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The Financial Situation

Now that the election campaign is about to get under way in earnest, a number of questions have arisen concerning the propriety of tactics and techniques which are being used. One of them which has been attracting attention for a good while past is the political use, or what appears to many to be such, that is being made of the Commander-in-Chiefship of the President of the United States. Another is the old, familiar trick of "inspection trips" and "reports" to the people by the President from time to time. Other related tactics expected by many to be brought into use before the campaign is over include visits to the "fronts", or as near thereto as a somewhat strained prudence will permit, perhaps absence from the country on such journeys at particular points in time or upon particular occasions believed well calculated to attract the attention of the public and to give the impression that it would be the height of folly to release from public office one so experienced and so closely in touch with everything that is going on in the world at a time like this.

"Political Action Committees"

But there are other "handicaps" which the opposition must carry in this election. One of the most important of these appears to be the organization of "political action committees", if not among, then closely allied to, large groups of workers who are in the well-formed habit of taking orders from above, and who, so the leaders of the movement hope, will not be "balky" when told how to vote. This particular movement takes on added importance by reason of the fact that it is closely associated with the political party of the present administration, and thus is able to work very much in harmony with the President, the master politician (not Commander-in-Chief). This organization or group of organizations is, as is well known, largely under the direction, not to say domination, of Mr. Hillman, an old palace favorite and one scarcely unacquainted with the ways and wiles of practical politics.

Such tactics and such modes of procedure are being roundly and warrantably condemned in many quarters. The

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From Washington Ahead Of The News

By CARLISLE BARGERON

When Mr. Roosevelt announced that he supposed some people would consider his speech planned for Sept. 21 as political, he was understating it. The fact is that he is upset by the tremendous attention which Sidney Hillman is receiving. The speech is designed to take some of the emphasis off him. It is generally conceded that Hillman's activities are driving some of the A. F. of L. vote away from the New Deal, to what extent is not exactly known. In an effort to head this off, the President's first speech of the campaign is to be directed to an A. F. of L. group arranged by his old friend, Dan Tobin, the \$40,000-a-year head of the Teamsters. Dan has been carrying the New Deal ball in the Federation's Executive Council all along, although some months ago he expressed considerable impatience towards the New Deal bureaucracy. An editorial of his in the Teamsters' publication attracted a lot of eyebrow-lifting. Mr. Roosevelt



Carlisle Bargeron

got to him, however, and calmed him down. One of his main jobs in the Council has been to keep John L. Lewis out of the A. F. of L.

The picture Mr. Roosevelt will try to create on Sept. 1 is that it's all wrong about his being tied up with Sidney, he loves the A. F. of L. just as much.

In the meantime, Mrs. Roosevelt hasn't been letting any grass grow under her feet. The Republicans in Pennsylvania thought they had dampened the New Deal ardor of the Negro paper, the Pittsburgh "Courier," which also publishes a Philadelphia edition. Mrs. Roosevelt got on the train and went to Pittsburgh for a social visit with Mrs. Van, the widow of the late Negro publisher of the paper. Within a few days it launched an attack on the Republican Mayor of Philadelphia, charging that he was responsible for the recent transportation strike in that city. The CIO was responsible for it.

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Senator Truman, Accepting Nomination As V.-P., Urges Re-Election Of President Roosevelt

Stresses Necessity Of Experience In National And International Problems

Speaking in behalf of the re-election of President Roosevelt, the declaration was made on Aug. 31 by Senator Harry S. Truman that "tomorrow's challenge is today's problem. The proven leadership of our successes must continue." Senator Truman went on to say:



Harry S. Truman

"The fortunes of the future for which our boys have fought, bled and died must not be endangered by intrusting them to inexperienced hands. There is no substitute for experience, which can be gained only through years of application and service."

The occasion of the Senator's remarks was a speech by him formally accepting his nomination for the office of Vice-President on the Democratic ticket. His acceptance of the nomination took place at a ceremony at his birth place at Lamar, Mo.

Saying that "it takes time for any one to familiarize himself with a new job," Senator Truman added: "This is particularly true of the Presidency of the United States, the most difficult and complex job in the world. Even in peacetime, it is well recognized that it takes a new President at least a year to learn the fundamentals of his job. We cannot expect any man wholly inexperienced in national and international affairs to readily learn the views, the objectives and the inner

thoughts of such divergent personalities as those dominant leaders who have guided the destinies of our courageous Allies."

Noting that "the end of hostilities may come suddenly," the Senator stated:

"Decisions that will determine our future for years, and even generations to come, will have to be made quickly. If they are made quickly and wisely by those who have had years of experience and the fullest opportunities to become well informed with respect to our national and international problems, we can have confidence that the next generation will not have to spill its blood to rectify our mistake and failures."

Making the statement that "although victory may be close at hand, it must still be won," Senator Truman referred to the fact that "much work has been per-

formed in the task of building for peace," and he said:

"The peace we seek is partly made. While the main task is yet ahead of us, world peace was actually in the process of making many months, even years ago."

"This peace was being made at Casablanca, at Moscow, at Quebec, at Cairo, at Teheran. It was being made last week in our own nation's capital. It will be made in many other places, at many other times. It is a continuing process, already years under way, still years in prospect. We are, in our effort to make this peace, very definitely in midstream."

"We comprise but a small percentage of the people of the earth, and we shall have to guide the way with wise counsel and advice if we expect to play our full part in establishing a good and an enduring peace."

The Senator also stated in his speech that "winning the war and concluding the peace are only part of the task facing us during the next four years. We must also

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Quite So!

"We are at the point now where we are going to decide in which direction we are going to try to go. We have been building up a psychology in this country for a long, long time that when any private person, any State or community gets into trouble; when an individual faces a situation that challenges him to use his initiative and all of his resources he or they run to Washington to get some money.



Hatton W. Summers

"We deny the challenge. We refuse the challenge. No people can long maintain a democracy who pursue that policy. We are engineering and encouraging people now, before there is any developed necessity, to come here and get some money out of the Federal treasury.

"We know that we confront two or three definite dangers. We know that we are not too far from the printing press for money, that when this war is over it is not going to be easy to sell bonds; that whenever the tax burden upon privately owned property is greater than its assets private ownership will not be attractive. We know that there can be only two sorts of ownership, private and public.

"Whenever we create a situation where nobody wants to own and nobody wants to work and manage there can be no owner except the Government. There can be no democracy, no popular government, where ownership control is vested in Government organization."—Representative Hatton W. Summers of Texas.

We hope that Representative Summers, or some one at all events, is seeing to it that as many as possible of the American people are having their attention called to this serious and highly pertinent warning.

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*Not available this week.

The State Of Trade

Military successes of the Allied armies in Europe afford the United Nations some reasonable yardstick to measure the time when peace will become a reality. Tentative plans are at this moment being drawn up to assure the peace of the world for many years to come. That these efforts may prove fruitful and lasting is the desire of all peoples endowed with a love for mankind and the respect for the rights of others.

