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The Financial Situation

Now that the end of the war is "in sight," or believed by many to be, speculation is rife regarding many aspects of post-war life. To what extent and how quickly will it be possible to return to our usual pre-war way of doing things? And shall we "find it possible, or feasible" to return fairly promptly and in substantial degree to the pre-New Deal freedoms from interference and Government intermeddling? Or shall we find it "necessary" to continue "controls," "rationing," managed economy in general, and Government competition with business on an increased scale? Shall we find the "hand-outs" to millions in politically powerful elements in the population, such for example as labor and the farmer, again "unavoidable"?

False Answers

These and similar questions are being quite sincerely and anxiously asked by thousands of intelligent citizens throughout the country today, and to these and similar questions there are many "advanced thinkers" supplying answers which if fully accepted would place this country definitely in the column of "socialist republics." The danger of some such development in this country in the post-war years is not slight, and it is enhanced by muddled thinking more often than not induced by the clever propaganda of the socialists and fellow travelers and by what over-indulgence in slogans has done to our mental processes. We may rest assured that there is a large and in Washington quite influential element in public life which probably quite sincerely believes that something akin to the Russian system would be of great benefit to the American people. They are supported by a good many others who, while they are not particularly interested in "isms," have somehow become convinced that

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From Washington Ahead Of The News

By CARLISLE BARGERON

One of the greatest mockeries we have ever heard on the human race is the development that has just occurred around the War Production Board. As we have understood World War II it was a question of whether American industry would go all out; if it were to do that, there was not the slightest doubt about the outcome because really we are the greatest nation of productivity in the world. We remember very well in the pre-Pearl Harbor agitation, that Mr. Harold Laski, a "brilliant" British economist, came over, and talking to our thinkers in Washington, said, in effect:



Carlisle Bargeron

"You are talking about how much you should produce. Why not just go all out and produce and see how much you really can produce?"

His attitude was sort of a Gallup survey. There is a question about things, let's have a show of hands. How do you vote? Mr. Laski was not sure about the potentialities of various men and various wealth, and as a matter of something he and his colleagues could subsequently write about in a book, the subject should be determined. How could he tell his pupils in the London School of Economics just what this country could do unless a manifestation was made?

Well, we went through a year's agitation against industry before Pearl Harbor. Books were written against our nonsensical economic system, entitled "Business As Usual," etc. The trouble was that our industrialists who did not know the import of happenings abroad, notwithstanding they had better communications and better information than our Washington thinkers, were ready to sell the country down the river rather than "go all out." This means the automobile people should quit selling automobiles overnight and steel people should quit selling steel overnight; they should do this without any regard to what the Government demands were or would be. For some reason, without any orders from the Government for tanks, they were to quit manufacturing automobiles.

Well, there came Pearl Harbor about which history will sometime tell us, and thenceforth there was never any doubt on the part of any industrialist that, regardless of his predilections, the thing for him to do was now to "go all out." The automobile industry closed up on its commercial pursuits almost overnight, and the Washington correspondents wrote quite dramatically about it.

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Substantial Agreement Between Hull And Dewey On Peace Organization — 'Non-Partisan Subject'

Substantial agreement on views as to the establishment of an International Security Organization are reported as a result of three meetings held between Secretary of State Hull and John Foster Dulles, who met with Mr. Hull as the representative of Thomas E. Dewey, Governor of New York, and Republican nominee for President.



Thomas E. Dewey

It was stated, however, on Aug. 25, with respect to the conferences that the views on "a nonpartisan subject" failed to reach immediate agreement on the extent of public discussion desirable during the 1944 political campaign.

Associated Press advices from Washington, as given in the New York "Sun" Aug. 25 had the following to say: Mr. Dulles and Secretary Hull issued a statement after three meetings in which Mr. Dulles acted as agent for Gov. Dewey, the Republican Presidential nominee. Mr. Dulles said the agreement was made — to the extent that there is agreement — on behalf of Gov. Dewey.

Messrs. Hull and Dulles will continue their conferences and the Republican nominee, through Mr. Dulles, his adviser on foreign policy, will be kept advised of developments in the three-power world security discussions under way here at Dumbarton Oaks.

Mr. Dulles told reporters later that the agreement — which he described as unique in American history — covered only the international security organization and that he expected there would be plenty of partisan discussion on other aspects of foreign affairs, "especially in regard to past conduct of foreign policy."

He said he had been in close touch with Gov. Dewey throughout the last three days and that the Governor wanted it made clear that the agreement with Mr. Hull does not preclude discussing the peace organization on a "high level."

"We recognize that there can be honest disagreements over what is and what is not non-partisan," the New Yorker asserted, "and we don't want to leave room for charges of bad faith."

Mr. Dulles said he was "pretty



Hon. Cordell Hull

much in agreement with the Secretary but there are areas where there are differences of emphasis rather than of substance."

He felt sure, he went on, that Gov. Dewey's views as he presented them to Mr. Hull will be given due weight in the delibera-

tions at Dumbarton Oaks. He declined to say whether inclusion of Gov. Dewey's views would necessitate any changes in the American plan before the conference. He added that he has the text of the American document.

The following is the joint statement issued by the State Department on Aug. 25:

"In the three meetings between Secretary Hull and Mr. Dulles, Gov. Dewey's representative, they had an exchange of views on the various problems connected with the establishment of an international peace and security organization. There was agreement of views on numerous aspects of this subject.

"Secretary Hull and Mr. Dulles expect to continue to confer about developments as they arise.

"The Secretary maintains the position that the American people consider the subject of future peace as a non-partisan subject which must be kept entirely out of politics. Mr. Dulles on behalf of Gov. Dewey, stated that the Governor shared this view on the understanding, however, that it did not preclude full public non-partisan discussion of the means of attaining a lasting peace.

"The question of whether there will be complete agreement on

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Personalities And Problems

"And we have got to make, not merely a peace but a peace that will last, and a peace in which the larger nations will work absolutely in unison in preventing war by force. But the four of us have to be friends, conferring all the time—the basis of getting to know each other—'putting their feet on the table.'"

"And so I am very hopeful that it can be done, because of the spirit that has been shown in the past in getting together for the winning of the war. But that is the spirit that we have learned so well in the last few years. It is something new, this close relationship between the British Empire and the United States. This great friendship between the Russian people and the American people—that is new. Let's hang on to both friendships, and by spreading that spirit around the world, we may have a peaceful period for our grandchildren to grow up in."—President Roosevelt to the delegates to the Dumbarton Oaks Conference.

No one is likely to belittle the importance of the amenities of international life—or to object to friendly personal contacts among officials.

But let no one suppose that world affairs are as simple or as easily disposed of as is here suggested.

There are real problems which far transcend mere personalities, and, of course, foreign policies, which are purely or even chiefly personal in nature, are foreign to the American traditions—and to American safety.



President Roosevelt

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The State Of Trade

The confusion over the problem of reconversion of industry to a normal peace-time basis was heightened the past week by the resignation of Charles E. Wilson, Vice-Chairman of the WPB. Relations between Mr. Nelson, head of the Board, and his assistant, Mr. Wilson, were at times somewhat stormy, but from all accounts the present upheaval in the Board does not stem from this cause. As Mr. Wilson planned, he was moved to such drastic action, because of "attacks" upon him "inspired by subordinate officials of the Board." Thus, from the foregoing it would seem to indicate that top-ranking officials of the Board were unable to control and keep within proper bounds the actions of their subordinates, presenting a very unhealthy situation in one of the most important agencies of our government.

Both Mr. Nelson and Mr. Wilson are well regarded by industry, and in a sense, it looked to them as spokesmen in government circles to espouse the cause of early reconversion of industry on a scale compatible with our war effort. Just what effect Mr. Wilson's reputed temporary absence from the WPB, induced by his mission to China, will mean to that effort, industry is anxious to know. It must be recognized, however, that the fate of such a tremendous task and the importance it bears to our economic well-being cannot, in the final analysis, rest solely upon the shoulders of one individual. Mr. Nelson's successor, Acting Chairman, Mr. J. A. Krug, has been connected with the Board in an important capacity prior to his entrance into the U. S. Navy and it is understood that he is at heart a business man. Hence, it would seem to follow that he would be sympathetic to any genuine plan that will lighten industry's burdens in its readjustment to normal post-war production.

But then, the question again arises, whether Mr. Krug will be dominated and retarded by the same influences that brought about the upheaval in the first instance. If such is the case, industry will be hampered in a serious way in its reconversion to civilian production. As for Mr. Krug, he indicated that he would not hesitate to chop heads, even if they were those of the top business men or others in the organization, if they could not work in harmony both on war production and reconversion.

Agriculture's Post-War Needs—Full industrial employment, supplementary steps to increase consumption by low income groups, and expansion of world trade, according to Secretary of Agriculture Wickard, are the essential conditions for a prosperous post-war agriculture. Speaking before a special committee of the House of Representatives on post-war economic policy and planning, the Secretary stated that agriculture is confronted with many difficult problems, chief of which would be finding markets for what he termed its "tremendous productive capacity." "If we fall very short of putting to use all that our farmers are able to turn out, the prospects for agriculture, and indeed for our whole national economy, are dark," he stated. In stressing the need for foreign markets, he did not fail to express his opposition to "indiscriminate dumping" of surplus, because he explained such measures would soon lead to retaliation and to new and more restrictive trade barriers.

Instead, he advocated international commodity agreements designed to stabilize markets and prices by eliminating cutthroat competition. He felt that Government programs to increase consumption of food and clothing along the lines of the pre-war food stamp plan would be needed in post-war years, even under conditions of full employment.

Industrial Production In July—Small declines in output in a number of industries, reflecting minor adjustments in the muni-

ties program and manpower shortages, sent the Federal Reserve Board's industrial production down to 233% of the 1935-39 average in July. In June the index stood at 235 and in July, 1943, it was 240.

Steel and non-ferrous metal production fell to levels 8 and 20% below the high levels of last autumn, the Board stated. A small decrease in activity in transportation equipment industries reflected in part the indirect effects of manpower shortages in foundries and continued readjustments in the shipbuilding and aircraft industries. Output of manufactured dairy products and meats, after allowance for seasonal change, was maintained in July, while output of other food products declined slightly.

Mid-Income Living Costs—Living costs of moderate income city families rose by 0.6% in the month ending July 15, with higher prices for food accounting for a large part of the increase, reports Secretary of Labor, Frances Perkins. Explaining the cause of the rise in food prices by 1.3% over the level of the previous month, she attributed the advance largely to an increase in egg prices, which were up by 15% to an average of about 53 cents a dozen. Cost of fresh fruits and vegetables were also factors in higher living costs, but meat prices, according to the Secretary of Labor, declined by 0.4%. It is reasonable to suspect the large egg purchases by the Government were greatly instrumental in forcing egg prices to such high levels. Small increases in prices of clothing, house furnishings, fuel, electricity and miscellaneous services all played their part in increasing the burden for this group. In the year ended July 15, average prices of family essentials rose 1.8%, compared with advances of 6% and 11%, respectively, in the two preceding years, Miss Perkins disclosed.

Weekly Summary—On the military front last week the world learned of Germany's capitulation of Paris, the breaking up of Nazi affiliations in the Balkans and the speed of the advance of Allied armies in southern France, all tending to hasten the final day of reckoning for the enemy. Despite the good news stocks declined for the week and sales volume tapered off. The same held true for stock prices near the close of World War I, when Germany tendered her first request for terms. As for business establishments failures in the United States advanced from 16 in the previous week to 19 the past week, while department store sales on a country-wide basis taken from the Federal Reserve Board's index, advanced by only 1% over the same week of 1943, and for New York City, a decrease of 3% below the corresponding week of last year.

On the industrial front steel production snapped back again to its former high rate of 97.1% of capacity, according to scheduled output for the week beginning Aug. 28. This compares with 94.5% in the week starting on Aug. 21, last. Electric kilowatt output also moved ahead over the previous week and for a year ago, while carloadings of revenue freight recorded a decline of 1% below the preceding week and 0.4% below loadings for the corresponding period of 1943.

Production of both bituminous and anthracite coal declined in the week, while bee-hive coke output for the United States improved by 10,600 tons. Daily av-

erage gross crude oil production established a new high record the past week with runs to stills for the industry as a whole also up. Domestic and foreign crude petroleum, however, decreased 557,000 barrels in the week. Lumber shipments dropped further last week with new orders only 0.6% above production for the same period.

Steel Industry—The American Iron and Steel Institute announced last Monday that the operating rate of steel companies (including 94% of the industry) will be 97.1% of capacity for week beginning Aug. 28, compared with 94.5% one week ago. This week's operating rate is equivalent to 1,739,300 tons of steel ingots and castings, compared with 1,692,800 net tons last week and 1,732,500 tons one year ago.

"Factors, more or less non-operative since America entered the war, have begun to creep into the steel industry market within the past few weeks," states the "Iron Age," in its current issue. Some of these factors are still quite weak, but others bear all the earmarks of those items which, during normal times, establish definite trends in the iron and steel industry. Scrap markets the last week have grown definitely weaker throughout the country, the magazine reports, with this weakness reflected either by actual quotations and sales below the OPA ceilings or by a complete lack of activity. Such factors in normal times have always portended the imminence of a downward trend in scrap prices. The anticipated defeat of Germany, is reflected in present scrap market movements, and when it becomes an established fact, the magazine adds, these movements will probably have a more concrete effect upon scrap quotations. Declines in quotations of various grades of scrap were noted the past week in districts such as New York, Philadelphia, Pittsburgh and Cleveland, and the absence of springboard payments, continues the "Iron Age," a device for attracting scrap from out of the district, is practically universal.

With respect to steel orders, the magazine points out that market trends for last week were mixed. Current orders are running heavy with shipments strong and backlogs undergoing little change. This is particularly true of Pittsburgh and Cleveland, where the shell steel program dominates production schedules. No evidence of a let-up in order volume is apparent in the Pittsburgh area where demand for heavier products is predominant, the above authority discloses. Summing up the order situation, the magazine concludes, by saying that "current reports of restricted buying and heavy cancellations are not borne out in that area. Practically all major steel districts report no heavy volume of cancellations."

Constant scrutiny of inventories to prevent overbuying in the event the European war ends within the next few months, is reported of areas servicing plants with heavy war contracts for a multitude of items. Thus, indications lean toward a certain restraint in the matter of forward buying, an analysis of trade reports for the "not-distant future," discloses.

Steel Earnings—Earnings of steel companies continue to reflect declines for the third successive year, stressed the magazine, "Steel," pointing to the combined net earnings of the leading companies for the first six months of 1944. Calculations based on the reports of the 20 companies turning out 88% of the total ingot capacity during the six months ended June 30 earned a net of \$78,525,445, compared to \$87,181,555 during this period in 1943. In 1942 these companies earned more

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FDR Approves Bill Amending Soldier Vote Act To Relax Restrictions On Movies, Reading Matter

On Aug. 21, President Roosevelt signed the soldier-vote-law amendments relaxing restrictions on the dissemination of political news and opinion among members of the armed services. The bill embodying the amendments was approved by the President; it passed the Senate on Aug. 15 and the House on Aug. 16. Under date of Aug. 21, Associated Press advices from Washington stated:

Sponsors said the effect of the amendments would be to open the way for sale and distribution through Army post exchanges and Navy ships' stores of any newspapers, magazines and books in general circulation among civilians—within the limits of available transportation.

In the case of radio broadcasts the only limitation applied is that if political speeches are rebroadcast to troops over government-operated stations, equal time shall be allowed to any political party having a Presidential candidate in six or more states.

Motion pictures generally available to the public may be shown without restriction, but shall be selected in an "impartial and non-partisan" manner.

If transportation-space problems require a selection of books and other publications, the new bill directs that the choices shall be made in "some impartial manner" prescribed by the Army and Navy, such as a poll among troops or recommendations of expert committees.

Left in the anti-propaganda section of the act is a ban against propaganda material paid for by government funds. It applies to any government-financed printed matter, film or radio presentation which "when considered in its entirety, contains political propaganda obviously designed to affect the result" of a Presidential or Congressional election.

The War Department had interpreted the language of the original act to prohibit the distribution, at government expense or through Army post exchanges, of numerous books and magazines and some newspapers containing political opinion.

The amendments were drafted by Senator Theodore F. Green, Democrat, of Rhode Island, in collaboration with Senator Robert A. Taft, Republican, of Ohio, and Army and Navy representatives.

While supporting the amendments Senator Taft contended that the War Department had placed "nonsensical" interpretations on the original act and that this led to widespread misunderstandings and criticisms of it.

The move toward amending the Act followed the action of the Army in banning on Aug. 9 the distribution to troops of the motion picture "Wilson" dramatizing the career of the First World War President and the picture "Heavenly Days" starring Fibber McGee and Molly. As to this the Associated Press said:

The War Department said today both pictures had been banned by a board of the morale services division as containing material which might be construed as violating provisions of the Soldier Voting Act.

That act prohibits the distribution by the armed forces of books, magazines or other material containing matters calculated to influence the results of the national elections.

As to later developments the Associated Press reported the following from Washington, Aug. 12:

The Army, admitting tonight that two motion pictures it had said were banned from distribution to troops were never even considered, disclosed at the same time that its list of forbidden books had grown to fifteen.

Tonight, after high-ranking officers had spent most of the day conferring on a report of what actually had occurred, a cautiously worded statement was issued that "information which reached the press was in error."

"Upon investigation by the Bureau of Public Relations," said the

announcement, "it is found that only informal discussions of the pictures have taken place. No occasion has yet arisen for the War Department to determine whether these particular pictures are available or eligible for showing to troops."

We likewise quote the following (Associated Press) from Washington, Aug. 22, as given in the New York "Herald Tribune."

The drastic restrictions of the dissemination of books, magazines, newspapers, motion pictures and other reading and entertainment material among soldiers were withdrawn by the War Department today in radio instructions to all Army commanders throughout the world.

Acting promptly after President Roosevelt's approval yesterday of Congressional amendments to the soldier voting act, the War Department placed soldiers on substantially the same basis as civilians where reading and entertainment matter of general circulation is concerned. Army post exchanges, hitherto fettered by the department's close interpretation of the original restrictions in the soldier vote bill sponsored by Senator Robert A. Taft, Republican, of Ohio, are now free to purchase from unappropriated funds of their own for distribution in camps any such material with the sole proviso that it be of general circulation among civilians as well.

Only on material which the Army originates, or on radio rebroadcasts of a strictly political nature, is the War Department now restricted as to what it can and cannot do.

Registered Mail To APO's

Postmaster Albert Goldman announced on Aug. 28 that in accordance with arrangements of the War Department, letters or packages addressed to persons receiving mail through APO's outside the continental United States, will be accepted for registration when the matter contained therein is in accordance with the following:

(a) Valuable or important papers.

(b) Small articles of intrinsic value. (These registered articles must be sealed and bear the first-class rate of postage and be prepared adequately for overseas shipment in parcels weighing not more than eight ounces, and the mailing (not registration) thereof must be specifically requested by the addressee. The registration service authorized in this paragraph is intended to cover the mailing of such items as watches, eye glass or fountain pens, especially desired and not readily available overseas. (Foodstuffs, including candy, will not be accepted for dispatch to APO's outside the continental United States under the provisions of this paragraph.)

Indemnity is payable when applicable.

During the mailing period for Christmas packages, Sept. 15 to Oct. 15, 1944, inclusive, the requirement of a request will be waived when accepting for registration parcels addressed to overseas APO's containing small articles of intrinsic value other than foodstuffs, including candy, weighing not more than eight ounces, sealed and bearing the first-class rate of postage.

The exportation of currency to most overseas APO's is prohibited and it is not advisable to enclose currency in any letters. The use of money order service for remittances is recommended.

President Reports To Congress On Lend-Lease Total Since 1941 Is \$28,270,000,000

In submitting to Congress on Aug. 23 the 16th report on Lend-Lease operations, President Roosevelt stated that "lend-lease supplies and services provided to our Allies in the three months ending June 30, 1944, amounted to \$4,045,000,000 in value. In all, lend-lease has been provided in the amount of \$28,270,000,000."

In his message, the President pointed out that "we should not permit any weakening of this system of combined war supply to delay final victory a single day or to cost unnecessarily the life of one American boy.

"Until the unconditional surrender of both Japan and Germany, we should continue the Lend-Lease program on whatever scale is necessary to make the combined striking power of all the United Nations against our enemies as overwhelming and as effective as we can make it."

In Associated Press advices from Washington, Aug. 23, it was noted that in addition to the total above, \$678,241,000 worth of supplies have been consigned to American commanding generals in the field for subsequent lend-lease transfer to Allied forces.

From the Associated Press we also quote:

Reverse lend-lease was estimated in value at more than \$3,000,000,000. The report emphasized, however, that the ultimate measurement of aid given and received could be found only in terms of battles won, enemies killed, and captured, and hundreds of thousands of lives saved, rather than in dollar figures.

In explanation of the great preponderance of aid given over that received, the report said that our geographical position ("the United States has never been bombed") and material strength have called upon us to give most toward winning the war in production and in money, while our major Allies are giving more in lives, destruction of their homelands and in suffering of their people. For example, it said that since June 30, 1944, robot bombs have destroyed or damaged an average of 700 houses every hour of the day and night in England; Russia has lost 5,300,000 soldiers dead, captured or missing, in addition to millions of civilians killed by Nazis, and millions of Chinese soldiers and civilians have been killed by the Japanese.

The casualties in the armed forces of the United Kingdom totaled 400,000 a year ago, excluding those of colonial, Dominion and Indian forces, with many more thousands of British soldiers having been killed since then, the report added. It said that by June 30 more than 50,000 British civilians had been killed by Nazi bombs, and this was before the robots had done most of their damage.

Aid furnished since the lend-lease program began nearly three and a half years ago includes 30,900 planes, 15% of the American output. Allies bought another 7,000 for cash and the United States retained 175,000.

This country also has leased 1,400 naval vessels of all types, the great majority being landing craft, PT boats and so forth, but including a few score larger combat vessels, such as convoy-escort aircraft carriers and corvettes. Other aid has included 511 cargo ships of 1,000 gross tons or more and 1,284 merchant and auxiliary craft of under 1,000 gross tons; 26,900 tanks and 637,600 ordnance vehicles, jeeps and trucks. The Allies have bought an additional 1,600 tanks and 270,000 trucks, with the United States retaining for its own use 36,500 tanks and 1,500,000 other military motor vehicles.

