and they should assist each other to overcome short-term exchange difficulties.

The Conference has agreed that the nations here represented should establish for these purposes a permanent international body, **The International Monetary Fund**, with powers and resources adequate to perform the tasks assigned to it. Agreement has been reached concerning these powers and resources and the additional obligations which the member countries should undertake. Draft Articles of Agreement on these points have been prepared.

II. International Bank for Reconstruction and Development

It is in the interest of all nations that post-war reconstruction should be rapid. Likewise, the development of the resources of particular regions is in the general economic interest. Programs of reconstruction and development will speed economic progress everywhere, will aid political stability and foster peace.

The Conference has agreed that expanded international investment is essential to provide a portion of the capital necessary for reconstruction and development.

The Conference has further agreed that the nations should cooperate to increase the volume of

worked to the disadvantage of retail trade in New York, but notwithstanding this, advances over a year ago were recorded with increases for department stores placed at about 10%. Clearance sales of seasonal merchandise went well. The possibility of an early peace was apparently without effect in the wholesale markets. The situation in cotton goods continued acute and pressure by retailers to obtain types of merchandise on order and which are about exhausted continues to be applied.

foreign investment for these purposes, made through normal business channels. It is especially important that the nations should cooperate to share the risks of such foreign investment, since the benefits are general.

The Conference has agreed that the nations should establish a permanent international body to perform these functions, to be called **The International Bank for Reconstruction and Development**. It has been agreed that the Bank should assist in providing capital through normal channels at reasonable rates of interest and for long periods for projects which will raise the productivity of the borrowing country. There is agreement that the Bank should guarantee loans made by others and that through their subscriptions of capital all countries should share with the borrowing country in guaranteeing such loans. The Conference has agreed on the powers and resources which the Bank must have and on the obligations which the member countries must assume, and has prepared draft Articles of Agreement accordingly.

The Conference has recommended that in carrying out the policies of the institutions here proposed special consideration should be given to the needs of countries which have suffered from enemy occupation and hostilities.

The proposals formulated at the Conference for the establishment of the Fund and the Bank are now submitted, in accordance with the terms of the invitation, for consideration of the governments and people of the countries represented.

Proffitt Heads Savs. Banks Life Ins. Fund

At a meeting of the Trustees of the Savings Bank Life Insurance Fund, held at the office of the Fund in New York July 27, Henry W. Proffitt, Trustee of the Empire City Savings Bank, and a member of the law firm of Barry, Wainwright, Thacher & Symmers, was elected President of the Fund. Albert E. Cluett, Executive Vice-President of the Troy Savings Bank, was elected Vice-President of the Fund; and George W. Whedon, President of the Monroe County Savings Bank, was re-elected as Treasurer.

Announcement was made at the meeting of the entrance of the Erie County Savings Bank of Buffalo into the Savings Bank Life Insurance System. Including the Erie County Savings Bank, there are now 48 savings banks throughout the State of New York offering Savings Bank Life Insurance. Insurance in force for the system has just passed the \$40,000,000 mark.

Insurance issued for the first six months of 1944 shows a 29% increase over insurance issued for the corresponding period of 1943. This increase is accounted for in part by a recent broadening of the coverage of Savings Bank Life Insurance to include the writing of "substandard" business, under which persons with limited medical impairments are insured through the payment of an extra premium and an extension of juvenile insurance to include policies written without a medical examination on children down to one month of age.

Truman Given Second Place On Roosevelt Ticket Convention Names Him In Place Of Wallace

Senator Harry S. Truman of Missouri was the victorious candidate for Vice-Presidential nominee of the Democratic Party at the Democratic National Convention on July 21. Vice-President Henry A. Wallace, who finally lost out in his fight for renomination, led on the first ballot, 429½ to 319½, but the State delegations, one by one, eventually gave their support to the Senator, the final balloting recording 1,031 votes for Senator Truman and 105 for Vice-President Wallace.



Harry S. Truman

Other votes, according to the Associated Press, went to Supreme Court Justice William O. Douglas, 4; Gov. Prentice Cooper of Tennessee, 26; Senator Alben W. Barkley of Kentucky, 6, and Manpower Commissioner Paul V. McNutt, 1. Three of the 1,176 delegates were absent.

While President Roosevelt had prior to the Convention indicated his indorsement of the renomination of Mr. Wallace (his letter in the matter, dated July 14, appeared in our July 20 issue, page 291), a later communication from the President to Robert E. Hannegan, Chairman of the Democratic National Committee, made known that he would be "very glad" to run with either Senator Truman or Supreme Court Justice William O. Douglas. Mr. Hannegan made public, as follows, at Chicago the President's letter to him on July 19:

"Washington, July 19, 1944.
"Dear Bob: You have written me about Harry Truman and Bill Douglas. I should, of course, be very glad to run with either of them and believe that either one of them would bring real strength to the ticket. Always sincerely,
"FRANKLIN D. ROOSEVELT.
"The Hon. Robert E. Hannegan
"Blackstone Hotel, Chicago, Ill."

The earlier letter in the matter had been addressed (July 14) by the President to Senator Jackson of Indiana, permanent Chairman of the Democratic National Convention, and in that letter he said: "I personally would vote for his (Mr. Wallace's) renomination if I were a delegate to the Convention"; he added that "obviously the Convention must do the deciding." In making public the President's letter of July 19, Mr. Hannegan said he had acted with the President's consent.

In reporting the developments at the Convention on July 21 the Associated Press accounts from Chicago said: From Wallace's own State of Iowa came a Convention motion to make Truman's selection unanimous. But it was ruled as out of order at that time.

Griming and waving, Truman, the lean, gray, 60-year-old Chairman of the Senate War Investigating Committee, climbed to the speaker's platform, as soon as he won his uphill battle, to receive the Convention's noisy acclaim.

The Convention adjourned shortly after this demonstration. Although Mr. Wallace's name spelled political poison to many Dixie Democrats, he commanded powerful support from some elements of labor, among them the CIO Political Action Committee.

To night, for a second time in four years, Democrats tossed a Vice-President onto the political "scrap" heap and picked a newcomer to run with Roosevelt.

Four years ago it was John Nance Garner who was dropped at the instigation of the Chief Executive. This year the President had said he would vote personally for Wallace if he were a Convention delegate, but that he likewise thought Truman—or Supreme Court Justice William O.

Douglas — would add "real strength" to the ticket.

Democrats took the weak White House indorsement of Wallace as their cue. National Chairman Robert E. Hannegan, himself a Missourian, was credited by delegates with engineering the Truman victory.

The Truman people had called their snouts in the Vice-Presidential battle, conceding Wallace would get the most votes on the first test and slip on the second.

Truman did not have a clearcut majority the first time through the second roll-call of States, but victory was just barely outside his grasp.

Oklahoma started the parade by announcing that it was switching its 22 votes from Gov. Robert S. Kerr, keynoter. Delaware and Mississippi shifted to Truman, then Maryland and Kansas. And the Truman drive was all set to mow down a host of favorite son candidates.

Then Senator John Bankhead of Alabama, although he had announced he was in the race to stay, gained recognition.

"I desire to recall my name," he told an applauding audience.

Alabama would give 22 votes to Truman, two to Wallace, he said. That really was the spark which ignited the tinder. It put nearly 500 votes to Truman's credit.

South Carolina upped the ante by 18.

Chairman Hannegan yelled toward Mayor Edward Kelly of Chicago, a potent figure in the big Illinois delegation:

"That's all we need. Come on in."

Illinois changed its 58 votes from Senator Scott Lucas to Truman.

And away went the Truman drive.

The CIO Political Action Committee went down to defeat with Henry A. Wallace but promptly declared its confidence in the Democrats' nominee for Vice-President, Senator Truman, said the Associated Press advices from Chicago July 21, which also had the following to say in part:

From his box seat where he watched the proceedings with several members of his staff, Sidney Hillman, Political Action Chairman, issued a statement saying that CIO support of Wallace "did not carry with it opposition to another candidate whom the Convention might select."

"We believe that Senator Truman is eminently qualified for the office of Vice-President," Hillman said. "He will make a splendid running mate for the President. We are confident that Roosevelt and Truman will be the winning team on Nov. 7. They will have our complete and whole-hearted support."

Although it failed to put over Wallace, the CIO group was, next to candidates' names, the big talk of the convention. Never had a labor organization figured more importantly, in a national party conclave.

Hardly a year old, the CIO group, now named the National Citizens Political Action Committee, pitted itself against veteran big city Democratic organizations in the Vice-Presidential race.

National Chairman Robert E. Hannegan of St. Louis, Mayor Ed Kelly of Chicago, Edward J. Flynn of New York City, and Mayor Frank Hague of Jersey City all wanted the nomination for Senator Truman.

At one time, they thought they could talk Vice-President Wallace out of the race and avoid a bitter fight. But Mr. Wallace

would not listen and neither would his big backer, the CIO.

In indicating his whole-hearted support of the Roosevelt-Truman ticket, Vice-President Wallace in Chicago on July 21, said that "the cause of liberalism has been further advanced" by developments at the Democratic Convention.

Said the Associated Press: That was his comment immediately after he learned over the radio that Sen. Harry S. Truman had defeated him in their battle for the Vice-Presidential nomination.

"I don't look upon my defeat as a blow to liberalism," Mr. Wallace told newsmen. "I think what has happened is that there has been a real start toward a vital liberalism in the Democratic party."

"Roosevelt is the voice of liberalism in the Western World. He must be supported during the war emergency and during the peace."

Wallace, in shirt sleeves, met newspapermen in his hotel room, where he had remained throughout the balloting for Vice-President. He smiled and shook hands with a number of visitors who had waited outside his door.

"I am very happy about it—really I am," the Vice-President said.

Asked if he would support the ticket actively this fall he replied: "Of course."

Mr. Wallace told reporters his political views were well summed up in his speech to the convention yesterday when he seconded President Roosevelt's nomination, and suggested that they refer to it.

Wallace remained in his hotel during the tense developments at the convention hall which ended in his defeat.

As for his fight for renomination, Mr. Wallace said, "I did what I thought was right, and I am very happy about it."

"I'll be very happy to congratulate Mr. Truman when I see him," he added.

Mr. Wallace said he planned to leave tomorrow for his Iowa home, for a short stay.

Colonial Trust Warning Against Forgers Printed On Commercial Checks

In support of the United States Secret Service (Treasury Department) campaign to protect merchants, storekeepers and business men from the danger of cashing checks bearing forged endorsements, Arthur S. Kleeman, President of the Colonial Trust Company of New York, announced on July 17 that all commercial depositors of that institution will in the future be supplied with checks bearing the slogan, "Know Your Endorser — Require Identification," printed across the left end of the back of the check. It is pointed out that while many banks and bankers' associations have publicized the liability that the ultimate endorser assumes and in some instances have imprinted the suggested slogan on the face of their vouchers, the Colonial Trust Company is among the first to put this warning squarely before the person who will cash the check, on the back of the instrument, and directly above all endorsements which appear thereon.

Colonial Trust Company has also distributed to retail stores in the neighborhood of each of its four offices placards reading:

"To our customers. . . Army and Navy dependency checks, and others, are being stolen. The U. S. Secret Service, Treasury Department, and our own police department, send us this warning! Help prevent crime! Know your endorser! Before cashing checks for strangers, require proper identification! We will appreciate your cooperation in the U. S. Secret Service Crime Prevention Program."

To serve as a reminder to cashiers, clerks and patrons.

From Washington Ahead Of The News

(Continued from first page)

bitions like nobody's business. He succeeded in making it a contingency of further political success that the Governor be a part of his machine. Otherwise this Governor could not get work projects for his State. When F. D. came in, too, the states were mostly in debt. Whether the Federal Government paid them out or not depended upon the Governor's allegiance to Roosevelt.

The Governors as a result became, by and large, mere appendages of the vast New Deal machine.

In 1942 there was a turnover. In addition to electing Republican Senators and members of the House, notwithstanding the dire forebodings of the Gallup Poll, the Republicans elected governors. All told they now have 26 of them and presumably these gentlemen have the political machinery of their states and if they do have, then Dewey will win.

What is of considerable importance to the country is that these gentlemen, along with the newly elected Republican Senators and Congressmen, have been feeling their oats. They have been asserting themselves. They have been wanting to know whether they are part of the government or not. Being Republican governors they have not been much a part of it, but significantly, at their purely gubernatorial gatherings, even the Democrats have grumbled about the little part in which Governors play in the scheme of things.

Dewey's St. Louis meeting seeks to capitalize upon this. He is bypassing the Senators who have heretofore been the big shots in campaigns. He is telling the Governors, in effect, that from now on, "we" run things. That's all to the good and bound to make the Governors feel their responsibilities which they should have felt long ago.

What will be the likely result of this? The Governors, feeling important, feeling that their particular spheres of authority are self-contained, will tend to handle the problems which are rightfully theirs and resent any effort of Washington to interfere. They will tend to cease passing the buck. They will tend to develop a pride in accomplishment. Naturally this will take the pressure off of Washington and the Congress which has been yelling that, of course, they have to create a bureaucracy to handle the tremendous burden that is passed on to the National Government. Also, these Republican Governors will consider that they are essential to the Dewey victory and that they must get out and elect him in their States.

Up to this point the Dewey St. Louis trip is not only a distinct public service but a splendid piece of political strategy.

But then what? The publicity has said they are to get together on the areas of Federal and State rights. That, in the concensus of Washington political observers, is bad, because you are not likely to find two Governors agreeing. A small state is not likely to accept the same division of powers as a larger state. The New Dealers are likely to go into high glee over the Republicans' trying to get together on the question of States' rights, yet the fact remains that Dewey does not mention States' rights at all. He says "States' responsibilities" and if there is anybody who believes we will ever get out of the mess we are in without the various State officials exercising their own particular responsibilities, he is nuts.

If we were asked to define the division we might point to the practice of a little labor leader in a small hamlet who calls a strike and immediately sends a telegram to Mr. or Mrs. Roosevelt, not his Mayor or his Governor. The fel-

Reprimand Five Curb Members For Technical Violations Of Special Offering Rule

The conclusion that there had been only technical violations by five firms, members of the New York Curb Exchange, of the rule governing special offerings, resulted in the administration of reprimands in each case by the Committee on Stock Transactions of the Exchange, and each of the firms at the same time was cautioned as to subsequent procedure. Certain refunds by each of the firms were called for by the Committee, according to the announcement by the Curb Exchange, which was issued as follows on July 24:

"Rule 566, sub-division (d), reads as follows:

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

"On April 28, 1944, a special offering of Reed Roller Bit Company common stock at 22¼ with commission of 70c per share payable to purchasing members was announced by Reynolds & Co. at 10:56 A. M. on the ticker of the Exchange. This special offering was suspended at 11:09 A. M. and remained suspended until 12:02 P. M. when it was resumed and completed at 12:39 P. M. Between the time of the suspension of the special offering and its reinstatement stock was available regular way at 22 per share. Those who held orders to buy "special" were by the Rule, directed to purchase regular way when the price was net less to the customer than the special offering price.

It was learned that certain firms, members of the Exchange, holding orders "special," failed to purchase stock regular way during the period of suspension but did purchase stock when the special offering was reinstated. An investigation by the Committee on Stock Transactions showed violations by five firms, three of which were located without the City of New York. In all these cases the Committee concluded that each firm had only technically violated the rule; but because there were such violations, each firm was reprimanded by the Committee and cautioned as to subsequent procedure.

The Committee also directed that each of the firms should refund to the offeror the sum of 70¢ per share which was the special commission received by each. Each was also directed to inform the customer involved of all of the circumstances of the transaction and to refund the sum of 7¢ per share, representing the difference between \$22.25, the price the customer paid "Special Offering" and the price of \$22.18, including commission, which the customer would have paid had the orders been executed regular way.