The people of the United States by the attack on Pearl Harbor by the Japanese were precipitated into the maelstrom of war. Unity of all the people at that time was sought to prepare for a war that would bring the transgressors of the moral law to justice and make future wars impossible. America's answer to the challenge was her overwhelming production of arms and materials made possible by the genuine effort and great sacrifices of all classes of the American people. From the results achieved it would appear that this remarkable undertaking was accomplished without drawbacks or friction of any kind. However, such has not been the case, since misunderstandings and selfishness on the part of some elements of labor have worked, unwittingly at times, to seriously impede our war effort. Records compiled by the Department of Labor bear eloquent testimony to the utter disregard these groups have for the welfare of their country and fellowmen making the supreme sacrifice on the battlefields of the world.

Leaders of the major labor unions upon our entrance into the war gave their solemn pledge that their members would refrain from striking for the duration. This pledge was short-lived, for after a few months had elapsed, labor disorders showed a steady increase and in the first year following Pearl Harbor, the no-strike pledge was violated nearly 3,000 times. The second year found more men exercising the strike privilege than in any of the 15 years preceding Pearl Harbor.

Instead of diminishing, it is found as time goes on, that the number of strikes are on the increase. So far this year there have been four strikes for every three that were called last year, with prospects pointing toward a new record of more than 5,200 strikes by the end of December. In the single month of May of this year there were more strikes than there were in the entire boom year of 1928. For the year to date, more than a million men have answered the strike call, resulting in an absence from work on an average of four days each. At the present time production of coal is being hampered by disorders of this nature.

Not all of these disturbances have sprung from disputes between management and labor. In fact, many can be attributed to jurisdictional disputes and other forms of dissension within labor's own ranks. The refusal of labor to abide by the decisions of government labor boards is another cause. These conflicts in large measure are responsible for labor's chief problems to-day.

As the termination of the war in Europe approaches a climax, and with ultimate victory in the Pacific certain to follow, our readjustment to a peace-time economy will impose responsibilities upon us all. We are deeply concerned in securing and maintaining a lasting peace and the surest way of bringing it about is by unity within our own country. Wholesome relations between labor and management will go far toward easing the difficult period ahead. An unselfish devotion to one's task, no matter how small, will develop that accord so necessary for a unified people which will at the same time set a good example to the rest of the world groping in despair and confusion.

WPB Conversion Plan—A new plan to aid conversion of industry to peace-time pursuits was announced by the WPB in setting forth a policy of encouraging the transfer of war production from

plants that may readily be reconverted to civilian output to special-purpose plants. The board had the Ford Willow Run plant particularly in mind, since cutbacks in production of B-24 Liberator bombers at that plant are expected to ultimately place 300,000 workers in the unemployment category.

To forestall, if possible, the large-scale lay off of workers, Arthur H. Bunker, WPB deputy executive chairman, told representatives of the Ford Motor Co. and C. I. O. United Automobile Workers, that the board favors moving additional aircraft work into Willow Run if this can be accomplished without upsetting production schedules and the war effort.

Consumer Credit—Outstanding consumer credit on July 31 reached a total of \$4,883,000,000, or a decline of about \$60,000,000 for the month, an estimate of the Federal Reserve System discloses. Curtailment in charge account indebtedness occasioned by the war accounted in large measure for the reduction. Installment loans outstanding in July showed an increase, but notwithstanding the increase, were about 2% below that of last year. In the automobile trade, sales credit rose by approximately 6% for the month.

Dissolution of APB Recommended—The APB, brought into being almost two years ago to solve a bottleneck in plane production, was recommended for dissolution by Charles E. Wilson, retiring executive vice-chairman of the WPB. With production the current year close to 68,000 planes, approximately an annual rate of 100,000 planes, Mr. Wilson disclosed last week that members had recommended discontinuance of the emergency aircraft unit. The recommendation is now in the hands of J. A. King, acting chief of the WPB. Mr. Wilson was the organizer of this agency to speed aircraft output.

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 95.5% of capacity for week beginning Sept. 4, compared with 97.1% one week ago. This week's operating rate is equivalent to 1,710,700 tons of steel ingots and castings, compared with 1,739,300 net tons last week and 1,748,200 tons one year ago.

Although incoming bookings continued to run heavy the past week, it appears the peak in steel ordering has passed, states the "Iron Age" in its current review of the steel industry. It is understood that incoming bookings referred to represent requirements set up some time ago.

On the surface, steel market trends appeared to be similar to that of a week ago, but, reports the magazine, tiny cracks are materializing which may be indicative of a gradual leveling off or which may precede an upheaval. The development of this condition depends entirely on the course of the war.

Indications the past week supporting the view that lighter demand may not be far off embrace a sharp first quarter cutback in Maritime Commission requirements, postponements in some shell steel delivery schedules, substitution of lend-lease orders for fourth quarter domestic tinplate cutbacks, and hesitancy on fresh steel orders and inventory house cleaning.

Cutbacks in shell steel production, the magazine states, will probably be temporary, thus giving

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Deposit Responsibilities Of State Banks Vastly Increased

The importance and responsibility of state banks in the national economy is emphasized in the 13th annual report of the State Bank Division of the American Bankers Association made public on Sept. 6, which shows total deposits in 9,549 state supervised banks reached an all time high of \$57,650,981,000 on December 31, 1943, an increase of \$8,378,333,000 over the previous year and 58% during the five-year period from 1938.

The report covers 9,005 state commercial banks, loan and trust companies, private banks, and stock savings banks and 544 mutual savings banks, all of them chartered by the states in which they operate as reported by state bank departments as of December 31.

The report said of the \$57,650,981,000 total deposits, \$25,998,958,000 was represented by demand deposits of individuals, partnerships and corporations, a gain of \$4,880,391,000 during the year and an increase of more than 100% since 1938.

Time deposits of individuals, partnerships and corporations amounted to \$20,625,233,000, an increase of \$2,337,169,000 for the year. "The continuous upward trend of time deposits has brought the total to an all time high, with the likelihood of further expansion in the future, at a somewhat slower pace, however," the report said.

The rapid growth of deposits is reflected in the increased holdings of United States Government securities, by all state supervised banks which on Dec. 31 aggregated \$31,865,802,000, an increase of \$9,794,780,000 for the year.

"A further study of this item discloses that state supervised banks had more than 50% of their resources invested in government securities," it continued. "During the past five years state supervised banks have increased their holdings of government securities \$21,521,416,000 or 208%. This fact clearly emphasizes the support state banks are lending to Treasury financing."

Other securities held by the banks aggregated \$4,141,891,000 on Dec. 31, a decrease of \$605,542,000 or 12.8% during the year. These other securities represented a total of 6.6% of total resources, a decrease of almost 26% since 1938.

Loans and discounts declined \$257,972,000 during the year to \$13,468,850,000. "While this was the second consecutive year that a decrease in this item was evidenced, the major portion of the year's loss was noted in loans and discounts of mutual savings banks. This may indicate a possible leveling off of loans and discounts in state commercial banks with the strong possibility of increased upward activity in subsequent periods."

Cash, reserves and funds due from banks amounted to \$12,412,667,000 at the end of 1943 of which 93.6% was represented by state commercial banks.

Total capital funds rose \$224,537,000 to \$5,085,747,000 or an increase of 4.6% for the year.