Of the total aid furnished since the program started, 87.8% has been in goods and 12.2% in services. Munitions have constituted 53.6% of the goods transferred, with a value of \$15,162,329,000; industrial materials, 21.3%, valued at \$6,026,086,000, and agricultural

products, 12.9%, worth \$3,630,585,000.

The report declared that while lend-lease is a war program, "it is likely to have stimulating effects on the commercial post-war foreign trade of the United States. The war has introduced American products to other countries in a volume and variety never approached before," it said.

"After the war, these countries will want to continue to obtain many of these products by buying them. American industry will have a greatly expanded foreign market, provided that our international economic policies make it possible for these nations to pay for their purchases."

The following is the President's message to Congress:

To the Congress of the United States of America—

Puruant to law, I am submitting herewith the sixteenth report to Congress on lend-lease operations.

Lend-lease supplies and services provided to our Allies in the three months ending June 30, 1944, amounted to \$4,045,000,000 in value. In all, lend-lease aid has been provided in the amount of \$28,270,000,000.

Three years ago the Axis aggressions were well along the road to domination of the world. The United States itself was in grave danger. Today the United Nations are moving relentlessly along the roads which lead to Berlin and Tokio.

In the preparation and execution of the powerful offensives on which we are now jointly engaged with our Allies, lend-lease has fulfilled its promise. Every day that the men of our Army and our Navy go into battle lend-lease is being effectively used in the common cause by the heroic men of the other United Nations. Through lend-lease, the full power of American production is being brought to bear against our common enemies by the millions of fighting men of our Allies. Through lend-lease, American weapons and other war supplies are being used by our Allies to destroy our enemies and hasten their defeat.

We should not permit any weakening of this system of combined war supply to delay final victory a single day or to cost unnecessarily the life of one American boy. Until the unconditional

Wilson Resigns From War Production Board

The resignation of Charles E. Wilson as Executive Vice-Chairman of the War Production Board was made known at the White House on Aug. 24. Lieut.-Com. J. A. Krug has been named to succeed him, and has been designated Acting Chairman to serve while Donald M. Nelson, Chairman of the WPB, is absent on the trip to China, assigned to him by the President.

In tendering his resignation, accepted with reluctance by the President, Mr. Wilson referred to unfair attacks which he said were, in his opinion, inspired by subordinate officials of the Board. "It is apparent to me," said Mr. Wilson, "that instead of being discontinued these attacks upon me and upon members of my staff will be increased."

He added: "A continuance of the attacks will impair the efficiency of key men and will more than offset any contribution that I can make to the improvement of the lagging programs."

In his reply, the President stated that, "of course, I have been aware of some dissension within the War Production Board. I had hoped it would disappear. I have accepted your judgment in other things. I must accept it in this matter." The President also in his reply took occasion to express his "sincere appreciation of the patriotic service you have rendered at great personal sacrifice to yourself."

The President further said: "The wonderful record we have made in aircraft production and shipping construction is evidence of the splendid contribution you made to the war effort." Mr. Wilson's letter of resignation to the President as reported from Washington by the Associated Press follows:

Aug. 23, 1944. My Dear Mr. President: Two years ago you requested me to accept an appointment with the War Production Board because you thought I might contribute to

surrender of both Japan and Germany, we should continue the lend-lease program on whatever scale is necessary to make the combined striking power of all the United Nations against our enemies as overwhelming and as effective as we can make it.

We know now that by combining our power we can speed the day of certain victory. We know also that only by continuing our unity can we secure a just and durable peace.

FRANKLIN D. ROOSEVELT. The White House, Aug. 23, 1944.

Statistics of lend-lease from its beginning on March 11, 1941, to June 30, 1944, were enumerated as follows in Associated Press advices appearing in the New York "Times" of Aug. 24:

GOODS TRANSFERRED	
Category—	Amount
Munitions	\$15,162,329,000
Industrial materials	6,026,086,000
Agricultural products	3,630,585,000

SERVICES RENDERED	
Category—	Value
Servicing and repair of ships, etc.	522,853,000
Rental of ships, ferrying of aircraft, etc.	2,210,752,000
Production facilities in United States	621,700,000
Miscellaneous expenses	96,046,000
Total lend-lease aid	\$28,270,351,000

GOODS TRANSFERRED	
Category—	Number
Planes	30,900
Tanks	26,900
Ships, naval	1,400
Ships, cargo (1,000 gross tons up)	511
Ships (under 1,000 gross tons)	1,284

Reverse lend-lease aid is put at over \$3,000,000,000 as of June 30, but preliminary figures are available only to April 1. They include:

Country	Value
United Kingdom	\$1,934,400,000
Australia	457,623,000
New Zealand	109,368,000
Total	\$2,501,391,000

In addition, reverse lend-lease aid in India is put at more than \$100,000,000 as of Jan. 1, 1944.

war production, particularly to aircraft and shipping programs, which production programs you then believed to be lagging. We agreed then it would require six months' service.

Last December, when I had been with the Board for more than a year, war production had progressed so satisfactorily I felt my job was completed and I asked you to permit me to return to my business. You insisted upon my remaining.

Again, in April, I felt that the production programs generally were in such condition that I could ask to be released. But you prevailed upon me to remain, indicating that you might consent to my leaving about the end of July. Last Saturday you again presented the same request. You asked that I remain until Germany capitulated or the several production programs now lagging had improved. I agreed and I left you with renewed inspiration.

Since Saturday, when you issued your public statement regarding Mr. Nelson's trip to China and your request that I assume direction of the War Production Board, there has been renewed circulation in the press and over the radio of stories to the effect that because of my former position as President of the General Electric Co., from which company I resigned when I joined the War Production Board, I am opposed to reconversion.

These statements, like many similar statements that have appeared in recent months, were, in my opinion, inspired by subordinate officials of the Board connected with the personal staff of Mr. Nelson. Many of my immediate staff and I have presented to Mr. Nelson urgent requests that these individuals be forced to discontinue their unfair attacks and criticisms of members of the organization.

Mr. Nelson has disclaimed any responsibility for these attacks, asserting that they were made without his knowledge or approval. He has acknowledged many times to us that there has never been any issue in the War Production Board as between small and large business and that no problem was ever decided on that basis. He has also repeatedly acknowledged that the staff and I have been fully cooperative in reconversion.

I need not tell you that I favor reconversion and have approved and set in operation many steps which have already affected reconversion to a large degree. I have done this without publicity because I believe publicity might interfere with war production. I have again and again expressed the view that I am opposed to any interference with war production as its necessities are presented to me by the Commander-in-Chief and by the Joint Chiefs of Staff.

It is apparent to me that instead of being discontinued these attacks upon me and upon members of my staff will be increased. I cannot answer them unless I employ publicity experts. I am unwilling to do that. A continuance of the attacks will impair the efficiency of key men and will more than offset any contribution that I can make to the improvement of the lagging programs. When the minds of men are diverted from their tasks to answering criticisms they believe to be unfair the war effort will suffer.

It is obvious that the unjust attacks upon me do me great personal injury. However, that is important only to me. The thing that is important is that the dissension within the organization does harm to the war production

effort and, therefore, to the country. I am unwilling to be a party to such a controversy. I feel that anything I can do to end the controversy would be a service to my country.

I appreciate the great honor you bestowed on me when you gave me the responsibility of war production. You have supported and inspired me. I have given my best. For the reasons stated above, I have reached the definite conclusion that I can best serve the country and you by resigning. Therefore I tender herewith my resignation to take effect today.

President Roosevelt's Reply
Aug. 24, 1944.

Dear Charlie: I have your letter tendering your resignation.

You are correct in stating that originally I requested you to come to Washington to solve some of the problems connected with the aircraft and shipping programs. The wonderful record we have made in aircraft production and shipping construction is evidence of the splendid contribution you made to the war effort.

It was because of your success in these two important programs that I would not accept your resignation last December and again in April persuaded you to remain. For the same reason I requested you last week to remain until the surrender of Germany.

Of course, I have been aware of some dissension within the War Production Board. I had hoped it would disappear. I have accepted your judgment in other things. I must accept it in this matter.

With reluctance I accept your resignation. In doing so I wish to express my sincere appreciation of the patriotic service you have rendered at great personal sacrifice to yourself.

At a critical time in our war effort your expert knowledge of mass production methods contributed to the success of vital programs that today are reflected in our successes on many battle fronts. Those who are charged with the direction of our armed forces have frequently expressed to me their appreciation of your intelligent cooperation. I am sure I speak for them and for the people generally when I say you have rendered outstanding service to your country.

Sincerely yours,
FRANKLIN D. ROOSEVELT.

Results Of Treasury Bill Offering

The Secretary of the Treasury announced on Aug. 28 that the tenders of \$1,200,000,000, or thereabouts, of 92-day Treasury bills to be dated Aug. 31 and to mature Nov. 30, 1944, which were offered on Aug. 25, were opened at the Federal Reserve Banks on Aug. 28.

The details of this issue are as follows:

Total applied for, \$1,831,554,000. Total accepted, \$1,210,125,000 (includes \$56,965,000 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.

(62% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Aug. 31 in the amount of \$1,215,335,000.

The Financial Situation

(Continued from first page)

the American system has become "outmoded" and must undergo radical alterations, and who make the mistake (which has been made before) of supposing that by striking out the very foundations of our system of free enterprise we may save it.

We suggest certain rather self-evident considerations to the American citizen who is pondering the future amid all this clamor. The first is the fact that the mere formulation and adoption of a "program" alleged to be suited to the correction of a condition is no guarantee whatever that the infirmity will be thereby removed or even ameliorated. The public is quite within reason and common sense in demanding that the reformers not only make the details of their programs fully clear and explicit, but present a conclusive, or at least a very strong, case to prove that they will have the effect claimed for them. Stated in this way, the truth appears almost trite. Yet it is daily ignored or forgotten.

Unemployment Cures

One of the most common questions of the day concerns the extent of unemployment that the public will "tolerate" before demanding that government "step in." Some who ask such questions are merely concerning themselves with a practical problem in political forecasting as an aid to business planning. They are under no delusions about the efficacy of government unemployment programs; they merely want to know what they can count on. There are, however, others who appear very definitely to suppose that government programs of the sort resorted to in the prewar days of the New Deal would be effective—and that in spite of the fact, which Governor Dewey recently called to the attention of the public, that the war, not the New Deal unemployment programs, put an end to mass unemployment of the "Thirties. May it not be at least conceivable that such unemployment programs as we devised in the "Thirties, and as many appear to envisage for the post-war years actually increase unemployment, make the lot of the unemployed harder in the long run, or, at the very least, make it more difficult than ever to get rid of the condition complained of? It seems to us that the voter, at any rate, would be wise to ask precisely this question of those who would launch the nation upon vast and immensely expensive unemployment programs when the war is over.

"Controls"

Perhaps the idea of "controls" in the popular mind at any rate center chiefly around price regulation and ration-

ing. It appears to be taken for granted in many quarters that to ration an article which is scarce and to fix its price is to solve the difficulty which is troubling us. Something of a case can be made out for such a supposition in time of total war. The situation is, however, certainly vastly different as soon as peace returns. Let it be recalled that the root of the difficulty is inadequate supply—at bottom, insufficient production—of the goods in question. If such is the fact, the situation is not likely to be remedied until production is increased to meet demand. Rationing is at best merely a device to assure more equitable distribution of a scarce article. It can do nothing to eliminate the scarcity. Price control, which, of course, means lower prices than otherwise would obtain, far from stimulating production, is likely to do precisely the opposite—and thus render a bad situation worse.

Again, rationing becomes a farce, or worse, when not enforceable. The difficulties and the shortcomings of the rationing system of today when a world war of unprecedented destructiveness is aiding the enforcing officials scarcely suggests effectiveness once the strife is over and the rank and file of the people have "let down." A reckless extension of war rationing generally into the post-war era would, in our view, be to risk the rise of another prohibition situation of crime and violence. At any rate, the public would certainly be fully warranted in making searching inquiry into these matters, and not merely accept the current suggestion that "controls" "must" be extended into the post-war period—as if their effectiveness and beneficence had been established.

How Many Shortages?

Two other considerations suggest themselves. One is, that one would be wise not to accept the notion that supplies of virtually everything under the sun will be short when the war is over. There are a great many who seem to suppose that shortages will be the normal state of affairs for years to come. It may well be doubted. Enormous supplies of many things lie in storage either for future military use or as military reserves. Their volume may surprise many people when the war is over—as it did in certain instances after World War I. Of course, shortages as measured against the natural desires of all mankind will always exist. But even in the world to come the lack of means on the part of many people with which to acquire many things will again count on the market place.

And, finally, let us rid our-

Iceland To Resume Scandinavian Ties; Permanent Connections With U. S. Hoped For

Iceland intends to resume her close connections with the Scandinavian countries but hopes also to establish permanent connections with the United States, Sveinn K. Bjornsson, President of Iceland, declared on Aug. 28 at a luncheon given in his honor at the Bankers Club by Thomas J. Watson, President of International Business Machines Corporation.

"We are Scandinavians; we have had relations and contacts with Scandinavians; we have only been hindered from keeping the connections we need to have with other Scandinavian countries by the war, but we look forward to establishing them very soon after the war is won," he said.

"But those close relationships we have not got with the United States. I hope we will. My first visit to the United States was at the beginning of the first World War, 1914, to establish business connections with the United States. And there was a very lively business connection between our two countries during the whole first World War and two or three years afterward. Then it stopped and by and by we forgot each other. That must not happen now and will not happen, I am sure, because the relationships have been on a much larger scale than at any time before."

President Bjornsson indicated that the conduct of American troops in Iceland had been such that "our esteem for the people of the United States is more than it has been at any time." He added: "We think that you feel that you yourselves are human beings and that we in Iceland also are human beings. That is the gist of what I understand to be the basis of the very fine relations between us. We are going to realize more and more, and I hope the whole world will realize, that we are all human beings, and that human beings want to develop in freedom and peace. If you give them freedom then you will have in the future the best thing that we can expect—a community of human beings all over the world."

In a brief address Mr. Watson said: "I think the future world has possibilities which will be developed to a point where everyone will be living in a better world than they have ever lived in before, and this will be within a reasonable time. I have enough confidence in the leaders of all the countries who are going to sit around the peace table and plan for the future to feel confident that those plans will be fair to the world and will be backed up with whatever force is necessary to see that they are not violated. The members of our armed forces which are scattered over the world have been called upon to do the hardest jobs any group of people were ever called upon to do. I know that all of the people on the home front everywhere will always remember our debt to them and that we will measure up to what they expect of us in making plans and seeing that they are carried out for the future."

Dr. William Mather Lewis, President of Lafayette College, declared that "we are never going to have the rehabilitation of the world until we produce in our nation and in other nations the uncommon man—uncommon in his tenacity, his vision, and his initiative."

Thor Thors, Icelandic Minister to the United States, introduced Vilhjamur Tor, Foreign Minister of Iceland, and President Bjornsson.

James A. Farelly spoke briefly. Rev. Robert I. Gannon, President of Fordham University, pronounced the invocation, and Rev. John B. Cooper, Pastor of Christ

selves of the notion that somehow it is our duty and our duty alone to feed every one else on the globe and to set them up in business again. We are called upon to do no such thing.

Church, Lynbrook, L. I., pronounced the benediction.

Those present included Winthrop W. Aldrich, Brig. General Frederic V. H. Kimble, Capt. Harry W. Baltacci, and Raymond Muir, representing respectively the U. S. Army, Navy and State Department with the Presidential party; Lieut. Richard S. Barthelme, Thomas H. Beck, Dr. Helgi P. Briem, Dr. Harvey N. Davis, President of Stevens Institute; Hon. John W. Davis, Col. Gilbert T. Hodges, Percy H. Johnston, Henry J. Kaiser, Fred I. Kent, Rear Admiral Lamar R. Leahy, Vice Admiral Herbert F. Leary, Major Gen. Frank Ross McCoy, Brig. Gen. Troup Miller, Clark H. Minor, Brig. Gen. Stewart Reimel, Emil Schram, Allan Sproul, Juan T. Trippe, Dr. Harry N. Wright, President of City College of New York, and Congressman Joseph Clark Baldwin.

Liberation Of Paris Announced Prematurely

A premature report on Aug. 23 of the freeing of Paris by its own people, which came both from London and Paris, brought the following "possible explanation" in the matter, according to United Press advices from London Aug. 25 published in the New York "Times":

This possible explanation of what caused the premature announcement of the liberation of Paris by the French Forces of the Interior was offered today:

After four days of street fighting, the FFI issued a communique stating, "nous avons pris la Cite de Paris," which, when translated, means "we have taken the City of Paris."

Fighting French officials as well as Allied Supreme Headquarters agreed that there might be a mistake in the translation because "La Cite de Paris" could also refer to the island city in the Seine, as well as the entire capital.

The French Interior Forces did seize the island, on which is situated the Cathedral of Notre Dame.

As to the comments in Washington incident to the early reports, Washington Associated Press accounts on Aug. 25 had the following to say:

Joyously, if a bit prematurely in the eyes of military commanders overseas, American officials from President Roosevelt on down today hailed the liberation of Paris as presaging final and full defeat for the Nazis.

Mr. Roosevelt, Secretary of State Hull and Secretary of War Henry L. Stimson commented formally after the announcement from Gen. Charles de Gaulle, the French leader, that Paris had been freed.

About the time their statements were released, press dispatches arrived from Supreme Headquarters saying that officers there did not consider the French capital was yet liberated; that Allied troops were having to fight their way into the city.

Nevertheless, the general feeling here was that those Germans still in and about Paris could not put up any substantial resistance.

President Roosevelt and Secretary Hull both stressed the symbolic meaning of what they termed Paris' liberation.

The President's statement, which the White House later explained was issued on the basis of all the information available in Washington at the time, said:

"The joy that entered the hearts of all civilized men and women at the news of the libera-

tion of Paris can only be measured by the gloom which settled there one June day four years ago when German troops occupied the French capital.

"Through the rising tide of Allied successes that patch of gloom remained and has only today been dispelled. For Paris is a precious symbol of that civilization which it was the aim of Hitler and his armed hordes to destroy.

"We rejoice with the gallant French people at the liberation of their capital and join in the chorus of congratulations to the commanders and fighting men, French and Allied, who have made possible this brilliant presage of total victory."

Secretary Hull called it "one of the most heartening events of the past four years."

He added: "From the military point of view its importance is outstanding and it is inspiring to know that it was made possible by the combined action of French patriots and their Allied comrades in arms. But wholly apart from the military aspects of this great victory, the entire civilized world will rejoice with the French people in the lifting of the tyrant's yoke from their capital."

Secretary Stimson coupled with a recital of the favorable military developments a plea for no slackening now in the war effort.

"On every side Germany weakens," he said. "Now is the time for us to muster all our strength and unity for the final blows."

Rumanian Minister Says Reich's Position In Eastern Europe Untenable

Charles A. Davila, former Rumanian Minister to the United States and now the representative here of Juliu Maniu, a Minister of State in the new Bucharest regime, predicted on Aug. 25 that Germany will be knocked out of the war "within a matter of weeks" because the capitulation of Rumania has made the Reich's position in eastern Europe untenable, according to the New York "Times" of Aug. 26, which went on to say:

Mr. Davila, who in 1937 resigned from his diplomatic post in Washington in protest over King Carol's Nazification of his country, said that his sources had informed him that the Allies had not asked unconditional surrender from Rumania. Under the terms of the armistice, according to Mr. Davila, Rumania agreed to take up arms against the Axis, turn over Bessarabia and northern Bukovina to Russia and pay the Soviet reparations of \$600,000,000.

In a press conference at the Free World Association House, 144 Bleecker Street, the statesman said hopefully that these conditions might be modified if the Rumanian Army contributed substantially to the German defeat. He estimated that Rumania had 200,000 to 250,000 men in uniform.

The very latest the Germans can hold out, he said, will be to October.

Asked whether the Rumanian people would support King Michael despite the fact that he was the nominal head of the war Government, Mr. Davila said he did not believe the King would be held responsible for the sins of the "so-called Marshal Antonescu."

Then Mr. Davila added grimly: "But if his father, Carol, in Mexico, keeps pulling wires to mount the throne again, we'll get rid of the whole monarchy."

Turning to the question of post-war Europe, Mr. Davila said all the countries on the Continent would adopt modified socialism under a form of State capitalism and from there would go by stages to full socialism.

"Europe is already socialist-minded and it will do no good to try to reinflate private capitalism," he warned.

Nelson & Hurley To Visit China On FDR Mission

President Denies Rumors Associated With WPB Chairman's Assignment. Accepts Resignation Of Charles E. Wilson As Executive Vice-Chairman Of WPB.

Announcement of plans for the early departure to China of Donald M. Nelson, Chairman of the War Production Board, and Maj. Gen. Patrick J. Hurley was made on Aug. 20 by President Roosevelt, whose statement in the matter said:

"Maj. Gen. Patrick J. Hurley and Mr. Donald M. Nelson will leave shortly for China. They will go as my personal representatives to the Generalissimo.

"General Hurley will discuss military and military supply problems while Mr. Nelson will discuss economic problems with the Generalissimo. They will be in China for several months. Their conferences will extend over that period of time.

"Mr. Charles Wilson will act as Chairman of the War Production Board in the absence of Mr. Nelson on this important mission."

With reference to the mission of Mr. Nelson to China, Washington advices Aug. 21 by Raymond J. Blair, published in the New York "Herald Tribune," stated:

"President Roosevelt succeeded today, by quick action, in heading off the threatened resignation of Donald M. Nelson, Chairman of the War Production Board, because the latter had feared his program for reconversion was about to be shelved in favor of the more cautious plans of Charles E. Wilson, WPB Executive Vice-Chairman.

"Mr. Roosevelt took the unusual step of issuing a statement explaining one he had issued Saturday, which had announced that Mr. Nelson and Major General Patrick J. Hurley were going to China for 'several months' as his personal emissaries to study economic, military and military supply problems. The second statement, which came after a spokesman for Mr. Nelson had revealed that he was considering resigning, made it clear that Mr. Nelson's mission would be 'temporary' and that it indicated no change in WPB policy.