The total number of shares involved was 700 shares. The excess cost to the public was \$49.

Special offerings are conducted under an exemption to Rule X-10B-2. Because of this exemption, it is of the utmost importance that members adhere strictly to the provisions of the Exchange rules governing special offerings, recited above, lest the exemption be lost.

low wants quick action through a Federal board. We assume that Dewey, as President, would call his attention to the fact that he had a Mayor—or a local board; that he would not be so bent upon destroying the identities of local officials as to propose a ballot whereby the soldiers could not even vote for them.

The Price Of Peace

(Continued from first page)

peace which will be postponed and made uncertain.

For nothing is surer than that no peace will be secure which is not based on reason and justice. The proclamation of terms that might shorten the war would mean the statement of terms appropriate to a lasting peace.

Of the many fallacies for which we and our children and their children may pay in blood none is more dangerous than the present contention that if only the United States will join some kind of League to enforce the peace it doesn't matter much what kind of peace will be enforced. The road to peace on this theory is for us to pledge ourselves to restore and maintain the British Empire which Churchill will not dissolve and to assure Stalin not only of supplies now but of support, world without end, in whatever he may decide to do with and to Finland and Poland and Germany. Walter Lippman argues that the weak have no rights of self-determination that we ought to respect and that our duty is open alliance with Great Britain in an Atlantic Community which will remain at all costs on friendly terms with what he calls the Russian Orbit.

The Republican and Democratic platforms alike pledge our country to membership in some association to maintain the peace but are extraordinarily vague in describing the nature of the peace. The Republicans wanted to be "just" and the Democrats want to apply the principles of the Atlantic Charter to other "peace-loving nations, large and small." (By definition, a peace-loving state is one which will fight only on our side.) Both parties seem to accept what the President has called "the great design" for a revived League of Nations dominated by the Big Three with China as a poor relation. But even if that plan were structurally far sounder than it, is I should oppose it unless and until its powerful sponsors give us assurance that the peace this League is meant to enforce does not mean in the Far East the reestablishment and maintenance by our strength of the French, Dutch and British Empires with or without America as partner; and in Europe, sphere-of-influence politics under which proud and ancient natives will be treated as the great powers have treated the Balkan States. Against this sort of League to enforce this sort of peace I pledge myself to lift my voice even if I speak alone.

I am not an isolationist. My ultimate hope for the world is for an inclusive federation of free, cooperative communities with equality of right and obligation between all races, a federation which will make it possible for men in fellowship to harness their mighty machinery no longer for the destruction of one another but only for the destruction of poverty. I want a peace and an organization of the postwar world which will permit us to begin this cooperation of peoples freed from every foreign yoke. But if we are compelled to choose among evils I shall choose steadfast opposition to American commitment to any league pledged to a peace of vengeance and of imperial power. Our chance of peace and the world's will be better or, if you like, less bad, if we do not squander our money and our men in an imperialist policing of the world or try to fool ourselves that an alliance of the strong can or will maintain a peace that is not just.

Fortunately, we are not yet forced to the miserable alternatives which I have suggested. It is one of the great purposes of the Socialist campaign to arouse our fellow Americans to this fact.

In the Pacific theatre a decent and hopeful peace requires a defi-

nite promise of self-government to the teeming millions of South East Asia and Malaysia. What guidance and help these people need should be given under international authority. The Japanese people should be made to understand that they will not be doomed to live as unarmed peasants stripped of machinery in overcrowded islands, but will be admitted to the economic and political benefits of world federation once they renounce aggression and establish a government that can be trusted. It is not merely Japanese imperialism but white imperialism in the Far East which must be ended if our grandchildren can hope for peace.

The disarmament of Japan, as of Germany, is essential. It should be followed at the earliest possible moment by the general and effective renunciation of aggressive armaments by all the nations of the world. The acceptance of this principle must lie at the base of any successful world federation. To replace the anarchy of competitive armaments, ever more capable of bringing destruction to mankind, by general security, must be the chief purpose of federation. I am not preaching an impossible altruism to my own or any other nation when I insist that the intelligent self-interest of all peoples everywhere constrains them to take this road to peace.

In Europe as in Asia, we shall have to choose between peace and vengeance against whole people, between peace and imperial power politics. We cannot have both. The punishment of particular war criminals is one thing; the attempt to destroy Germany as a nation is another. Yet that seems to be the purpose of men in high quarters who make such proposals as the following: (1) Complete and permanent disarmament of Germany while other nations indefinitely maintain their armed strength and police their former foe. (2) Stripping Germany of most of their industries, a virtual sentence of death to millions of people in a country too crowded to live on a peasant economy. (3) The forcible division of Germany into three separate States. Nothing is more likely to promote German discontent and intrigues than this: One or another of the victors themselves will be tempted to play with that discontent to serve their own rivalries for power in a Balkanized Europe. (4) Whether or not Germany is thus divided, Stalin apparently intends to give large sections of German territory to a puppet Poland in compensation for the former Polish territory which he will annex. No scheme could be better devised to curse Poland as well as Germany and to prevent healthy development of a European economy able to support adequately millions of men of various nationalities. (5) Probably Stalin will demand the forced labor of 10 million German workers to rebuild Russia. A similar slavery of Russian political prisoners has already cost millions of lives. That system cannot be perpetrated without prejudicing the interest of free labor throughout the world. How many of these proposals will actually be included in the peace imposed on a Germany crushed into unconditional surrender is fortunately not yet certain. There is still a chance for reason. That the people of the countries which have been Hitler's victims should thirst for revenge is natural. It is, therefore, significant and hopeful that the voice of the underground movement, in so far as we have heard it, is more reasonable than the voice of certain British and American preachers of wrath. Even today our own priests of hatred are a little ashamed to preach pure vengeance and therefore rationalize their demands by a lot

of false history and psychology. They forget that we in America have particular reason to keep our heads and to think straight. Our unfortunate experiences in trying to police and reeducate the South by force after the Civil War ought to have taught us something of use to the whole world.

The notion that nobody can be found in Germany with whom we can do business in building a peaceful Europe is wildly improbable, and, if true, is a sentence of death to European civilization. For there is no way whatever under which 80 million industrious and capable people can be controlled from the outside or kept in order for a generation or longer by the might of mutually suspicious victors without poisoning the life of the whole world. There is no better way to make virtue obnoxious than to have it taught by conquerors who scarcely practice what they preach. Imagine, for instance, a British sahib from India or a Congressman from Mississippi as a successful teacher to German youth of the great truth that there is no divinely ordained master race.

A country whose rulers have had to keep at least half a million political prisoners in jails and camps and deceive millions of others by censorship and false propaganda is a country in which an honest effort should discover people capable of constructive revolution. It is precisely this honest effort that the Allied rulers seem afraid to make. A constructive revolution can bring hope to Germany and Europe as a punitive peace cannot. A just peace will not pamper the German people. Already they have suffered horribly for tolerating their Nazi rulers. Perhaps only Russia will have lost a higher proportion of her population in the war and the Russian birth rate and Russian natural resources are far greater than Germany's. Of course, a disarmed Germany must restore loot wherever possible and recompense refugees. She should assent to an arrangement under which the European industrial order which she has built up can be operated for the benefit of all Europe. Beyond this there can be no punitive peace that will be a lasting peace.

Our preachers of hate forget that there was not a responsible historian before this war who held the theory of the sole guilt of Germany for the First World War. The guilt of Germany's rulers of this war is greater, but its truthful historians will not let us forget that behind this tragic calamity was the Peace of Versailles, and at various times aid came to Hitler from capitalists of Europe and America, from the British and French ruling classes and finally from Stalin himself. Nazism was only the worst symptom of the sickness of our whole social, economic and political order. The cure lies in a fresh start by peoples, all of whom have something to forgive and of which to be forgiven. This is the price of peace.

Retail Excise Tax Manual

A 26-page Retail Excise Tax Manual, containing an analysis of the excise tax regulations and many important rulings from the Bureau of Internal Revenue concerning the taxability of specific articles of fur, jewelry, luggage and toilet preparations, has been compiled by the National Retail Dry Goods Association. Also included are scores of articles in the four classifications, listed, for easy reference, under the headings "Articles Taxable at 20%" and "Articles Not Taxable."

Should changes occur in the regulations or lists of taxable and non-taxable items, or if rulings are issued by the bureau, affecting the contents, revision sheets will be prepared and sent to members of the association. The manual is available to non-members at a nominal charge.

de Gaulle's Committee At Algiers To Receive Working Authority In Liberated Areas

Authority To Rest With Eisenhower

Announcement was made by President Roosevelt on July 11 that he had reached an understanding with Gen. Charles de Gaulle under which the French leader's committee at Algiers would be the working authority for civil administration of metropolitan France. "Thus," said Associated Press accounts from Washington, in reporting this, "the main problem of Franco-American relations during the fighting for the liberation of France had been solved, the President said at his news conference."

From the same advices we quote further as follows:

"The untangling of a controversy which had flared intermittently between de Gaulle and this Government for over two years came at Mr. Roosevelt's two face-to-face talks with the French leader late last week.

"The President said the understanding would be set down in a memorandum which would be signed by de Gaulle, the United States and presumably Britain.

"The draft agreement negotiated in London by Britain and the French Committee will be the basis for the new arrangement, the President said, but it will be rewritten.

"In effect, the understanding will give de Gaulle virtual governmental powers, but Roosevelt emphasized it was not to be a formal agreement. When a reporter asked if the authority agreed upon for de Gaulle made the French Committee a provisional government, the President replied he had not said that.

"As President Roosevelt explained the arrangement, General Dwight D. Eisenhower as Supreme Allied Commander would have clear authority to take all steps necessary in his judgment for military operations and driving the Germans from French soil.

"It will be up to General Eisenhower to declare which zones are ready for civilian administration and which must remain under military control because of battle needs.

"There are no nonmilitary zones in France yet, the President said, reiterating his previous statement that only one-tenth of 1% of France has been occupied by Allied forces.

"The question of currency, which has been a point of dispute between the French and this government, has not yet been settled the President said.

"Mr. Roosevelt declared, however, he saw no particular reason why de Gaulle's committee should not issue a temporary currency for use until a regular government is established in France.

"The currency which has been given Allied troops now in France was printed in this country and bears no guarantee or backing on its face other than the words 'Emis en France' (issued in France). It is just temporary, Mr. Roosevelt said; to meet the minimum needs of soldiers such as money for buying cigarettes and beer.

"Military questions are paramount, the President went on to say, and General Eisenhower would have the power to make sure there was peace and order behind his lines."

Under date of July 11 United Press advices from Algiers said:

"Informed French quarters said today that the proposed French-American agreement differed from the French-British arrangement only in that it more precisely defined General Eisenhower's supreme authority in liberated territory, but no insuperable difficulty was seen in this question.

"General de Gaulle was reliably reported to have cabled to Algiers that he was most pleased with the results of his visit to the United States. He was said to have added that he was most impressed with the American organization for fighting the war, but not so impressed with American views on a post-war international organization."

American Business Congress Heard By Senate Committee On Increasing Commercial Rents

A hearing on commercial rents held in Washington by the Senate Small Business Committee on July 13 was attended by trade and business association executives representing over 5,000 business men employing upwards of 75,000 persons. In addition, many individual tenants made the trip to Washington for the express purpose of indicating to Congress their interest in the protective legislation demanded.

The American Business Congress, a national organization of small independent business men, has been active in seeking to combat the increasing commercial rents and claimed in their statement that reports from coast to coast indicate that rents on stores and lofts are on the increase in dozens of other cities outside of New York.

In a prepared statement made at the hearing, Harold M. Schwab, Executive Director of the Congress, said:

"Only this week we heard of several cases in Philadelphia, among them a building where one tenant is being raised from \$18,000 to \$30,000 a year and another tenant from \$12,000 to \$20,000, with five-year leases demanded in each case. Another case is one of our members with a store in Fall River, Mass., where the building was sold, the present lease cancelled and the tenant notified that he would have to sign a new lease at a 75% increase or get out."

"Possibly the final solution will be a law which prohibits a landlord from increasing his rent more than 10% or 12% or a maximum of 15% above the March 1943 level. Many of the landlords are small business men and it is not our desire to harm them. They are entitled to a fair return on their investment but should not

be permitted to ask increases outside of all reason.

"We recognize but contest the fact that there are some who assert the problem is purely local and one for solution by New York City or State authorities. Attempts have been made to enact legislation in Albany without success. Even now there is an Assembly committee 'studying the conditions.' But before this committee reports six to eight months will elapse, thousands of leases will expire and come up for renewal and thousands of tenants will be faced with the possibility of going out of business. In addition, we seriously question whether protective State legislation will be upheld by the courts. A powerful lobby has been organized by the real estate interests and you may be sure that in their home State they will exert every influence against State regulation in the future as they have in the past."

The ABC asks that the Senate Small Business Committee give serious consideration to the problem and that "immediately upon Congress being called into its next session your committee initiate the necessary proceedings and fight with all your strength for quick rent relief for the harassed small business man."

Dewey Meets 25 Republican Governors This Wk. At St. Louis For Program Conferences

Gov. Thomas E. Dewey, Republican candidate for President, met with 25 Republican Governors from other States in St. Louis this week, Aug. 2 and 3, for conferences on matters not dealt with in the Republican platform. On July 10 Gov. Dewey had the following to say at Albany regarding the conference:

"There has been a continuing debate ever since the New Deal took office over the area of responsibility as between the States and the Federal Government referring to employment services, the aids to agriculture, particularly centering around the use of land grant colleges; relief, the effort three years ago to federalize unemployment insurance entirely, and, of course, the very large field of taxation in general.

"The purpose of the conference is to consider the areas of responsibility and obligations and how these obligations to the people can best be performed. The conclusions reached will not only serve as a basis for united opinion in the Republican Party on an issue which split the Democratic Party wide open but, even more important, to eliminate the constant and serious friction, after the Republican Administration takes office next January."

Prior to this week's conference, a meeting was held at Albany on July 26, between Gov. Dewey and John W. Bricker, of Ohio, Republican nominee for Vice-President; in advance of the meeting it was stated by the Associated Press (Albany advices July 25) that the visit of Gov. Bricker would afford Gov. Dewey the first opportunity to confer with the Vice-Presidential candidate since they were nominated at the G. O. P. convention in Chicago last month.

On July 27 Gov. Dewey announced a 15-point program of action for the Republican Governors' Conference this week and at the same time told a press conference that he and Gov. Bricker were in full accord on the issues of the campaign. According to the Associated Press, Gov. Dewey said the following subjects would be considered by the Republican Governors:

1. Public expenditures.
2. Public health.
3. Administration of unemployment insurance.
4. Administration of employment services "which were surrendered by these States to the national Government in the war emergency."
5. Relationship of unemployment and unemployment services.
6. Labor, including the sphere of State and national influence.
7. Public works—the extent of direction by national government and finance by national government, by States and locally.
8. Highways, including transcontinental roads and national defense projects.
9. Regulation of all kinds of insurance.
10. Ownership and use of national land. Mr. Dewey said there were States where the Federal Government owns 80% of the land, posing a question of taxation. (Gov. Bricker named Wyoming, Colorado, Utah, Nevada, and Arizona as States most seriously affected.)
11. Water and flood control and conservation of natural resources.
12. National Guard, including the question of its continuance as a reserve to the regular army or the possibility of its permanent federalization.
13. Federal and State tax coordination, including the special attention to overlapping and the conflict of tax collections and rates between local and Federal government.
14. Agriculture, including the extent to which Government aids, soil conservation programs and controls should be locally or nationally regulated.
15. Veterans' affairs.