"In summarizing these changes, the significant items of interest are deposits, government securities and cash. When the growth and distribution of deposits is considered, it must be remembered that they represent only a part of the total liquid assets of the public. As has been demonstrated, the other important kinds of liquid assets are currency, and United States Government obligations. The total growth of all liquid assets held by businesses and individuals at the present time, when the aggregate of private debt is not changing materially, is roughly equal to the expansion of the public debt. Funds borrowed by the government are obtained either from individuals and businesses, in which case they are represented by government security holdings, or they are obtained from banks and are reflected in the growth of deposits. Demand deposits repre-

sent that portion of the growth in debt that has been taken by banks and the proceeds of which are not held in the form of time deposits or currency."

Discussing assets and liabilities of state commercial banks the report said, "At the close of the year 1943, there were 9,005 state banks engaged in commercial banking business in the United States."

"Total resources of state commercial banks on Dec. 31, 1943, were \$50,023,957,000, an increase of \$7,539,810,000 or 17.7% during the year. This increase, with minor adjustments, is reflected entirely in holdings of United States securities."

The report said holdings of United States securities by the state commercial banks the country over represented 51.6% of the total assets of the banks, compared with 41.2% at the end of 1942.

All states participated in the increased holdings of government securities with a ratio ranging from 28.6 to 61.3% of the total assets of these banks. Delaware had the highest ratio while other states with high ranking included Rhode Island with 58.1%, Massachusetts with 56.5%, New York with 55.7%, Maryland with 55.6%, Oregon with 55.4% and New Jersey with 54.5%, while seven other states were near the average figure of 52.0%.

Other securities held by the state commercial banks decreased \$413,232,000 to \$2,834,408,000 for the year. The average percentage of other securities to total assets was 5.7% compared with 7.6% for the year ended Dec. 31, 1942.

Loans and discounts decreased \$34,113,000, the smallest decline since 1941, and the ratio to total assets was 18.0%.

Cash, reserves and funds due from banks amounted to \$11,618,041,000, a decrease of \$210,756,000 during the year and bringing the percentage of cash, reserves and funds to total assets to 23.2% during 1943, compared with 27.8% at the close of 1942.

Total deposits of state commercial banks at the end of 1943 amounted to \$45,926,329,000, an increase of \$7,317,866,000 or 19% for the year. New York continues to disclose the largest dollar amount of increase in deposits with \$1,495,582,000 or a 9.4% advance.

Reviewing assets and liabilities of the 544 mutual savings banks the report said, "Mutual savings banks disclosed holdings of United States Government securities of \$6,094,879,000 at the close of 1943, an increase of \$1,535,490,000 over 1942. This item represents 46.7% of total resources, which compares favorably with that of state (commercial) banks."

"All the states showed increase in government holdings with percentages ranging from 25.1% to 119.6%. The highest percentages of increase occurred in Delaware and Wisconsin at 119.6% and 103.4%, respectively. The percentage of government securities to total assets ranged from 21.5% to 70.7%."

"Loans and discounts were off \$223,859,000 or 4.8% from the year end figures of 1942. Oregon had the highest ratio of loans and discounts to total assets at 53.0%, with Vermont and New York next with 40.7% and 40.4%, respectively."

The large advance in the volume of business done by state supervised banks in 1943 is reflected in their aggregate earnings. The report said, "During the year 1943 gross earnings from

current operations of state banks engaged in commercial business in 47 states and the District of Columbia increased 7.0% over the year 1942, while total net earnings from current operations increased 15.4% during the same period. Seven of these states reported net earnings less than in 1942.

"Another interesting thing about the study is the impressive income from service charges. Without the service charge income, the net earnings from current operations in six states would have been entirely wiped out. Four states would have shown net losses instead of net profits before dividends in the absence of service charge income."

Members of the committee on state bank research supervising the making of the report include:

Elwood M. Brooks, president, Central Bank & Trust Company, Denver, Colo., chairman; W. J. Breidenthal, president, Riverview State Bank, Kansas City, Kan.; Louis E. Hurley, president, Exchange Bank and Trust Company, El Dorado, Ark.; Clarence M. Malone, president, Guardian Trust and Trust Company, Houston, Tex.; C. H. Martin, president, Security Trust and Savings Bank, San Diego, Calif., and H. N. Thomson, vice-president, Farmers and Merchants State Bank, Presho, S. D.

Officers of the State Bank Division of the American Bankers Association who assisted in preparation of the material include:

Claude F. Pack, president, Home State Bank, Kansas City, Kan, president; W. W. McEachern, president, Union Trust Company, St. Petersburg, Fla., chairman executive committee; Walter B. French, deputy manager, American Bankers Association, New York City; Melvin C. Miller, American Bankers Association, New York City, secretary.

Nazis Will Fall This Year—Patterson

Under-Secretary of War Patterson, on his return from the European battlefronts, said that he thought the German armies would crack within the next four months. According to a special dispatch to the New York "Times" from Washington on Aug. 31, which also gave the following remarks of Mr. Patterson:

"Complete and final victory over the Germans is not far off, a victory that will be won not by our men alone, but by the combined power of the armies of the United Nations."

Mr. Patterson, who was formally against the expression of such optimistic beliefs as to the end of the war, said that he was certain that General Eisenhower would fulfill his prediction that "the war in Europe would be won before the end of 1944 if everybody does his part."

Mr. Patterson also told of how the mobility of the German army is being severely hampered by the Army Air Forces and that an army without mobility was ripe for defeat. He also added that strategic bombing had cut German gasoline production to "only 20% of what it was a year ago."

Agreeing with Secretary of the Navy Forrestal's report that the optimism coming out of General Eisenhower's headquarters "was not pure optimism but sound reasoning, and that the General could rightly say that if one could judge the Germans by "normal standards," their armies should be ready to "roll over now."

The New York "Times," reporting this information, quoted Mr. Patterson as saying that he had witnessed the Southern France landings on Aug. 15 and was impressed by the fact that the Germans had only "show-window" defense—"everything placed in the show window, along the coastline."

International Monetary Fund— Purposes, Methods, Consequences

(Editor's Note—This constitutes the full text of an official release distributed at Bretton Woods while the Conference was in session.)

Much confusion about the International Monetary Fund would be avoided if it were clearly understood that there are three separate aspects in the proposed plan: one, the Fund's purpose; two, the methods proposed for achieving this purpose, and, three, the consequences that may flow from its achievement.

The purpose of the Fund is the restoration of world trade and its continuing expansion.

While the agreement proposing the Fund deals for the most part with matters relating to foreign exchange and the maintenance of its stability, that after all is not an end in itself but merely one of the means towards achieving better trade conditions. Similarly, while the Fund may be expected, through improving trade conditions, to contribute to the maintenance of high levels of employment and real income as well as to the restoration of disrupted economies and the development of the productive resources of all members, these matters are in the nature of hoped-for consequences of the successful operation of the Fund rather than its immediate purpose.

A brief discussion of the three phases of the matter is presented in the following paragraphs. No attempt is made to describe the Fund's operation or to cover all the matters with which the proposal deals. In these respects the document speaks for itself. This is merely an attempt to draw a sharp distinction between the Fund's purposes, its methods, and the possible consequences of its operation.