"After the White House statement appeared at about 4:30 p.m. the WPB announced that Mr. Nelson would definitely stick to his original intention of making the China trip."

Mr. Roosevelt's statement said: "Any impression that Mr. Nelson's temporary mission to China indicates a change in policy in the War Production Board is entirely unfounded.

"Mr. Nelson was selected to go to China with General Hurley on a most important and pressing mission.

"Mr. Nelson's mission is necessarily confidential. I regret that more about the work assigned him cannot be said at this time. When it is possible to tell the whole story, those who charge that he is being 'kicked in the teeth' will realize how wrong and unjust they have been—what a disservice they have rendered their country and Mr. Nelson personally."

The proposed visit to China of Mr. Nelson, at a time when he appeared to have succeeded in his efforts for the resumption of limited civilian production was the occasion for conjecture among Congressmen and others, said Associated Press advices from Washington on Aug. 20, which stated:

Speculation stemmed chiefly from President Roosevelt's specification that it would take Nelson and Maj. Gen. Patrick J. Hurley "several months" to finish up their assignment of discussing military and economic problems with Generalissimo Chiang Kai-Shek.

Some of Nelson's associates called that time the critical period of his reconversion program and said they were positive that Nelson, until the White House announcement last night, had believed his entire mission to China, including travel time, would be completed in about three weeks.

Most Democrats in Congress withheld formal comment on the situation, but Senator Wherry

affect three to four hundred thousand workers.

"I feel confident that the assurance that civilian production is being planned in every area and shop where it is not interfering with war production will serve to defer any haste in leaving a war job," Mr. Nelson said.

Also in Associated Press advices Aug. 24 it was stated that the urgency of Mr. Nelson's impending mission to China was emphasized by disclosure that China's pocket-sized armament program was unable to supply even the spare parts for the few thousand American trucks sent there before the Japanese cut the Burma Road.

Spare parts and tires for these trucks, which are helping to maintain supply lines to B-29 Superfortress and other American air bases in China, comprise part of the small amount of goods now being flown to China, according to President Roosevelt's lend-lease report yesterday to Congress.

Associated Press advices from Washington on Aug. 25 had the following to say about the matter:

An angry new storm broke about Donald M. Nelson's head tonight, shortly after the War Production Board Chairman left for China.

Rubber Director Bradley M. Dewey accused the WPB head of "typical Washington sniping," in comment on the rubber program. It was, Dewey declared, the same sort of "sniping" that led to Wilson's resignation "and made many good Americans unwilling to give services that otherwise would be of value to the country in the conduct of the war."

Dewey referred to Nelson's testimony to the Senate War Investigating Committee, given last week but made public only yesterday.

While before the Senate Committee, Nelson was asked about Dewey's recent announcement that the rubber program was completed and he would resign Sept. 1.

"It was completed, all but getting the tires," Nelson commented.

Dewey's sharp attack on Nelson was made in a statement which, he said, would be sent to the Senate Committee. Copies were given to news reporters.

The new row developed at a time when some in Washington were questioning whether Nelson would continue as WPB Chairman after he returned from China. Asked about that at his forenoon news conference, President Roosevelt said he did not know.

Dewey said he had never stated that the job of providing tires was done, "but simply that the synthetic rubber plants are turning out more rubber than was currently being consumed."

"The problems of providing manpower and tire cords no longer require the broad special powers of the Rubber Director," Dewey said.

"They are of no value to the problem of manning the plants and providing the much needed tires. By Presidential directive, these were and are the responsibilities of the War Production Board and of the War Manpower Commission."

Meanwhile WPB sources said that 37-year-old J. A. Krug, who took over as Acting Chairman as Nelson departed this morning for Chungking, had received a blank check of authority to run the war agency and get it operating with maximum efficiency.

Assigned to the task by Mr. Roosevelt when Wilson resigned yesterday as Executive Vice-Chairman, Krug was reported to have made it clear to top WPB officials that he expected an immediate end of rumor-mongering and policy disputes within the agency. He was said to have promised to fire anyone who engaged in future internal brawls.

President Stresses Need Of Lasting Peace In Talk To Security Conference Delegates

In receiving the delegates to the International Security Conference in Washington on Aug. 23, President Roosevelt told them that "we have got to make not merely a peace but a peace that will last, and a peace in which the larger nations will work absolutely in unison in preventing war by force." "But the four of us," the President went on to say, "have to be friends, conferring all the time—the basis of getting to know each other—"

"putting their feet on the table." The President indicated it as "something new this close relationship between the British Empire and the United States." He likewise observed that "this great friendship between the Russian people and the American people—that is new. Let's hang on to both friendships, and by spreading that spirit around the world we may have a peaceful period for our grandchildren to grow up in."

As was noted in our Aug. 24 issue (page 809) the conference opened at Dumbarton Oaks, Georgetown, Washington on Aug. 21, at which time it was addressed by representatives of the United States, Great Britain and Russia—Secretary of State Hull delivering the opening remarks. Following the discussions of the three foregoing powers, a meeting is also planned between representatives of the United States, Great Britain and China.

The President's "informal remarks," on Aug. 23 as reported by the Associated Press, follow:

Gentlemen, this is an informal occasion. I have not prepared any speech. This is merely a feeling on my part that I would like to shake hands with you. I should like to be able to go out to Dumbarton Oaks, to take a part in your discussions.

A conference of this kind always reminds me of an old saying of a gentleman called Alfred E. Smith, who used to be Governor of New York. He was very, very successful in settling any problem between capital and labor, or anything that had to do with the State government in which there was a controversy.

He said if you can get the parties into one room with a big table and make them take their coats off and put their feet up on the table, and give each one of them a good cigar, you can always make them agree. Well, there was something in the idea.

You have a great responsibility. In a way, it is a preliminary responsibility. But, after all, we learn from experience, and what I hope is that in planning for the peace that is to come we will arrive at the same good cooperation and unity of action as we have in the carrying on of the war. It is a very remarkable fact that we have carried on this war with such great unanimity.

I think that often it comes down to personalities. When, back in 1941, at the time of the Atlantic Charter, just for example, I did not know Mr. Churchill at all well. I had met him one or twice very informally during the first World War. I did not know Mr. Eden. But up there in the North Atlantic—three or four days together, with our two ships lying close together—we got awfully fond of each other. I got to know him, and he got to know me. In other words, we met, and you cannot hate a man that you know well.

Later on Mr. Molotoff came here, and we had a grand time together. Then during the following year, at Teheran, the Marshal (Stalin) and I got to know each other. We got on beautifully. We cracked the ice, if there ever was any ice; and since then there has been no ice. And that's the spirit in which I know you are going about your work.

I was just talking with the Secretary of War, Mr. Stimson. He was saying that one of the tasks we face is making this conference of ours—and the successor conferences—something that will last, last a long time. He said that, unfortunately, in Germany the young people, the young Nazis, favor an idea which will be dan-

gerous to the peace of the world, just as long as they have anything to say about it.

The prisoners of 17, 18, 20, that we are capturing now—both on the French front and Soviet front—these German prisoners of that age are even worse in their nazism than the prisoners of 40 or 45. And, therefore, as long as these young men have anything to say about it, the peril of nazism will always be before us.

And we have got to make, not merely a peace but a peace that will last, and a peace in which the larger nations will work absolutely in unison in preventing war by force. But the four of us have to be friends, conferring all the time—the basis of getting to know each other—"putting their feet on the table."

And so I am very hopeful that it can be done, because of the spirit that has been shown in the past in getting together for the winning of the war. But that is the spirit that we have learned so well in the last few years. It is something new, this close, relationship between the British Empire and the United States. This great friendship between the Russian people and the American people—that is new. Let's hang on to both friendships, and by spreading that spirit around the world, we may have a peaceful period for our grandchildren to grow up in.

All I can do is to wish you every possible success in this great task that you have undertaken. It will not be a final task, but at least it gives us something to build on, so that we can accomplish the one thing that humanity has been looking forward to for a great many hundreds of years. It is good to see you. Good luck.

ABA Plans Four Regional Conferences

Four regional conferences bringing together groups of State bankers associations have already been planned by the Post-War Small Business Credit Commission of the American Bankers Association. These meetings are designed to give the officers and representatives of the State associations firsthand information regarding the Commission's program, policies and procedure. It is expected that the State associations will in turn carry the local application of the plan back to their members through series of State and county meetings.

The dates and States which are represented at the first four meetings are as follows:

September 11 — Hotel Statler, Boston—Maine, New Hampshire, Vermont, Rhode Island, Massachusetts and Connecticut.

September 18 — Hotel Netherland-Plaza, Cincinnati—Ohio, Indiana, Kentucky and W. Virginia.

September 28 — Hotel Stevens, Chicago—Illinois, Wisconsin, Michigan, Minnesota, and North and South Dakota.

October 2—Kansas City, Missouri (hotel to be announced later)—Missouri, Kansas, Nebraska and Iowa.

The Georgia Bankers Association will hold its own State-wide meeting on small business credit September 4 at the Arslay Hotel, Atlanta, and has invited representatives of the ABA, Post-War Small Business Commission to take part.

Plans for other regional meetings are now under way. It is expected that the series, blanketing the entire country, will be completed by the end of October.

V-Loans For Reconversion Proposed By Eccles

Marriner S. Eccles, Chairman of the Federal Reserve System, proposed on Aug. 23 legislation to create a Government guarantee system for business loans, looking toward expansion of private enterprise in the post-war era, it was disclosed in an Associated Press dispatch from Washington on the same day, which also had the following to say about the program:

Such a program would extend into the reconversion period the "V Loan" system which has been used in financing war production. "The guaranteeing of such loans by the Reserve banks," Mr. Eccles told the House Banking Committee, "would not be competitive with the private banking system. A borrower would be expected to apply for such a loan through his usual banking connection. The bank would in turn make application to the Federal Reserve Bank of its district for the guarantee."

"It is contemplated that the guarantees by the Reserve banks under this authority would not exceed 90% of the amount of the credit, since any enterprise which has reasonable prospects of successful operation should be able to obtain financing in which its bank assumes at least 10% of the risk under the loan."

Such guarantees, under legislation proposed by Mr. Eccles, would be available for any types of loans made by financing institutions to business and industry on a short-term or long-term basis and to provide either working capital or facilities.

The Reserve Bank Chairman told the Committee:

"Numerous enterprises will not be able to resume peacetime operation without financial assistance, in many cases beyond that available from private sources upon terms which will meet the borrower's requirements."

"Some contractors, in order to avail themselves of a favorable opportunity for purchasing Government-owned facilities and inventory, may require a larger amount of credit than can be obtained upon terms customarily granted by banks. Such situations may occur before settlement of cancelled contracts as well as thereafter."

Eccles said the Federal Reserve System now is in position to guarantee such loans up to \$500,000,000 without any new appropriation from Congress.

Associated Press advices from Washington on Aug. 24 said that the Senate Banking Committee was told today that War Secretary Stimson, Contract Termination Director Robert H. Hinckley, and Bernard M. Baruch, Administration financial advisor, favor legislation authorizing Federal Reserve banks to guarantee loans to private business after the war.

Marriner S. Eccles read letters to the Committee from the three men urging approval of the measure.

Daniel W. Bell, Treasury Under-Secretary, wrote the Committee:

"The Treasury is of the opinion that the Federal Reserve banks, as a matter of long-range policy, should not be authorized to make business loans or guarantee such loans made by financing institutions."

"However, it is recognized that there cannot be too many outlets for credit during the period of reconversion of industry to a peacetime basis. Because of our desire to offer every inducement to industry, small as well as large, to shorten the reconversion period, the Treasury will interpose no objection to the proposed legislation."

Cotton Spinning For July

The Bureau of the Census announced on Aug. 21, that according to preliminary figures, 23,293,014 cotton spinning spindles were in place in the United States on July 31, 1944, of which 22,289,904 were operated at some time during the month, compared with 22,373,494 for June, 22,387,784 for May, 22,411,922 for April, 22,538,308 for March, and 22,667,376 for

Petroleum To East Coast By Pipeline At New High

The Petroleum Administration for War on Aug. 22 announced that pipeline movements of petroleum to the East Coast reached an all-time high during the week ended Aug. 5, when deliveries averaged 715,222 barrels per day. The previous record of 709,075 barrels daily was set for the week ended July 15. The record movement consisted of 438,286 barrels of crude oil and 276,936 barrels of refined products and represented movements from the Southwest and Middle West to the East Coast.

Pipeline Program Summarized

A summary of the pipeline program as of Aug. 1 revealed the following accomplishments, according to the PAW:

1. The total estimated program cost is now \$259,500,000, of which \$167,000,000 will have been financed by the Government, \$92,500,000 by private industry.

2. The total mileage of construction authorized is 8,535 miles, including 5,597 miles of new pipe and 2,938 miles of second-hand pipe.

3. Total construction completed as of Aug. 1 amounted to 7,901 miles, including 4,980 miles of new pipe and 2,921 miles of second-hand pipe. Of that total, 4,274 miles of pipe is for transport of crude oil and 3,627 miles for carrying refined products.

4. The direction of flow of 3,366 miles of existing pipelines was reversed and 44 additional miles are scheduled yet to be reversed.

5. A total of 436 miles of natural gas lines has been converted to oil service.

3. Mileage of all pipeline construction, reversals and conversions programmed as of Aug. 1 totaled 12,381. Of this amount, 11,703 miles have been completed.

WMC Announces Steps To Insure Manpower For "Must" Production

With the manpower problems confined to certain critical plants in certain areas, the War Manpower Commission announced on Aug. 19, that the following steps had been taken to insure manpower for "must" production:

1. Beginning this week and periodically hereafter, WMC headquarters will report to its regional directors specific names of firms highly urgent in the immediate war program that are behind schedule. These firms are to be given priority in all local action taken by regional, State and area directors.

2. A staff has been created by WMC headquarters with the special field assignment of working with regional offices in the application of ceiling programs and in following through on other action. It will be the responsibility of this staff not only to see that everything possible is done in the field to staff the "must" plants, but also to insure that prompt action is secured in Washington in connection with problems needing headquarters assistance. With A. A. Liverwright as Director, this staff will include Richard Lyman and Eugene Vinogradoff, of headquarters, and four regional men: John Thurston, Cleveland, Ohio, Region V; Chester Hepler, Chicago, Ill., Region VI; Henry LeBlanc, Dallas, Texas, Region X, and Frank Constangy, Atlanta, Ga., Region VII. The staff has been in training session in Washington this week and will begin operations in the field on Monday.

Each member of the special staff will be assigned to specific regions and after consultation with the regional director will be held responsible in conjunction with

Distribution As Important As Manufacturing Says NAM In Discussing Reconversion

There is danger in concentrating the current discussion of post-war conversion on the problems of production, according to the Committee on Distribution of the National Association of Manufacturers.

A special postwar supplement to the current NAM News, the weekly organ of the association, distributed on Aug. 21, calls attention to the judgment of the Board of Directors of the National Association of Manufacturers, in launching the Distribution Committee into a field heretofore untouched by the manufacturers.

"Distribution and production are equally important parts of manufacturing," the NAM Board formally resolved, "and the importance of distribution should be clearly and definitely recognized in the future work of the organization."

The work on which the NAM News publishes its current report, has led the Distribution Committee to a position which is stated as follows:

"Since manufacturing during the war has demonstrated its capacity to produce goods far in excess of any pre-war output, it seems self-evident that in the post-war years distribution will be confronted with the challenge of getting products to consumers on a larger scale than ever."

"Much attention has been directed at public purchasing power, but it is, public wanting power, stimulated by salesmanship and advertising that has nourished the tree of prosperity."

"From the employment viewpoint, it is evident when the pressure for war material is released, that a considerable share of our swollen industrial employment can be absorbed by distribution services in the normal peace-time

economy. For example, it is estimated that a plant now employing 6,000 people in war production could reduce its manufacturing personnel to 3,000 when it resumes washing machine production, yet at the same time provide a livelihood for an equal number of people beyond the shipping platform in the distribution and servicing of those washing machines."

The Chairman of NAM's Distribution Committee is Howard E. Blood, President of Norge Division, Borg-Warner Corporation of Detroit. The Vice-Chairmen are Harry A. Bullis, President, General Mills, Inc., of Minneapolis, and Charles J. Stilwell, President, Warner and Swasey Company of Cleveland.

Earnings Of Workers Up 1.6% In June, Says The Conference Board

Average weekly earnings of all wage earners in the 25 manufacturing industries regularly surveyed by the National Industrial Conference Board rose 1.6% from May to June to reach a new all-time peak of \$49.23. The Conference Board also said in its report of Aug. 30:

"This increase, which was accounted for by rises in both average hourly earnings and hours worked per week, marked an advance of \$18.62, or 60.8%, over average weekly earnings in manufacturing in January, 1941, the base month of the 'Little Steel' formula.

"Since the cost of living declined slightly in June, 'real' weekly earnings, which measure the quantities of goods and services that can be purchased with dollar weekly income, rose more than actual weekly earnings, or 1.7%.

"Key figures of the Conference Board's survey for June are as follows:

"Hourly earnings rose 0.6% to \$1.068 in June, highest on record for the 25 industries averages. This figure marks an increase of 40.7% since January, 1941, and a gain of 43.3% since August, 1939.

"Weekly earnings, at \$49.23, were 1.6% above the May average, 60.8% above that for January, 1941, and 80.4% higher than that of August, 1939.

"Real weekly earnings, rising 1.7% from May to June, were 32.4% higher than in January, 1941, and 45.0% above August, 1939.

"Hours worked per week on the average were 45.9 in June, an increase of 0.4 hour, or 0.9% since May. This marks a gain of 5.7 hours since January, 1941, and one of 8.0 hours since August, 1939. However, the prevailing work week was longer prior to March, 1930.

"Employment in the 25 industries declined 1.0% in June—the seventh consecutive monthly decrease. Employment was still 27.8% higher than in January, 1941, and 65.6% above that of August, 1939.

"Man hours declined very slightly in June, only 0.1%, but remained 46.0% above January, 1941, and 100.8% above August, 1939.

"Payrolls rose 0.6% from May to June despite the decline in employment. Since January, 1941, payrolls have risen 105.5%, and since August, 1939, 198.5%."

Ton-Miles Of Revenue Freight Up Slightly

The volume of freight traffic handled by Class I railroads in July, 1944, measured in revenue ton-miles, amounted to approximately 63,750,000 ton-miles, according to preliminary estimates based on reports just received by the Association of American Railroads from Class I railroads. In July, 1943, it was 63,742,367,000 ton-miles.

The Class I railroads in the first seven months of 1944 performed 4.6% more revenue ton-miles of service than in the same period of 1943, 25% more than in the same period of 1942, and 150% higher than in the first seven months in 1939.

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

Period—	1944	1943	Inc.
1st 5 mos. —	307,018,583	291,970,400	5.2%
Mo. of Jun. —	62,000,000	57,968,242	7.0%
Mo. of July —	63,750,000	63,742,367	0.0%
Total ..	432,768,583	413,681,009	4.6%

*Revised estimate. †Preliminary estimate.

representatives from the regional and State office for securing immediate action in regard to the special plants. Members of the field staff will be responsible for providing regional directors with a frank report regarding the situation in all areas contacted and, where necessary, will recommend additional action required to staff special plants.

Headquarters will also train and supervise a group of special recruitment crews, which will be sent into the field within the next two weeks to work with the regional, State and area staffs in accelerating the present clearance program.

WMC field offices have been instructed that all recruiting, placement and priority machinery must be geared to meet the needs of critical plants. All ceiling and other expanded manpower programs in the areas in which the "must" plants are located are to be shaped to meet these plants' needs.

Substantial Agreement Between Hull And Dewey On Peace Organization—'Non-Partisan Subject'

(Continued from first page)

these two respective views and their carrying out will depend on future developments."

The conversations between Secretary Hull and Mr. Dulles, which were begun at Washington Aug. 23 were a development of the statement by Gov. Dewey on Aug. 17 in which he set out his views as to an international organization to maintain peace, reference to which appeared in our issue of Aug. 24, page 811. Following the presentation of Gov. Dewey's views, Secretary Hull termed "utterly and completely unfounded" the concern of Mr. Dewey lest the Big Four Powers dominate the world by force.

In Associated Press advices from Washington Aug. 17 it was stated:

Later Mr. Hull let it be known he would "welcome" a conference with Mr. Dewey and any others "who come solely in a non-partisan spirit and with a will to . . . offer any feasible cooperation entirely free from personal political partisanship." The quotation was permitted several hours after it was made at an off-the-record news conference.

Mr. Hull met reporters informally shortly after issuing a statement in reply to the Republican Presidential nominee's assertion that the equality and rights of small nations must not be sacrificed to "cynical power politics."

The text of the [Hull] statement follows:

Governor Dewey can rest assured that the fears which he expressed in his statement are utterly and completely unfounded.

No arrangement such as described by him, which would involve a military alliance of the four major nations permanently to coerce the rest of the world is contemplated or has ever been contemplated by this Government, or, as far as we know, by any of the other governments.

In the Moscow declaration, the four nations placed themselves on record as advocating a "general international organization, based on the principle of sovereign equality of all peace-loving states and open to membership of all such states, large and small, for the maintenance of international peace and security"; this statement was embodied in the Connally resolution passed in the United States Senate by an overwhelming bipartisan vote of 85-5.

In accepting Secretary Hull's proposal for a conference, Governor Dewey addressed the following telegram to Mr. Hull, it was reported from Albany to the New York "Times" by Warren Moscow:

"I am happy to accept your proposal for consultation made at your press conference yesterday and to designate Mr. John Foster Dulles as my representative.

"Mr. Dulles, who is well known to you and to President Roosevelt, has given a lifetime of study and constructive action in the field of foreign affairs. I consider him one of the ablest of American authorities on international relations. He is fully acquainted with my views and has my complete personal confidence, which I am happy to say is shared by a number of members of the United States Senate of varying political views.

"In view especially of the progress of the war in Europe I am convinced that every effort to organize both temporarily and permanently for the establishment of lasting peace should be accelerated, and I am happy to extend my fullest cooperation to the end that the result should be wholly bipartisan and should have the united support of the American people.

"Mr. Dulles is prepared to come to Washington and be available regularly for conference and con-

sultation as soon as I receive your reply.