While Gov. Dewey is said to have told reporters he could not say that the conflict between local and Federal governments would

become "a major issue of the campaign," he said the decision of the Governors' Conference would have an important bearing on the Republican Party's stand in its drive for the Presidency.

Endorsement of Gov. Dewey's nomination for President was registered on June 28 by 18 Republican Governors attending the party convention at Chicago.

Leaving New York City last Sunday night, July 30, the Governor stopped in Pittsburgh July 31, for conferences with Gov. Edward Martin, the State's Republican congressional delegation and business, labor, agricultural and other leaders.

The following day (Aug. 1) Gov. Dewey was scheduled to arrive in Springfield for similar talks with Gov. Dwight H. Green and Illinois members of Congress. He also is expected to visit the tomb of Abraham Lincoln in the Illinois capital city.

Industry Group To Study Labor Problem

Under date of July 23, Associated Press advices from Washington in the New York "Journal of Commerce," stated that Chairman Paul V. McNutt of the War Manpower Commission over the weekend announced formation of a committee of nine industry representatives to study ways of conserving and fully utilizing labor forces to meet critical shortages.

To be known as the WMC industry associations committee, the group represents 750 industries, divided into 12 groups.

"The function of the committee," McNutt said, "will be to encourage specific industries and industrial groups to co-operate in the exchange of applied new discoveries, ideas and methods that have resulted in a reduction of manpower requirements."

It also will be responsible, he said, for "discovering and encouraging adoption of good manpower utilization practices and will aid in removing obstacles in the way of fuller utilization of workers."

Members of the committee and industries they will represent:

Manufacturing—Col. W. F. Rockwell, Pittsburgh, Pa., Chairman of the board, Timken-Detroit Axle Co.

Transportation, Communication and Public Utilities—John J. Pelley, Washington, D. C., President, and E. H. Bunnell, Washington, D. C., Vice President, Association of American Railroads.

Electrical and Miscellaneous Industries—Ralph J. Cordiner, New York, assistant to the President, General Electric Co.

Service Industries—Frank A. McKowne, New York, President, Statler Hotel Corporation.

Lumber, Printing and Paper—Ben R. Ellis, Jacksonville, Fla., Secretary-Manager, Southern Cypress Manufacturing Association.

Mining and Petroleum—William A. Off, Huntington, W. Va., former President of American Zinc, Lead & Smelting Co.

Finance, Insurance, Real Estate—Morgan L. Fitch, Chicago, President, Illinois Association of Real Estate Boards.

Textile and Leather—Frank L. Walton, New York, Vice President, Catlin Farish Co., Inc.

N. Y. Stock Exchange Suspends Paul W. Havener

The Board of Governors of the New York Stock Exchange on July 21, suspended for a period of six months Paul W. Havener, an allied member of the Exchange. Mr. Havener, after a trial by the Board of Governors, at which he was present, was found guilty "of (1) having on a number of occasions entered a single order to buy a certain security for an account in which he had an interest and

which he had discretionary authority, and having received executions at varying prices, he allocated the most advantageous price or prices to the account in which he had an interest and the less advantageous price or prices to the other accounts, such allocations having operated to the disadvantage of the customers over whose accounts he had discretionary authority, and (2) of having violated the constitution and rules of the Exchange in that he had, in consideration of obtaining the business of a customer, paid to the friend of that customer monthly compensation based upon the commissions earned in the account, even though the said person did not report for duty at the office of the member firm or render any services to it."

With respect to the first charge, evidence was presented by Mr. Havener indicating that he had an understanding with customers over whose accounts he had discretionary authority that the stock first purchased should be allocated to his wife's account.

Mr. Havener was a general partner of the firm of Pyne, Kendall & Hollister—Reynolds, Fish & Co., later known as Mallory, Hollister & Co., during the period covered in the charges. Mr. Havener has been a general partner since Feb. 1, 1944, of Mallory, Adee & Co.

The New York Curb Exchange, of which Mr. Havener is a regular member, took action similar to the New York Stock Exchange. As Mr. Havener had agreed with the Curb to let the record of the proceedings against him before the Board of Governors of the Stock Exchange govern its own decision, it was unnecessary for the Curb to hold hearings or conduct a formal trial in his case.

Section 6 of Article XIV of the Constitution of the New York Stock Exchange, the violation of which was charged against Mr. Havener, reads as follows:

Operating Expense Rates Of Life Ins. Business At Lowest Point In More Than Decade

The operating expense ratio of the life insurance business has not increased during this war as it did in World War I, and is today at the lowest point in more than a decade, according to the Institute of Life Insurance. In spite of the increases in costs and wage levels that have occurred since the bottom of the depression, the ratio has remained fairly constant over a 10-year period, said the Institute under date of July 26. Last year's

ratio of operating expenses, including all sales and management costs, to income for all U. S. companies was approximately 13%, which compares with 13.9% in 1942 and 14% in 1941, the Institute reports. In its further information it says:

"The ability of the companies to hold the expense ratio relatively constant during this period is an index of the success achieved by efforts to increase operating efficiency. The significance of the accomplishment is emphasized by the fact that there has been a steady expansion during the period in the services to policyholders and beneficiaries. Total life insurance in force by the companies is 16% greater than at the outbreak of war and 46% greater than 10 years ago. In addition, the services to policyholders and beneficiaries have been increased notably in connection with the payment of policy proceeds on an income basis. This development of the business which has largely occurred in the past 10 years involves literally millions of transactions a year in the handling of principal sums and the payment of income, representing together an additional service beyond that formerly rendered when the cash payment of a policy terminated the relationship."

The records show that in contrast to the experience in this war, the operating expense ratio rose in each year of the last war, the rise continuing to a peak in 1920. The expense ratio today is substantially below the ratio of that period.

Norman Thomas Accuses President Roosevelt Of Pushing No Progressive Legislation Since 1937

In an open letter dated July 25 to Prof. Reinhold Niebuhr, Chairman of the Union for Democratic Action, Norman Thomas, Socialist Candidate for President, stated that the Republican and Democratic platforms are "virtually interchangeable," and that President Roosevelt "has pushed no progressive legislation since 1937."

"Before the war," Mr. Thomas stated, President Roosevelt "had not conquered unemployment but stabilized it and subsidized the unemployed at a level of about 23% of the workers. He advocated total conscription of human beings in war and gives signs of supporting permanent military conscription of our youth in peace. He has no program adequate to the conquest of poverty and his underwriting of white supremacy in the Far East and the Balkanization of Europe between Moscow

and London is an invitation to new wars."

Mr. Thomas insisted that it was not necessary for citizens to throw away votes by supporting either Democratic or Republican candidates, and called on Prof. Niebuhr and his associates to rally to the banner of the Socialist Party to assure "pressure for a decent peace and for freedom and plenty with which the cause of peace is bound up."

Lord Keynes Discusses Bretton Woods Results

(Continued from first page)

watched and welcomed in the outside world. How much better that our projects should begin in disillusion than they should end in it! We perhaps are too near to our own work to see its outlines clearly. But I am hopeful that when the critics and the sceptics look more closely, the plans will turn out to be so much better than they expected, that the very criticism and scepticism which we have suffered will turn things in our favor.

"Finally, we have perhaps accomplished here in Bretton Woods something more significant than what is embodied in this Final Act. We have shown that a course of 44 nations are actually able to work together at a constructive task in amity and unbroken concord. Few believed it possible. If we can continue in a larger task as we have begun in this limited task, there is hope for the world. At any rate we shall now disperse to our several homes with new friendships sealed and new intimacies formed. We have been learning to work together. If we can so continue, this nightmare, in which most of us here present have spent too much of our lives, will be over. The brotherhood of man will have become more than a phrase.

"Mr. President, I move to accept the Final Act."

Results Of Treasury Bill Offerings

The Secretary of the Treasury announced on Aug. 1 that the tenders for \$1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated Aug. 3 and to mature Nov. 2, 1944, which were offered on July 28, were opened at the Federal Reserve Banks on July 31.

The details of this issue are as follows:

Total applied for, \$2,010,374,000. Total accepted, \$1,214,112,000 (includes \$57,549,000 entered on a fixed price basis at 99.905 and accepted in full.)

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

Range of accepted competitive bids:

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

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

(52% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Aug. 3 in the amount of \$1,017,106,000.

With respect to the previous week's offering of \$1,200,000,000 or thereabouts of 91-day Treasury bills to be dated July 27 and to mature Oct. 26, 1944, which were offered on July 21, were opened at the Federal Reserve Banks on July 24.

The details of this issue are as follows:

Total applied for, \$2,177,348,000. Total accepted, \$1,214,292,000 (includes \$56,082,000 entered on a fixed price basis at 99.905 and accepted in full.)

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

Range of accepted competitive bids:

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

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

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

There was a maturity of a similar issue of bills on July 27 in the amount of \$1,015,902,000.

House Committee Finds 24% Of Land In U. S. Owned By Government; Propose Early Resale

A House subcommittee recently reported that 24% of all land in the continental United States was under Federal ownership. The Associated Press advices from Washington in the matter stated:

The report, prepared by a Public Lands subcommittee, headed by Representative Peterson, Democrat, of Florida, proposed speedy return to private ownership of lands and properties no longer needed for the public benefit.

The report was drawn up after more than a year of hearings and will be considered by the full committee when Congress reconvenes.

Legislation already passed by the House provides that steps be taken to determine which lands are suitable for homestead entry, and that existing laws be amended to grant the same homestead preference rights to veterans of the present war as extended to veterans of other wars.

The report shows that 455,171,123 acres, or 24% of continental United States, are owned by the Government. Adding 365,528,912 acres in Alaska, Hawaii, Puerto Rico and the Virgin Islands, the aggregate is 820,700,035, or 36% of all United States possessions.

Reference was made in our July 20 issue, page 313, to an announcement on July 11, by the Surplus War Property Administration that all surplus owned real estate, except industrial real estate, Maritime Commission property, and property controlled by the National Housing Agency and Federal Works Agency had been assigned to the Reconstruction Finance Corporation for disposal.

The Associated Press reported on July 23, that the Government will follow a policy of selling its surplus real estate in family-size parcels and to farm purchasers

who will cultivate the land themselves. W. L. Clayton, Surplus War Property Administrator, announced. These advices from Washington added:

"The statement replied in part to criticism of the surplus farm land disposal program by James G. Patton, President of the National Farmers Union.

Mr. Patton in a statement two weeks ago opposed assignment of the sales job to the Reconstruction Finance Corp., predicting domination of the disposal program by the National Association of Real Estate Boards and further control of agriculture by big interests.

"The Government has acquired large acreages of land for war purposes which it will not need when hostilities end.

"Mr. Clayton, in an outline of general policies to be followed by the RFC on real estate other than industrial property, set forth these additional objectives:

"To sell as promptly as possible at current values without undue disruption of the market;

"To sell outright, reserving the right of Government recapture only if national defense requires;

"To give former owners an opportunity to repurchase their land at current market values;

"And to avoid sales to speculators or persons planning to combine small tracts into large ones for speculative purposes.

The tobacco and lumber industries also had larger working forces and higher payrolls in June.

"The index of factory employment based on the average of 1935-1939 as 100 was 147.4, which represents a decrease of 7.6% from June a year ago. The payroll index was 282.4, a drop of 1.9% since last June. Average weekly earnings were \$47.92 in June compared with \$47.19 in May, and \$44.72 in June a year ago. The foregoing statements are based on preliminary tabulations by the Division of Statistics and Information under the direction of Dr. E. B. Patton and cover reports from 2,700 factories in New York State.

"Large numbers of workers were dropped from the payrolls of aircraft and shipbuilding plants between May and June. Producers of electrical equipment also lost many workers and reduced payrolls, while plants making communication equipment had fewer employees but higher payrolls. Steel mills and smelters of non-ferrous metals reported larger payrolls with fewer workers. The employment drop for the metals and machinery group as a whole was 3% accompanied by a payroll decline of 2.8%.

"Fairly large employment and payroll increases of 5 and 5.5% respectively were recorded for the food industry. The canning industry increased its working force by one-third between May and June and payrolls advanced accordingly. Sugar refineries, candy factories, breweries, and manufacturers of soft drinks and ice cream reported moderate increases in employment and payrolls. A 10% wage rate increase was granted by one ice cream plant. Meat packers had fewer employees and lower payrolls, while grain mills and bakeries had fewer employees with higher payrolls.

"In the apparel industry a small gain in employment of 0.6% was accompanied by an advance of 3.1% in payrolls. Women's suit, coat and skirt factories accounted for a large part of these increases, expanding their forces for the coming season. Men's tailoring firms also had increases with some overtime. Shirt factories and children's clothing firms had fewer workers with larger payrolls. Decreases in employment and payrolls were reported by firms making women's dresses, lingerie, blouses, neckwear, hats and accessories. Furriers continued to have a busy season."

Commissioner Corsi concluded his report by saying:

"Practically every branch of the textile industry except woolen mills and plants making hat bodies reported losses in employment. One hat firm resumed operations following labor troubles in April and May. Cotton, knitting and finishing mills had higher payrolls despite employment losses. Cancellations of war contracts caused decreases in furniture factories. Paper mills had fewer workers on slightly lower payrolls while printing firms lost employees but increased payrolls a little. Newspaper publishers reported a slight gain in employment. In the leather industry, shoe manufacturers had fewer workers but larger payrolls while glove and handbag firms reported decreases in both employment and payrolls. In the chemical group manufacturers of rayon and other synthetic fibers hired additional workers but employment fell off in all the other branches of the industry such as drugs, cosmetics, paints and fertilizers. In the stone, clay and glass group, employment increased in the glass, cement, tile and brick industry but these gains were wiped out by larger decreases in pottery, gypsum and abrasives."

Mutual Savings Bank Deposits, Assets And Depositors Reach New Records

New records for individual thrift by a large group of the American people are indicated in figures for the first six months of the year just reported by the National Association of Mutual Savings Banks. "These record figures show that the American people willingly and wholeheartedly are cooperating in the war effort, at the same time providing themselves with capital for the future," said Isaac W. Roberts, President of the Association and President of The Philadelphia Saving Fund Society. "It is inspiring to see the national mission advancing with such strong support by individual citizens."

In this new period of record saving, deposits increased \$721,060,516 in the half year for all mutual institutions, operating in 17 states, the Association announced on July 31. "This increase brought the total of deposits, including special purpose accounts, to \$12,428,085,564," said the Association, which added:

"The gain in assets almost reached \$100,000,000 above the gain in deposits—this total gain amounting to \$816,122,108, placing the combined assets account at \$13,858,953,776.

"Meanwhile, depositors were increasing in number as well, the gain in accounts during the first six months being 390,524, bringing the total to 16,102,735, the first time that mutual savings bank accounts exceeded the 16,000,000 mark. Of this number, 13,101,235 represented 'regular accounts,' the remainder being devoted to special purposes, among which Christmas Clubs were the most popular, numbering 1,412,945, with deposits of \$56,991,137.

"Total surplus account likewise gained in the half year, rising by \$57,274,994, this account standing at \$1,383,903,557. The increase signified a substantial surplus ratio exceeding 11 cents additional protection for each dollar held upon deposit.

"The average account in the 17 'mutual states' rose by \$26.71 to \$771.80. This figure reflected every type of account, the average for 'regular accounts' having the higher rating of \$942.33.

N. Y. State Factory Jobs Drop 1.3%; Payrolls Decline 0.7% In June

Drastic cuts in employment and payrolls at some of the war plants in New York State were the outstanding development in the labor market in June, Industrial Commissioner Edward Corsi announced on July 18. Total factory employment dropped 1.3% between May and June; payrolls declined 0.7%. Many other industries also had fewer employees in June, including textiles, furniture, paper, printing, chemicals, rubber and leather, said the Commissioner, who went on to say:

"Additional workers were hired for the manufacture of certain articles of food and clothing in accordance with seasonal demand.