Purpose

No country is completely free from the influence of foreign trade. Raw-material producing countries need foreign trade in order to find markets for their output. These countries need the proceeds of the sale of their products abroad for the purpose of buying goods for consumption as well as for the development of their country. Industrial countries usually require foreign trade both for the acquisition of raw materials which they use in manufacturing and for the disposal of their products. There are great differences between countries in the extent to which they depend on foreign trade. In some countries foreign commerce constitutes a very large proportion of total national income. In other countries the percentage of national income that is produced by foreign trade is small. But even in the latter countries it is often the case that the marginal percentage involved in foreign trade may spell the difference between prosperity and depression.

For these reasons, a restored world economy cannot be imagined without the establishment of world trade on the largest possible scale and with the least possible obstruction. This need not be elaborated; suffice it to recall the innumerable difficulties and frictions which developed in the two decades after the last war as a result of increasing obstructions to world trade. If the Monetary Fund can make a substantial contribution to its restoration in the maximum possible volume it will not have been in vain that the representatives of 44 nations spent much time and effort in promoting and fashioning the plan.

Method

The greater part of the proposed agreement deals with the methods devised for the purpose of encouraging world trade. The principal method is the restoration of exchange stability. Assurance to producers and traders throughout the world that they can count on a reasonably stable level of exchange rates would make it very much easier for them to engage in their business. They would have the assurance

that their profits will not be exposed to the unpredictable risk of great fluctuations in the value of the currencies for which they propose to sell their product or in which they propose to pay for their imports. Exchange stability affects directly not only those who are engaged in international trade but also all those who produce goods a considerable part of which finds its way into world markets. It is, therefore, not a matter that concerns merely a relatively small proportion of some countries' population but one that directly concerns the great majority of all people. In fact, no prosperous world trade and no prosperous economies can persist in the face of violent fluctuations in exchange. It is for this reason, and as a result of painful experience, that the necessity for developing an International Monetary Fund was recognized.

More specifically, the Fund proposes to limit the right of member countries to change their exchange rates without going through a certain procedure. The countries that join the Fund undertake not to propose such changes unless they consider them appropriate to the correction of a fundamental disequilibrium.

While the Fund looks to exchange stability as the principal means for the restoration of world trade, it recognizes limitations on stability that are necessary in order to meet the internal conditions of different countries. It provides that during the period of transition, in view of the extreme uncertainties that must prevail after the war comes to an end, many adjustments will be necessary, and it is proposed that the Fund in deciding on its attitude to any proposals for changes in exchange rates presented by members shall give the member country the benefit of any reasonable doubt. It is indeed impossible to conceive of a Fund possessed of such wisdom as to provide immediately after the war rates of exchange that will in all cases continue to be appropriate as the process of reconstruction proceeds. There is, therefore, an indication that the Fund will have an open mind in this matter and will proceed with due consideration for the needs of applying countries.

The Fund also has other provisions that add flexibility to the system it hopes to establish. It authorizes a country to make a 10% change in its currency without obtaining the concurrence of the Fund. However, even in that case the country is required to consult with the Fund and to act in accordance with its purposes, so that if the agreement is carried out in good faith such changes will not be an arbitrary or competitive devaluation. Furthermore, the proposal provides that a country which after having made a 10% change finds itself under the necessity of making another change without delay may request the Fund's concurrence in such a change and a reply must be given within 72 hours. Other changes can be obtained with the Fund's concurrence and there are no prescribed limitations on such authorized changes.

It may be contended that these provisions go a long way toward diminishing the hoped for stability of exchanges. Careful consideration, however, would indicate that the opposite is the case. Sta-

bility does not mean rigidity, and rigidity in the past has resulted in extreme instability. A country which finds that its domestic economy is suffering greatly from inability to sell abroad, because of an inappropriate rate of exchange and also finds it impossible to make other adjustments to correct the situation, has no alternative but to change the rate. If it does not change it soon enough but persists in maintaining it after it has become untenable, there are likely to be serious consequences both at home and abroad. Ultimately the rate will be changed and probably by a larger amount than would have been necessary if the country had acted promptly. Illustrations of such cases are too common to need mention.

Therefore, the provision for orderly changes in consultation with an International Fund and with its concurrence, so long as they are in accordance with the general objectives of the Fund, is a contribution to stability rather than an impingement upon it.

In order to protect the economies of the country from any untoward influences resulting from excessive rigidity of the rate, there is an explicit provision that the Fund shall not reject a requested change that is necessary to restore equilibrium, on the ground that it does not approve of the domestic social or political policies of the member country proposing the change. These provisions are not a substantive limitation on which the Fund is expected to do, but a reassurance to the countries that these vital matters were kept in mind by the framers of the proposal, and that the member countries' autonomy in domestic affairs is not threatened.

In pursuance of its aim to restore world trade through exchange stability the Fund provides a method of affording countries an opportunity in effect to borrow foreign currencies from the Fund, in exchange for their own. This enables countries that are temporarily short of means for making payments abroad to make such payments out of the Fund's resources. The countries are thus protected from feeling immediately the pressures arising out of an unfavorable trade balance in a way that leads to disruption, measures of restrictions, blocked accounts, limitations of trade, etc.

There are many safeguards provided in the Fund to protect its resources from uses that are excessive in amount or in duration. The Fund is expected to be a revolving fund which affords to the countries a breathing spell during which they can undertake such measures as may be necessary to restore their economy to a condition of equilibrium without in the meantime disrupting their foreign trade or their domestic economies. No safeguard provided for the Fund is more important than the provision that the countries' request for foreign currencies must indicate that the uses to which these currencies will be put are consistent with the purposes of the Fund. This means that countries which conduct their affairs in good faith in accordance with the undertaking to act in conformity with the purposes of the Fund will not in any circumstances divert the resources of the Fund to inappropriate uses. In international agreements between sovereign States no method of enforcement can be as important as reliance on the good faith of the participants. The Fund's operations are generally limited to current transactions. With reasonable exceptions, the Fund is not supposed to be used for the transfer of capital or for purposes of relief or for rehabilitating a country's productive plant. Such operations must be handled through other channels.

An important incidental provision in this connection is the

power of the Fund to warn a member country, even though that country may not be using the Fund's resources, that the conduct of its affairs is not consistent with the purposes of the Fund. Such a warning might point out to the country that its conduct not only constitutes a failure to perform an obligation undertaken by joining the Fund but also may be prejudicial to the country if in future it should wish to have recourse to the Fund.

To summarize, the Fund attempts to provide the greatest degree of exchange stability that is consistent with the economic necessities of the members. It introduces stability without rigidity and elasticity without looseness.

Consequences

In drafting the proposal it has been the intention not only to indicate the purpose and the methods of the Fund but also briefly to mention the consequences that it may have on world prosperity. As a means of assuring the member countries that join the Fund that it is not conceived in the narrow spirit of protecting the financial interests of traders and their backers but in the spirit of far-sighted concern about the general well-being, it is indicated that the Fund proposes to contribute to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all member countries as primary objectives of economic policy.

The Fund does not propose to be a universal panacea for all human ills but only a mechanism for the performance of a clearly defined specific purpose. At the same time it is one of the means which, in conjunction with many others, offers hope for the reestablishment of a prosperous and, consequently, a peaceful world.