"THOMAS E. DEWEY."

Preliminary to his talks with the Secretary, Mr. Dulles on Aug. 22 sought the advice of two Republican members of the Senate foreign relations committee, Austin of Vermont and Vanderberg of Michigan, in morning conferences, said the Associated Press, which added:

"After the conferences Mr. Austin predicted there will be 'no party cleavage' over issues of peace and post-war security. Austin asserted: 'I'm strengthened in my opinion that the campaign for President and Vice President will not cast into the field of discussion any element of discord' based on partisan, selfish interests."

Mr. Austin said Republicans in the Senate, where opposition to the League of Nations after the last war blocked American participation, this time were in harmony."

From Washington Ahead Of The News

(Continued from first page)

But it seems that all of this had to have a direction, such as first Bill Knudsen and Sidney Hillman. Sidney's contribution was to see that no contracts for the uniforms of the armed forces went to anybody of whom he did not approve, which means nobody with whom his union did not have contracts. The politics of Washington were too much for kindly, efficient Bill Knudsen. In the ensuing agitation against and within this board of "direction of the American war effort," the current New Deal Vice Presidential candidate, Senator Truman, viewed with alarm.

After many, many months in this "direction of war production," Knudsen first went out, the victim of Washington politics, and then later out went Sidney Hillman.

Inasmuch as we have heard a lot about strikes holding up war production and being the cost of American lives, we have a right to assume that this inefficiency, this agitation against and within the Board which was directing America's great all-out industrial effort, also cost lives.

Donald Nelson, in the politics of Washington, finally came to take complete charge. We have been at war for nearly three years now, much longer than we were in the first World War. We have lost thousands in the Mediterranean and in the European campaigns, and in the Pacific, the latter of which is still apparently outside of our thinking.

Our successes, we are told, are due to the valor and courage of our boys, and to America's industrial output, the latter being an effort — indeed, everything — brought about under the direction of the greatest of all men, Mr. Roosevelt. Indeed, so great has been his greatest of all generalships, that some of our industrialists now think, and so do the parents of some boys, although they realize his nonsense on domestic policies, they should sustain him through our crisis — because he knows Stalin and Churchill, and to a secondary degree, Chiang Kai-shek, to whom he had better send some more support if he really wants to keep up the acquaintance.

It is a tremendous jolt to this picture to learn that the great war production agency which is responsible for America's production might, has been in a stew, and really of no good to anybody all this time.

We remember quite vividly, when in an effort to save Donald Nelson's face, Charles E. Wilson,

of General Electric, was brought into this direction of the war production effort. Ever since then the Washington correspondents have assumed that Wilson was really head of this "direction of the war effort." Indeed, we have been told that whereas America's industrial might was not "mighting" quite as it should before Wilson, it was really "mighting" after him, and the plain suggestion was that without this mighty directing effort on the part of Mr. Roosevelt's arrangement, our industrial effort would not be as mighty as it might.

You can imagine what a shock it is for one such as myself, who had perfect confidence in this whole directive effort of Mr. Roosevelt's, to learn that Charlie and Donald are fighting, and then to see them blow up completely. The fact is that they have been feuding ever since Wilson has been in the WPB, and just how this has helped America's mighty production effort we fail to see.

But quick action is finally taken by the Indispensable Man. He is quick to perceive. He finally gets rid of both Nelson and Wilson, and puts in their place, Lt. Commander J. A. Krug, 36 years old, and one of the original Knudsen-Hillman feuders. Young Krug is anti-"power trust" and anti a lot of other "things capitalistic." We are warned, however, not to make him too "radical." Men who have talked with him and who worked with him, before the draft caught him and he had to become a naval officer, say he is a "moderate." He is now head, not, insofar as we know, ever having "met a payroll" of our "direction of the war production effort," and more important, of the reconversion program. Ye Gawds!

Christmas Mail For Armed Forces Overseas

Postmaster Albert Goldman announces that arrangements are being made for the acceptance of Christmas parcels for our armed forces overseas and desires at this time to remind the public of the necessity of giving the matter some attention so as to assist the Post Office in the expeditious handling of the tremendous volume of parcels expected to be received between Sept. 15 and Oct. 15.

The term "armed forces overseas" includes the personnel of our armed forces who receive their mail through an APO or Fleet post office in care of the Postmaster at New York, N. Y.; San Francisco, Calif.; New Orleans, La., or Seattle, Wash., or an APO in care of the Postmaster at Miami, Fla.; Presque Isle, Me., or Minneapolis, Minn., or through a naval installation or station in care of the Postmaster at Seattle.

The War Department advises that Christmas greeting cards for soldiers overseas must be sent in sealed envelopes and prepaid at the first-class rate.

No requests from the addressees are required in connection with Christmas parcels mailed to Army personnel during this period only. Patrons should endorse each gift parcel "Christmas Parcel." Special effort will be made to effect delivery of all Christmas parcels mailed during that period in time for Christmas.

In view of the urgent need for shipping space to transport materials directly essential to the war effort, Christmas parcels shall not exceed the present limits of five pounds in weight or 15 inches in length or 36 inches in length and girth combined. Not more than one Christmas parcel or package shall be accepted for mailing in any one week when sent by or on behalf of the same person or concern to or for the same addressee.

Owing to the great distance this mail must be transported and the handling and any storage it must undergo, it is absolutely necessary that all articles be packed in

boxes of metal, wood, solid fiberboard or strong double-faced fiberboard reinforced with strong gummed paper tape, or tied with strong twine or both. It is highly desirable that all fibreboard boxes be securely wrapped in heavy paper, if available, as experience has shown that boxes without an outer wrapper often become crushed or split, thus allowing the contents to escape. Furthermore, as each parcel is subject to censorship, delay in handling may be minimized by securing the covering of the parcel so as to permit ready inspection of the contents.

When combination packages are made up, including miscellaneous toilet articles, hard candies, soaps, etc., the contents should be tightly packed, in order that the several articles may not be loosened in transit, damaging the contents or the covering of the parcels.

Perishable matter will not be accepted and the sending of fragile articles is to be discouraged.

Intoxicants, inflammable materials, including matches of all kinds and lighter fluids and poisons, or compositions which may kill or injure another, or damage the mails, are unmailable.

Addressee must be legible, in typewriting or ink. Copies of sales slips of retail stores should not be used as address labels. The complete address should also be shown on a sheet of paper inside the parcel in order to permit identification of the addressee in the event the outer wrapper becomes torn, mutilated, or destroyed in transit. Parcels addressed to overseas Army personnel should show in addition to the name and address of the sender, the name, rank, Army serial number, branch of service, organization, APO number of the addressee, and the post office through which the parcels are to be routed.

Parcels for Navy personnel, including Marine Corps and Coast Guard should show, in addition to the name and address of the sender, the name, rank, or rating of the addressee and the Naval unit to which he is assigned with the Navy number assigned thereto, or name of the ship and Fleet post office through which the parcels are to be routed.

Mail for Coast Guard personnel should be addressed the same as other Naval personnel except that the words "U. S. Coast Guard" should be used in place of "U. S. Navy" after the man's name.

Postage must be fully prepaid, the rate on parcels of fourth-class matter (that is, parcels exceeding eight ounces) being the zone rate applicable from the post office where mailed to the post office in care of which the parcels are addressed. The third-class rate of 1½ cents for each two ounces applies to packages not exceeding eight ounces, except in the case of books, on which the rate is one cent for each two ounces. The third-class rate of 1½ cents for each two ounces or fraction thereof is also applicable to unsealed greeting cards, addressed to other than Army personnel, provided they bear no unpermissible written additions. It is suggested, however, that they be mailed as first-class matter since in that event they will be returned, if undeliverable, provided they bear a return card. Parcels containing only books conforming to the requirements prescribed therefor are acceptable at the special rate of three cents a pound, plus one cent on each parcel, the limit of weight being five pounds.

In addition to the name and address of the sender, which is required, inscriptions such as "Merry Christmas," "Please do not open until Christmas," "Happy New Year," "With best wishes," and the like, may be placed on the covering of the parcel in such manner as not to interfere with the address or on a card inclosed therewith. Books may bear simple dedicatory inscriptions not of a nature of personal correspondence. Stickers or labels resembling

postage stamps are not permissible on the outside of parcels.

No matter addressed to members of the Army or other persons receiving mail through APO's overseas shall be accepted as insured or c.o.d. mail. Letters or packages containing money or other articles of value will be refused registration, but letters containing valuable or important papers may be registered. These restrictions do not apply to official shipments, shipments to military agencies overseas, or to mail from APO's.

Mail for personnel of the Navy, Marine Corps or Coast Guard may be accepted for registration or insurance if it conforms to existing requirements as to weight, size and other prescribed conditions, and mailers are advised to register or insure Christmas gifts of more than ordinary value addressed to personnel of the Navy, Marine Corps or Coast Guard.

Mr. Goldman recommends the use of domestic postal money orders to transmit gifts of money to members of the armed forces outside the continental United States. With reference to cash remittances, patrons are informed that at many places where such forces are stationed there is a local prohibition against the importation of U. S. money and it cannot be used if received. However, domestic postal money orders can be cashed at APO's wherever they are located, and they are paid in local foreign currency at the rate of exchange in effect on the date the orders are presented.

Christmas mail for members of the Merchant Marine should also be mailed between Sept. 15, 1944 and Oct. 15, 1944, if delivery by Dec. 25, 1944 is desired. Parcels for such persons cannot be registered or insured, and there is no money order service available to this branch of the service.

The only way to insure against disappointment for the fighting men is to buy at once and mail early—gifts should be mailed as soon as possible after the Sept. 15 starting date.

Death of C. H. Cooke Of Bank Of Hawaii

Clarence H. Cooke, Chairman of the Board of the Bank of Hawaii and President of the Cooke Trust Co., died on Aug. 23, it was announced in Associated Press advices from Honolulu, which also said:

He was 68 years old. Mr. Cooke's father founded the Bank of Hawaii, and other members of the family founded Castle & Cooke, a leading Hawaiian business concern. Mr. Cooke, who attended Yale University, also was a director or Vice-President of several sugar plantations and trust companies.

French 'Invasion Currency' Deflating, Not Inflating Prices, Says Morgenthau

On Aug. 24, Secretary of the Treasury Henry Morgenthau, Jr., made it plain that "invasion currency" does not threaten France with inflation; very much to the contrary, the prices in France have been steadily dropping since the invasion.

United Press Washington advices quote the Secretary as saying that "the American troops are only spending 10% of their pay in occupied France," and he continued by telling the press at his first such conference since he returned from Normandy that "the French, who were concerned that the arrival of American troops might cause inflation, are now complaining that they are not spending enough money."

He also added that "de Gaulle money," which "invasion currency" in France is now called, is preferred by most French nationals rather than Bank of France bills.

Agricultural Dept. Report On Crops As Of Aug. 1

The United States Department of Agriculture, at Washington, on Aug. 10, issued its general crop report as of Aug. 1, which we give in part below:

Although national prospects for corn, hay, potatoes and some other crops declined during July as a result of drought or near-drought conditions in a large east central area, growing conditions in most other areas were favorable and aggregate crop production in the United States now seems likely to exceed production last year by 2 or 3% and to exceed production in any previous year except 1942. Crop prospects are particularly favorable north and west of a line from Chicago to El Paso. As in 1930, the drought area this year centers in Kentucky and Tennessee, and in parts of those States conditions on Aug. 1 seemed fully as serious as at the same season in 1930, with early corn and gardens ruined, pastures brown and serious local shortages of feed and forage in prospect. Dry weather has also reduced or threatened late crops in a much larger area extending into the Eastern Corn Belt States, Missouri, Arkansas, parts of Texas, and the northern portions of the States from Louisiana to Georgia. Prior to the rains of early August drought was also affecting crops from Virginia northward to southern New England. The present drought, however, followed a period of wet weather and did not materially reduce the yields of small grains or early hay; and in most sections cotton, corn, soybeans, and tobacco could still make nearly full recovery. The drought is, therefore, causing heavy loss to many individual farmers, particularly some livestock producers, but has not yet materially affected crop prospects in the country as a whole.

Wheat was hurt by rust in Nebraska and by wet weather at harvest time in Kansas, but July weather was unusually favorable for spring wheat in Minnesota and North Dakota and the wheat crop is now estimated at 1,132,000,000 bushels which would be 12% above production in any past year. This year even the former "Dust Bowl" counties report wheat yields averaging nearly 19 bushels per acre and the United States average of 18.6 bushels per acre has been exceeded only once—in 1942. Corn prospects declined sharply during July in the eastern Corn Belt and in other areas pinched by drought; but in Kansas, Nebraska, and South Dakota corn is now expected to produce nearly twice the average yield per acre secured during the 1933-42 period, which includes the drought years. Total corn production is now estimated at 2,929,000,000 bushels which would be a large crop although it would be below production in 1943, 1942, 1932 and a few earlier seasons. Late-planted oats were reduced somewhat by drought in the Eastern Corn Belt and by rust in Nebraska and Kansas but these reductions were offset by favorable weather in Wisconsin, Minnesota and North Dakota. The crop is now estimated at 1,188,000,000 bushels, which would be close to the usual production excluding drought seasons. The quantity of sorghums harvested for grain this season now seems likely to be about 147,000,000 bushels which would be a third more than in any past year. Adding together the expected crops of corn, oats, barley and grain sorghums the indicated production of these feed grains totals 112 million tons, somewhat below the production of 115 million tons last year and far below the record production of 123 million tons in 1942 but a total exceeded only once in earlier years. Hay production is estimated at 97 million tons. This would be a large crop but it would provide a smaller supply per unit of livestock than has been available in any of the last six years and in

much of the drought area local shortages and present prices will necessitate some adjustments in the number of cattle kept on individual farms. The reported condition of pastures dropped sharply during July in the drought area and in portions of surrounding States but continued high quite generally from southern Oklahoma and southern Iowa northward. Ranges are reported in somewhat below average condition in the Pacific Coast States and Arizona, about average in Texas and New Mexico, and much above average in other Western States.

Estimates for food crops include near-record production of rice, beans, dry peas, fruits, vegetables for processing, and truck crops for market but only moderate crops of potatoes and sweetpotatoes. The first cotton estimate of the season pointed to a high yield per acre as the dry weather held the boll weevil in check. Tobacco improved during July and the prospective crop of 1,615 million pounds is one-sixth above average. On Aug. 1, however, late tobacco needed rain in several important States.

Fruit crops made good progress during July and the aggregate tonnage of the eight major deciduous fruits in prospect for 1944 is now indicated at 3% greater than on July 1—21% greater than in 1943, 4% greater than in 1942 and 9% greater than the 10-year (1933-42) average production. Prospective commercial apple production increased 3% during July with prospects showing improvement in the major States of Washington, New York and Virginia. Peaches are the third largest crop of record with California Clingstones and Freestones both the largest crops since 1930. Grape production prospects improved in July and total tonnage is now indicated to be 8% less than in 1943 record crop but 15% greater than average. Pears are about an average crop.

Conditions on Aug. 1 were above average for oranges, grapefruit, lemons, and tangerines in all States. Present condition indicates an aggregate tonnage of citrus fruit from the bloom of 1944 as large or larger than the record 1943-44 production (from the bloom of 1943).

The total prospective fruit supply (citrus and deciduous combined) for the 1944-45 season is 10 to 15% greater than production for the 1943-44 season.

Truck Crops for Fresh Market

The prospective aggregate tonnage of commercial truck crops for the fresh market in 1944 remains at about the level indicated on July 1—approximately one-fifth above that of 1943 and also one-fifth above the 1933-42 average. The total indicated tonnage showed little change from July 1 to Aug. 1, despite unfavorable weather in much of the eastern part of the country which reduced prospective supplies of a number of summer crops. It now appears that production of cabbage, celery, cucumbers, honeydew melons, lettuce, onions and watermelons, for the entire 1944 season, will exceed July 1 expectations by approximately the amount other crops were reduced. If present prospects are realized, the aggregate tonnage this year will exceed the 1942 record of just above 7 million tons by approximately 12%.

Weather during the last half of July was generally unfavorable for summer-season truck crops except in the Mountain States. In most commercial vegetable areas east of the Rockies and in Washington and Oregon on the Pacific Coast, the dryness of early July, which in some areas had

reached drought proportions, was further intensified by continuous clear skies and high temperatures through the last half of the month. Precipitation was confined to local areas except in Illinois and Oklahoma where rains were general July 25-27. In contrast, conditions in the Mountain States were quite favorable, with warm weather accelerating growth of late crops. California weather was too cool for normal development and crops were further delayed.

Truck Crops for Commercial Processing

On Aug. 1 the indicated total tonnage of four important processing crops—green peas, snap beans, sweet corn, and tomatoes—exceeded the aggregate production of these crops in 1943 by 13%. Last year, these four crops constituted almost 90% of the total production of 11 vegetables for which estimates are made.

A production of 3,209,100 tons of tomatoes for processing is indicated by reports received from canners and manufacturers of tomato products. This tonnage exceeds the 1943 estimated production of 2,659,100 tons by about 21%. The Aug. 1 indicated production of sweet corn for processing is 1,221,200 tons.

Production prospects for snap beans were less favorable on Aug. 1 than they were on July 1 and 258,800 tons were forecast. This is 6% less tonnage than was expected 30 days earlier in the season—but it still comes close to the record-high 1943 production of 261,900 tons. The last indicated 1944 production on green peas for processing, based on July 15 conditions, is 402,940 tons. This comes within 2% of the 1943 production of 410,670 tons.

Hot, dry weather in sections of the United States where cucumbers are an important crop for pickling purposes has been unfavorable for the growth and development this year. But green lima beans for canning and freezing, beets for canning, and cabbage for kraut escaped serious injury in July and the Aug. 1 conditions of these crops were somewhat better than in 1943 on the corresponding date.

Corn

Despite a slight decline in yield prospects during July, one of the larger corn crops was still in prospect on Aug. 1. Production is indicated at 2,929,117,000 bushels, a decline of 51 million bushels or 2% from the July forecast. If realized, this crop would be 147 million bushels or about 5% below the large 1943 crop, and 202 million or 6% below the record 1942 production. With the exception of these two years and 1932, which is closely approximated, this would be the largest corn crop since 1920. The average yield of 30.0 bushels per harvested acre, compares with 30.6 indicated July 1 this year, 32.5 in 1943, and the average of 25.8 bushels.

In a droughty area extending from portions of Ohio River Valley States in a southwesterly direction across Kentucky, Tennessee, and Arkansas, parts of Missouri, Georgia, Alabama, Mississippi, and Louisiana into east Texas, serious deterioration of corn prospects occurred during July. Also in a smaller coastal area from Massachusetts to Virginia lower yields are in prospect than a month earlier. In sections adjacent to the chief drought area and in southern Minnesota and much of Iowa, prospects were poor to fair, but improving as the result of more favorable weather in late July. In most other sections prospects were good to excellent.

Planted under difficulties of weather and flood, and with varying degrees of delay, the 1944 corn crop has continued to show a wide range in progress; with much of the acreage late. This late planted acreage has not overcome the handicap of its late start and will need at least a normal growing season to reach maturity; an early

frost remains a distinct threat. Even in the South the acreage of late corn is greater than usual. Inasmuch as the droughty situation developed at different times in various States the corn situation varies, but for the most part the late corn in the South has made improvement with recent rains. Stands are mostly good and fields have been fairly well cultivated.

Corn Belt prospects, as a whole, changed very little during July. Improvement in Iowa, South Dakota, Nebraska, and Kansas more than offset deterioration because of the unfavorable conditions in Ohio, Indiana, and Illinois. Prospects in Wisconsin, Minnesota, and Missouri showed no change. With normal conditions in the next few weeks the prospect in west North Central States seems likely to be maintained, for there is a good reserve of subsoil moisture. The eastern portion must have good rains to check further deterioration. Insects, including chinch bugs, wire worms, and corn borers, must be reckoned with there also. Stands are uneven in height, but mostly below average. Small portions of the acreage have been cut for forage to supplement dry pastures. All these factors have been considered in the current estimates.

Corn made good progress in most of the North Atlantic region, with the exception of the dry coastal portions of New England, New Jersey and eastern Pennsylvania. Yield prospects improved in New York and western Pennsylvania. Sharp deterioration of corn has resulted from hot, dry weather in central east coast States. In contrast, the situation in the Carolinas and southward improved and with it yield prospects improved or remained unchanged. In South Central States there was sharp deterioration, owing to the droughty condition prevailing through most of July and more rain will be needed in August to maintain prospects even at the present poor level. The exception in this area is found in most of Oklahoma and North Texas, where prospects improved in July.

Improvement occurred in most Western States, though the small Washington and Oregon acreages are not as promising as either a month ago or last year. Irrigated fields are amply supplied with water. The greatest improvement in the West was in Colorado which has more than half the acreage of the region.

Wheat

The indicated production of all wheat as of Aug. 1 is 1,132,105,000 bushels, maintaining this year's crop as the largest United States wheat crop on record. The decline from July 1 in winter wheat production is a little more than offset by the increase in spring wheat—netting an increase in all wheat of 4 million bushels. The record 1944 production is 35% above last year's crop of 836,298,000 bushels, and 49% above the 10-year average of 760 million bushels.

Winter Wheat production based on Aug. 1 conditions and harvesting returns is indicated at 786,124,000 bushels, the second highest of record and nearly 50% above last year. During July black stem rust appeared in the central to northern Great Plains States, and spread rapidly, favored by the dense growth of wheat, ample moisture and high temperatures. Winter wheat prospects were lowered in Nebraska, South Dakota, Colorado and Wyoming. Harvesting has been completed in Texas and most of Oklahoma and was too far advanced in Kansas for the rust to cause much damage. Rains delayed harvesting and caused some lodging in western Kansas and parts of Colorado and to some extent in the Parkman sections of Texas and Oklahoma. In Minnesota winter wheat was too far advanced when stem rust developed for it to cause much

damage, and its northward spread had not reached Montana wheat fields until after the crop was harvested. Even though there was a long lack of rain in July in the Washington, Oregon, Idaho area, winter wheat yields held up well because of the earlier rains and the general advancement of the crop.