Dumping Of Surplus Aircraft Barred

W. L. Clayton, Surplus War Property Administrator, on July 26 outlined the first comprehensive program for disposal of the thousands of airplanes and parts which will become surplus at the end of the war, warning that dumping of the surplus aircraft, regardless of price, "is not to be considered."

The program was outlined in a report of the SWPA's Surplus Aircraft Advisory Subcommittee, which was appointed by Mr. Clayton on March 9, 1944.

The subcommittee, after a series of meetings with representatives of the aircraft manufacturing industry, air transport companies, labor and others, recommended that surplus aircraft which have not been disposed of three years after the end of the war should be classified as unabsorbed surplus to be utilized only for non-flight purposes, salvage and scrapping.

All types of planes should be disposed of "in an orderly and controlled manner, at reasonable prices, utilizing normal trade channels."

The subcommittee also concluded that:

The only important market for tactical aircraft will be Governments of friendly foreign nations, although there may be small specialized commercial or private use for observation, photo-reconnaissance, and a few other types of planes.

Transport aircraft should be sold "as is," leaving purchasers to convert and overhaul them. Aircraft manufacturers should be permitted to act as Government sales agents "for a reasonable fee." Prices should be uniform to domestic and foreign purchasers.

Personal aircraft for which there is an active demand should be sold "as is" for cash as promptly as possible. A "reasonable number" of trainers should be stored for future use in college-type training programs.

Engines, propellers and other larger and more complex items should be assigned to the original manufacturers for inspection and disposal. Prices should be established on a basis that will encourage technical development. Sale of blind-flying equipment for training purposes should be encouraged.

Unabsorbed surpluses should be used for ground and shop training, exhibition, experiments and memorials, or scrapped within six months if there can be found no permissible uses for any aircraft and equipment.

Mr. Clayton indicated that, until the war is won, only a small number of aircraft is likely to become surplus. The number of aircraft to be declared surplus after the war will depend largely on the size of our permanent armed forces, he said.

The Reconstruction Finance Corporation has started the job of selling about \$60,168,000 worth of surplus army and navy aircraft, including trainers, cargo carriers, transports, bombers and gliders, according to a United Press dispatch from Washington, D. C., on July 27, which added that there are 5,129 planes available.

June War Costs At New High

War expenditures by the United States Government hit a new monthly high in June of \$7,957,000,000, an increase of \$39,000,000 or 0.5% over May expenditures, according to figures compiled by the U. S. Treasury and announced on July 15 by the War Production Board, which also reported:

Average daily war expenditures in June amounted to \$306,000,000, an increase of 4.3% over the daily rate in May of \$293,300,000. This is the second time that the daily rate has passed the \$300,000,000 mark. Expenditures per day had previously reached \$312,300,000 in February of this year.

The daily rate is based on the 26 days in June, the 27 days in May and the 25 days in February upon which checks were cleared by the Treasury.

For the fiscal year 1944, United States war expenditures amounted to \$89,900,000,000 compared to \$75,100,000,000 expended in fiscal 1943, or an increase of almost 20%.

UNITED STATES WAR EXPENDITURES—MONTHLY AND DAILY RATE
January, 1941—June, 1944
(In Millions of Dollars)

1941—	Monthly Expenditures	Number of Days Checks Were Cleared	Daily Rate
1st quarter monthly average	\$684	25	\$27.4
2nd quarter monthly average	897	26	34.5
3rd quarter monthly average	1,253	26	48.2
4th quarter monthly average	1,797	25	71.9
1942—12-month total	52,406	310	169.1
1943—12-month total	85,135	312	272.9
1944—			
January	7,416	26	285.2
February	7,808	25	312.3
March	7,948	27	294.4
April	7,493	25	299.7
May	7,918	27	293.3
June	7,957	26	306.0

New Redemption Plan For War Bonds Soon

A new war bond redemption plan will be put into effect within the next 60 days so that bondholders may receive cash immediately instead of having to wait a matter of days or weeks, Henry Morgenthau, Jr., Secretary of the Treasury, revealed on July 27. United Press advices from Washington, reporting this, also said:

"He told a press conference that under the new plan bonds will be redeemed at any commercial bank, simply upon presentation and proof of identity, at their full purchase price plus whatever interest may be due.

"It was understood from other sources that officials hoped the

program would cut the redemption rate for war bonds, on the psychological theory that redemptions would be reduced by making the process simpler and quicker."

It was explained by the Associated Press that as an accommodation to special customers, many banks already handle redemptions, but there is a lag in payment, since the banks send them to Federal Reserve banks and the seller must wait for payment.

At present the rate of redemptions of savings bonds is about \$7,500,000 a day, it was stated in advices to the "Wall Street Journal" from its Washington bureau, which added that Treasury officials, say this is \$1,000,000 to \$1,500,000 less than the recent daily average.

May Building Permit Valuations 21% Over April, Labor Department Reports

Building construction started in urban areas of the United States during May was valued at \$109,000,000, exceeding the April total by 21%, according to the report of Francis Perkins, Secretary of Labor, which stated that "this was the first month in 1944 to show a gain over the corresponding period of the previous year"; she also said: "Both Federal and non-Federal building construction increased in May—31 and 16% respectively. The value of new residential construction started during this month rose by 18% over the previous month, new non-residential by 28%, and additions, alterations, and repairs by 15%.

The Secretary of Labor's report went on to say: "The volume of work started during this month was 4% greater than in May a year ago, with a decline in Federal construction of 6% which was more than offset by an increase of 10% in non-Federal construction. Both new non-residential building and additions, alterations, and repairs increased by more than half during this same period, whereas new residential building was almost two-fifths less, with sharp declines in both Federal and non-Federal work.

SUMMARY OF BUILDING CONSTRUCTION IN ALL URBAN AREAS, MAY 1943 APRIL AND MAY 1944

Class of Construction	Number of buildings			Valuation		
	May 1944	April 1944	Percentage change from May 1943	May 1944 (In thousands of dollars)	April 1944	Percentage change from May 1943
All building construction	67,643	64,444	+26.6	108,728	109,000	+21.0
New residential	9,159	7,189	+11.6	34,621	34,621	+17.5
New non-residential	8,189	6,189	+15.5	46,986	46,986	+27.6
Additions, alterations, and repairs	50,295	47,066	+31.9	27,121	27,121	+15.2

Miss Perkins' report continued: "The total of 11,145 family dwelling units for which permits were issued or Federal contracts awarded during May was 16% above the April figure, but less than half of that for May, 1943. Thirteen percent of the May, 1944 total, or 1,402 units, was in Federal war housing projects. A year ago Federally financed units accounted for 40% of the total. The 9,743 privately financed dwelling units were 14% more than the number started in April and 21% less than in May, 1943.

"Data from building permits are collected by the Bureau of Labor Statistics directly from local building officials in every State except Illinois, Massachusetts, New Jersey, New York, North Carolina, and Pennsylvania, where State departments of labor collect and forward the data to the Bureau. Notifications of contracts awarded for Federal and State projects, for which building permits are not ordinarily required, are sent in directly by the agency awarding the contract.

"Figures on building construction shown in this report cover the entire urban area of the United States, which, by Census definition, includes all incorporated places with a population of 2,500 or more in 1940 and, by special rule, a small number of unincorporated civil divisions. Valuation figures, the basis for statements concerning volume, are derived from estimates of construction costs made by prospective private builders when applying for permits to build and the value of contracts awarded by Federal or State Governments. No land costs are included. Unless otherwise indicated, only building construction within the corporate limits of cities in urban areas is included in the tabulations.

"Reports of building permits were received in May, 1944, from cities containing between 80 and 85% of the urban population of the country and provide the basis for estimating total number of buildings and dwelling units and valuation of private urban building construction. The same data for Federally financed urban building construction are compiled directly from notifications of construction contracts awarded as furnished by Federal agencies.

"All figures for the current month are preliminary. Major upward revisions in Federally financed non-residential construction may be expected as a result of late notifications of contracts awarded.

"The cumulative value of building construction started in urban areas of the United States thus far in 1944 was \$453,610,000 or 16% less than the \$542,304,000 for the first five months of 1943. During this period Federal building construction declined over one-half, while non-Federal building increased by a third. The volume of new residential building was 37% less than last year and new non-residential construction 15%. Additions, alterations, and repairs increased 51%.

Class of construction	Total			Federal		
	1944	1943	Percentage change	1944	1943	Percentage change
All construction	453,610	542,304	-16.4	149,627	313,149	-52.2
New residential	162,371	257,740	-37.0	24,831	126,825	-80.4
New non-residential	176,635	208,680	-15.4	119,219	177,629	-32.9
Additions, alterations and repairs	114,884	75,884	+51.0	5,577	8,695	-35.9

"Four-fifths of the dwelling units started in the first five months of 1944 were privately financed as compared with over two-fifths during the same period of 1943. While there was virtually no change in the number of privately financed units, the 1944 valuation of \$136,930,000 was 5% greater than in 1943.

"One-family units have shown an increase of 10% in number thus far in 1944, while 2-family and multifamily dwellings have decreased 19 and 25% respectively.

"The Pacific and East North Central States ranked highest in valuation of all urban building construction started in May. Together they accounted for more than half of the total valuation. Increases over the preceding month occurred in the Middle Atlantic, South Atlantic, East South Central, West South Central, Mountain, and Pacific States, whereas the three other regions showed declines when compared for the same periods.

"Non-Federal construction begun during May was 16% more than in April, resulting from increases in 8 of the 9 regions, ranging from 61% in the Mountain States to 4% in the Pacific States. Only the West North Central States showed a decrease.

"Five geographic divisions contributed to the 4% increase in valuations of all building construction started during May, 1944, as compared to May, 1943. The volume of privately financed construction started during May exceeded that of a year ago in the six regions and resulted in a 10% increase. Federally financed construction dropped sharply in all but the South Atlantic and Pacific regions, but showed only a decrease of 6% over May, 1943, because of the large increases in these two regions.

Steel Output Increased—War Needs Rise—Order Cancellations Offset By New Orders

"In the midst of optimistic war news from various fronts the steel industry this week found itself in a tighter delivery situation than at any time since the war began," the "Iron Age" states in its issue of today (Aug. 3), further adding: "Although steel ingot output rose slightly this week, this was more than offset by a heavy volume of steel business which has been increasing in the past few weeks. Practically no steel producer this week was able to show a decline in total backlogs.

"Post-war planning, while becoming more of a general topic of discussion than it has been at any time heretofore, has affected the steel industry to a minimum so far. Sample orders are not materializing, and inquiries traceable to probable post-war activity have not appeared. Coincident with this is the extreme low point in the number of steel order cancellations. Those which have appeared recently have been more than offset by new orders.

"The placement of orders for and the production of shell steel was still the center of attention in the steel industry this week. Production programs involving rails and structural steels have already been pushed back on order books so as to expedite the production of shell steel which is taking vast quantities of semi-finished material.

"As far as steel deliveries are concerned certain types of plates are not obtainable until February, 1945, while others may be had in December. Structural steels are being promised by some makers for December delivery and later although this situation might not continue owing to the shell steel program. Strip steels, carbon bars, and cold rolled sheets are being promised as far ahead as February next year, while hot rolled sheet deliveries are being promised for January and February of next year. The alloy steel picture is apparently staging a temporary comeback in view of the tank program as well as replacement parts needed for guns, landing craft and other war materials. Delivery promises among various producers are not necessarily uniform, but this situation is often balanced by weekly changes due to receipt of additional war orders.

"Tinplate demand this week was stronger than ever with most mills booked well through to the end of the year."

The American Iron and Steel Institute on July 31 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 96.9% of capacity for the week beginning July 31, compared with 95.9% one week ago, 94.3% one month ago and 97.7% one year ago. The operating rate for the week beginning July 31 is equivalent to 1,735,800 tons of steel ingots and castings, compared to 1,717,800 tons one week ago, 1,689,200 tons one month ago, and 1,702,200 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on July 31 stated in part as follows:

"Despite optimistic hopes of early termination of the European phase of the war munitions orders continue heavy, fourth quarter requirements now in the hands of the War Production Board showing considerable increase over third quarter.

"Principal emphasis, as for some time past, is on merchant and naval ships and heavy shells. Needs are expanding for combat tanks, landing mats and trucks and word is being expected momentarily on distribution of about 35,000 freight cars, mainly for the Army, for export. A substantial number of locomotives is being placed by the armed forces for shipment abroad.

"While pressure is heavy for nearby shipment, orders already booked are so urgent that directives are not as numerous or large

as might be expected. This pressure is reflected in warehouse activity, some distributors doing a record volume of business, limited only by tonnage in stock and shortage of labor.

"Pig iron production in June totaled 5,056,627 net tons, compared with 5,342,866 tons in May, which was a near-record month, but well above the 4,836,283 tons made in June, 1943. For the first six months this year output was 31,481,620 tons, compared with 30,343,443 tons in the comparable period last year.

"Tin plate production under present limitations is at about 60% of capacity for dipped plate and 40% for electrolytic and until production of general line cans is released there seems little likelihood of an increase. Use of aluminum for containers is urged by aluminum producers on the ground that while the cost is slightly higher other factors are favorable and price to the consumer would be little higher than for tin plate."

FDR Wires Truman Congratulations

A telegraphic congratulatory message was sent by President Roosevelt to Harry S. Truman, with the latter's nomination for the Vice Presidency, in which the President said:

"I send you my heartiest congratulations on your victory. I am of course very happy to have you run with me. Let me know your plans. I shall see you very soon."

Mr. Truman in his reply stated: "Thank you, Mr. President. I am happy to be your running mate. I will be in Missouri until Aug. 1, our primary day. I am at your command and want to see you soon."

The President's message to Chicago was sent while he was on the Pacific Coast.

Under date of July 22 United Press advices from Washington stated that the Federal Communications Commission officials indicated on that day that the transmission of the congratulatory telegram from President Roosevelt to Senator Truman probably was a violation of the Government ban on such messages.

These advices added: "Chairman James L. Fly and Commissioner E. K. Jett, members of the Board of War Communications, which issued the ban late in 1942, did not comment, but other officials said the order appeared to make no exceptions to any message conveying sentiments of felicitations.

"These officials, however, dismissed the matter as being 'the responsibility of the Western Union, and particularly of the individuals who accepted the telegrams and authorized their transmission.'

"They said they know of no penalties for violations."

In the New York "Times" of July 25 it was stated:

"J. L. Egan, Vice President of Western Union Telegraph Company, said yesterday that his company had transmitted President Roosevelt's message of congratulations to Senator Harry S. Truman, his running mate, because 'presumably it constituted an exception' to the general ban on congratulatory messages.

"If the President had the authority to authorize the issuance of the ban he has the authority to modify, alter or rescind it," Mr. Egan said."

Wounded Get Transport Preference On Trains

Transportation preference and priorities for disabled military, naval and merchant marine personnel are provided to assist the nation's railroads in their plans for handling military casualties, in a certification and order announced on June 23 by the Office of Defense Transportation and the Interstate Commerce Commission. The announcement added:

Today's action provides for cancellation of reservations, space assignments or tickets and permits the railroad to require passengers to vacate space and accommodations when necessary to provide space for casualties.

In addition the action requires the railroads, when necessary, to divert transportation facilities or cancel or discontinue passenger train service, and to refuse permission to passengers, other than invalid troops and their attendants, to board passenger trains.

Col. J. Monroe Johnson, Director of ODT, in a letter to J. J. Pelley, President of the Association of American Railroads, said issuance of the enabling certificate and order "will give the railroads full legal support in carrying out their plans and enable them to act without fear of unthinking opposition.