OPA Amendments To Rent Regulations

Amendments to rent regulations which clarify the limitations on the charging or retention of "security deposits" by landlords were issued on Aug. 29 by the Office of Price Administration, these reports further said:

Effective September 1, 1944, these amendments represent little change in present administration of the rent regulations, but they spell out specifically provisions which have hitherto been applied largely by interpretation.

The Office of Price Administration pointed out that the amendments provide that the term "security deposit", in addition to its customary meaning, includes any prepayment of rent in excess of one month in advance.

Under these amendments, landlords who can establish need of a deposit for recovery of such movable objects as keys and ice trays may petition for permission to require such a deposit. The maximum which OPA will allow for this type of security is ten dollars.

Today's action was taken, OPA said, to prevent use of security deposits as a means of evading rent control. In some cases, the agency said, landlords have been requiring advance payment of six months or even one year's rent. Even where a tenant does occupy rented quarters long enough to use up his prepayment of rent, OPA believes that necessity for making these payments imposes an unwarranted burden on the tenant.

Unless the landlord shows he has special need for the collection of a security deposit for the return of movable articles and the OPA authorizes such security deposit, the following limitations are applicable:

1. A landlord whose maximum rent was established by a renting on the maximum rent date, or a renting during the two months ending on that date, may require a security deposit on the same

terms and conditions as those provided by the lease or other rental agreement by which the maximum rent was established.

2. Where the maximum rent was established by a "first renting" prior to the effective date of rent control in the area, the landlord may collect a security deposit in the same amount and on the same terms and conditions as provided in the rental agreement under which the accommodations were first rented. However, OPA may issue an order decreasing the amount of the security deposit or eliminating it entirely. Where such an order has already been issued, or where it is subsequently issued, the landlord may collect or retain a security deposit only as permitted by the order.

3. Where the maximum rent is established by a "first renting" on or after the date rent control became effective in the area, no security deposit may be required or retained even if such a deposit was included in the rental agreement forming the basis for maximum rent.

4. No security deposit may be required or retained for housing accommodations newly constructed with priority rating and having a rent approved by the agency granting priority.

5. For public housing or housing rented under the rent schedule of the War and Navy Department, security deposits may not be required or retained unless they are permitted in the rental agreement in effect on September 1, 1944, the effective date of today's amendments. Where such housing is rented for the first time after September 1, 1944, no security deposit will be permitted.

6. Limitations on security deposits, similar to those already mentioned, are also applicable to hotels and rooming houses.

The OPA concluded by saying this was:

Amendment 33 to the Rent Regulation for Housing; Amendment 30 to the Rent Regulation for Hotels and Rooming Houses; Amendment 9 to the Rent Regulation for Housing in the Miami Defense-Rental Area; Amendment 7 to the Rent Regulation for Hotels and Rooming Houses in the Miami Defense-Rental Area; Amendment 11 to the Rent Regulation for Housing in the New York City Defense-Rental Area; Amendment 12 to the Rent Regulation for Hotels and Rooming Houses in the New York City Defense-Rental Area; and Amendment 3 to the Rent Regulation for Housing in the Atlantic County Defense-Rental Area—all effective September 1, 1944.

N. Y. State Temporary Civil Serv. Employees Entitled To Full Pay

Attorney-General Nathaniel L. Goldstein of New York ruled on Sept. 2 that all temporary State civil service employees promoted during the present war emergency are entitled legally to the same salaries as those applying to permanent promotions, according to Associated Press advices from Albany, N. Y., on Sept. 2, which also had the following to say:

"Mr. Goldstein's opinion replied to a request from the division of the budget, which inquired whether funds may be appropriated from a supplemental appropriation bill to pay employees promoted on a temporary basis the same salaries they would have received on a permanent basis.

"The question deals chiefly with promotions under wartime emergency provisions of civil service rules, which apply to employees hired for the duration and to fill vacancies caused by military leaves.

"A spokesman for the civil service department said it was impossible to estimate immediately how many employees would be affected by the ruling."

The Financial Situation

(Continued from first page)

defense is the familiar one of pointing to similar derelictions in the past by individuals or organizations with which critics have been or are suspected of having been connected or in close sympathy—which, of course, is no defense at all. It is not true that politics, any more than war, is a "sport", or a "contest" in which codes of honor are closely observed in the chivalrous manner commonly attributed to college teams. On the contrary, both are serious efforts of life, and there is little reason to hope that either will be purified of all the elements which might offend the finer sensibilities. Elements in the population quite in contrast to the labor unions and quite at enmity with the Democratic party as it is now organized and operated have in years past been guilty of much which most of us would not defend. It is possible that they may indulge in similar tactics again at some time in the future. All this, however, affords no real excuse for any sort of misbehavior by any group in the population now or in the future.

Unfair to the American People

The real objection to many of the tactics of Mr. Roosevelt, the politician, and Mr. Hillman and the others is not that they are "unfair" in the commonly accepted sense of that term—that is, that they

are "unfair" to some one whom they may keep out of public office or turn out of public place. The trouble is that these tactics are unfair to the American people. They are unfair to them because they becloud issues and succeed in causing the elections to turn on issues which either do not exist or at all events are not present in the form the people are led to suppose. They are unfair to the American people because they tend definitely to get in the way of that calm, realistic and dispassionate consideration of issues which alone can promote sane and constructive decisions. This unfairness to the American people is precisely as real and as damaging as it would be had no one else in our entire history ever been guilty of the same or similar sins.

An effective remedy for all this lies in the hands of the American people—assuming that they really want to remedy it. All that is necessary is that the voter keep his eye on the ball and not on the gyrations of the umpire, the pitcher or the bat-boy. No one need for a moment be in the dark about the type of policies that Mr. Hillman favors. He loudly disclaims communistic or socialistic leanings—as anyone must if he is to avoid giving offense to very large numbers of voters. It is, however, not particularly important what name is applied to the type of policies he favors. The important thing is the real nature of the policies and programs. Probably Mr. Hillman himself would not deny—except possibly in a Pickwickian sense—that these policies and programs are the most "advanced" of any seriously sponsored in this country—which is the equivalent of saying that they borrow more extensively from the socialistic or semi-socialistic European systems.

Against the American System

Whether or not designed

for that purpose, they would obviously do great damage to our system of free enterprise and individual initiative. Indeed it would scarcely be going too far to say that the American system could scarcely survive the operations Mr. Hillman and his fellow travelers would perform upon the American way of doing things. What most of us have always supposed were the very fundamentals of sound fiscal management; the basic principle of permitting continued possession and enjoyment of the proceeds of one's own energy and ingenuity legitimately applied; the fundamental notion that society functions most effectively when by and large each individual must bear the responsibility for his or her own welfare; the necessity of an employing or entrepreneurial element in society if "jobs" are to be had; and the historically all but universal belief in this country that private individuals spurred on by the prospect of gain for themselves were much better and more vigorous managers of business than politically elected officials would ever be—disregard for these and similar good old American doctrines typifies the whole Hillman school of thought.