The yield per acre of winter wheat, indicated at 18.8 bushels, is a near record, having been exceeded only by the 19.7 bushels in 1942 and 19.0 bushels in 1931. Yields by States were equal to or above last year except in Nebraska, Colorado, Iowa, and Minnesota.

All Spring wheat on Aug. 1 was indicated at 345,981,000 bushels, compared with 334,736,000 bushels a month earlier, 306,692,000 bushels in 1943 and the 1933-42 average of 189,524,000 bushels. In the main spring wheat area comprising the Dakotas, Minnesota, Montana, and Washington, which will produce about 95% of all spring wheat in 1944, the weather has continued favorable, although it now appears that yields will not equal those of 1943. The increase in 1944 production compared with 1943 is due to a larger planted acreage.

Durum wheat production is indicated at 36,690,000 bushels on Aug. 1, compared with 36,051,000 bushels on July 1 with 36,204,000 bushels in 1943 and the average of 27,413,000 bushels. An average yield per harvested acre of 16.5 bushels for durum wheat was indicated on Aug. 1, compared with 16.3 bushels a month earlier, 17.0 bushels for the 1943 crop and the average of 11.2 bushels. Yields of durum wheat improved during July in Minnesota and North Dakota but declined slightly in South Dakota due mainly to July damage from rust.

Other spring wheat production on Aug. 1 was indicated at 309,291,000 bushels, compared with 298,685,000 bushels a month ago, 270,488,000 bushels in 1943 and the average of 162,112,000 bushels. For other spring wheat the Aug. 1 indicated yield of 18.4 bushels compares with 17.8 bushels on July 1, with 18.7 bushels for 1943, and the average of 12.4 bushels.

Harvest of spring wheat in the Eastern, Southern, and Central producing States was mostly completed by Aug. 1, but there was still a considerably large acreage left to be harvested in the important producing Northern Great Plains, and Northern Rocky Mountain States. Spring wheat has not suffered any material damage from rust, but it is too early to judge whether or not some late acreage in the northern sections of the spring wheat area will become infected.

Wheat production by classes shows the greatest increase over last year to be in hard red winter wheat of which the indicated production is 486 million bushels. Soft red winter is next in gain over last year, with production estimated at 233 million bushels. Hard red spring at 271 million bushels shows the most increase over last month of any class; hard red winter declined, while other classes made little change from a month ago.

Oats

Prospects for oats increased slightly during July. Oats production in 1944 is now estimated at 1,187,809,000 bushels, about 4% more than the 1943 crop of 1,143,867,000 bushels and 16% more than the 10-year (1933-42) average production. Hot, dry weather during July in an area extending south and west from Ohio and Kentucky did not give the relatively late planted 1944 oats crop, much of which was planted ten days to three weeks later than usual, an opportunity to mature properly. Reduced yields from July 1 prospects in this area were offset by favorable conditions in most of the spring wheat area. In Nebraska and to a lesser extent in neighboring States, yields of

oats were seriously reduced by black stem rust. While 1944 yields of oats for the country as a whole do not differ significantly from yields obtained in 1943, the acreage is 3% greater. Larger crops than harvested last year are indicated for much of the deficit feed area of the east. These increases are counterbalanced by important decreases in the States of Iowa, Missouri, Nebraska, and Kansas.

Barley

Based on Aug. 1 conditions the indicated 1944 production of barley is 293,703,000 bushels. This is 9% below the 1943 crop of 322,187,000 bushels but 15% more than the 1933-42 average of 256,350,000 bushels. The indicated yield per acre on Aug. 1 is 23.2 bushels per acre, representing a drop of 0.6 bushels since July 1 of this year. However, the Aug. 1 yield is almost 1½ bushels above last year and 1½ bushels above average.

The progress of the crop varied considerably during July with some of the important States, notably Minnesota and South Dakota, showing Aug. 1 yields 5 and 4.5 bushels, respectively, below those indicated a month ago. Rusts of various kinds, blight, root-rot and scab took a heavy toll in most of South Dakota and parts of Minnesota. On the other hand yield prospects in North Dakota, the leading producing State, improved about 1 bushel per acre from July to Aug. 1. Disease was present in North Dakota but the crop matured before substantial damage occurred. Prospects also improved during July in Kansas, Colorado, and California. In the Western States some improvement during July is evident, but in most of the other producing States Aug. 1 yield prospects are below July 1.

Rye

Rye crop prospects declined during July. The Aug. 1 estimate indicates a crop of 27,565,000 bushels this year, which compares with the July 1 estimate of 29,362,000 bushels. The crop in prospect is about 10% below 1943 production and 32% below the ten-year (1933-42) production.

Harvest is practically completed in all producing States and the yield per acre is estimated at 11.9 bushels, which compares with 12.6 bushels indicated on July 1 and 11.7 bushels, the ten-year average. The decrease from last month occurred in the North Central States and was mainly due to unfavorable weather, particularly at harvest time. Yields in other sections of the country showed a slight improvement over the July 1 estimate, but not enough to offset the decrease in the North Central section, which has about 70% of the country's 1944 rye acreage.

South Dakota, which has 17% of the rye acreage, showed a drop in yield per acre from 14.0 bushels on July 1 to 11.5 bushels on Aug. 1.

Potatoes

The prospective potato crop was reduced about 14,000,000 bushels in July by hot, dry weather that prevailed in eastern and middle western areas and by leaf hopper injury in local areas west of the Mississippi River. Total prospective production is now placed at 385,295,000 bushels, compared with 464,656,000 bushels in 1943 and the ten-year (1933-42) average of 362,912,000 bushels. The indicated yield per acre is 127.9 bushels, compared with 139.9 bushels in 1943 and the ten-year average of 120.1 bushels.

In the 30 late-crop States, yield prospects are somewhat variable but are above average in all except New York, Pennsylvania, West Virginia, Ohio, Indiana, Illinois, and Iowa. Production in the 30 late States is indicated to be 308,724,000 bushels, compared with 363,543,000 bushels in 1943 and the ten-year average of 288,276,000 bushels. Prospects in this group declined about 9,000,000 bushels during July. Damage in the late

States was most severe on the earlier acreage from which shipments usually begin in late July or in August. Yields were curtailed drastically on Long Island, in local areas of the mid-western States and in the commercial early areas of Nebraska. These losses were partially offset by increases in Maine, Idaho, Wyoming, Utah, Nevada, California and Arizona. The present outlook in Aroostook County, Maine, is for an above-average yield per acre. The Aroostook crop received adequate rains in late July and present conditions are favorable for growth. The crop in most of the 18 surplus late States is making good progress, although some of the acreage was planted later than usual and will require good growing weather until October to produce good yields.

In the seven intermediate States the crop is very light. Adverse growing conditions have prevailed in this group most of the season and yield per acre is 27% below average. Hot, dry weather caused a further loss of nearly 5,000,000 bushels during July and production for the seven States is now indicated to be only 22,392,000 bushels, compared with 34,774,000 bushels in 1943 and the ten-year average of 31,444,000 bushels. New Jersey, Virginia and Kentucky had the most severe losses during July.

In the early States, where harvesting of the early commercial crop is virtually complete, total production prospects for the group are about the same as on July 1. Decreases in Georgia and Tennessee were about offset by increases in North Carolina and Texas. Production in the early States is placed at 54,179,000 bushels, compared with 66,339,000 bushels in 1943 and the ten-year average of 43,191,000 bushels.

September Petroleum Output Set At New High

Harold L. Ickes, Petroleum Administrator for War, on Aug. 20 announced that a production rate of 5,051,300 barrels daily of all petroleum liquids had been certified to the various oil-producing States for September, 1944. This is the first time in the history of the petroleum industry that a production rate of all petroleum liquids in excess of 5,000,000 barrels daily has been certified. The September certified figure represents a net increase of 105,900 barrels daily over the rate certified for August production.

Administrator Ickes said that the rate authorized for the Eastern States has been increased slightly—from 68,400 barrels daily in August to 71,300 barrels a day in September. In the Midwestern States the September rate calls for 976,400 barrels daily, a net increase of 11,600 barrels daily, attributable to recently discovered reserves in Kentucky and Oklahoma.

The authorized rate for the Rocky Mountain States remains practically unchanged, but California's production rate is increased to 936,700 barrels a day, 19,600 barrels daily more than that for August, the greater share of the increase to come from developed reserves.

The authorized rate for the Southwestern States is 2,931,400 barrels a day, an increase of 71,400 barrels daily, of which Texas will account for 66,000 barrels daily.

Commenting on the increased rates certified for California and Texas, Ralph K. Davies, Deputy Petroleum Administrator, said:

"The urgency of military requirements has made it necessary to certify, as a matter of war necessity, a rate of production for California and Texas during September, which, in the technical opinion of the Petroleum Administration for War, may well result in exceeding the maximum ef-

Romania Breaks With Nazis; Joins With Allies

King Michael of Romania in a broadcast announced on Aug. 23 that Romania was switching from the Axis to the Allied side of the war, according to Associated Press dispatches from London on Aug. 24, which also had the following to say regarding the unconditional surrender of Romania.

Acceptance of armistice terms offered by the Soviet Union, Great Britain and the United States was announced in a proclamation broadcast from Bucharest.

The early morning broadcast Russian communique told of clashes on Romanian soil between the Romanians, ordered by King Michael to cease hostilities against the Red Army, and the Germans. Romanian prisoners were quoted as saying that the Germans were firing on the Romanians and blocking their withdrawal.

"A large number of Romanian officers and men have thus been killed," said the communique, "in armed clashes between the retreating Romanian detachments and German frontier detachments in several places."

A proclamation by 22-year-old King Michael, read over the Bucharest radio, said all hostilities against the Red Army, as well as Romania's state of war with Britain and America, would cease "from this moment." Russian armies were stabbing into Romania to within 167 miles of Bucharest and threatening the Ploesti oil fields as the announcement went on the air.

The text of the King's proclamation, as recorded by the British Ministry of Information, follows: "Romanians! In the difficult hour of our country I have decided for the salvation of the fatherland on immediate cessation of hostilities with the United Nations, and I call upon the government of the national union to fulfill the determined will of the country, to conclude peace with the United Nations."

"Romania has accepted armistice terms offered by the Soviet Union, Great Britain and the United States."

"From this moment all hostilities against Soviet armies and the state of war with Great Britain and the United States will cease. The United Nations have guaranteed the independence of Romania."

"Any one who opposes the decision we have taken and who takes justice in his own hands is an enemy of our nation. I order the army and the whole nation to fight with all means and at the cost of any sacrifice against him."

"All Romanians must rally around the throne and the government; he who does not assist the government and resists the will of the nation is a traitor to the country."

"The United Nations have recognized the injustice of the dictate of Vienna under which Transylvania was torn from us."

"At the side of the Allied army and with their help we will cross the frontiers unjustly imposed upon us at Vienna."

Romania, with a population of approximately 13,000,000, joined the Axis in November, 1940, and followed Germany into war against Russia on June 22, 1941. Six months later she entered a state of war with the United States and Britain.

Her collaboration with Germany—and the contribution of hundreds of thousands of troops in the fight against Russia—was done under the hand of a dictator, Marshal Ion Antonescu.

His fate is now undisclosed, but

efficient rates of production for some fields in those States.

"In view of the fact that military demands still are higher than had previously been expected and that domestic production has reached peak efficient levels, it is imperative that civilian consumption be maintained at the absolute minimum required to carry on essential civilian activities at maximum efficiency, for the petroleum requirements of the armed forces must and shall be met."

his government passed into the hands of a new premier, Konstantin Sanatescu. The Bucharest radio said the Foreign Minister of the new cabinet was Grigore Niculescu-Buzesti and that cabinet posts had been given to George Bratianu and Juliu Maniu, veteran leader of the Peasant party.

The new Premier issued a proclamation declaring, "The dictatorial regime hitherto, by permanently violating the will of the country, has by its policy endangered Romania's existence. Today the dictatorship has been cast aside. The people reenter into their own rights. The regime which we shall follow will be a democratic one in which public freedom and the rights of citizens will be guaranteed and respected. . . ."

"Our withdrawal from the war fought at the side of the tripartite (Axis) powers and the cessation of hostilities against the Soviet Union are definitely intended to prevent certain and true national catastrophe. From today onward, Romania considers the United Nations as friendly nations . . . henceforth we mean to be masters of our destiny."

OPA Review Board For Maximum Price & Rent

Price Administrator Chester Bowles announced on Aug. 28 details of the creation of boards of review in the Office of Price Administration that will consider protests to maximum price and rent regulations and orders and make recommendations to him concerning the protests.

Establishment of these boards of review is required under the Stabilization Extension Act, which provides that a person filing a protest after Sept. 1, 1944, may have his objections considered by such a board before denial of the protest in whole or in part.

In announcing the methods by which these boards will be set up and will operate, Mr. Bowles said:

"When a protestant requests it, these new boards will fully consider all information presented and will also hear oral arguments supporting the protest where that is requested. I believe that this will help us in handling protests and will assure that our final decisions will be based on thorough knowledge of all the facts."

Details of the board's appointment and procedure in handling protests are contained in amendments to Revised Procedural Regulations Nos. 1 and 3, which regulate the protest procedure in price and rent matters, respectively.

Important points covered by the amendments include these:

1. The personnel of the boards will be appointed in individual cases from the officers and employees of OPA and the protestant will be informed of the member or members to consider his protest. Where more than one person is appointed on a board, one member will ordinarily be a person who is directly responsible for the formulation or administration of the regulation or order being protested.

2. The scope and complexity of each case will determine the number of members to compose each board.

3. Consideration by the board will take place after the protestant has submitted his full case and after all material in support of the regulation has been received.

4. If he chooses, the protestant may make oral argument before the board on the basis of this material.

5. The protestant may request

oral hearing either in Washington, D. C., or at some other location more convenient to him. Hearings by a board consisting of more than one person will ordinarily be in Washington, D. C. Hearings at some other location will ordinarily be before a subcommittee consisting of one member of the board. The protestant is to be notified of all details in this connection in ample time to allow him to present his argument.

6. If a protestant desires that his protest be considered by a board, he is required to make a request for board action either at the time he files his protest or at any time no later than 15 days after the protest is filed.

7. After the board has considered the protest, it will submit its recommendations to Mr. Bowles. These recommendations will be furnished to the protestant at the time he receives the final opinion in the case. If any recommendation of the board is rejected, the final opinion will state in full the reasons for rejection.

Except for the fact that a formal objection may now be considered by a board of review, the general procedure for making protests remains the same as it has been since the Price Control Act was enacted in January, 1942, provided that protests could be made as a means of expressing formal objection to maximum price and rent regulations and orders.

A person who wishes to secure judicial review of a regulation or order in the Emergency Court of Appeals must ordinarily first file his protest with OPA. If the protest is denied in whole or in part, the protestant may then obtain judicial review of the validity of the regulation in this court.

(Amendment No. 9 to Revised Procedural Regulation No. 1—Procedure for the Issuance, Adjustment, Amendment, Protest and Interpretation of Maximum Price Regulations—effective Sept. 1, 1944; and Amendment No. 9 to Revised Procedural Regulation No. 3—Procedure for Adjustments, Amendments, Protests and Interpretations under Rent Regulations—effective Sept. 1, 1944.)

War Housing Now Totals Over 1 3/4 Million Units

John B. Blandford, Jr., the Administrator of the National Housing Agency, announced on Aug. 12 that war housing—completed or under construction since the summer of 1940—now totals over 1¼ million units, which will house approximately 5,600,000 members of war workers' families. He further said:

"Total completions," he said, "now amount to 1,627,290 units, of which 889,625 accommodations have been done through private financing and 737,665 completed by public financing. All but a few of the privately financed units are of the family type, while the publicly financed accommodations comprise 522,490 for families, 160,430 dormitory units and 54,745 stop-gap units, which include both trailers and portable shelter units."

"Units under construction with private financing amount to 72,840. An additional 71,306 were scheduled to get under way as of June 30, of which 57,334 are new and 13,972 are by conversion of existing structures. On the same date, 54,028 public units of varied types were under construction and 15,995 more were to be started, of which 6,356 will be new units, 3,161 stop-gap shelter accommodations and 6,478 will be by conversion."

Mr. Blandford also stated that practically all publicly financed housing now under construction is for temporary use and will be abandoned and torn down after the war, while most private building is used for permanent, normal housing needs, and 90% of this is financed by FHA-insured mortgages.

The State Of Trade

(Continued from page 962)

than 89 millions and more than 150 millions in 1941.

Increased taxes, labor and material costs accounted for the decline, according to the magazine.

July Alloy Steel Output—Production of alloy steels during July totaled 854,321 tons, about 11% of total steel production during that month, the American Iron and Steel Institute revealed. In June, 865,967 tons of alloy steel were produced. In July a year ago output touched 1,066,053 tons. Open hearth furnaces produced 572,324 tons of alloy steel in July, with the remaining 281,997 tons of the metal turned out chiefly by electric furnaces.

July Pig Iron Output—Ferromanganese and spiegel in July totaled 5,156,814 net tons compared with 5,056,627 net tons in June and 5,022,745 net tons in July, one year ago, the American Iron & Steel Institute disclosed. For the seven months ended with July output touched 36,638,434 net tons compared with 35,366,188 net tons in the same period of 1943.

Pig iron alone in July was 5,094,149 net tons, compared with 5,007,926 net tons in June and 4,972,334 net tons in July of last year. In the seven months, production reached 36,239,278 net tons, against 34,972,244 net tons in the same period a year previous.

Copper—The copper content of manufactured products shipped during July amounted to 118,862 tons, a falling off of 30,986 tons from June shipments, and the lowest monthly figure to be reported since June, 1942, when the total was 117,387 tons. The sharp decline was attributed by the trade to the one week general vacation and inventory-taking period last month. This situation, it is understood, was also reflected in the tonnage of new copper received by fabricators from producers during July, which totaled 122,143 tons against 141,166 tons in June. Working stocks and unfilled orders varied little, with the combined total placed at 639,838 tons at the close of July compared with 635,878 tons for June. Against such needs, consumers had on order with producers and in stock at their plants a total of 413,235 tons at the end of July, indicating an apparent shortage of 226,603 tons. July's new business amounted to 123,479 tons as against 132,997 tons for June.

Brass Mill Output—In the first six months of 1944 brass mill production totaled 2,683,806,000 pounds as compared to 2,820,887,000 pounds in the same period of 1943, the WPB reported last week. Output of alloyed products amounted to 2,486,921,000 pounds in the first half of 1944, while unalloyed production accounted for 196,885,000 pounds, both showing decreases from last year.

Electric Production—The Edison Electric Institute reports that the output of electricity increased to approximately 4,451,076,000 kwh. in the week ended Aug. 19 from 4,415,368,000 kwh. in the preceding week. The latest figures represent a gain of 4.4% over one year ago, when output reached 4,264,824,000 kwh.

Consolidated Edison Co. of New York reports system output of 171,000,000 kilowatt-hours in the week ended Aug. 20, 1944, and compares with 191,400,000 kilowatt-hours for the corresponding week of 1943, or a decrease of 10.7%.

Local distribution of electricity amounted to 159,700,000 kilowatt-hours, compared with 189,100,000 kilowatt-hours for the corresponding week of last year, a decrease of 15.6%.

R. R. Freight Loadings—Carloadings of revenue freight for the week ended Aug. 19 totaled 887,446 cars, the Association of American Railroads announced.

This was a decrease of 8,726 cars, or 1% below the preceding week this year, and a decrease of 3,894 cars, or 0.4% below the corresponding week of 1943. Compared with a similar period in 1942, an increase of 18,012 cars, or 2.1%, is shown.

Post-War R. R. Passenger Traffic Prospects—The profitable passenger traffic now being enjoyed by the railroads has caused the carriers to seek ways and means of holding a fair portion of this increased business in the post-war period, states the "World-Telegram." The plans in mind to maintain a high passenger traffic volume range from a cut in rates to faster trains and ultra-modern equipment. Parlor cars will give way as more and more de luxe day coaches are put in service, supplemented with club and lounging cars now available only to Pullman travellers. Some roads will emphasize speed as an inducement, but on others comfort will not be sacrificed to cut travel time.

One railroad spokesman's approach to the problem was to "operate trains at full seating capacity by making both rates and appointments attractive, and those trains can be operated on a profitable basis." Some fear is expressed over competition from airlines which will work toward forcing rail rates down, but the railroad spokesman referred to felt that with improved service the carriers can create sufficient traffic volume to offset the lower rates and still make a good profit on that part of their business.

Freight Car Orders—Expansion of freight car orders of leading builders took place recently with the placement of Army contracts for approximately 24,660 cars for overseas delivery in 1945. Original Army schedules, it is understood, called for 35,000 units for the 1945 car building program, states the "Wall Street Journal." No official figures, the report adds, were available on the number of cars allotted to each builder. It was further understood that the freight cars are of various types and unit prices range from about \$1,300 to almost \$3,800. Orders in the amount of 1,700 new freight cars were also placed by the Baltimore & Ohio Railroad, the purchase involving an expenditure of approximately \$5,250,000.

In connection with new rail equipment, the Association of American Railroads pointed out that in the first seven months of 1944 the railroads installed in service 18,774 new freight cars and 579 new locomotives. The volume of freight traffic handled by the carriers in the first six months of 1944, the same source reports, was the largest for any corresponding period on record, representing an increase of 5.4% compared with the first half of 1943.

Coal Production—The U. S. Bureau of Mines reports production of Pennsylvania anthracite for week ending Aug. 19, 1944, at 1,169,000 tons, a decrease of 70,000 tons (5.7%) under the preceding week, and a decrease of 90,000 tons (7.1%) from the corresponding week of 1943. The 1944 calendar year to date shows an increase of 6.7% when compared with the corresponding period of 1943.

The report of the Solid Fuels Administration placed bituminous production for the week ended Aug. 19 at 11,875,000 net tons, against 12,200,000 (revised figure) tons in the preceding week and 12,112,000 tons in the corresponding week of last year, while output for Jan. 1 to Aug. 19 totaled 400,895,000 (revised figure) tons, as against 372,423,000 tons in the same 1943 period, or a gain of 7.6%.

Estimated production of bituminous coke in the United States for the week ended Aug. 19, 1944, as reported by the same source, shows an increase of 10,600 tons when compared with the output for the week ended Aug. 12, last, but a decline of 30,700 tons for the corresponding week of 1943.