The joint plans set up by the railroads and the medical and transportation branches of the armed services were outlined by Mr. Pelley in a letter written earlier in the week to Col. Johnson. "Mr. Pelley said the arrangement provides that the armed services will give the railroads advance notice of movements planned, to the greatest extent possible. Necessary contacts between railroads serving hospitals and port areas have been established, he said, and machinery for transmitting information and securing action has been set up.

"In any event," Mr. Pelley said, "the railroads will see to it that the necessary sleeping car space is available, regardless of any interference with other traffic which might result."

ODT Certificate of Preference and Priority No. 3 and ICC Order No. 213, announced today and effective as of 12:01 a. m., June 27, state in part that:

"Every common carrier by railroad and every sleeping car company shall afford preference and priority in transportation over all other traffic to invalid servicemen whether transported pursuant to a medical certificate or not, and their attendants, en route to or from a point of hospitalization and, whenever and to the extent necessary to afford such preference and priority, shall:

"(1) Divert equipment and transportation facilities and supplies from use in freight or passenger service;

"(2) Cancel or discontinue passenger train service; and

"(3) Refuse permission to passengers, other than invalid servicemen and their attendants, to board passenger trains."

The order and certificate further state that whenever disabled servicemen are to be transported pursuant to a medical certificate, every carrier shall also, if necessary:

"Cancel reservations and space assignments, or tickets therefor; and cause and require passengers to vacate, prior to departure of a train from point of origin or at any time of the day or night thereafter, the space and accommodations occupied by them."

Ticket agents, passenger conductors and sleeping car conductors are appointed in the order as agents of the Interstate Commerce Commission to designate what tickets or space are to be cancelled, and which passengers are to be refused permission to board trains.

Wholesale Prices Practically Unchanged For Week Ended July 22, Labor Department Reports

Commodity prices at the primary market level fluctuated within a very narrow range during the week ended July 22," said the U. S. Department of Labor on July 27, which also said that "seasonally higher prices for certain fruits and vegetables were offset by weakening prices for grains, cotton, hogs and sheep. The Bureau of Labor Statistics' index remained unchanged at 103.9% of the 1926 average." The all-commodity index is 0.2% higher than for the corresponding week of June and in the past year it has risen 1%, stated the U. S. Department of Labor, which added:

"Farm products and foods"—Led by declines of more than 1% for grains and 2% for cotton, average prices for farm products in primary markets dropped 0.1% during the week. Quotations for rye were down nearly 5% and wheat and oats about 1.5%. Livestock and poultry declined 0.2% with lower prices reported for hogs, sheep, and live poultry in the Chicago market. Prices were higher for cattle and for live poultry at New York. The movement in prices for fruits and vegetables was mixed. White potatoes at Boston and oranges were substantially higher, while white potatoes at New York and apples and potatoes at Chicago declined. In the past four weeks average prices for farm products have risen 0.9%; they are, however, 0.6% lower than at this time last year.

"Influenced largely by an increase of 2% for fruits and vegetables and slightly higher prices for eggs, market prices for foods advanced 0.4%. Quotations were lower for rye flour and cured pork. At 106.0% of the 1926 level, the foods group index is 1.0% higher than at this time last month but 0.9% lower than for the corresponding week of last year.

"Industrial commodities"—Industrial commodity markets remained relatively steady. Minor increases during the week in prices for worsted yarn and for bituminous coal brought the indexes for textile products and fuel and lighting materials up 0.1%. Quicksilver prices rose 5%; but the increase, was not sufficient to affect the index for the metals and metal products group. Slightly higher prices for common building brick in some areas, together with higher prices for spruce lumber and rosin, brought average prices for building materials up 0.1%."

The following notation was also included in the Labor Department's report:

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 number for the principal groups of commodities for the past three weeks, for June 24, 1944 and July 24, 1943, and the percentage changes from a week ago, a month ago, and a year ago, and (2) percentage changes in subgroup indexes from July 15 to 22, 1944.

Commodity Groups—	7-22			7-15			7-8			6-24			7-24			Percentage change to July 22, 1944 from—		
	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	
All commodities	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	103.9	
Farm products	124.1	124.2	124.1	123.0	124.8	124.8	124.8	124.8	124.8	124.8	124.8	124.8	124.8	124.8	124.8	124.8	124.8	
Foods	106.0	105.6	106.0	104.9	107.0	107.0	107.0	107.0	107.0	107.0	107.0	107.0	107.0	107.0	107.0	107.0	107.0	
Hides and leather products	116.8	116.8	116.8	117.7	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4	
Textile products	97.4	97.3	97.3	97.3	96.9	96.9	96.9	96.9	96.9	96.9	96.9	96.9	96.9	96.9	96.9	96.9	96.9	
Fuel and lighting materials	83.9	83.8	83.8	83.8	81.8	81.8	81.8	81.8	81.8	81.8	81.8	81.8	81.8	81.8	81.8	81.8	81.8	
Metals and metal products	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	103.8	
Building materials	115.9	115.8	115.8	115.9	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	
Chemicals and allied products	105.2	105.2	105.4	105.3	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	
Housefurnishing goods	106.0	106.0	106.0	106.0	104.4	104.4	104.4	104.4	104.4	104.4	104.4	104.4	104.4	104.4	104.4	104.4	104.4	
Miscellaneous commodities	93.3	93.3	93.3	93.3	92.1	92.1	92.1	92.1	92.1	92.1	92.1	92.1	92.1	92.1	92.1	92.1	92.1	
Raw materials	113.8	113.9	113.8	113.2	113.3	113.3	113.3	113.3	113.3	113.3	113.3	113.3	113.3	113.3	113.3	113.3	113.3	
Semimanufactured articles	93.8	93.7	93.7	93.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	92.7	
Manufactured products	101.1	101.0	101.1	101.1	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	
All commodities other than farm products	99.5	99.5	99.5	99.5	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	98.3	
All commodities other than farm products and foods	98.7	98.6	98.7	98.7	97.1	97.1	97.1	97.1	97.1	97.1	97.1	97.1	97.1	97.1	97.1	97.1	97.1	

Commodity Groups—	Increases			Decreases
	7-22	7-15	7-8	
Fruits and vegetables	2.1	0.4	0.3	0.3
Woolen and worsted goods	0.4	0.3	0.1	0.1
Lumber	0.3	0.3	0.1	0.1
Other farm products	0.3	0.3	0.1	0.1
Grains	1.1	0.3	0.2	0.2

National Fertilizer Association Commodity Price Index Continues To Advance Fractionally

The weekly wholesale commodity price index, compiled by the National Fertilizer Association, and made public July 31, continued to advance fractionally to 138.4 in the week ending July 29 from 138.2 in the preceding week. A month ago this index registered 137.7 and a year ago 134.6, based on the 1935-1939 average as 100. The index is now 2.8% above the corresponding period of last year. The Association's report went on to say:

The all-commodity index continued to advance slightly because of higher quotations in the farm products and foods groups. Grain prices moved within a narrow range, registering only small changes. Lower prices for some grades of wheat, oats and rye caused small declines in the grains group. Certain grades of wheat increased slightly. The livestock group continued its upward trend as higher prices for hogs and lambs were more than sufficient to offset lower quotations on cattle. The foods group reached a new all-time high as higher prices were registered for bread, oranges and eggs. There was a small upward trend in cotton prices but not sufficient to reflect a change in the textiles group index number.

During the week 8 price series in the index advanced and 5 declined; in the preceding week there were 5 advances and 7

declines, and in the second preceding week price changes were evenly balanced with 9 advances and 9 declines.

% Each Group Bears to the Total Index	Group	Latest Preceding Week		Month Ago July 1, 1944	Year Ago July 31, 1943
		July 29, 1944	July 22, 1944		
25.3	Foods	141.5	140.8	140.0	137.7
	Fats and Oils	145.1	145.1	145.1	145.1
	Cottonseed Oil	163.1	163.1	163.1	159.0
23.0	Farm Products	161.2	160.7	158.6	153.1
	Cotton	203.1	202.8	207.1	198.1
	Grains	157.9	158.9	162.0	144.0
	Livestock	155.6	154.6	149.3	147.8
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	152.6	152.6	153.1	150.9
7.1	Metals	104.4	104.4	104.4	104.4
6.1	Building materials	154.0	154.0	153.4	152.6
1.3	Chemicals and drugs	126.9	126.9	127.7	126.5
.3	Fertilizer materials	118.3	118.3	117.7	117.7
.3	Fertilizers	119.7	119.7	119.7	119.8
.3	Farm machinery	104.5	104.5	104.5	104.1
100.0	All groups combined	138.4	138.2	137.7	134.6

*Indexes on 1926-1928 base were: July 29, 1944, 107.8; July 22, 107.7, and July 31, 1943, 104.9.

Electric Output For Week Ended July 29, 1944 Shows 3.9% 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 July 29, 1944, was approximately 4,390,762,000 kwh., compared with 4,226,705,000 kwh. in the corresponding week a year ago, an increase of 3.9%. The output for the week ended July 22, 1944, was 4.4% in excess of the similar period of 1943.

Major Geographical Divisions—	Week Ended			
	July 29	July 22	July 15	July 8
New England	1.4	0.3	0.7	12.0
Middle Atlantic	3.7	3.5	2.5	5.4
Central Industrial	2.7	2.7	3.3	1.7
West Central	0.0	1.2	4.5	2.0
Southern States	9.0	9.7	9.2	5.2
Rocky Mountain	5.3	3.2	4.6	8.0
Pacific Coast	16.9	18.5	17.6	15.0
Total United States	3.9	4.4	4.6	0.5

*Decrease under similar week in 1943.

Week Ended—	1944					1943				
	1944	1943	% Change over 1943	1942	1932	1929				
April 1	4,408,703	3,889,858	+13.3	3,348,608	1,465,076	1,633,291				
April 8	4,361,094	3,882,467	+12.3	3,320,858	1,480,738	1,696,543				
April 15	4,307,498	3,916,794	+10.0	3,307,700	1,469,810	1,709,331				
April 22	4,344,188	3,925,175	+10.7	3,273,190	1,454,505	1,699,822				
April 29	4,336,247	3,866,721	+12.1	3,304,602	1,429,032	1,688,434				
May 6	4,233,756	3,903,723	+8.5	3,365,208	1,436,928	1,698,942				
May 13	4,238,375	3,969,161	+6.8	3,356,921	1,435,731	1,704,426				
May 20	4,245,678	3,992,250	+6.3	3,379,985	1,425,151	1,705,460				
May 27	4,291,750	3,990,040	+7.6	3,322,651	1,381,452	1,615,085				
June 3	4,144,490	3,925,893	+5.6	3,372,374	1,435,471	1,689,925				
June 10	4,264,600	4,040,376	+5.5	3,463,528	1,441,532	1,699,227				
June 17	4,287,251	4,098,401	+6.6	3,433,711	1,440,541	1,702,501				
June 24	4,325,417	4,120,038	+5.0	3,457,024	1,456,961	1,723,428				
July 1	4,327,359	4,110,793	+5.3	3,424,188	1,341,730	1,592,075				
July 8	3,940,854	3,919,398	+0.5	3,428,916	1,415,704	1,711,625				
July 15	4,377,152	4,184,143	+4.6	3,565,367	1,433,903	1,727,225				
July 22	4,380,930	4,196,357	+4.4	3,625,645	1,440,386	1,732,031				
July 29	4,390,762	4,226,705	+3.9	3,649,146	1,426,986	1,724,728				

Non-Ferrous Metals—August Copper Shipments To Fabricators Estimated At 140,000 Tons

"E. & M. J. Metal and Mineral Markets," in its issue of July 27 stated: "Most of next month's requirements of consumers of major non-ferrous metals have been taken care of and industry estimates point to another month of large deliveries. Copper producers believe that August shipments to fabricating plants will total around 140,000 tons, or close to the monthly average for the year to date. During the last week, consumers asked WPB for a substantial tonnage of foreign lead for August delivery, to supplement supplies available from domestic sources. Zinc was fairly active. Quicksilver sold in good volume in a steady market. The supply situation in iridium is somewhat easier." The publication further went on to say in part:

Copper
Though output at some fabricating plants has suffered because of the manpower shortage, activity, taking the industry as a whole, remains high. Deliveries of copper to consumers averaged slightly more than 140,000 tons a month over the first half of the year, and this rate continued during July and promises to be maintained in August, trade authorities hold.
The United States Commercial Co., Washington, D. C., has extended its contract with Granby Consolidated, operating in Canada, for the purchase of copper concentrate. The transaction involves about 15,000 tons of concentrate for delivery prior to Nov. 15, 1944.

	May	June
Production:		
Domestic ore	42,663	34,413
Foreign and secondary	3,240	5,342
Shipments	45,903	39,755
Stock at end	48,142	43,485
	37,586	33,847

Lead
Sales booked so far for August, plus demands of consumers for more than 30,000 tons of foreign

Members of the Hardware Industry Advisory Committee were informed by WPB officials that additional supplies of zinc will be made available for hardware, owing to an improvement in the supply of the metal.

Smelters handling Tri-State concentrates are being paid a premium for treating this material to offset cost factors.

Iridium
Iridium has been freed by WPB from direct allocation in an amendment to Order M-49. The regulations still limit consumption to permitted uses. An additional use is listed in the order, permitting the employment of binary platinum-iridium alloy in porcelain dental restorations.

The price of iridium was reduced recently to \$120 per troy ounce, reflecting an easier supply situation.

Tin
Exports of tin concentrates from Bolivia during May amounted to 3,127 metric tons (tin content), against 2,656 tons in April. The exports during the first five months of 1944 totaled 14,475 tons, which compares with 15,424 tons in the January-May period of 1943. The decline in exports is attributed to higher production costs, which reduced output at some of the smaller properties.

The price here continued on the basis of 52c. per pound for Grade A tin. Forward metal was nominally as follows:

	July	August	Sept.
July 20	52.000	52.000	52.000
July 21	52.000	52.000	52.000
July 22	52.000	52.000	52.000
July 24	52.000	52.000	52.000
July 25	52.000	52.000	52.000
July 26	52.000	52.000	52.000

Cinese, or 99% tin, continued at 51.125c. per pound.

Quicksilver
Prices at which quicksilver sold during the last week ranged from \$102 to \$106 per flask, New York, depending on the quantity involved. This indicates that the higher market referred to in the previous issue was fairly well maintained. Consumers purchased the metal in quantity during the last two weeks, following receipt of news to the effect that production has been sharply curtailed and most of the unsold metal is now in strong hands.

Silver
The monetary conference concluded its sessions at Bretton Woods, N. H., last week, but took no action on silver. A resolution was approved to give further study to the proposal that the metal be used in the stabilization fund.

The London market was quiet and unchanged at 23½d. The New York Official for foreign silver continued at 44¾c.

U. S. British Pacts With Luxembourg Government

The State Department at Washington on July 27 announced that the United States and the United Kingdom have made identical agreements with the Luxembourg Government for civil administration of Luxembourg territory when it is liberated and on the same model as similar agreements previously entered into with Belgium, the Netherlands and Norway.

This is learned from Washington advices July 27 to the New York "Times" which also reported:

"The Allied commander will have de facto authority during the military phase, but after that the Luxembourg Government will come into full constitutional control with respect to responsibility for civil administration.

"The Soviet Government was said to have expressed agreement with the arrangement."

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 July 22, 1944 is estimated at 11,985,000 net tons, a decrease of 275,000 tons, or 2.2%, from the preceding week. In the corresponding week of last year, output amounted to 12,090,000 tons. Cumulative production of soft coal from Jan. 1 to July 22 totaled 353,030,000 net tons, as against 324,165,000 tons in the same period in 1943, or a gain of 8.9%.