If President Roosevelt is this year elected President solely or largely by reason of the assistance of Mr. Hillman and his followers, no one need ask what the general nature of the next Roosevelt Administration will be. Mr. Hillman had no little to do with the development of the New Deal in the first place. Mr. Roosevelt has repeatedly shown a definite inclination to favor precisely the sort of programs Mr. Hillman sponsors. He has in the past, however, been under heavy obligations to various other elements in the population. This has been true of the rather conservatively inclined agricultural population, and of the less radical elements in the so-called labor vote.

The forthcoming election is

House And Senate Pass Bills For Disposal Of Government Surplus War Property

The Senate on Aug. 25 by a voice vote which was apparently unanimous passed a bill for the disposal of post-war Government surpluses under the direction of an eight-member board and earmarking the receipts to retire the national debt. The bill was sent to conference to straighten out the differences in the bill approved by the House on Aug. 22 which placed the authority in a single administrator. The New York "Times" of Aug. 26 after giving some of the proposals and amendments that were defeated gave the amendments that were approved, as follows:

The Senate adopted an amendment, proposed by Senator Downey of California, under which States and political subdivisions could buy real property, military camps and cantonments and the like at 50% of the highest price offered by a private bidder.

An amendment by Senator Aiken of Vermont forbidding the sale of Government-owned transmission lines to private companies for a year, thus giving priority to communities as prospective purchasers, was approved.

Rural Electrification Administration acquisition priorities would equal those of States, municipalities and tax-supported institutions under an amendment sponsored by Senator La Follette of Wisconsin and accepted by the Senate.

Committee amendments defining and restricting the disposal of contractor inventories by "owning agencies," such as the War and Navy Departments, were effective in winning the final votes of Senators who had opposed the proposal previously.

First disposals would be within the Federal establishment, between one agency and another. To raise the level of the equipment in schools, colleges and medical institutions (the Government expects to have \$264,000,000 of surplus medical and dental supplies at the war's end) heavy supplies would be distributed among them.

States, their political subdivisions, tax-supported and other non-profit institutions would receive a discount of 50% in the purchase or lease of surplus property.

Special safeguards are inserted for small business through widespread notices of impending sales and aid by the Smaller War Plants Corporation. The corporation would be given power to purchase surplus property for resale to small business and to make or guarantee loans to small enterprises in connection with the acquisition of plants and facilities.

Real property, of which the Government has acquired more than 34,000,000 acres during the war at a cost of \$535,385,816, would be inventoried and classified. Land which was classified as agricultural and suitable for disposition under the Bankhead-Jones Farm Tenant Act would be disposed of by the Agriculture Department under the provisions of that statute. The Interior Department would dispose of surplus land for grazing and production of minerals.

A bill providing for the disposal of Government surplus war property estimated at \$75,000,000,000 was previously passed by the House on Aug. 22 without a record vote. Noting that passage came after six days of debate, advice to the New York "Herald Tribune" from its Washington bureau, on Aug. 22, stated that while the bill adhered to the recommendations of the Baruch-Hancock report to the extent of placing the authority in the hands of a single administrator, the measure was amended by the House in several major details wholly at variance with the suggestions made to Congress by William L. Clayton, present Surplus Property Administrator. The advices from which we quote, added:

"At the same time the Senate

in many ways a crucial one—and should be so regarded by the American people.

Military Affairs Committee voted a favorable report on a surplus property bill for Senate consideration, beginning tomorrow, which threw the Baruch report out of the window and placed control of surplus property disposal in the hands of a board of eight members, to be appointed by the President, with four members authorized to sit in as observers at the board's meeting.

"The House bill placed a limitation on the powers of the administrator by preventing the sale of naval ships without Congressional approval and requiring a six-months' notice to Congress before the sale of Government-owned synthetic rubber and aluminum plants and pipelines for transportation of oil.

"The Senate bill would tie a tight Congressional string to the disposal not only of aluminum and synthetic rubber plants, but those built by the Government for production of magnesium, chemicals, aviation gasoline, iron and steel. Lesser hindrance would be placed on the board's action on aircraft plants, shipyards, transportation and radio facilities and electrical equipment deemed to be surplus.

"Further, the Senate measure would completely upset the present method of Government sale of surplus land, placing farm lands in the hands of the Agriculture Department and mineral and grazing lands in those of the Department of the Interior. Under a directive of the surplus property administration the disposal of surplus land is now being undertaken by the Reconstruction Finance Corporation.

"One of the most important amendments to the bill adopted by the House before passage would require that all funds realized from the sale of surplus property be set aside in a special fund to be used only for retirement of the national debt. The original bill would have placed such funds in the miscellaneous receipts of the Treasury.

"The ban on warship sales, tentatively approved yesterday, stirred a battle on the House floor today over the form such an amendment should take, but the issue was settled by a modification of the original proposal approved yesterday, which would have taken the disposal of all Navy Department surpluses out of the hands of the Administration."

In Associated Press accounts from Washington Aug. 22 it was stated that under the House bill the surplus property director would receive \$12,000 a year. These advices, as given in the "Wall Street Journal," also said:

"Other provisions of the House measure would set up a board of the Administration's highest officials to advise the director and require the director to submit a report to Congress every three months.

"Policies set down in the legislation require the agency to give public, governmental, educational and charitable institutions an opportunity to obtain surplus war property, give returning veterans a chance to establish themselves as businessmen by purchasing some of the equipment and allow property owners a priority to reacquire what the Government conscripted or got by condemnation from them.

"The House accepted amendments requiring Congressional approval before the Government may dispose of any synthetic rubber or aluminum plant or any of the big oil pipelines; requiring approval of the advisory board before any plant costing more than \$1,000,000 to build may

be sold; granting small business a priority at obtaining surplus property in small lots.

"In addition to calling for an eight-man board instead of centralized authority under one man, the Senate bill differs in other important respects from the House measure. It would:

"1. Place the departments of Interior and Agriculture in joint control of more than 30,000,000 acres of land acquired by the Government during the war. Farming land would be disposed of by the Agriculture Department under a system of purchase priorities favoring former owners, tenants and war veterans.

"2. The Office of War Food Administrator Marvin Jones would be given authority over the disposal of surplus foods, cotton and woolen goods, with instructions to frame such policies as would prevent a breakdown of farm prices.

"The House bill would leave both farm lands and surplus agricultural commodities under the over-all suspension of a single administrator.

"The Senate Committee bill, which now goes to the floor for debate tentatively scheduled to start today, would thus have the effect of nullifying a recent order by Administrator Clayton which placed lands disposal under the jurisdiction of the Reconstruction Finance Corporation."

Earnings of Steel Industry Declined 9% First 6 Mos.

The total amount of money earned by the steel industry in the first half of 1944 declined still further from peacetime levels and was at a rate of return of less than 4.5% of investment, it is indicated in a report released by the American Iron and Steel Institute on Aug. 31, and which further states:

"After meeting all charges but before payments to stockholders, a group of companies representing more than 90% of the industry's capacity showed aggregate net earnings of \$86,099,000 in the first six months of 1944. Those wartime earnings were 9% below the total of \$94,522,000 earned in the corresponding period of 1943 and were little more than half of the total of \$159,054,000 earned in the first half of 1937 when production of steel was almost 30% below what it is this year.