Coal Shortage—The shortage of high-grade Appalachian coals, suitable for making coke and by-products, has grown so acute that the SFA will begin immediately diverting 1,680,000 tons of the fuel to steel plants from industrial plants using it for generating steam, the Acting Secretary of the Interior announced last Friday.

Diversions forcing many industries to turn to "strip-mined" or lower quality "deep-mined" coals, are to be made at a rate of about 420,000 tons a month during the next four months.

"This drastic step must be taken in order to protect wartime steel production," the Acting Secretary said. "The coal is urgently needed to build back up to safe levels depleted stockpiles of coal at coke and by-product plants."

Some steel plants now have but a few days' supply of by-product coals in their storage piles, and the average of 30 plants whose stocks must be increased is approximately 15 days' supply. The diversions are to build stockpiles back up to an average of 30 days' supply, which the Solid Fuels Administration considers the minimum level of safety in time of war.

The Solid Fuels Administration held that production capacity of the "stripping" mines and of deep mines in the Appalachian region and in Indiana and Illinois producing ordinary steam coals, would be sufficient to supply fuel to the industries deprived of the by-product coals.

Silver—No price change is noted in the former quotation of 23½¢ per ounce standard for both cash and 2 months' delivery. During the second quarter of the year the London market presented no new features. Buying for essential war industries continued steadily throughout the period and the bulk of the supplies was again provided from official stocks. However, from time to time, a little silver became available from production sources.

One feature of the week's news with respect to silver was the proposal by Mexico's Finance Secretary Suarez that a silver stabilization conference be held among producers and consumers in the United States, Mexico and other interested nations. One of the principal objectives of the conference, if held, would be to ease the restrictions on the sale of silver by the United States under the Silver Purchase Act.

The London market for silver was unchanged at 23½¢. The New York official for foreign silver continued at 44¼¢, with domestic silver at 70½¢.

Crude Oil Production—Daily average gross crude oil production for the week ended Aug. 19, as estimated by the American Petroleum Institute, was 4,675,100 barrels, establishing a new high record. This was 7,800 barrels a day in excess of the previous peak reached for the week ended Aug. 12, 1944, and exceeded the corresponding week of 1943 by 456,750 barrels a day. The current figure was also 18,800 barrels above the daily average figure recommended by the Petroleum Administration for War for the month of August, 1944. For the four weeks ended Aug. 19 daily output averaged 4,650,400 barrels.

Reports from refining companies indicate that the industry as a whole ran to stills (on a Bureau of Mines basis) approximately 4,694,000 barrels of crude oil daily and produced 13,757,000 barrels of gasoline. Kerosene output totaled 1,487,000 barrels with distillate fuel oil placed at 4,819,000 barrels and residual fuel oil

at 9,136,000 barrels during the week ending Aug. 19, 1944. Storage supplies at the week-end totaled 81,850,000 barrels of gasoline; 12,816,000 barrels of kerosene; 40,308,000 barrels of distillate fuel, and 58,737,000 barrels of residual fuel oil. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

Crude Oil Stocks—Stocks of domestic and foreign crude petroleum at the close of the week ended Aug. 19, totaled 223,040,000 barrels, the Bureau of Mines reports. Compared with the total of 223,597,000 barrels for the preceding week, this represents a decrease of 557,000 barrels, comprising a decrease of 440,000 barrels in stocks of domestic crude and a decrease of 117,000 barrels in stocks of foreign crude. Heavy crude-oil stocks in California, not included in the gasoline-bearing stocks, totaled 6,418,000 barrels, an increase of 4,000 barrels.

Current reports of the industry for the week ended Aug. 19 indicate an increase in crude-oil production and a large increase in crude runs. The API places daily average output at 4,675,000 barrels, or 8,000 barrels above the preceding week. Daily average crude runs to stills of 4,694,000 barrels were 134,000 barrels above the level of the previous week and 600,000 barrels above the week ended Aug. 21, 1943.

Lumber Production—Estimated lumber production in June declined to 3,047,692,000 board feet, or a decrease of 2% from June, last year, the WPB discloses. The month's output was greater by 4.4% than that of May, 1944, but states the WPB, the increase reflects a lower May production rather than an improvement in the lumber situation.

For the first six months of 1944 output totaled 16,354,317,000 board feet, 1.3% less than for the first half of 1943. Softwoods accounted for 2,381,249,000 board feet, an increase of 3.4% over the previous month, but a decline of 4.7% from that of June, 1943. Hardwoods accounted for 666,443,000 board feet of June, 1944, production, being 8.4% above that of May, last, and 9.2% more than that produced in June, 1943.

Lumber Shipments—The National Lumber Manufacturers Association reports that lumber shipments of 503 reporting mills were 9.7% below production for the week ended Aug. 19, but new orders of these mills were 0.6% above production for the same period, while unfilled order files amounted to 106.6% of stocks. For reporting softwood mills, unfilled orders are equivalent to 38 days' production at the current rate, and gross stocks are equivalent to 34 days' production. For 1944 to date shipments of reporting identical mills exceeded production by 4.2% and orders ran 6.5% above output.

Compared to the average corresponding week of 1935-39, production of reporting mills was 18.5% greater; shipments, 16.9% greater, and orders, 26.1% greater.

Business Failures—Business failures in the United States advanced for the period ended Aug. 17 to 19 from 16 in the previous week and compared with 54 in the corresponding week of 1943, Dun & Bradstreet reports. Concerns failing with liabilities of \$5,000 or more numbered 14, compared to 9 in the previous week and 25 one year ago. There were no Canadian failures this week, compared with two in the preceding week and three a year ago.

Department and Retail Store Sales—Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index were 1% ahead of a year ago for the week ending Aug. 19. For the four weeks ending Aug. 19, 1944, sales increased by 7%. A 7% increase in department store sales for the year to Aug. 19, 1944, over 1943 was also noted.

Consumer interest both in wholesale and retail trade on a country-wide basis last week increased, according to Dun & Bradstreet. Retail sales in fall ready-to-wear in men's, women's and children's departments, reflected exceptional progress with total volume registering a seasonal gain over the previous week. Re-orders continued heavy in wholesale markets and maintained volume at the same level as the preceding week. Purchases in ready-to-wear for school purposes were responsible in large part for the increase in retail trade, the agency said. Aside from the foregoing, there were not many changes in the sales leaders as main floor departments held their previous popularity.

Consumer response was immediate in most new merchandise with interest focused on quality merchandise and purchasers undaunted by high prices.

In the school and college line, clothes received the greatest promotional backing last week, said the review, with shirts, sweaters, blouses and dresses enjoying a good reception. Buying was heavier than the previous week and expectations promising to exceed the like 1943 period. Coat stocks were reported in good shape and sales heavier in the higher-priced brackets bearing out reports of good demand for quality merchandise. Men's clothing sales were about equal to 1943 as shoes of all kinds sold well causing a considerable reduction in popular sizes.

Furniture sales were steady and about on a par with previous weeks and ran a little ahead of 1943. Food volume too, ran about 5% over the same period in 1943.

A large backlog or orders in many lines for fall delivery were noted in the wholesale trade, the agency reports. Reports on deliveries varied, but apparel lines noted improvement and shipments were generally described as good. In lines such as textiles, furniture, appliances and industrial supplies, markets were spotty as the supply problem remained the contributing factor.

The above source estimates a gain of 3% to 7% for the week in retail sales throughout the country over the same week in 1943. Regional increases were: New England, 1 to 3%; East, 2 to 4%; Middle West, 3 to 6%; Northwest, 5 to 7%; South, 8 to 10%; Southwest, 9 to 11%, and the Pacific Coast, 6 to 9%.

According to Federal Reserve Bank's index, department store sales in New York City for the weekly period to Aug. 19, decreased by 8% over the same period of last year. For the four weeks ending Aug. 19 sales rose by 4%, and for the year to Aug. 19 they improve by 8%.

The cooler weather enjoyed here in New York the past week gave impetus to retail trade. Department stores generally, the New York "Times" reports, had gains over a year ago as consumer interest in fall and school-opening merchandise increased. Estimates placed volume at 5 to 10% above 1943. Selectivity again ruled the wholesale markets influenced by events abroad portending an early end of the European conflict. As regards fall merchandise, merchants are still confronted with light delivery situations.

Wholesale Commodity Index—A sharp reaction in agricultural commodity markets, particularly fresh fruits, vegetables and livestock, worked to force down by 0.4%, the Bureau of Labor Statistics' index of commodity prices in primary markets in the week ended Aug. 19. The drop offset the gain of the preceding week and had the effect of bringing the all-commodity index to 103.6% of the 1926 average. The extent of the decline in the level of prices for commodities in primary markets in the past four weeks is 0.3%, and is about 1% above the same period of last year.

Electric Output For Week Ended Aug. 26, 1944 Shows 2.2% 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 Aug. 26, 1944, was approximately 4,418,298,000 kwh., compared with 4,322,195,000 kwh. in the corresponding week a year ago, an increase of 2.2%.

Table with columns: Major Geographical Divisions, Week Ended (Aug. 26, Aug. 19, Aug. 12, Aug. 5), and Total United States. Rows include New England, Middle Atlantic, Central Industrial, West Central, Southern States, Rocky Mountain, Pacific Coast, and Total United States.

Table titled 'DATA FOR RECENT WEEKS' showing kilowatt-hours for weeks ended from May 6 to Aug. 26, 1944, with columns for 1944, 1943, and percentage change over 1943.

National Fertilizer Association Commodity Price Index Registers Fractional Advance

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on Aug. 28, advanced fractionally to 138.4 in the week ending Aug. 26 from 138.3 in the preceding week.

The farm products group remained unchanged last week. The grains group was up slightly as higher quotations on oats more than offset lower quotations on rye.

During the week 6 price series in the index advanced and 3 declined; in the preceding week there were 7 advances and 3 declines; and in the second preceding week there were 2 advances and 9 declines.

Table titled 'WEEKLY WHOLESALE COMMODITY PRICE INDEX' showing indices for various commodity groups like Foods, Farm Products, Fuels, etc., with columns for latest week, preceding week, month ago, and year ago.

Steel Operations Rise To 97.1% - Deliveries Eased - Lighter Demand May Be In The Offing

"Until such time as civilian steel orders begin to reach mills in large tonnages, it appears that the peak in steel ordering has passed," "The Iron Age" states in its issue of today (Aug. 31), further adding: "While incoming bookings were still heavy this week in most centers, it is recalled that material involved in these orders represents requirements set up some time ago."

"Although on the surface steel market trends appeared to be the same as a week ago, tiny cracks are beginning to materialize which may be indicative of a gradual leveling-off or which may precede an upheaval. Whether the latter condition occurs in the near future depends entirely on the course of the war in Europe."

"No matter what shape near-future events take abroad, steel producers and their consumers this week are entertaining more sober thoughts upon the effect Germany's defeat will have upon the

Civil Engineering Construction \$37,309,000 For Week

Civil engineering construction volume in continental United States totals \$37,309,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 12% lower than a week ago, 8% lower than in the corresponding 1943 week, and 1% under the previous four week moving average as reported to "Engineering News-Record" and made public on Aug. 24.

Private work gains 84% over the preceding week, but is 53% below a year ago. Public construction reports a 19% decrease from last week, while gaining 9% over last year.

The current week's construction brings 1944 volume to \$1,201,360,000 for the 34 weeks, a decrease of 46% from \$2,224,088,000 reported for the 1943 period. Private construction, \$264,439,000 is 7% below a year ago, and public work, \$936,921,000, is down 52% due to the 57% drop in Federal work.

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

Table comparing total U.S. construction, private construction, public construction, state and municipal, and federal construction for Aug. 26, 1943, Aug. 17, 1944, and Aug. 24, 1944.

In the classified construction groups, gains over last week are in waterworks, bridges, industrial buildings, and earthwork and drainage. Increases over the 1943 week are in waterworks, sewerage, bridges, industrial buildings, public buildings, earthwork and drainage, and streets and roads.

New capital for construction purposes totals \$13,046,000 for the week. It is made up of \$7,716,000 in State and municipal bond sales, \$5,000,000 in corporate security issues, and \$330,000 in RFC loans for private industrial expansion.

cutback in Maritime Commission requirements, postponement in some shell steel delivery schedules, substitution of lend-lease orders for four-quarter domestic tinplate cutbacks, hesitancy on fresh steel orders and inventory house-cleaning. Even though the cutbacks in shell steel production, as mentioned in "The Iron Age" last week, will probably be temporary and will have to be made up at a later date, this breathing spell is giving mills a chance to catch up on a structural, rail, heavy bar and semi-finished steel backlogs.

"From a current market standpoint, and despite the many small but perhaps significant trends, orders this week were almost as heavy as a week ago, pressure was still on for deliveries involving practically all steel products and unfilled order backlogs were undergoing little or no change."

The American Iron and Steel Institute on Aug. 28 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 97.1% of capacity for the week beginning Aug. 28, compared with 94.5% one week ago, 96.9% one month ago and 99.4% one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Aug. 28 stated in part as follows:

"Forward delivery on some major steel products has been relieved by further decline in buying and an increasing, though moderate, rate of cancellations and cutbacks."

"Sheared plates now are being quoted by some producers for November delivery, against December as the best promise recently."

"Sheet schedules are being constantly readjusted but the tendency is still forward, especially in hot-rolled and galvanized, the latter being quoted for February and March."

"Pig iron production in July totaled 5,156,814 net tons, a slight

gain over 5,056,627 tons in June. The July output was below average for longer months and far below the all-time record of 5,434,240 tons made in March. Output for seven months totaled 36,638,434 tons, compared with 35,366,188 tons in the same period last year.

"Distribution of 1,600 cars by the Chicago & Alton and 1,700 by the Baltimore & Ohio indicate interest of railroads in adding to depleted equipment. The Delaware & Hudson has placed 21,300 tons of rails. Allocation of carbon steel by WPB for railroad use in fourth quarter has been reduced to 1,039,100 tons from 1,532,633 tons asked by the industry.

"Consumption of Lake Superior iron ore in July totaled 7,371,733 gross tons, slightly below the average for earlier months. Total consumption to Aug. 1 was a little higher than in the comparable period last year, 51,661,963 tons, against 51,248,423 tons. Stocks at furnaces and Lake Erie docks are slightly lower than a year ago, 32,069,216 tons against 32,388,932 tons."

Dr. Palyi Consultant For Laundering Inst.

The American Institute of Laundering, national trade association of the laundry industry, has retained Dr. Melchior Palyi, nationally known Chicago economist, as a consultant to the Institute.

In announcing Dr. Palyi's appointment, George H. Johnson, the Institute's General Manager, revealed plans for a complete study of the post-war phase of the industry's "Progressive Planning" program. Special attention will be given in the study to post-war problems of the laundry business which affect its capital structure, prices, wages and its prospective level of employment.

Dr. Palyi is now engaged in preparatory work in connection with the research into the industry's post-war problems.

Individual Investor Seen Main Factor In Realty Inflation

The private individual investor who has returned to the real estate and mortgage markets in force, particularly in the past year, may likely prove to be the principal factor in the so-called inflationary price movement in city and farm property, according to a study by the Mortgage Bankers' Association of America among its members.

It now seems clear, the Association said, that most of the big institutional investors, including commercial and mutual savings banks, insurance companies and fraternal societies, have become fully aware of the dangers of inflated valuations for real estate and, as a consequence, are lending cautiously. The small individual investor has not recognized the extent and character of the present trend and its possible effects, it added.

The subject has been scheduled for review at the Association's 31st annual business meeting and Conference on War and Post-war Mortgage Problems in Chicago, Oct. 18, 19 and 20. Dr. E. C. Young, dean of the graduate school of Purdue University, will be the principal speaker on the rise in farm land values.

"In the city real estate field, individuals are showing large increases in the number of mortgages they are recording. One tabulation, limited to city mortgages of less than \$20,000, shows that individuals are increasing their loans about 40% above those of the same period last year and now are making about a fourth of the total of all mortgages. While these do not represent all the mortgages being made over the country, they are believed to fully reflect the current trend."

"Statistics from the farm mortgage lending field are considerably more conclusive and show the individual investor's enhanced role," according to the study. "Farm mortgages of all lenders recorded in the first quarter this year were 28% ahead of those of the same period last year. Number of loans were up 12%, indicating the faster turnover of farm properties."

But it is in the size of mortgages where the most conclusive evidence can be found of the present trend, it is pointed out. Average size in the first quarter was 14% greater than in the same period a year ago. Individual's mortgages were up 36% in amount and 25% in average size.

Comparison of first quarter 1944 data with those of four years ago is even more impressive and reveals the great upward advance that has taken place since that time. There has been a gain of 43% in amount of farm mortgages with individuals showing a gain of 85%; and a gain of 47% in average size for all lenders with individuals' loans up 80% in size.

Individuals have increased the total proportion of farm loans they recorded from more than 29% in the first quarter of 1940 to more than 37 1/2% in first quarter this year.

One optimistic factor in the present upward movement of farm land prices which was not present during the early 'twenties, according to H. G. Woodruff, Detroit, Association President, is that practically all responsible groups in the country are aware of the dangers of an unreasonable advance in farm land prices and are acting and lending accordingly. The largest group which seems to have failed to recognize the potential dangers is the individual investors, he said.

Federal Reserve July Business Indexes

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

	BUSINESS INDEXES					
	Adjusted for Seasonal Variation—1944			Without Seasonal Adjustment—1944		
	July	June	1943	July	June	1943
	*233	235	240	*235	236	241
Industrial production—						
Total.....						
Manufactures—						
Total.....	*249	252	250	*251	252	260
Durable.....	*350	354	360	*351	355	361
Nondurable.....	*168	169	177	*169	170	178
Minerals.....	*140	142	134	*144	146	140
Construction contracts, value—						
Total.....	*39	34	60	*44	41	67
Residential.....	*14	15	36	*15	16	36
All other.....	*59	50	80	*68	60	92
Factory employment—						
Total.....	*157.6	158.8	169.7	*157.8	158.6	169.8
Durable goods.....	*213.8	216.5	229.4	*214.0	216.6	229.7
Nondurable goods.....	*113.4	113.3	122.6	*113.4	112.8	122.6
Factory payrolls—						
Total.....	---	---	---	†	318.3	315.6
Durable goods.....	---	---	---	†	443.1	439.7
Nondurable goods.....	---	---	---	†	196.3	194.2
Freight carloadings—						
Total.....	143	139	141	147	144	146
Department store sales, value.....	194	175	171	143	162	127
Department store stocks, value.....	163	157	160	146	150	144

*Preliminary. †Data not yet available.

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

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

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

INDUSTRIAL PRODUCTION

(1935-39 average = 100)

	Adjusted for Seasonal Variation—1944			Without Seasonal Adjustment—1944		
	July	June	1943	July	June	1943
Manufactures—						
Iron and steel.....	202	204	204	202	204	204
Pig iron.....	196	198	191	196	198	191
Steel.....	222	225	230	222	225	230
Open hearth.....	184	183	181	184	183	181
Electric.....	491	526	577	491	526	577
Machinery.....	*441	443	440	*441	443	440
Transportation equipment.....	*705	716	754	*705	716	754
Automobiles.....	*225	228	220	*225	228	220
Nonnferrous metals and products.....	†	264	256	†	264	255
Smelting and refining.....	*246	253	278	*245	252	277
Lumber and products.....	*124	127	128	*130	133	135
Lumber.....	*114	118	118	*123	127	128
Furniture.....	*144	145	148	*144	145	148
Stone, clay and glass products.....	*166	168	173	*166	168	173
Plate glass.....	60	65	45	60	65	45
Cement.....	86	84	119	94	90	131
Clay products.....	*126	127	132	*125	125	132
Gypsum and plaster products.....	*176	176	193	*176	179	198
Abrasive & asbestos products.....	*292	297	326	*292	297	326
Textiles and products.....	†	*146	148	†	*146	148
Cotton consumption.....	139	140	153	139	140	153
Rayon deliveries.....	193	196	183	193	196	183
Wool textiles.....	†	†	146	†	†	146
Leather products.....	*105	115	112	*103	114	110
Tanning.....	†	114	111	†	111	105
Cattle hide leathers.....	†	124	116	†	119	109
Goat and kid leathers.....	†	85	85	†	87	84
Sheep and lamb leathers.....	†	84	84	†	85	83
Shoes.....	*100	116	112	*100	116	112
Manufactured food products.....	*152	154	146	*161	154	155
Wheat flour.....	*113	110	103	*112	106	102
Meatpacking.....	*175	173	186	*162	172	170
Other manufactured foods.....	*152	155	145	*158	146	151
Processed fruits & vegetables.....	*124	136	126	*162	105	164
Tobacco products.....	122	121	134	127	126	138
Cigars.....	86	89	99	86	89	99
Cigarettes.....	154	151	166	162	158	175
Other tobacco products.....	78	79	84	78	80	84
Paper and products.....	†	140	135	†	141	134
Paperboard.....	148	156	143	148	156	143
Newsprint production.....	83	80	91	82	80	89
Printing and publishing.....	*101	100	111	*95	100	104
Newsprint consumption.....	87	85	105	75	84	91
Petroleum and coal products.....	†	242	182	†	242	182
Petroleum refining.....	†	252	185	†	252	185
Gasoline.....	*137	136	109	*137	136	109
Fuel oil.....	†	164	145	†	164	145
Lubricating oil.....	†	131	121	†	131	120
Kerosene.....	†	130	118	†	123	110
Coke.....	†	172	162	†	172	162
Byproduct.....	†	164	153	†	164	153
Beehive.....	*455	463	453	*455	463	453
Chemicals.....	*313	320	402	*314	317	398
Rayon.....	*237	237	222	*237	237	222
Industrial chemicals.....	*411	412	371	*411	412	371
Rubber.....	*227	228	229	*227	228	229
Minerals—						
Fuels.....	*144	146	136	*144	146	136
Bituminous coal.....	*151	158	155	*151	158	155
Anthracite.....	*119	128	129	*119	128	129
Crude petroleum.....	*144	143	128	*144	143	128
Metals.....	†	120	128	†	148	163
Iron ore.....	---	---	---	†	330	365

*Preliminary or estimated. †Data not yet available.