According to the U. S. Bureau of Mines, output of Pennsylvania anthracite for the week ended July 22, 1944 was estimated at 1,222,000 tons, a decrease of 44,000 tons (3.5%) from the preceding week. When compared with the production in the corresponding week of 1943, there was a decrease of 111,000 tons, or 8.3%. The calendar year to date shows an increase of 9.1% when compared with the corresponding period in 1943.

The Bureau of Mines also reported that the estimated production of beehive coke in the United States for the week ended July 22, 1944 showed an increase of 6,400 tons when compared with the output for the week ended July 15; and was 10,300 tons less than for the corresponding week of 1943.

	Week Ended			January 1 to Date		
	July 22, 1944	July 15, 1944	July 24, 1943	*July 22, 1944	July 24, 1943	July 24, 1937
Bituminous coal and lignite—	11,985,000	12,260,000	12,090,000	353,030,000	324,165,000	248,853,000
Total incl. coll. fuel	1,222,000	1,266,000	1,333,000	36,708,000	33,638,000	30,614,000
Daily average	1,998,000	2,043,000	2,015,000	2,041,000	1,863,000	1,443,000

	Week Ended			Calendar Year to Date		
	July 22, 1944	July 15, 1944	July 24, 1943	July 22, 1944	July 24, 1943	July 24, 1937
Penn. anthracite—	1,222,000	1,266,000	1,333,000	36,708,000	33,638,000	30,614,000
Commercial produc.	1,173,000	1,215,000	1,280,000	35,241,000	32,292,000	29,083,000
Beehive coke—	149,900	143,500	160,200	4,341,000	4,277,200	2,054,500

State	Week Ended			
	July 15, 1944	July 8, 1944	July 17, 1943	July 17, 1937
Alabama	397,000	284,000	412,000	257,000
Alaska	4,000	4,000	4,000	2,000
Arkansas and Oklahoma	88,000	67,000	100,000	26,000
Colorado	142,000	89,000	140,000	76,000
Georgia and North Carolina	1,000	1,000	1,000	1,000
Illinois	1,416,000	1,045,000	1,447,000	668,000
Indiana	563,000	449,000	533,000	236,000
Iowa	40,000	36,000	42,000	28,000
Kansas and Missouri	144,000	130,000	149,000	80,000
Kentucky—Eastern	998,000	673,000	975,000	701,000
Kentucky—Western	420,000	276,000	289,000	114,000
Maryland	42,000	24,000	39,000	23,000
Michigan	2,000	1,000	5,000	5,000
Montana (bitum. & lignite)	74,000	68,000	94,000	41,000
New Mexico	33,000	20,000	39,000	30,000
North & South Dakota (lignite)	42,000	38,000	31,000	13,000
Ohio	687,000	532,000	612,000	406,000
Pennsylvania (bituminous)	2,980,000	2,140,000	2,758,000	2,006,000
Tennessee	147,000	85,000	142,000	98,000
Texas (bituminous & lignite)	2,000	2,000	5,000	19,000
Utah	128,000	90,000	112,000	43,000
Virginia	383,000	249,000	411,000	242,000
Washington	32,000	28,000	29,000	32,000
West Virginia—Southern	2,192,000	1,398,000	2,289,000	1,564,000
West Virginia—Northern	1,157,000	821,000	888,000	479,000
Wyoming	147,000	105,000	167,000	60,000
Other Western States	*	*	1,000	1,000

(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			
	July 15, 1944	July 8, 1944	July 17, 1943	July 17, 1937
Alabama	397,000	284,000	412,000	257,000
Alaska	4,000	4,000	4,000	2,000
Arkansas and Oklahoma	88,000	67,000	100,000	26,000
Colorado	142,000	89,000	140,000	76,000
Georgia and North Carolina	1,000	1,000	1,000	1,000
Illinois	1,416,000	1,045,000	1,447,000	668,000
Indiana	563,000	449,000	533,000	236,000
Iowa	40,000	36,000	42,000	28,000
Kansas and Missouri	144,000	130,000	149,000	80,000
Kentucky—Eastern	998,000	673,000	975,000	701,000
Kentucky—Western	420,000	276,000	289,000	114,000
Maryland	42,000	24,000	39,000	23,000
Michigan	2,000	1,000	5,000	5,000
Montana (bitum. & lignite)	74,000	68,000	94,000	41,000
New Mexico	33,000	20,000	39,000	30,000
North & South Dakota (lignite)	42,000	38,000	31,000	13,000
Ohio	687,000	532,000	612,000	406,000
Pennsylvania (bituminous)	2,980,000	2,140,000	2,758,000	2,006,000
Tennessee	147,000	85,000	142,000	98,000
Texas (bituminous & lignite)	2,000	2,000	5,000	19,000
Utah	128,000	90,000	112,000	43,000
Virginia	383,000	249,000	411,000	242,000
Washington	32,000	28,000	29,000	32,000
West Virginia—Southern	2,192,000	1,398,000	2,289,000	1,564,000
West Virginia—Northern	1,157,000	821,000	888,000	479,000
Wyoming	147,000	105,000	167,000	60,000
Other Western States	*	*	1,000	1,000

Civil Engineering Construction \$41,066,000 For Week Tops Preceding Week By 14%

Civil engineering construction volume in continental U. S. totals \$41,066,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, tops the preceding week's total by 14% and is 4% above the previous four-week moving average, but fails to equal the 1943 week's total by 0.2% according to reports to "Engineering News-Record," and made public on July 27. The report continued as follows:

Private work gains 30% over last week and is 150% above the volume for the corresponding 1943 week. Public construction is 6% higher than a week ago, but is 27% lower than a year ago.

The current week's construction brings 1944 volume to \$1,050,391,000 for the 30 weeks, a decrease of 49% from the \$2,062,540,000 reported for the period in 1943. Private construction, \$239,774,000, is 6% below last year, and public construction, \$810,617,000, is down 55% as a result of the 60% drop in federal work.

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

	July 29, '43	July 20, '44	July 27, '44
Total U. S. Construction	\$41,154,000	\$36,063,000	\$41,066,000
Private Construction	6,207,000	11,926,000	15,553,000
Public Construction	34,947,000	24,137,000	25,513,000
State and Municipal	3,034,000	8,037,000	5,191,000
Federal	31,913,000	16,100,000	20,322,000

In the classified construction groups, gains over last week are in sewerage, bridges, industrial, commercial and public buildings, and earthwork and drainage. Increases over the 1943 week are in waterworks, sewerage, bridges, industrial buildings, and earthwork and drainage. Subtotals for the week in each class of construction are: waterworks, \$670,000; sewerage, \$1,187,000; bridges, \$668,000; industrial buildings, \$10,608,000; commercial building and large-scale private housing, \$3,939,000; public buildings, \$11,985,000; earthwork

and drainage, \$1,086,000; streets and roads, \$3,766,000; and unclassified construction, \$7,157,000.

New capital for construction purposes for the week totals \$788,440,000, and is made up of \$416,000 in state and municipal bond sales, \$30,000 in RFC loans for private industrial expansion, and \$787,994,000 in federal appropriations for War and Navy Department construction.

The week's new financing brings 1944 volume to \$1,554,291,000 for the 30 weeks of 1944, a total 47% below the \$2,921,188,000 reported for the corresponding period in 1943.

Moody's Bond Prices And Bond Yield Averages

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

1944— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings*			Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U. Indus.	
Aug. 1	120.09	112.56	118.80	117.00	112.19	103.30	106.74	114.08	117.20
July 31	120.10	112.56	118.60	116.80	112.19	103.30	106.56	114.08	117.00
29	120.10	112.37	118.60	116.80	112.19	103.13	106.56	114.08	117.00
28	120.10	112.37	118.60	116.80	112.19	103.13	106.56	114.08	117.00
27	120.11	112.37	118.40	116.80	112.19	103.13	106.39	114.08	117.00
26	120.08	112.37	118.60	116.80	112.19	103.13	106.39	114.08	117.00
25	120.11	112.56	118.60	117.00	112.37	103.13	106.56	114.27	117.00
24	120.01	112.56	118.60	117.00	112.19	103.13	106.56	114.27	117.00
22	120.15	112.56	118.60	117.00	112.19	103.13	106.56	114.27	117.00
21	120.18	112.56	118.60	117.00	112.19	103.13	106.56	114.27	117.00
20	120.23	112.56	118.80	117.00	112.37	103.13	106.56	114.27	117.00
19	120.24	112.56	118.80	117.00	112.19	102.96	106.39	114.08	117.40
18	120.19	112.56	118.80	117.00	112.19	102.96	106.39	114.08	117.40
17	120.19	112.56	118.60	117.00	112.37	102.96	106.39	114.08	117.40
16	120.19	112.56	118.60	117.00	112.19	102.96	106.39	114.08	117.40
15	120.23	112.37	118.80	117.00	112.00	102.96	106.39	114.08	117.40
14	120.27	112.37	118.80	117.00	112.00	102.96	106.39	114.08	117.40
13	120.30	112.37	118.60	117.00	112.00	103.13	106.39	114.08	117.20
12	120.33	112.56	118.80	117.00	112.19	102.96	106.39	114.08	117.40
11	126.08	112.37	118.60	117.00	112.19	102.96	106.39	114.08	117.40
10	120.34	112.37	118.60	117.00	112.19	102.96	106.39	114.08	117.40
9	120.33	112.37	118.60	117.00	112.19	102.96	106.21	114.08	117.40
8	120.27	112.56	118.60	117.00	112.37	102.96	106.21	114.08	117.40
7	120.23	112.37	118.60	117.00	112.19	102.96	106.21	114.08	117.40
6	120.15	112.37	118.60	116.80	112.19	102.96	106.21	113.89	117.40
5	120.15	112.37	118.60	116.80	112.19	102.96	106.21	113.89	117.40
4	120.15	112.37	118.60	116.80	112.19	102.96	106.21	113.89	117.40
3	120.15	112.37	118.60	116.80	112.19	102.96	106.21	113.89	117.40
2	120.15	112.37	118.60	116.80	112.19	102.96	106.21	113.89	117.40
1	120.15	112.37	118.60	116.80	112.19	102.96	106.21	113.89	117.40
June 30	120.15	112.37	118.60	116.80	112.00	102.80	106.04	113.89	117.20
23	120.13	112.19	118.40	116.80	112.00	102.63	106.04	113.89	117.20
16	120.01	112.19	118.40	116.61	112.00	102.63	105.86	113.70	117.23
9	119.88	112.19	118.60	116.61	111.81	102.46	105.69	113.89	117.20
2	119.99	112.19	118.60	116.80	111.81	102.46	105.86	113.89	117.00
May 26	119.66	112.19	118.40	116.80	111.81	102.30	105.86	113.89	117.00
19	119.59	112.00	118.60	116.80	111.81	102.13	105.86	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	1	

Daily Average Crude Oil Production For Week Ended July 22, Exceeds Previous High

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended July 22, 1944 was 4,615,450 barrels, which established a new high in the industry's history for the second successive week. This was an increase of 13,100 barrels per day over the preceding week and exceeded the corresponding week in 1943 by 496,750 barrels per day. The current figure was also 9,350 barrels higher than the daily average figure recommended by the Petroleum Administration for War for the month of July, 1944. Daily production for the four weeks ended July 22, 1944, averaged 4,595,900 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,684,000 barrels of crude oil daily and produced 14,243,000 barrels of gasoline; 1,464,000 barrels of kerosine; 5,073,000 barrels of distillate fuel oil, and 8,947,000 barrels of residual fuel oil during the week ended July 22, 1944; and had in storage at the end of that week 82,150,000 barrels of gasoline; 11,085,000 barrels of kerosine; 37,514,000 barrels of distillate fuel, and 55,315,000 barrels of residual fuel oil. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*P. A. W. Recommendations July	*State Allowables begin July 1	Actual Production Week Ended July 22, 1944	Change from Previous Week	4 Weeks Ended July 22, 1944	Week Ended July 24, 1943
Oklahoma	332,000	332,000	341,200	— 50	239,700	329,950
Kansas	274,000	269,400	285,300	+ 6,500	276,300	306,150
Nebraska	1,000	—	1,900	—	900	2,200
Panhandle Texas	—	—	89,150	—	89,900	90,400
North Texas	—	—	151,550	—	151,000	137,700
West Texas	—	—	463,550	—	459,500	245,600
East Central Texas	—	—	148,350	—	147,500	128,000
East Texas	—	—	363,550	—	362,800	371,000
Southwest Texas	—	—	319,750	—	318,100	230,000
Coastal Texas	—	—	531,400	—	530,700	412,900
Total Texas	2,064,000	2,064,698	2,067,300	—	2,059,500	1,615,600
North Louisiana	—	—	72,050	— 100	72,100	85,050
Coastal Louisiana	—	—	285,400	—	286,200	264,000
Total Louisiana	350,000	389,000	357,450	— 100	358,300	349,050
Arkansas	78,000	77,991	80,500	— 50	80,400	77,300
Mississippi	41,000	—	44,950	+ 900	44,300	54,150
Alabama	—	—	200	+ 50	200	—
Florida	—	—	50	—	50	—
Illinois	215,000	—	208,250	+ 11,300	205,600	215,400
Indiana	14,600	—	12,650	— 200	12,900	14,050
Eastern (Not incl. Ill., Ind., Ky.)	71,200	—	61,400	— 5,250	65,400	76,400
Kentucky	22,000	—	23,150	— 1,200	23,500	23,150
Michigan	51,000	—	49,600	— 700	50,800	55,800
Wyoming	94,000	—	87,750	+ 450	87,400	96,500
Montana	24,400	—	22,100	—	22,100	20,850
Colorado	7,400	—	8,900	+ 450	8,300	7,300
New Mexico	113,000	113,000	108,500	+ 500	108,100	104,050
Total East of Calif.	3,752,600	—	3,760,150	+ 12,600	3,743,700	3,347,900
California	853,500	853,500	855,300	+ 500	852,200	770,800
Total United States	4,606,100	—	4,615,450	+ 13,100	4,595,900	4,118,700

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

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. July 20, 1944.

‡This is the net basic allowable as of July 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 1 to 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. §Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED JULY 22, 1944

(Figures in Thousands of barrels of 42 Gallons Each)

District	Daily Refining Capacity Potent	% Re-Porting	Crude Runs to Stills Daily Average	% Operated	Production at Refineries Includ. Natural Blended	Stocks Finished and Unfinished Gasoline	Stocks of Gas Oil and Distillate Fuel	Stocks of Residual Fuel Oil
Combin'd East Coast Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and Inland Texas	2,518	90.3	2,439	96.9	7,289	36,274	20,759	16,323
Appalachian	130	83.9	102	78.5	275	2,300	563	320
District No. 1	47	87.2	56	119.1	197	1,565	187	177
District No. 2	824	85.2	797	96.7	2,739	18,756	5,288	3,966
Ind., Ill., Ky., Mo.	418	80.2	374	89.5	1,346	6,860	1,606	1,596
Rocky Mountain	13	17.0	13	100.0	35	62	3	36
District No. 3	141	58.3	102	72.3	328	2,272	340	604
District No. 4	817	89.9	801	98.0	2,034	14,061	8,767	32,293
California	—	—	—	—	—	—	—	—
Total U. S. B. of M. basis July 22, 1944	4,908	87.2	4,684	95.4	14,243	121,150	37,513	55,315
Total U. S. B. of M. basis July 15, 1944	4,908	87.2	4,575	93.2	14,083	82,252	37,171	54,332
U. S. Bur. of Mines basis July 24, 1943	—	—	3,954	—	11,367	74,356	33,863	67,161

*At the request of the Petroleum Administration for War. †Finished, 69,789,000 barrels; unfinished, 12,361,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,464,000 barrels of kerosine, 5,073,000 barrels of gas oil and distillate fuel oil and 8,947,000 barrels of residual fuel oil produced during the week ended July 22, 1944, which compares with 1,550,000 barrels, 4,842,000 barrels and 8,587,000 barrels, respectively, in the preceding week and 1,376,000 barrels, 3,695,000 barrels and 8,332,000 barrels, respectively, in the week ended July 24, 1943.