"The rate of return on investment during the first six months of this year, less than 4.5%, compares with 4.9% in the corresponding 1943 period and with 8.3% in the first six months of 1937.

"Although net earnings were down substantially, total payrolls of the industry, including those of certain subsidiary companies which do not produce iron and steel, rose to new peaks. During the first half of this year more than \$1,318,264,000 were paid out to employees of the industry, compared with payrolls of \$1,236,485,000 in the first half of 1943 and with \$580,643,000 in 1937.

"Reflecting the decline in net earnings of the industry, dividend payments to stockholders dropped in the first half of 1944 to \$63,556,000 as against \$69,372,000 in the corresponding 1943 months and \$72,813,000 in the first half of 1937.

"The reduced profits likewise brought a decline in the amount of Federal income and profits taxes as compared with the corresponding 1943 period. A total of \$253,138,000 in such taxes was paid in the first half of last year, but in the same period of this year such taxes amounted to only \$185,807,000.

"In consequence, total tax payments of the industry in the first six months of this year were below the corresponding period a year ago, amounting to \$266,002,000 as against \$235,179,000 a year ago. In the first half of 1937 total tax payments of the industry aggregated only \$86,439,000."

Secrecy Policy At Dumbarton Oaks Explained In Statement By Stettinius

Edward R. Stettinius, Jr., Under-Secretary of State, on Aug. 29 issued a statement explaining the secrecy policy adopted in the Dumbarton Oaks Security Conference, which was given in Associated Press accounts from Washington on the same day as follows:

There has been some misunderstanding about the reasons for reticence in regard to our joint discussions at Dumbarton Oaks concerning an international organization to prevent war and secure peace.

The preliminary discussions which are now taking place there are exploratory and designed to reach a common understanding. Embarrassment would ensue to the conferring governments if piecemeal reports of expressions of views advanced from day to day were construed as representing unalterable positions or as having a binding effect. I am sure that anyone who gives the subject careful consideration will understand this.

It has always been recognized, throughout the whole history of the United States, that an expression of opinions in confidence is an indispensable prerequisite to successful procedure in the preliminary work involved in reaching agreements.

From the time of the Constitutional Convention of 1787 right down to the present, private discussions have always preceded public announcements.

In our national political conventions the committees hold public hearings, but they go into executive sessions to draft the platforms of the parties.

In the halls of the Congress matters are referred to committees, which hold public hearings and obtain the views of various elements, but the committees then go into executive session and draft documents which are submitted to the appropriate Houses of Congress. Such is the practice of the Foreign Relations Committee, of the Foreign Affairs Committee, of the Ways and Means Committee, and of all the committees of each House of Congress.

The object of this procedure is to obtain a calm exchange of views as a contributing factor to eventual agreement expressive of the ideas upon which those responsible have been able to formulate a concurrence.

The conversations at Dumbarton Oaks are no different in this respect from any other conference, except that in this instance it is a matter of international as well as of domestic concern.

The representatives of the other agencies of our Government invested by this Constitution with authority over these matters and are being consulted and kept thoroughly informed of developments.

It has been agreed that the heads of the three delegations will join in issuing statements which will carry information about the progress of the discussions. These statements will necessarily be general in form. To go beyond this and describe the discussions in detail would be not only discourteous but improper, in view of the fact that the representatives of the other governments represented at the conference must enjoy the opportunity to consult their own governments before "meeting of minds" can be arrived at.

It needs to be kept in mind that there remain to be held the impending conversations with the Chinese.

It should be obvious that in giving full considerations to all suggestions which may be advanced by the several governments engaged at this stage in the formulating of the common proposals, the participants in the present conversations should continue to discuss with the Chinese delegation the approach of their Government to the subject and to bring the views of all the delegations into a common alignment.

Before any binding commitments are made there will be full opportunity for public discussion.

As Secretary of State Cordell Hull said so well at the opening of the conversations:

"It is the intentions of the Government of the United States that after similar consultations with the Government of China the conclusions reached will be communicated to the governments of all the United Nations and of other peace-loving nations.

"It is our further thought that as soon as practicable these conclusions will be made available to the peoples of our countries and of all countries for public study and debate."

Method Of War Bond Redemption Simplified

Dispensing of the old, slow method of having war bonds cleared through a Federal Reserve Bank or the Treasury before they can be turned into cash, the Treasury announced a new simplified method of war bond redemption to go into effect Oct. 2.

Associated Press Washington advices further stated on Aug. 29 that "under the new plan individual owners or co-owners of bonds can turn them into cash by presenting them to any commercial bank or trust company which has qualified for the service. The bank will pay the full redemption value immediately upon satisfactory identification and without charge to the bond owner."

Redemption agencies will be paid 15 cents each for the first thousand bonds cashed, 12 cents for second thousand and 10 cents per bond for all over 2,000 cashed during the quarterly payment period. Any incorporated bank or trust company may become a redemption agency.

The same report goes on to say: The plan applies to series A, B, C and D savings bonds sold between 1935 and 1941, as well as the popular series E war bond, but it does not apply to series F and G war bonds.

In announcing details of the plan, Secretary Henry Morgenthau, Jr., said he hoped the simplification "will not encourage bond owners to present bonds for payment except in cases of absolute necessity," because "huge sums are still to be required before we can return to a normal period."

N. Y. State Factory Jobs Drop 2.1%, Payrolls 3.3%

New York State Industrial Commissioner Edward Corsi announced on Aug. 16 that factory employment in New York State dropped 2.1% between June and July. This was the greatest decline in any month since the November peak. The cumulative decrease for the eight-months period was 10.5%, said the Commissioner, who also stated:

"Further reductions at war plants coupled with seasonal decreases in the apparel industry were the predominating factors causing the drop in July. Payrolls decreased 3.3% with vacations, increased absenteeism and decreased working hours as contributing factors.

Decreases in employment and payrolls were also reported in the tobacco, textile, leather and abrasive industries. Food, lumber and petroleum products were the only industries with increases in both employment and payrolls.

"The index of factory employment based on the average of 1935-1939 as 100 was 144.5 in July, a decrease of 9.4% from July a

year ago. The payroll index was 273.7, a drop of 3.5% from the July, 1943, figure. Average weekly earnings were \$46.93, compared with \$47.53 in June and \$44.05 in July a year ago. The foregoing statements are based on tabulations by the Division of Research, Statistics and Publications under the direction of Dr. M. B. Givens and cover reports from 3,157 factories in the State.

"Severe declines in employment and payrolls occurred among the war industries, where decreases were sharper than in any month since the beginning of the downward movement. While cutbacks in the aircraft industry were mainly responsible for these decreases, other war plants also shared in the general decline. These include ordnance, iron and steel, electrical machinery, shipbuilding, and scientific instruments. Net losses for the metals and machinery group as a whole amounted to 3.2% in employment and 4.7% in payrolls.

"The apparel industry suffered the greatest decreases in employment and payrolls for the month, amounting to 7.2 and 5.7% respectively. Women's dress firms reported drastic cuts with many factories closed for vacations. Most other branches of the clothing industry felt the effects of seasonal declines; these included men's suits and furnishings, women's blouses, underwear and accessories, children's wear and fur goods. Women's suit and coat houses, however, continued to expand and milliners reported increases with the start of a new season.