FREIGHT CARLOADINGS

(1935-39 average = 100)

Coal.....	143	148	146	143	148	146
Coke.....	194	194	184	188	191	178
Grain.....	144	135	143	172	137	172
Livestock.....	124	124	112	102	100	97
Forest products.....	155	148	150	157	154	150
Ore.....	189	187	202	302	291	323
Miscellaneous.....	150	143	146	151	147	147
Merchandise, l.c.l.....	66	67	64	66	66	63

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

Trading On New York Exchanges

The Securities and Exchange Commission made public on Aug. 23 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 Aug. 5, 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 August 5 (in round-lot transactions) totaled 1,832,330 shares, which amount was 17.93% of the total transactions on the Exchange of 5,111,310 shares. This compares with member trading during the week ended July 29 of 1,551,140 shares, or 17.01% of the total trading of 4,562,520 shares. On the New York Curb Exchange, member trading during the week ended Aug. 5 amounted to 314,310 shares, or 14.00% of the total volume on that exchange of 2,228,170 shares; during the July 29 week trading for the account of Curb members of 417,925 shares was 13.57% of total trading of 3,046,100 shares.

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

WEEK ENDED AUGUST 5, 1944			
	Total for week	†%	
A. Total Round-Lot Sales:			
Short sales.....	108,920		
†Other sales.....	5,002,390		
Total sales.....	5,111,310		
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.....	424,180		
Short sales.....	48,770		
†Other sales.....	366,040		
Total sales.....	414,810	8.21	
2. Other transactions initiated on the floor—			
Total purchases.....	344,350		
Short sales.....	16,400		
†Other sales.....	313,690		
Total sales.....	330,090	6.60	
3. Other transactions initiated off the floor—			
Total purchases.....	141,415		
Short sales.....	13,400		
†Other sales.....	164,085		
Total sales.....	177,485	3.12	
4. Total—			
Total purchases.....	909,945		
Short sales.....	78,570		
†Other sales.....	843,815		
Total sales.....	922,385	17.93	

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

WEEK ENDED AUGUST 5, 1944			
	Total for week	†%	
A. Total Round-Lot Sales:			
Short sales.....	8,885		
†Other sales.....	1,113,475		
Total sales.....	1,122,360		
B. Round-Lot Transactions for Account of Members:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases.....	81,130		
Short sales.....	4,895		
†Other sales.....	121,265		
Total sales.....	126,160	9.23	
2. Other transactions initiated on the floor—			
Total purchases.....	18,235		
Short sales.....	1,300		
†Other sales.....	29,605		
Total sales.....	30,905	2.19	
3. Other transactions initiated off the floor—			
Total purchases.....	28,835		
Short sales.....	1,700		
†Other sales.....	27,345		
Total sales.....	29,045	2.58	
4. Total—			
Total purchases.....	128,200		
Short sales.....	7,895		
†Other sales.....	178,215		
Total sales.....	186,110	14.00	
C. Odd-Lot Transactions for Account of Specialists—			
Customers' short sales.....	0		
†Customers' other sales.....	45,714		
Total purchases.....	45,714		
Total sales.....	36,045		

*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."

Wright Named By FDR As Aeronautics Administrator

On Aug. 22, President Roosevelt nominated Theodore Paul Wright to succeed Charles L. Stanton as Administrator of Aeronautics. Mr. Wright is Vice-President and General Manager of the Curtiss-Wright Corp., and has played a major part in directing the nation's wartime aircraft production program. According to special advices from Washington to the New York "Times," which in part also said:

Mr. Stanton, a pioneer Federal civil service employee in the field of commercial aviation, told President Roosevelt in a letter of res-

ignation that he wished to return to his old position of Deputy Administrator to protect his civil service standing. The President stated in his letter accepting Mr. Stanton's resignation that Mr. Wright's appointment had been suggested by Secretary of Commerce Jesse Jones. William A. M. Burden, Assistant Secretary of Commerce, said in a statement explaining the personnel change:

"The President's action in nominating T. P. Wright as Administrator of Civil Aeronautics is an outstanding step in preparing American civil aviation to meet its heavy post-war responsibilities."

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Aug. 23 a summary for the week ended Aug. 12 of complete figures showing the daily volume of stock transactions for odd-lot accounts 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 Aug. 12, 1944	
Odd-Lot Sales by Dealers (Customers' purchases)	Total for Week
Number of orders.....	17,367
Number of shares.....	494,709
Dollar value.....	\$18,366,037
Odd-Lot Purchases by Dealers— (Customers' sales)	
Number of Orders:	
Customers' short sales.....	156
Customers' other sales.....	17,614
Customers' total sales.....	17,770
Number of Shares:	
Customers' short sales.....	4,505
Customers' other sales.....	465,073
Customers' total sales.....	469,578
Dollar value.....	\$14,432,161

Daily Average Crude Oil Production For Week Ended Aug. 19, 1944 Glimbed To A New High

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Aug. 19, 1944, was 4,675,100 barrels, a new high record. This was 7,800 barrels per day in excess of the previous peak reached for the week ended Aug. 12, 1944, and exceeded the corresponding week of 1943 by 456,750 barrels per day.

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,694,000 barrels of crude oil daily and produced 13,757,000 barrels of gasoline; 1,487,000 barrels of kerosine; 4,819,000 barrels of distillate fuel oil, and 9,136,000 barrels of residual fuel oil during the week ended Aug. 19, 1944; and had in storage at the end of that week 31,850,000 barrels of gasoline; 12,816,000 barrels of kerosine; 40,308,000 barrels of distillate fuel, and 58,737,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

Table with columns for State, P.A.W. Recommendations, State Allowables, Actual Production, Change from Previous Week, 4 Weeks Ended, and Week Ended. Rows include Oklahoma, Kansas, Nebraska, Panhandle Texas, North Texas, West Texas, East Central Texas, East Texas, Southwest Texas, Coastal Texas, Total Texas, North Louisiana, Coastal Louisiana, Total Louisiana, Arkansas, Mississippi, Alabama, Florida, Illinois, Indiana, Eastern (Ky.), Kentucky, Michigan, Wyoming, Montana, Colorado, New Mexico, Total East of Calif., California, Total United States.

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

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. Aug. 17, 1944. ‡This is the net basic allowance as of Aug. 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 AUG. 19, 1944

Table with columns for District, Daily Refining Capacity, Crude Runs to Still, Gasoline Production, Stocks of Gasoline, Stocks of Fuel Oil, and Stocks of Residual Fuel Oil. Rows include District, Combin'd East Coast, Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and inland Texas, Appalachian, District No. 1, District No. 2, Ind. Ill. Ky., Okla., Kans., Mo., Rocky Mountain, District No. 3, District No. 4, California.

*At the request of the Petroleum Administration for War. †Finished 69,336,000 barrels; unfinished, 12,514,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,487,000 barrels of kerosine, 4,819,000 barrels of gas oil and distillate fuel oil and 9,136,000 barrels of residual fuel oil produced during the week ended Aug. 19, 1944, which compares with 1,428,000 barrels, 4,976,000 barrels and 8,264,000 barrels, respectively, in the preceding week and 1,215,000 barrels, 4,131,000 barrels and 8,494,000 barrels, respectively, in the week ended Aug. 21, 1943.

Note—Stocks of kerosine at Aug. 19, 1944 amounted to 12,816,000 barrels, as against 11,850,000 barrels a week earlier and 9,631,000 barrels a year before.

Moody's Bond Prices And Bond Yield Averages English Gold And Silver Markets

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

MOODY'S BOND PRICES (Based on Average Yields). Table with columns for 1944 Daily Averages, U.S. Govt. Bonds, Corporate Bonds, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R.R., P.U., Indus.). Rows include Aug. 29, 28, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, July 28, 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, June 30, 29, 28, 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, May 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, Apr. 28, 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, Feb. 25, Jan. 28, High 1944, Low 1944, High 1943, Low 1943.

1 Year Ago Aug. 28, 1943. 2 Years Ago Aug. 29, 1942.

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

Table with columns for 1944 Daily Averages, U.S. Govt. Bonds, Corporate Bonds, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R.R., P.U., Indus.). Rows include Aug. 29, 28, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, July 28, 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, June 30, 29, 28, 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, May 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, Apr. 28, 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, Feb. 25, Jan. 28, High 1944, Low 1944, High 1943, Low 1943.

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

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

Moody's Daily Commodity Index

Table with columns for Commodity and Index Value. Rows include Tuesday, Aug. 22, 1944, Wednesday, Aug. 23, Thursday, Aug. 24, Friday, Aug. 25, Saturday, Aug. 26, Monday, Aug. 28, Tuesday, Aug. 29, Two weeks ago, Aug. 15, Month ago, July 29, Year ago, Aug. 28, 1943, 1943 High, April 1, Low, Jan. 2, 1944 High, March 17, Low, Jan. 5.

Summary Of Redemptions Of U. S. Savings Bonds

United States Savings Bonds (Defense and War) series E, F and G were first offered on May 1, 1941. Since that date through July 31, 1944, total amount issued (issue price plus accrual of redemption values) aggregates \$36,252,000,000. Redemptions (including increment in values) through July 31, 1944, total \$3,347,000,000, or 9.23% of total amount issued.

English Gold And Silver Markets

We reprint below the quarterly bullion letter of Samuel Montagu & Co., London, written under date of July 1:

Gold
The amount of gold held in the Issue Department of the Bank of England during the months of April, May and June, 1944, was unaltered at £241,718.

The Bank of England's buying price for gold remained unchanged at 168s/— per fine ounce, at which figure the above amount was calculated.

The gold output of the Transvaal for the months of March, April and May, 1944, are given below, together with figures for the corresponding months of 1943 for the purpose of comparison:

Table with columns for 1944 and 1943, and Fine Ounces. Rows include March, April, May.

Silver

There has been no change in the price of 23 1/2 d. per ounce standard for both cash and two months' delivery, and during the second quarter of the year the London market presented no new features. Buying for essential war industries continued steadily throughout the period and the bulk of the supplies was again provided from official stocks, although a little silver from production sources became available from time to time.

The price of silver in Bombay reached a new war-time peak on April 24 with a quotation of Rs.143 per 100 tolas, which is equivalent to about 63 1/2 d. per ounce standard. In the following month a decline set in owing to rumors that the Government was arranging to sell silver in the market, and on May 23 the price touched Rs 129 per 100 tolas. There was however, an immediate recovery to about a Rs.133 level, but on June 15 important news was received from Washington to the effect that Henry Morgenthau, Secretary of the U. S. Treasury, had announced that the U. S. Government has agreed under a special lend-lease agreement to supply the Government of India with 100,000,000 ounces of silver. This was in order to maintain an adequate supply of coinage for the large number of United Nations' forces in the country and for India's expanded war production. The further aim was to keep prices stable. The Government of India has agreed to return the silver to the U. S. Government after the war on an ounce-for-ounce basis.

The Bombay market reacted sharply to this announcement, and by June 20 the price had fallen to Rs.127 (approximately 56 1/2 d. per ounce standard) on repeated rumors that the Government would begin selling shortly. During the rest of the month, however, delay in announcing the Government's policy regarding the sale of America's silver led to bear covering, and by June 30 the quotation had improved to Rs.130/6.

(Defense and War) series E total amount issued (issue price plus accrual of redemption values) aggregates \$25,677,000,000. Redemptions (including increment in values) through July 31, 1944, total \$3,045,000,000, or 11.86% of total amount issued.

Weekly Coal And Coke Production Statistics

The Solid Fuels Administration, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended Aug. 19, 1944, is estimated at 11,875,000 net tons, a decrease of 325,000 tons, or 2.7%, from the preceding week. In the corresponding week of 1943, output amounted to 12,112,000 tons. Cumulative production of soft coal from Jan. 1 to Aug. 19, 1944, totaled 400,895,000 tons, as against 372,423,000 tons in the same period in 1943, a gain of 7.6%.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Aug. 19, 1944 was estimated at 1,169,000 tons, a decrease of 70,000 tons (5.7%) from the preceding week. When compared with the output in the week ended Aug. 21, 1943, there was a decrease of 90,000 tons, or 7.1%. The calendar year to date shows an increase of 6.7% when compared with the corresponding period of 1943.

The Bureau of Mines also reported that the estimated production of beehive coke in the United States for the week ended Aug. 19, 1944 showed an increase of 10,600 tons when compared with the output for the week ended Aug. 12, 1944; but was 30,700 tons less than for the corresponding period of 1943.

ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS

	Week Ended			January 1 to Date		
	Aug. 19, 1944	Aug. 12, 1944	Aug. 21, 1943	Aug. 19, 1944	Aug. 21, 1943	Aug. 21, 1937
Bituminous coal and lignite—	11,875,000	12,200,000	12,112,000	400,895,000	372,423,000	279,621,000
Total incl. mine fuel	1,169,000	1,239,000	1,259,000	41,533,000	38,924,000	32,927,000
Daily average	1,979,000	2,033,000	2,019,000	2,035,000	1,881,000	1,424,000

*Revised.

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

	Week Ended			Calendar Year to Date		
	Aug. 19, 1944	Aug. 12, 1944	Aug. 21, 1943	Aug. 19, 1944	Aug. 21, 1943	Aug. 21, 1937
Penn. anthracite—	1,169,000	1,239,000	1,259,000	41,533,000	38,924,000	32,927,000
Commercial produc.	1,122,000	1,189,000	1,209,000	39,873,000	37,367,000	31,281,000
Beehive coke—	135,400	124,800	166,100	4,886,600	4,934,800	2,297,300

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

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

State—	Week Ended			
	Aug. 12, 1944	Aug. 5, 1944	Aug. 14, 1943	Aug. 14, 1937
Alabama	388,000	373,000	411,000	257,000
Alaska	5,000	5,000	5,000	3,000
Arkansas and Oklahoma	87,000	87,000	89,000	58,000
Colorado	140,000	130,000	152,000	82,000
Georgia and North Carolina	1,000	1,000	*	*
Illinois	1,408,000	1,462,000	1,457,000	700,000
Indiana	549,000	530,000	516,000	261,000
Iowa	36,000	35,000	42,000	44,000
Kansas and Missouri	170,000	168,000	142,000	100,000
Kentucky—Eastern	1,003,000	970,000	967,000	694,000
Kentucky—Western	348,000	352,000	319,000	126,000
Maryland	36,000	40,000	37,000	27,000
Michigan	2,000	2,000	4,000	6,000
Montana (bitum. & lignite)	83,000	79,000	88,000	44,000
New Mexico	31,000	30,000	36,000	29,000
North & South Dakota (lignite)	36,000	42,000	34,000	19,000
Ohio	683,000	670,000	629,000	416,000
Pennsylvania (bituminous)	2,970,000	2,920,000	3,002,000	2,077,000
Tennessee	140,000	124,000	136,000	87,000
Texas (bituminous & lignite)	3,000	3,000	2,000	21,000
Utah	128,000	130,000	112,000	52,000
Virginia	385,000	370,000	415,000	269,000
Washington	33,000	30,000	33,000	30,000
West Virginia—Southern	2,216,000	2,151,000	2,378,000	1,729,000
West Virginia—Northern	1,162,000	1,142,000	982,000	523,000
Wyoming	156,000	154,000	161,000	83,000
Other Western States	1,000	*	1,000	1,000
Total bituminous & lignite	12,200,000	12,000,000	12,150,000	7,738,000
Pennsylvania anthracite	1,169,000	1,221,000	1,334,000	634,000
Total, all coal	13,439,000	13,221,000	13,484,000	8,372,000

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

Wholesale Prices Down 0.4% For Week Ended Aug. 19, Labor Dept. Reports

Led by a sharp reaction in agricultural commodity markets, particularly for fresh fruits, vegetables, and livestock, the Bureau of Labor Statistics' index of commodity prices in primary markets dropped 0.4% in the week ended August 19, said the U. S. Labor Department in its August 24 report, which went on to say:

"The decline offset the gain of the preceding week, caused by higher quotations for these same commodities, and brought the all-commodity index to 103.6% of the 1926 average. The level of prices for commodities in primary markets has declined 0.3% in the past four weeks and is about 1% higher than at this time last year," said the Department's announcement, which continued:

"Farm Products and Foods. Marked declines in markets for wheat, cattle, sheep, poultry, citrus fruits, onions, and potatoes brought average prices for farm products down 2% during the week. Light receipts held prices for hogs at ceiling levels. Cotton advanced 1.2% and oats were up over 5%. Apples were substantially higher in most markets except Portland (Oreg.). Average prices for farm products have dropped 1.5% since mid-July and are 1.2% lower than for the corresponding week of last year.

"A decline of 7.4% for fruits and vegetables in primary markets, partly seasonal in character, was largely responsible for a decrease of 1.5% in average prices for foods. In addition, eggs dropped 4.6% and flour was lower in most markets. Higher prices were reported for the new pack of certain canned vegetables and for cured pork. In the past four weeks average prices of foods at the primary market level have dropped 1.4%, to a point 1.2% lower than this time last year.

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"Industrial Commodities. Industrial commodity markets continued relatively steady during the week. A further reduction was reported in prices for shearings with the result that the index for the hides and leather products group dropped 0.3%. The mercury market became firmer under reports of heavy government purchases and a tight supply situation. In the building materials group minor increases in prices for common building brick in certain areas and for turpentine were offset by lower prices for rosin and the group index remained unchanged at 116.0% of the 1926 average. A further increase occurred in prices for various types of potash as a result of the lowering of the usual seasonal discounts."

Included in the report of the Labor Department was the following notation.

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

The following tables show (1) index numbers for the principal groups of commodities for the past three weeks, for July 22, 1944 and August 21, 1943, and the percentage changes for a week ago, a month ago, and a year ago, and (2) percentage changes in subgroup indexes from August 12, 1944 to August 19, 1944.

WHOLESALE PRICES FOR WEEK ENDED AUG. 19, 1944 (1926=100)

Commodity Groups—	Percentage change to Aug. 19, 1944 from—							
	8-19 1944	8-12 1944	8-5 1944	7-22 1944	8-21 1943	8-12 1944	7-22 1944	8-21 1943
All commodities—	*103.6	*104.0	*103.6	*103.9	102.8	-0.4	-0.3	+ 0.8

Farm products—	122.3	124.8	122.5	124.1	123.8	-2.0	-1.5	-1.2
Foodstuffs—	104.5	106.1	104.6	106.0	105.8	-1.5	-1.4	-1.2
Hides and leather products—	116.4	116.8	116.8	116.8	118.4	-0.3	-0.3	-1.7
Textile products—	97.5	97.5	97.5	97.4	96.9	0	+ 0.1	+ 0.6
Fuel and lighting materials—	83.8	83.8	83.8	83.9	81.7	0	-0.1	+ 2.6
Metals and metal products—	*103.8	*103.8	*103.8	*103.8	103.8	0	0	0
Building materials—	116.0	116.0	116.0	115.9	112.1	0	+ 0.1	+ 3.5
Chemicals and allied products—	105.3	105.2	105.2	105.2	100.2	+ 0.1	+ 0.1	+ 5.1
Housefurnishing goods—	106.0	106.0	106.0	106.0	104.2	0	0	+ 1.7
Miscellaneous commodities—	93.3	93.3	93.3	93.3	92.4	0	0	+ 1.0
Raw materials—	112.8	114.2	112.9	113.8	112.7	-1.3	-0.9	+ 0.1
Semimanufactured articles—	93.8	93.8	93.8	93.8	92.8	0	0	+ 1.1
Manufactured products—	*101.1	*101.1	*101.1	*101.1	100.0	0	0	+ 1.1
All commodities other than farm products—	*99.5	*99.5	*99.5	*99.5	98.4	0	0	+ 1.1
All commodities other than farm products and foods—	*98.7	*98.7	*98.7	*98.7	97.3	0	0	+ 1.4

*Preliminary.

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM AUG. 12, 1944 TO AUG. 19, 1944

	Increases		Decreases	
	Brick and tile—	0.1	Grains—	0.1
Fertilizer materials—	0.9	Other building materials—	0.1	
Fruits and vegetables—	7.4	Livestock and poultry—	1.4	
Other farm products—	2.8	Other foods—	1.1	
Hides and skins—	1.6	Cereal products—	0.2	
Paint and paint materials—	0.1			

Non-Ferrous Metals—Large Tonnage Of Foreign Lead Again Sought—Copper Buying Orderly

"E. & M. J. Metal and Mineral Markets," in its issue of Aug. 24 stated: "Lead was relatively more active during the last week than the other major non-ferrous metals. With domestic production of refined lead for delivery next month virtually disposed of, consumers turned to WPB for foreign metal with which to cover their total September requirements. Again the Government released more than 30,000 tons of imported lead."

Though consumption of copper and zinc remains at an inflated war level, buying interest in both metals has moderated. Quicksilver on spot was in firm hands, but unchanged at \$105 per flask so far as round lots were concerned. Fluorspar restriction was removed by WPB. Beginning Sept. 1, uranium will come under allocation control." The publication further goes on to say in part:

Copper

Fabricators have ceased rushing into the market for copper, which indicates that they do not view the general supply situation as being anything to get excited about. Consumption of copper during September, from present appearances, will show no great variation from the level attained in August. About 10,000 tons of Canadian copper will be available monthly over the remainder of the year, and this is expected to move into the market stream before importations from Latin-America. The latter will be stockpiled, if necessary. The industry believes that the Government's stockpile has increased to around 290,000 tons.

The fabricator's statistics for July revealed that consumption of refined copper amounted to 118,632 tons, which compares with 149,718 tons in June and 132,309 tons in July last year.

Lead

With metal available from current domestic production in smaller supply, owing chiefly to the labor situation, consumers continue to ask for substantial tonnages of foreign lead to round out their requirements. WPB last week allotted some 32,000 tons of foreign lead for September de-

livery, or more than at this time in the preceding month. The Government's stockpile of lead has been shrinking in recent months and stands at between 155,000 and 160,000 tons.

Domestic sales for the last week amounted to 2,075 tons.

Shipments of refined lead produced at domestic refineries totaled 42,966 tons during July, against 43,485 tons in June, and 42,007 tons in July last year, according to the American Bureau of Metal Statistics. Production during July was 5,025 tons less than in the same month last year.