Note—Stocks of kerosine at July 22, 1944 amounted to 11,085,000 barrels as against 10,577,000 barrels a week earlier and 8,931,000 barrels a year before.

Trading On New York Exchanges

The Securities and Exchange Commission made public on July 22 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 July 8, 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 July 8 (in round-lot transactions) totaled 2,688,172 shares, which amount was 15.55% of the total transactions on the Exchange of 8,644,710 shares. This compares with member trading during the week ended July 1 of 3,794,430 shares, or 17.28% of the total trading of 10,975,880 shares. On the New York Curb Exchange, member trading during the week ended July 8 amounted to 621,960 shares, or 14.13% of the total volume on that exchange of 2,201,410 shares; during the July 1 week trading for the account of Curb members of 626,525 shares was 12.95% of total trading of 2,418,670 shares.

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

WEEK ENDED JULY 8, 1944		Total for week	%
A. Total Round-Lot Sales:			
Short sales	173,480		
†Other sales	8,471,230		
Total sales	8,644,710		
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	641,670		
Short sales	78,240		
†Other sales	586,570		
Total sales	664,810	7.56	
2. Other transactions initiated on the floor—			
Total purchases	429,670		
Short sales	14,900		
†Other sales	437,820		
Total sales	452,720	5.10	
3. Other transactions initiated off the floor—			
Total purchases	197,580		
Short sales	27,130		
†Other sales	274,592		
Total sales	301,722	2.89	
4. Total—			
Total purchases	1,268,920		
Short sales	120,270		
†Other sales	1,298,982		
Total sales	1,419,252	15.55	

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

WEEK ENDED JULY 8, 1944		Total for week	%
A. Total Round-Lot Sales:			
Short sales	35,360		
†Other sales	2,166,050		
Total sales	2,201,410		
B. Round-Lot Transactions for Account of Members:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases	170,805		
Short sales	14,900		
†Other sales	194,240		
Total sales	209,140	8.63	
2. Other transactions initiated on the floor—			
Total purchases	54,085		
Short sales	3,100		
†Other sales	46,410		
Total sales	49,510	2.35	
3. Other transactions initiated off the floor—			
Total purchases	54,840		
Short sales	4,500		
†Other sales	79,080		
Total sales	83,580	3.15	
4. Total—			
Total purchases	279,730		
Short sales	22,500		
†Other sales	319,730		
Total sales	342,230	14.13	
C. Odd-Lot Transactions for Account of Specialists—			
Customers' short sales	0		
§Customers' other sales	66,926		
Total purchases	66,926		
Total sales	66,926		

*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."

International Business Conference Scheduled To Take Place In This Country During November

Organizations In Allied And Neutral Countries Invited To Send Representatives To Discuss Economic Problems

An International Business Conference was formally launched in New York on July 1 to bring to the United States in November outstanding representatives of business in the allied and neutral countries of the world. The conference will discuss the major economic problems which have current importance and which will likewise have much to do with the maintenance of the peace for which this war is being fought.

Invitations to the conference have been extended by the four leading organizations of business in the United States under whose auspices the conference is being held. The invitations bore the joint signatures of Eliot Wadsworth, Chairman, American Section, International Chamber of Commerce; Eric A. Johnston, President of the Chamber of Commerce of the United States; Robert Gaylord, President of the National Association of Manufactur-

ing and cooperation among such leaders, and between the business interests and the nations they represent, are essential steps to national and international progress, and to the development and maintenance of an enduring international peace.

"The International Business Conference will bring together on a world basis representatives of leading business organizations from allied and neutral countries for a discussion of economic problems which affect the business interests of their countries, nationally and internationally, and thus aim to establish a better basis for world relations and world trade. The conference will devote itself to a free interchange of views and full discussions of subjects which the participating organizations themselves will suggest, without necessarily endeavoring to arrive at resolutions or common declarations of policy."

Organizations invited to participate have been requested to forward topics for discussion which are of special interest or importance to the business life of their country.

The general subjects already proposed include:

Maintenance of Private Enterprise; Commercial Policy of Nations; Currency Relations among Nations; Encouragement and Protection of Investments; Industrialization in New Areas; Shipping Policy; Aviation Policy; World Supplies of Materials and Cartels.

Representation from each country is to be restricted to a maximum of six delegates—a limitation applying equally to the total representation from the United States. In addition, each country may have as many advisers or technical experts as it sends delegates. The announcement states that it is expected that many of the foreign delegates will take advantage of their visit to the United States to make contacts with individuals and Government agencies in special fields, and to carry on investigations or studies of special importance to them.

The International Business Conference will meet from Nov. 10 through Nov. 18 at the Claridge Hotel in Atlantic City, N. J. Conference Headquarters has been established in Room 716 at 10 Rockefeller Plaza, New York.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on July 26 a summary for the week ended July 15 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 July 15, 1944		Total for Week
Odd-Lot Sales by Dealers (Customers' purchases)		26,360
Number of orders		758,472
Number of shares		\$27,733,093
Dollar value		
Odd-Lot Purchases by Dealers (Customers' sales)		
Number of Orders:		
Customers' short sales	157	
Customers' other sales	25,767	
Customers' total sales	25,924	
Number of Shares:		
Customers' short sales	4,968	
Customers' other sales	697,980	
Customers' total sales	702,948	
Dollar value	\$23,361,617	
Round-Lot Sales by Dealers:		
Number of Shares:		
Short sales	20	
†Other sales	152,230	
Total sales	152,250	
Round-Lot Purchases by Dealers:		
Number of shares	207,360	
*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 July 22, 1944; Decreased 1,770 Cars

Loading of revenue freight for the week ended July 22, 1944 totaled 903,034 cars, the Association of American Railroads announced on July 27. This was an increase above the corresponding week of 1943 of 19,196 cars, or 2.2%, and an increase above the same week in 1942 of 47,519 cars or 5.6%.

Loading of revenue freight for the week of July 22 decreased 1,770 cars, or 0.2% below the preceding week.

Miscellaneous freight loading totaled 400,688 cars, an increase of 4,537 cars above the preceding week, and an increase of 14,851 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 102,481 cars, an increase of 1,179 cars above the preceding week, and an increase of 5,165 cars above the corresponding week in 1943.

Coal loading amounted to 176,298 cars, a decrease of 4,440 cars below the preceding week, and a decrease of 1,417 cars below the corresponding week in 1943.

Grain and grain products loading totaled 59,723 cars, a decrease of 2,813 cars below the preceding week but an increase of 884 cars above the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of July 22, totaled 40,577 cars, a decrease of 1,407 cars below the preceding week and a decrease of 3,048 cars below the corresponding week in 1943.

Livestock loading amounted to 13,970 cars, a decrease of 606 cars below the preceding week, but an increase of 204 cars above the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of July 22, totaled 9,503 cars, a decrease of 223 cars below the preceding week, but an increase of 50 cars above the corresponding week in 1943.

Forest products loading totaled 50,737 cars, an increase of 2,214 cars above the preceding week and an increase of 3,049 cars above the corresponding week in 1943.

Ore loading amounted to 84,468 cars, a decrease of 2,261 cars below the preceding week and a decrease of 4,099 cars below the corresponding week in 1943.

Coke loading amounted to 14,669 cars, an increase of 420 cars above the preceding week, and an increase of 559 cars above the corresponding week in 1943.

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

	1944	1943	1942
5 Weeks of January	3,796,477	3,531,811	3,858,479
4 weeks of February	3,159,492	3,055,725	3,122,942
4 weeks of March	3,135,155	3,073,445	3,174,781
4 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
5 weeks of June	4,343,193	4,003,393	4,139,395
Week of July 8	745,141	808,630	855,158
Week of July 15	904,804	877,335	857,146
Week of July 22	903,034	883,838	855,515
Total	24,502,173	23,522,353	24,384,960

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended July 22, 1944. During the period 81 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED JULY 22

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Eastern District—					
Ann Arbor	329	222	416	1,438	1,584
Bangor & Aroostook	1,204	930	1,096	244	258
Boston & Maine	6,532	6,157	5,900	13,628	13,610
Chicago, Indianapolis & Louisville	1,462	1,456	1,500	2,111	2,104
Central Indiana	25	30	35	57	46
Central Vermont	1,060	1,118	905	2,162	2,587
Delaware & Hudson	6,009	6,638	6,490	12,434	12,243
Delaware, Lackawanna & Western	7,842	7,704	7,697	11,526	12,140
Detroit & Mackinac	263	163	247	131	135
Detroit, Toledo & Ironton	1,848	2,099	1,461	1,335	1,329
Detroit & Toledo Shore Line	371	258	307	2,614	2,381
Erie	13,446	14,267	12,722	17,376	18,148
Grand Trunk Western	3,920	3,614	4,128	7,758	8,059
Lehigh & Hudson River	188	168	133	2,512	2,984
Lehigh & New England	2,038	2,264	2,149	1,593	1,666
Lehigh Valley	8,863	8,569	8,889	16,232	16,046
Maine Central	2,428	2,258	2,250	2,426	2,304
Monongahela	6,300	6,403	6,286	397	399
Montour	2,649	2,435	2,338	20	183
New York Central Lines	53,437	54,567	46,643	55,780	57,472
N. Y., N. H. & Hartford	9,208	9,664	9,744	18,181	18,941
N. York, Ontario & Western	1,341	1,349	1,025	3,199	2,644
N. York, Chicago & St. Louis	6,973	7,235	7,336	16,220	16,035
N. Y., Susquehanna & Western	440	523	383	2,172	2,652
Pittsburgh & Lake Erie	7,973	7,532	7,856	8,976	9,540
Pere Marquette	5,485	4,905	5,193	8,232	8,428
Pittsburg & Shawmut	734	913	744	21	24
Pittsburg, Shawmut & North	356	422	211	262	270
Pittsburg & West Virginia	1,337	1,152	1,092	2,909	3,470
Rutland	362	367	325	1,164	948
Wabash	6,601	5,699	5,528	12,195	13,684
Wheeling & Lake Erie	5,726	5,377	5,224	4,811	5,136
Total	166,840	166,468	156,253	230,116	237,450
Allegheny District—					
Akron, Canton & Youngstown	817	724	690	1,352	957
Baltimore & Ohio	47,663	43,641	41,753	31,143	29,864
Bessemer & Lake Erie	6,449	6,465	6,686	2,290	1,771
Buffalo Creek & Gauley	320	291	299	7	4
Cambria & Indiana	1,640	1,801	2,019	7	4
Central R. R. of New Jersey	7,415	7,182	6,925	21,663	21,951
Cornwall	549	667	643	57	62
Cumberland & Pennsylvania	219	253	276	58	29
Ligonier Valley	128	126	147	58	29
Long Island	1,869	1,463	921	3,328	3,766
Penn-Reading Seashore Lines	1,701	1,788	1,659	2,658	2,806
Pennsylvania System	90,011	86,237	84,268	67,256	69,460
Reading Co.	14,461	16,073	14,341	20,870	27,259
Union (Pittsburgh)	19,724	20,201	21,385	7,474	8,509
Western Maryland	4,407	4,308	3,969	13,548	12,202
Total	197,373	191,220	185,981	181,719	178,657
Pocahontas District—					
Chesapeake & Ohio	29,886	29,454	28,828	14,021	14,036
Norfolk & Western	21,848	22,537	23,139	9,328	7,897
Virginian	4,468	4,915	4,602	2,285	2,115
Total	56,202	56,906	56,569	25,634	24,048

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Southern District—					
Alabama, Tennessee & Northern	443	266	305	468	371
Atl. & W. P.—W. R. R. of Ala.	903	556	771	2,435	2,569
Atlanta, Birmingham & Coast	1,102	826	1,131	1,245	1,234
Atlantic Coast Line	9,766	11,305	9,992	9,702	9,481
Central of Georgia	3,888	3,694	4,206	5,879	3,969
Charleston & Western Carolina	683	507	379	1,687	1,573
Chicfield	1,778	1,691	1,561	3,030	2,744
Columbus & Greenville	189	302	405	312	138
Durham & Southern	124	110	156	656	519
Florida East Coast	937	1,152	565	1,271	1,658
Gainesville Midland	49	44	36	100	101
Georgia	1,247	1,123	1,338	2,515	3,025
Georgia & Florida	373	289	438	819	406
Gulf, Mobile & Ohio	4,346	3,567	4,195	4,707	4,329
Illinois Central System	29,182	28,337	28,990	16,653	17,862
Louisville & Nashville	26,674	25,635	25,753	11,600	12,055
Macon, Dublin & Savannah	293	281	209	793	640
Mississippi Central	364	269	228	555	429
Nashville, Chattanooga & St. L.	3,404	3,142	3,021	5,169	5,131
Norfolk Southern	1,276	1,892	1,503	1,903	1,197
Piedmont Northern	370	428	286	1,230	1,014
Richmond, Fred. & Potomac	386	458	451	11,555	10,078
Seaboard Air Line	10,143	9,785	9,866	8,447	8,133
Southern System	24,857	22,333	23,212	24,641	23,289
Tennessee Central	777	530	582	860	948
Winston-Salem Southbound	128	96	84	1,032	855
Total	123,662	118,539	119,663	119,264	113,658

Northwestern District—					
Railroads	1944	1943	1942	1944	1943
Chicago & North Western	19,110	22,294	21,364	13,295	14,435
Chicago Great Western	2,434	2,769	2,253	3,581	2,734
Chicago, Milw., St. P. & Pac.	22,300	20,560	19,539	10,266	11,410
Chicago, St. Paul, Minn. & Omaha	3,081	3,716	3,060	3,721	3,718
Duluth, Missabe & Iron Range	27,500	29,729	31,731	222	439
Duluth, South Shore & Atlantic	685	796	1,167	562	539
Elgin, Joliet & Eastern	9,905	8,627	9,389	10,813	10,967
Fr. Dodge, Des Moines & South	461	428	575	86	109
Great Northern	25,283	26,246	27,448	7,076	5,505
Green Bay & Western	461	404	470	1,016	1,000
Lake Superior & Ishpeming	3,810	3,239	2,876	57	38
Minneapolis & St. Louis	2,169	1,801	2,086	2,614	2,366
Minn., St. Paul & S. S. M.	8,083	7,555	7,675	3,056	2,871
Northern Pacific	12,045	13,335	11,644	6,229	5,973
Spokane International	173	153	215	572	586
Spokane, Portland & Seattle	3,037	2,680	2,687	3,271	3,138
Total	140,192	144,832	143,339	66,437	65,828

Central Western District—					
Railroads	1944	1943	1942	1944	1943
Atch., Top. & Santa Fe System	30,223	22,343	23,924	12,892	11,927
Alton	3,625	3,610	3,603	4,359	4,164
Bingham & Garfield	493	617	670	97	115
Chicago, Burlington & Quincy	20,194	21,981	17,705	11,693	11,795
Chicago, Rock Island & Pacific	3,156	3,184	2,445	881	8,827
Chicago & Eastern Illinois	14,935	13,550	12,780	13,341	11,747
Colorado & Southern	2,856	2,560	2,213	7,364	5,641
Denver & Rio Grande Western	683	887	759	2,405	1,769
Denver & Salt Lake	3,850	3,760	3,760	6,068	6,458
Fort Worth & Denver City	772	697	661	53	12
Illinois Terminal	1,199	1,009	1,049	1,821	1,558
Missouri-Illinois	2,384	1,977	1,607	2,163	1,933
Nevada Northern	1,136	1,049	1,340	601	594
North Western Pacific	1,670	2,058	2,050	106	94
Peoria & Pekin Union	1,092	943	1,169	791	882
Southern Pacific (Pacific)	2	24	24	0	0
Toledo, Peoria & Western	34,636	34,218	31,221	14,055	14,432
Union Pacific System	306	271	354	2,043	1,656
Utah	17,133	15,903	14,090	16,817	17,280
Western Pacific	473	567	606	3	4
Total	142,810	133,288	124,295	101,538	96,935

Southwestern District—					
Railroads	1944	1943	1942	1944	1943
Burlington-Rock Island	699	432	537	292	178
Gulf Coast Lines	5,676	5,665	4,392	2,613	3,137
International-Great Northern	2,876	2,566	2,546	3,756	3,129
Kansas, Oklahoma & Gulf	229	327	338	955	1,128
Kansas City Southern	5,926	5,346	4,626	2,878	2,791
Louisiana & Arkansas	3,663	3,501	4,360	2,477	3,271
Litchfield & Madison	301	373	290	1,281	1,478
Midland Valley	761	731	683	425	258
Missouri & Arkansas	128	225	168	357	397
Missouri-Kansas-Texas Lines	6,678	5,320	5,432	5,183	5,860
Missouri Pacific	18,365	17,058	16,558	18,848	19,763
Quanah Acme & Pacific	70	64	81	391	249
St. Louis-San Francisco	9,703	9,116	8,820	8,703	9,497
St. Louis Southwestern	3,4				

Items About Banks, Trust Companies

Harry E. Ward, Chairman of the Board of Irving Trust Company of New York, announced on July 27 the appointment of George A. Borger and Charles E. Rogers as Assistant Secretaries of the company. Mr. Borger, a native New Yorker, has served in most of the operating departments of the institution, is a graduate of the American Institute of Banking and of the Graduate School of Banking at Rutgers University. In the Institute he was Chairman of the Commercial Banking Round Table, a discussion group on the subject of bank operations. Mr. Rogers has had broad experience in the company's foreign division and is widely known in foreign trade circles, especially among importers of coffee.

The West Side Office of Manufacturers Trust Company, Eighth Avenue and 34th Street, New York, observed its 75th anniversary on Aug. 2. The history of this office goes back to the West Side Bank, which opened its doors there to the public on Aug. 2, 1869. During the next 30 or 40 years the bank changed its quarters several times, but always remained in the immediate vicinity of its original location. In 1910, the West Side Bank moved into a new and imposing bank building on the northwest corner of Eighth Avenue and 34th Street, which was then one of the finest banking structures on the West Side, located on the site now occupied by the Hotel New Yorker. In 1918 the bank was merged with Manufacturers Trust Company. The West Side Office has been in its present location since 1930. Louis C. Adelson, Vice-President in Charge, has been associated with the West Side Office for the last 19 years.

Colonial Trust Company of New York makes known that it has employed an original and unusual way of declaring its interest in the development of two-way trade with Latin America. Arthur S. Kleeman, President, announced on July 31 that a special printing of the June 30 Statement of Condition of the bank had been prepared for its Latin American correspondents and customers. On the first page appeared the following statement, signed by the head of the Foreign Division, Mario Diez:

"Our Foreign Division is dedicated to the principle that broader markets in the United States be developed in the post-war period for the products of Latin American countries." In discussing this reprint, a departure from the bank's usual statement form, Mr. Kleeman said: "The directors and officers of the Colonial Trust Company are convinced that the United States must be a better customer of Latin America if we expect to sell our goods and products to our Southern neighbors. If we buy from Latin America, Latin Americans will buy from us, but we must help them to develop their dollar purchasing power by the greatest cooperation in the expansion of United States markets for their commodities and goods. This bank's determination to use its utmost efforts to facilitate such a program is epitomized by Mr. Diez' statement referred to above."

Arthur S. Kleeman, President, Colonial Trust Company of New York, announces July 31 the opening of the additional space recently acquired at the Rockefeller Center office. The enlarged banking rooms, which double the facilities for handling customers at tellers' windows and also the reception space for the public, occupy the entire street floor on the 48th Street side and, on the Sixth Avenue front, from 48th Street north to the principal entrance of the United States Rubber Company building.

In suggesting a "plan-a-purchase account" at the Union Dime Savings Bank, the institution located at 6th Avenue and 40th Street, this city, points out in a letter to depositors that "after the war, when all energies are not being directed to the production of war materials and equipment for the armed forces, civilian goods will again be plentiful, and undoubtedly both better and cheaper than they are now." "Perhaps," it adds, "your post-war plans include buying a home—or repairs, or new furnishings and appliances for your present home—or a new car. Money saved now will make those things possible. * * * There is another important reason for saving today. In the transition from war to peace there will be a period of adjustment—and perhaps of unemployment—and money that we will need then will be gone if we spend unnecessarily now. Everyone needs a reserve—a savings account and money invested in War Bonds."

The Union Dime Bank itself, according to its July 1 statement, has \$96,000,000 invested in government bonds, and a total of \$2,765,098 invested in other bonds, including, municipal, railroad and public utility.

It reports deposits of \$158,378,604. William L. De Bost is President. J. Wilbur Lewis is Vice-President and Treasurer.

John E. Bierwirth, President of the New York Trust, announced on Aug. 1 the appointment of Martin K. Schnurr as Comptroller of company. Educated at Columbia University, New York University and Pace Institute, Mr. Schnurr has had wide experience as an auditor and comptroller with financial and industrial corporations. For the past 12 years he has been associated with the Rustless Iron & Steel Co. of Baltimore, Md., and he relinquished his connection as Secretary-Treasurer of that company to accept the new position.

Herbert Parkinson Howell, Chairman of the Board of Directors of the Commercial National Bank and Trust Co. of New York, died suddenly in a drugstore in the Hotel Ambassador on July 31, not far from his home at 375 Park Avenue. Mr. Howell, who was born at Coulterville, Pa., was 71 years of age. He had been President of the Commercial National Bank & Trust from 1928 until 1939, when he became Chairman of the Board. In the New York "Herald Tribune" of Aug. 1 it was stated:

Beginning his career as a night clerk in a Carnegie Steel Co. plant, Mr. Howell became one of the most prominent bankers in New York. He was President of the New York Clearing House Association. He was formerly President of the Bankers Club of America and at the time of his death was Chairman of the Executive Committee and member of the Board of Governors.

The Commercial National Bank & Trust Co. was formed in 1928 by a group of bankers, capitalists and corporation executives, and with its formation Mr. Howell became its President. He continued in that capacity until 1939 when Walter G. Kimball, then senior Vice-President, became President and Mr. Howell took over the Chairmanship of the Board.

Prior to assuming the Presidency of Commercial, Mr. Howell had been President, since 1922, of the firm of Peierls, Buhler & Co., Inc., and before that, from 1912, had served as Vice-President of the National Bank of Commerce. Before coming to New York, Mr. Howell was for many years associated with the Carnegie Steel Co. in Pittsburgh, having been made head of its credit department in 1901.

Mr. Howell was a director of

numerous corporations, including the Lehman Corporation, the City of New York Insurance Co., the Omnibus Corporation, Standard Brands, Inc., and the Commercial National Safe Deposit Co. He was a trustee of the Grant Monument Association and of the Franklin Savings Bank.

Alfred C. Howell, Vice-President of the Guaranty Trust Co., is a brother of the late Mr. Howell.

Thomas M. Steele, Chairman of the Board, and former President of the First National Bank & Trust Co. of New Haven, Conn., died on July 29.

From the New Haven "Evening Register" of July 30, we take the following:

Mr. Steele has been Chairman of the Board of the First National since Jan. 1 of this year, when he relinquished the Presidency of the institution after having served in that capacity for 20 years. Under Mr. Steele's administration the bank grew to be one of the largest in the State.

Mr. Steele came to New Haven in 1906 to join the legal department of the New Haven Railroad. Later, as a member of the law firm of Watrous, Day, Hewitt, Steele and Sheldon, he left that connection to become President of the First National.

He was long active in civic and community affairs. In two world wars he played a vital role in fund raising and relief administration. During World War I he was Chairman of the New Haven Committee on Educational Work for drafted men and a member of the Liberty Loan Committee as well as the New Haven Advisory Committee on War Risk Insurance.

Mr. Steele also gained considerable prominence around 1905 and 1906 when he was assistant to Charles Evans Hughes in the famous insurance investigation.

He was a member of the Executive Council of the American Bankers' Association and also a member of its Federal Legislative Committee. For nine years he represented the First Federal Reserve District on the Federal Advisory Council and was President of the Connecticut Bankers' Association in 1940.

Kelley Graham, President of the First National Bank of Jersey City, N. J., announces the appointment of Roland C. Cardner as Assistant Vice-President of the Bank effective Aug. 1. Mr. Cardner, a graduate of Colgate University, is resigning his present position as investment officer of the Farmers Bank of the State of Delaware. He was formerly with the Chase Securities Corp. and the Chase National Bank of New York.

The plans, proposed by the directors of the First National Bank of Philadelphia, to reduce the par value of capital stock from \$100 to \$10, were approved by the stockholders on July 28. The President of the bank, Harry C. Carr, told the stockholders at the meeting that 10 new shares of stock will be issued for one of the old shares, according to the Philadelphia Evening "Bulletin," which quoted Mr. Carr as saying:

"It is the present thought of the Board of Directors to continue the payment of dividends, that is to say, \$1.60 annually per share on the new stock, as against \$16 per share annually on the present stock."

A previous item regarding the change in the par value of the bank's stock appeared in our July 20 issue, page 320.

William K. Gamble, Vice-President and Director of the Potter Title & Trust Co. of Pittsburgh, Pa., died at his home on July 27 after a long illness. He was 73 years of age. He became associated with the Potter Title & Trust Co. in 1907.

The Maryland Trust Company of Baltimore, Md., paid off on July 17 \$250,000 of Reconstruction Finance Corp. notes, reducing the outstanding amount to \$500,000. Heyward E. Boyce, President of the trust company, announced. At the same time, said the Baltimore "Sun," from which we quote, the bank added \$250,000 to its surplus account, making its total surplus \$2,000,000. The "Sun" added:

The company expects to retire the balance of the RFC notes within the next year, Mr. Boyce said. The original amount was \$2,000,000, maturing in 1954.

As of June 30, Maryland Trust showed total assets of \$84,756,651, compared with \$83,482,502 on Dec. 31. Deposits amounted to \$79,091,470, as against \$78,863,907 six months earlier.

It is announced by the directors of the Calvert Bank of Baltimore, Md., that they have called for redemption next Oct. 1 the entire outstanding issue of 4,000 shares of preferred stock of a par value of \$25 a share, aggregating \$100,000. In addition to the "call price" of \$26.50 the preferred stockholders will receive 50 cents a share payable for the six months ending Oct. 1.

The Baltimore "Sun," from which this is learned, also says:

As a convenience, however, the bank announces that full payment including the dividend will be made at any time after receipt of the call notice on presentation of the certificates.

The Calvert Bank also reported that it has retired during the past week \$62,000 of its capital debentures held by the Reconstruction Finance Corporation, reducing the outstanding amount to \$100,000. The bank's surplus was \$538,000 on June 30, and this has since been increased to \$600,000 by the partial retirement of the debentures. When the preferred stock is redeemed the surplus account will be further increased to \$700,000.

Halsey G. Bechtel, Jr., of New York, has been named Assistant Trust Officer of the Central Trust Company of Cincinnati, O., it was announced by the company on July 18. Mr. Bechtel was formerly Senior Trust Administrator of the Chemical Bank & Trust Co. of New York, said the Cincinnati "Enquirer," which added that "Mr. Bechtel received his education at the University of Pennsylvania, and the American Institute of Banking. For a number of years he was associated with the Chase National Bank."

The Ottoville Bank Company of Ottoville, Putnam County, O., has been admitted to membership in the Federal Reserve System, Fourth District, it was announced on July 20 by President M. J. Fleming of the Federal Reserve Bank of Cleveland, bringing the number of member banks in the district to 710. The Ottoville Bank, located 22 miles northwest of Lima, O., and serving an agricultural community with an estimated population of 2,500, was incorporated in 1903 with a paid-in capital of \$25,000. It has deposits of about \$850,000. Officers of the bank are: A. J. Miller, President; J. T. Remlinger, Vice-President; Miss Catherine Miller, Cashier, and Miss Margaret Miller, Assistant Cashier. The directors are A. J. Miller, W. T. Remlinger, Miss Catherine Miller, Edward Miller and Joseph Otte.

The stockholders of the Winters National Bank of Dayton, Ohio, approved on July 25, the proposed changes in the capitalization providing for an increase in common stock from \$1,500,000 to \$3,000,000 and to reduce the par value from \$100 to \$20 per share.

The First Wisconsin National Bank of Milwaukee has increased its surplus from \$7,000,000 to \$10,000,000, making that account now equal to the bank's capital—it is

announced by Walter Kasten, President. This is learned from the Milwaukee "Journal," which further said:

"The increase was effected by transferring \$3,000,000 from undivided profits to the surplus account. The action was authorized at a meeting of the board of directors. Mr. Kasten stated that the move is in keeping with the bank's policy of maintaining a strong position for wartime service and building for post-war operations.

It is reported that the stockholders of the Commerce Trust Co. of Kansas City, Mo., will vote Aug. 26 on a proposal to split the bank's stock five for one, reducing the par value from \$100 a share to \$20 a share.

James K. Lockhead, President of the American Trust Company of San Francisco, announces the appointment of William M. Hale, as Executive Vice-President.

Payments To Life Policy Holders, Beneficiaries

Total payments to American policyholders and beneficiaries by the life insurance companies for the first five months of the year amounted to \$1,066,063,000, an increase of \$45,185,000 over the payments in the corresponding period of last year, according to the Institute of Life Insurance, which on July 27 stated that increases were shown in death benefits, in payments on matured endowments, under annuities and in dividends to policy holders. Surrender value payments and payments on account of disability declined.

In its advices the Institute also said:

"The call of policyholders for the cash value of their policies has been on a much smaller scale than a year ago, continuing the downward trend that has held over the last two years and more. This trend has resulted primarily because the financial position of American families has improved in the war period. It also reflects the greater value attached to security during wartime, and the consequently greater determination by policyholders to maintain their insurance in force.

"The aggregate of surrender value payments for the five month period was \$98,479,000. At this level it is believed that a very substantial part of the payments represent surrenders of policies because the need for insurance has been fulfilled and the policyholder desires to use the cash value to provide for retirement income, for educational or other constructive purpose."

Death benefit payments in the five month period were \$518,275,000, an increase of \$50,455,000 as compared with a year ago. The increase in the number of death claims was approximately 54,000. May payments were above those of a year ago, marking a continuation of the gradual upward trend.

Year Book Of Ill. Bankers

The Year Book of the Illinois Bankers Association for the current year 1944-45 has just been distributed to the member banks. It presents information concerning the setup of the Association and contains a complete list of the committee appointments, personnel of the Council of Administration, the officers of the ten groups and the Trust Division, the Declaration of Policy adopted at the 54th Annual Convention, the Constitution and By-Laws, the rules and regulations governing the groups, the rules governing crime prevention activities, and the reward offer for the capture of bank robbers, a map of the state showing the divisions of the ten groups, and a complete membership list by groups. It also has historical data of the conventions, past presidents and past treasurers.