Domestic refined lead statistics for June and July, in tons, follow:

	June		July	
	Stock at beginning—	37,586	33,847	37,586
Production: Domestic—	34,413	33,434	34,413	33,434
Secondary and foreign—	5,342	7,037	5,342	7,037
Total—	39,755	40,471	39,755	40,471
Domestic shipments—	43,485	42,966	43,485	42,966
Stock at end—	33,847	31,344	33,847	31,344

Zinc

Zinc sales increased last week, but the buying against September requirements was nothing to get excited about and producers believe this means that consumption, particularly of High Grade, will show little improvement over August. The industry is prepared for another increase in stocks.

Canada produced 19,879 tons of zinc during June, against 22,823 tons in May and 26,633 tons in June last year, according to the Dominion Bureau of Statistics.

Fluorspar

Unrestricted purchase and sale of metallurgical fluorspar was announced by WPB. This latest action, effective Aug. 12, frees fluorspar for all purposes.

Approximately 400,000 tons of the mineral are being produced

Tin

Some 750,000 tons of tin mill products are scheduled for production in the last quarter of 1944, against 875,000 tons in the third quarter. The reduction in output reflects the usual drop in consumption after peak canning operations.

The tin market was unchanged. Straits quality tin for shipment, in cents per pound, was nominally as follows:

	Aug.	Sept.	Oct.
August 17—	52,000	52,000	52,000
August 18—	52,000	52,000	52,000
August 19—	52,000	52,000	52,000
August 21—	52,000	52,000	52,000
August 22—	52,000	52,000	52,000
August 23—	52,000	52,000	52,000

Chinese, or 99% tin, continued at \$1.125c. per pound.

Quicksilver

Prices are steady on spot and nearby quicksilver quotations ranging from \$105 to \$108 per flask. There was little or no interest in last-quarter metal.

In a report on quicksilver by the Tariff Commission, the authors state that the extent to which operation of the mines should continue after the war seems to depend on the extent to which operation is essential for national security.

Silver

Mexico's Finance Secretary Suarez has proposed a silver stabilization conference among producers and consumers in the United States, Mexico, and other interested nations. One objective of the meeting, if held, would be to ease the restrictions on the sale of silver by the United States under the Silver Purchase Act.

The London market for silver was unchanged at 23½d. The New York Official continued at 44¼c. for foreign metal and 70¼c. for domestic metal.

Canada's Nickel Production

During June, Canada produced 20,373,599 pounds of nickel, against 24,023,396 pounds in May, according to preliminary figures by the Dominion Bureau of Statistics. Production of nickel during the first half of 1944 was estimated at 138,773,912 pounds, against 150,442,741 pounds in the January-June period of 1943.

Increase Participation In Fifth War Loan

A 6.6% step-up in their Fifth War Loan participation was reported by the savings, building and loan associations in Illinois and Wisconsin in the week ended Aug. 12, comparing their part in the just completed drive with the previous one. A. R. Gardner, President of the Federal Home Loan Bank of Chicago, to which 350 associations have to date reported both their bond sales to the public and their purchases of Government bonds for their own account, said that they helped the Fifth War Loan go over the top by a total of \$42,347,305 of bonds. Representing a new high for any of the drives, the associations' purchase of bonds for their own portfolios totaled \$27,414,408 and amounted to 6% of their total assets, Mr. Gardner pointed out. The \$14,932,893 of bonds which the associations sold to the public was principally in the Series E bonds of small denominations, so that the increase of 5.3% in the amount sold during this drive as compared with the Fourth War Loan, meant an even wider distribution of the bonds among the rank and file of the population, according to Mr. Gardner, who pointed out that the associations specialize in these sales because of their peace-time business being so closely connected with small savers.

Revenue Freight Car Loadings During Week Ended Aug. 19, 1944 Decreased 8,726 Cars

Loading of revenue freight for the week ended Aug. 19, 1944 totaled 387,446 cars, the Association of American Railroads announced on Aug. 24. This was a decrease below the corresponding week of 1943 of 3,894 cars, or 0.4%, but an increase above the same week in 1942 of 18,012 cars or 2.1%.

Loading of revenue freight for the week of Aug. 19, decreased 8,726 cars, or 1% below the preceding week.

Miscellaneous freight loading totaled 396,577 cars, a decrease of 1,013 cars below the preceding week, but an increase of 6,750 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 106,378 cars, a decrease of 62 cars below the preceding week, but an increase of 5,264 cars above the corresponding week in 1943.

Coal loading amounted to 174,025 cars, a decrease of 6,249 cars below the preceding week, and a decrease of 2,465 cars below the corresponding week in 1943.

Grain and grain products loading totaled 49,913 cars, a decrease of 1,271 cars below the preceding week and a decrease of 6,203 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of Aug. 19, totaled 35,159 cars, a decrease of 760 cars below the preceding week and a decrease of 5,211 cars below the corresponding week in 1943.

Livestock loading amounted to 16,436 cars, an increase of 470 cars above the preceding week, and an increase of 122 cars above the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of Aug. 19 totaled 12,261 cars an increase of 622 cars above the preceding week, but a decrease of 210 cars below the corresponding week in 1943.

Forest products loading totaled 50,208 cars, an increase of 111 cars above the preceding week and an increase of 2,034 cars above the corresponding week in 1943.

Ore loading amounted to 79,695 cars, a decrease of 742 cars below the preceding week and a decrease of 9,089 cars below the corresponding week in 1943.

Coke loading amounted to 14,214 cars, an increase of 30 cars above the preceding week, but a decrease of 307 cars below the corresponding week in 1943.

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

Table showing revenue freight car loadings for 6 weeks of January, February, March, April, May, June, July, August 5, August 12, and August 19, comparing 1944, 1943, and 1942 figures.

The following table is a summary of the freight loadings for the separate railroads and systems for the week ended Aug. 19, 1944. During the period 56 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED AUG. 19

Main table of revenue freight car loadings and receipts from connections for various railroad districts including Eastern District, Allegheny District, and Pocahontas District, comparing 1944, 1943, and 1942 data.

Table of Total Revenue Freight Loaded for various railroads in 1944, 1943, and 1942, including Southern District, Northwestern District, and Central Western District.

Table of Total Loads Received from Connections for various railroads in 1944, 1943, and 1942, including Southern District, Northwestern District, and Central Western District.

Table of Total Revenue Freight Loaded for various railroads in 1944, 1943, and 1942, including Southern District, Northwestern District, and Central Western District.

Table of Total Loads Received from Connections for various railroads in 1944, 1943, and 1942, including Southern District, Northwestern District, and Central Western District.

Inst. Of Life Insurance Expands Research And Statistical Activities

Expansion of the research and statistical activities of the Institute of Life Insurance has been effected with the reorganization of the Institute Library under the direction of qualified research librarians and the establishment of a research section of the statistical department of the Institute, it was announced on Aug. 25 by Holgar J. Johnson, President of the Institute.

Miss Elizabeth Ferguson has been appointed librarian, with Miss Caroline D'Apice as assistant librarian. Miss Virginia Thompson has joined the statistical department to develop the new statistical research work.

The reorganized library facilities of the Institute have been widely expanded. The purpose is not only to serve the Institute but the public in general and writers in particular. The plan is not primarily to add to the list of books owned so much as to make it the center of information for the business and the public. It will not duplicate or overlap the collections of other libraries or reference units, but will concentrate on careful indexing of all material to make it readily available. It will thus be a fact-file on life insurance.

Miss Thompson will undertake to expand the statistical research, both for Institute use and for the use of writers and others seeking source material on insurance.

Actuaries Meeting Off

Cancellation of the annual meeting of the Actuarial Society of America scheduled for Oct. 26 and 27 in New York City has been announced.

The decision to cancel this meeting was made by the Council of the Society in compliance with request of the Office of Defense Transportation that all meetings scheduled to be held during the remaining months of 1944 which are not definitely and urgently war-connected be cancelled in view of the transportation requirements of military and essential war-connected traffic. The possibility of holding the meeting on some restricted basis was considered, but it was decided that any such meetings would be unsatisfactory.

The Society ordinarily holds spring and fall meetings each year. Last year the spring meeting was cancelled but the fall meeting held. Some months ago it was contemplated that this same arrangement would be repeated in 1944 and the 1944 spring meeting was accordingly cancelled. The decision just announced means that there will be no Society meeting in 1944.

Lumber Movement—Week Ended Aug. 19, 1944

According to the National Lumber Manufacturers Association, lumber shipments of 503 mills reporting to the National Lumber Trade Barometer were 9.7% below production for the week ended Aug. 19, 1944. In the same week new orders of these mills were 0.6% above production. Unfilled order files of the reporting mills amounted to 106.6% of stocks. For reporting softwood mills, unfilled orders are equivalent to 38 days' production at the current rate, and gross stocks are equivalent to 34 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 4.2%; orders by 6.5%.

Compared to the average corresponding week of 1935-39, production of reporting mills was 18.5% greater; shipments were 16.9% greater, and orders were 26.1% greater.

Weekly Statistics Of Paperboard Industry

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

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

Table of Statistical Reports—Orders, Production, Mill Activity showing Period, Orders Received, Production Tons, Unfilled Orders Remaining, and Percent of Activity Current and Cumulative.

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

Items About Banks, Trust Companies

The Brooklyn Savings Bank announced on Aug. 28 the election of Sedgwick Snedeker of the law firm of Snedeker & Snedeker as a trustee of that bank.

The Federal Reserve Bank of New York announced on Aug. 26 that the Madrid Bank, Madrid, N. Y., has been admitted as a member of the Federal Reserve System.

In June this bank had total assets of \$600,000.

Stockholders of the Lincoln Alliance Bank & Trust Co. of Rochester, N. Y., will receive rights worth between \$1.50 and \$2 a share under a plan proposed by the bank to sell 31,333 shares of common stock to add to its capitalization, according to the Rochester "Times Union" of Aug. 21, from which we also quote:

"The stock, which will be offered on the basis of one new share for every five held, is expected to be priced between \$40 and \$42 a share, although nothing definite can be determined now because of fluctuating market values. Current bid price for the stock in the local market advanced \$1 to \$50 on news of the proposed issue.

"Stockholders will be asked to approve the new issue at a meeting Aug. 31, and warrants are expected to be issued shortly after Labor Day. Valid date is expected to be about 14 days. Chief underwriter of the stock will be First Boston Corp. Three local firms also will figure in the deal: Little & Hopkins, Inc., George D. B. Bonbright & Co., and Meyer and Ewell, Inc.

The Boston "Herald" on Aug. 25 announced that Henry H. Pierce, President of the Merchants Cooperative Bank, Boston, Mass., had reported the election of Gardner T. Bolster and Parker Webb as directors. These promotions were needed to fill the vacancies made by the retirement of Charles W. Sherman, Director and Vice-President, who has been with the bank for the past 30 years, and J. Arthur Sparrow, Director and Chairman of the Security Committee, who has been with the bank for the past 35 years.

On Aug. 27 the Federal Reserve Bank of Philadelphia announced that the Farmers Trust Co. of Lebanon, Pa., had been admitted as a member of the Federal Reserve System.

The Philadelphia "Inquirer," from which this information is learned, goes on to say:

"Officers of bank are: Simon K. Behm, President; John F. Brubaker, Vice-President; R. B. Carmany, Executive Vice-President, and A. R. Culp, Secretary and Treasurer.

"Bank has total resources of \$4,130,900, and capital accounts as follows: Capital, \$250,000; surplus, undivided profits and reserves, \$197,200."

Robert E. Towey, previously trust officer of the Old National Bank of Evansville, Ind., has been elected to a similar office by the Tradesmen National Bank & Trust Co. of Philadelphia, Pa., the Philadelphia "Inquirer" reported on Aug. 28. The "Inquirer" further states:

"Mr. Towey was trust officer of First National Bank of Rochester, and upon merger of that bank with Lincoln Alliance Bank of Rochester, remained with merged bank until January, 1941, when he became trust officer of Old National Bank of Evansville."

The Tradesmen Bank also announced the appointment of A. G. B. Steel, who has been in charge of the trust department, to become Chairman of the Trust Committee.

Both men will assume their new positions on Sept. 1.

It was announced by Mr. C. H. Speck, President of the new State Bank of Toledo, in Toledo, Ohio, that will open Sept. 1, and take over the business of the Financial Securities Corp., that previously occupied the site of the new bank at 331 Erie St. Mr. W. L. Alexander, Jr., is Vice-President and Treasurer, and George D. Lehmann, President of the Welles-Bowen Co., Toledo realtors, is Secretary. The three officers and Kenton D. Keilholtz, President, E. L. Southworth and Co.; Ray Peirce, Peirce Construction Co., and John G. Lownsbury, of Lownsbury Motor Sales Co., comprise the board of directors.

This is learned from the Louisville "Courier Journal," in an account by Donald McWain, its financial editor:

Consolidation of the Citizens Union National Bank and the Fidelity & Columbia Trust Company into one institution to be known as Citizens Fidelity Bank & Trust Company awaits only formal ratification of stockholders following approval on Aug. 21 by the boards of directors of both corporations. Menefee Wirgman, President of both banks, stated that the meeting will be held on Sept. 23; from the account we also quote:

"Total resources of the consolidated bank will be in excess of \$190,000,000, based on the latest published statements of two institutions.

"The capital funds account will total \$9,250,000, consisting of capital stock, \$3,250,000; surplus, \$5,000,000, and undivided profits, \$1,000,000.

"Citizens Fidelity will be a member of the Federal Reserve System and of the Federal Deposit Insurance Corporation, thus subjecting both its banking and trust departments to the rigid Federal examinations, as well as to the State examinations, certificate holders were told. Citizens Fidelity will be a Kentucky corporation instead of a national bank.

"The trustees and directors in the message to certificate holders said: 'Citizens Fidelity Bank & Trust Company will be a Kentucky corporation instead of a National bank. This is because the State laws afford better facilities for handling trust business, and yet are not detrimental to banking operations. For example, the great majority of the larger New York combined banks and trust companies are similarly New York State corporations.'

"Mr. Wirgman said the name of Citizens Fidelity has been chosen to retain in part the previous corporate titles of the separate institutions which for generations have provided Louisville and vicinity with financial facilities.

"The Citizens Bank was organized in 1863. The Union National Bank was founded in 1889. These two banks were consolidated in 1919.

"The Fidelity Trust Company obtained its charter in 1882. The Columbia Trust Company began business in 1890. These two trust companies were merged in 1912."

On Aug. 22 shareholders of the First National Bank of Memphis, Tenn., approved unanimously the proposal to increase its capital stock from \$1,500,000 to \$1,800,000 and changing par value from \$100 as at present to \$20. Only definite approval of the Comptroller of the Treasury at Washington is needed, that official already having assented to such action by the bank's directors.

The St. Augustine National Bank of St. Augustine, Florida, celebrated its 25th anniversary on Aug. 15. When the bank first opened in 1919 its total resources were \$208,306 with capital and surplus of \$50,000 and \$15,000, respectively. Now its resources to-

tal \$6,419,082 with capital and surplus shown to be \$200,000 and \$127,781, respectively, the latter including undivided profits.

Stockholders of the Merchants National Bank of Mobile, Ala., have voted and approved the proposed increase in the capital from \$1,000,000 to \$1,250,000 and also an increase in the surplus from \$1,500,000 to \$2,000,000. The bank will sell 12,500 additional shares at \$60 per share to raise the needed money for these increases.

The New York "Times" in advices from Mobile, Ala., on Aug. 22, said:

"Shareholders may subscribe to one new share for each four held on Aug. 21. Stock rights will expire on Sept. 15."

Lloyds Bank, Ltd., of London, England, showed in its statement of condition as of June 30, 1944, total assets of £789,067,922. In the liabilities group, current deposits and other accounts were £740,381,273, this included provision for contingencies, endorsements, guarantees, and other obligations were £22,798,972, while authorized and subscribed capital were £74,000,000, and £73,302,076, respectively. In the assets group cash in hand and in the Bank of England was £77,100,795, while Treasury deposit receipts were £227,500,000. Total investments stood at £214,235,417.

The Midland Bank, Ltd., of London, Eng., showed total liabilities as of June 30, 1944, to be £930,874,818 against £800,232,447 a year ago. Capital paid up amounted to £15,158,621, unchanged from a year ago. The Reserve Fund totaled £13,410,609 compared with £12,910,609 on June 30, 1943. Current deposits and other accounts were £890,236,185 while last year they were £757,051,027.

Total assets of the bank were £930,874,818 with total investments being £232,993,073 as compared with £229,401,386 a year ago. Total bills discounted and coin bank notes and balances with Bank of England were £49,914,803 and £92,774,888, respectively, against £52,233,957 and £84,816,484, respectively, for June, 1943.

McNutt, Nelson Issue Statement On Civilian Reconversion

Paul V. McNutt, Chairman of the War Manpower Commission, and Donald M. Nelson, Chairman, War Production Board, on Aug. 15 issued the following joint statement:

"In order that there may be a clear understanding of the position of the WPB and the WMC with respect to reconversion to civilian production, we make the following statement:

"We are agreed:

"1. That war production has the first claim on the nation's manpower and that there must be no diversion of manpower needed for war production and essential civilian production to less essential civilian production;

"2. That there should be the maximum resumption of civilian production consistent with war production needs;

"3. That, therefore, wherever labor and materials are available which are not needed in, or cannot be made available for, war production they should be employed in civilian production;

"4. That planning for reconversion of the soundest and most thorough character should go forward with the utmost diligence and intelligence so that, as employment in war production ends, jobs in civilian production can be readily found;

"5. That there is and must be, at all levels, the closest cooperation between the representatives of the WPB and the WMC to accomplish these common objectives."

Year's Training Of Youth By Government Suggested By President Roosevelt

President Roosevelt's proposal on Aug. 18 for nation-wide study of one year's Government training of youths, prompted discussion by House members as to just what might be involved in the President's objectives. There was a general feeling in the House, said Associated Press accounts from Washington on Aug. 19, that the President had in mind, when he outlined his views at his news conference on Aug. 18, a renewal in some form of the Civilian Conservation Corps, which Congress has liquidated. From these press accounts we quote:

The President told reporters he did not have compulsory military training in mind since the 1,000,000 to 1,250,000 youths who might be available for such training would be given a combination of military and civilian training. He wished, he said, that the people would study the question because of the tremendous amount of surplus military housing that will exist after the war.

These facilities, the President said, could be used to take care of sick and wounded veterans, to provide vocational training, and to provide training of other types, including military.

"It sounds like universal military training to me," commented Representative Harness, Republican, Indiana, a member of the House Military Committee.

Chairman Woodrum, Democrat, Virginia, of the special House committee on postwar military planning said he did not think "there is any need of a CCC."

Chaimean May, Democrat, Kentucky, of the House Military Committee declined to comment but is known to favor compulsory peacetime military training of one year for the nation's youths.

"I was afraid the President would get a social angle into it," commented Representative Wadsworth, Republican, New York, author of pending compulsory military training legislation. "I think the training should be solely military, always remembering that in modern military training there is much of educational value, but the objective should be military."

In suggesting public study of a one-year Government training program for youths in the postwar period, not necessarily military, the President proposed that the plan be considered for youths, roughly speaking, between 17 and 22 years old, and that it should be of a type to teach them discipline and how to live in harmony with other persons. Advances to this effect were contained in a Washington account, Aug. 18 to the New York "Times" by Charles Hurd from which the following is also taken:

"The President pointed out that the wartime development of service housing for possibly 5,000,000 persons had created the facilities for the training program.

"While Mr. Roosevelt discussed the plan in general terms and carefully skirted the more direct proposal that all youths be drafted to serve for one year in the armed forces, he indicated that the idea he has in mind is closer to that of the old Civilian Conservation Corps than to direct military service.

"His talk recalled to reporters that numerous youth-training proposals have recently been put forward, and that Secretary of War Stimson in a letter dated July 24 to Warren H. Atherton, National Commander of the American Legion, urged universal peacetime military training.

"Among the training proposals is one suggesting the drafting of youths as they reach the age of 18 to replace veterans of the war who otherwise might be held abroad indefinitely on policing duties; and another urges that youth in the future be required to give a year of service to the Government, but with the option of splitting up the year, possibly serving for three months in each of four consecutive years.

"Mr. Roosevelt told reporters

that the country had a very real post-war problem in the question of what to do with the high quality housing, construction of which was necessary for the training of the armed forces. The housing, he added, is located not only in the United States but far afield. He emphasized that it is very good housing and characterized the disposal of it as an awful problem.

"There are, Mr. Roosevelt said, possibly three uses for the housing, which are:

"First, it could be used to care for a large number of veterans, the so-called walking cases in contradistinction to more helpless persons, because the housing is not fireproof.

"Second, some of the housing could be used for vocational training of veterans.

"Third, it could be used for training young men.

"Mr. Roosevelt emphasized that there was a great deal of talk about how good it had been for the average youth to get the training the armed services provide. The average person among us, he said, is not in good physical shape, and we could not get along or even keep clean if we had to live in a camp among many other persons. Americans generally are undisciplined, he added.

"On the other hand, the President said, the training does teach the youth how to be law-abiding and to live in an orderly manner. He recalled that the CCC improved many boys physically and taught them many things. Future training, he added, need not be completely military in character; it could be used to teach youths, for instance, to be good stenographers or craftsmen.

"The point of his thinking, Mr. Roosevelt reiterated, is that since facilities exist to give such training to the 1,000,000 or 1,250,000 youths reaching manhood each year, public opinion should be formed by the country itself as to the best thing to do about the question."

July Alloy Steel Output

Production of alloy steels during July totaled 854,321 tons, about 11% of total steel production during that month, according to the American Iron and Steel Institute. This compares with 865,967 tons of alloy steel produced in June this year and 1,066,053 tons in July, 1943.

Open hearth furnaces produced 572,324 tons of alloy steel in July, 1944. The remaining 281,997 tons of alloy steel production came chiefly from electric furnaces.

Display Of Military And Occupation Currency By Guaranty Trust Co.

Guaranty Trust Company of New York has assembled a framed exhibit of various types and denominations of military and occupational currency, which was placed on display on Aug. 24 in the lobby of the bank's main office, 140 Broadway. The exhibit comprises 32 different notes, including the special series of United States-"yellow seal" notes and those used in the Territory of Hawaii, as well as Allied military lire and francs, British military currency and British military lire, Netherlands Indies guilders and Japanese invasion currency.