"Large increases in the working force of canneries were the chief reason for an employment gain of 9.8% in the food industry. Many factories doubled or tripled their forces, some employing Jamaicans and prisoners of war. Additional workers were also hired in the meat packing, ice cream, flour and cereal, baked goods, soft drink and brewery industries. Some overtime was reported in breweries. Sugar refineries, candy factories and condiment plants were the only ones in the food group to have decreased employment and payrolls." The Commissioner further reported:

"Every branch of the textile industry showed decreased employment and payrolls. Rayon mills reported an unusual amount of absenteeism.

"In the leather industry, plants making gloves and handbags operated with fewer workers. Payrolls increased in the glove industry because of the settlement of labor troubles in one firm and a new government contract in another. The shoe industry had a slight increase in employment but payrolls were smaller. The net result for the leather group was a decrease in employment of less than 1% and a loss of more than 2% in payrolls."

Change Eligibility Rule Of Giannini Endowment Prizes

Contestants in the National Public Speaking Contest for the A. P. Giannini Educational Endowment prizes at the 1945 conference of the American Institute of Banking will be required to complete only two Institute courses leading to certificates, rather than the four certificate courses previously needed to qualify as eligible for the contest.

The change in the eligibility rule was announced on Aug. 31 by the Administrative Committee of the A. P. Giannini Educational Endowment and will apply to the 1945 public speaking contest only, according to a letter to AIB Chapter Presidents, which said: "The Committee felt that this change was necessary in view of present-day conditions and hopes that it will induce a greater number of AIB members to participate in the 1945 contest."

Constitution Of United Nations Food Organization Ready For Submission To Governments Would Undertake Post-War World Agriculture and Food Problems

The proposed constitution of the Food and Agriculture Organization of the United Nations is now ready for submission to the United Nations Governments for their acceptance, it was announced on Aug. 22, by L. B. Pearson, Canadian Minister in Washington on behalf of the United Nations Interim Commission on Food and Agriculture of which Mr. Pearson is chairman. The permanent international organization is designed to

advance agricultural production and food distribution throughout the world. The constitution of the food organization was written by the Interim Commissioner, created by the United Nations Conference on Food and Agriculture held at Hot Springs, Va., in the spring of 1943, reference to which was made in our issue of June 3, 1943, page 2074. The organization will come into being when 20 nations have accepted the constitution. The advices from Washington just made public regarding the constitution and its objectives states:

"The constitution, which sets up a permanent world body in this field, represents the unanimous approval of the representatives of the 44 collaborating governments following studies and conferences over the last 12 months. FAO is shaped to undertake on a continuing basis after the war the world agriculture and food problems that are being met only as a wartime and war-connected problem by the United Nations Relief and Rehabilitation Administration (UNRRA).

"In a report on the purposes of FAO and the constitutional objectives, the Interim Commission states that it seeks to take advantage immediately of the wartime and immediate post-war conditions of fluidity particularly favorable to the adoption of sound and thorough-going measures to meet these problems (of agriculture and food distribution)."

"Functions of the Food and Agriculture Organization under its constitution are outlined as follows:

"1. The Organization shall collect, analyze, interpret, and disseminate information relating to nutrition, food and agriculture.

"2. The Organization shall promote and, where appropriate, shall recommend national and international action with respect to:

"a. Scientific, technological, social and economic research relating to nutrition, food and agriculture;

"b. The improvement of education and administration relating to nutrition, food and agriculture, and the spread of public knowledge of nutritional and agricultural science and practice;

"c. Conservation of natural resources and the adoption of improved methods of agricultural production;

"d. Improvement of the processing, marketing and distribution of food and agricultural products;

"e. Adoption of policies for the provision of adequate agricultural credit, national and international;

"f. Adoption of international policies with respect to agricultural commodity arrangements.

"The scope of the FAO effort will include fisheries, forestry and forest products and non-food agricultural products.

"Constitutionally FAO would be the top agency for the organization and administration of international credits in its field and should participate in the management of any international credit organization in order to provide for due consideration of agricultural interests in the determination of general international credit and investment policies.

"FAO in formulating its constitution took the view that 'in the struggle for food, mankind has been indifferently successful. If millions have enough, more millions have too little, and many starve.'"

"The organization envisages as

among its functional objectives such social elements as rural schools, roads, consumer and producer cooperatives, communication, electrification, housing, sanitation, land tenure and other rural facilities.

"FAO would have regional and national organizational setups and would call upon experts from all areas and nations. (It acknowledges as an immediate handicap the fact that experts of the various Governments at present are committed to duties in connection with the war, which tends to delay the integration of such necessary intellectuals into its final, continuing organization.)"

"FAO would be given the legal status of a corporate person to perform any legal act appropriate to its purpose, within the powers granted by its constitution.

"Any government member is given the right of withdrawal after four years from the date of acceptance of the constitution, and provision is made for inclusion of new members in the future. Constitutional amendment will be by a two-thirds majority.

"After 20 notifications of acceptance the constitution shall come into force. Temporary headquarters will be in Washington, D. C.

"Provisional budget of \$2,500,000 is proposed for the first fiscal year, to be contributed by the founding members in the following percentages:

- Australia, 3.33; Belgium, 1.28; Bolivia, 0.29; Brazil, 3.48; Canada, 5.06; Chile, 1.15; China, 6.50; Colombia, 0.71; Costa Rica, 0.05; Cuba, 0.71; Czechoslovakia, 1.40; Denmark, 0.62; Dominican Republic, 0.05; Ecuador, 0.05; Egypt, 1.73; El Salvador, 0.05; Ethiopia, 0.29; France, 5.69; Greece, 0.38; Guatemala, 0.05; Haiti, 0.05; Honduras, 0.05; Iceland, 0.05; India, 4.25; Iran, 0.71; Iraq, 0.44; Liberia, 0.05; Luxembourg, 0.05; Mexico, 1.87; Netherlands, 1.38; New Zealand, 1.15; Nicaragua, 0.05; Norway, 0.62; Panama, 0.05; Paraguay, 0.05; Peru, 0.71; Philippines, 0.25; Poland, 1.19; Union of South Africa, 2.31; U. S. S. R., 8; United Kingdom, 15; U. S. A., 25; Uruguay, 0.58; Venezuela, 0.58; Yugoslavia, 0.71, and provision for new members, 2% (total 100%).

"The report foresees a necessarily gradual progress and recognizes that "men do not readily adjust traditional ways to new conditions, and there are many obstacles to be overcome. But a start can be made at once. Changes in the economic and special arrangements of nations will be needed. The redirection would not be wholly new; it is in line with an evolution that has been hastened in our time."

Money In Circulation

The Treasury Department in Washington has issued its customary monthly statement showing the amount of money in circulation after deducting the money held in the U. S. Treasury and by Federal Reserve Banks and agents. The figures this time are those of July 31, 1944, and show that the money in circulation at that date (including of course that held in bank vaults of member banks of the Federal Reserve System) was \$22,699,352,632 as against \$22,504,077,880 on June 30, 1944, and \$17,954,587,757 on July 31, 1943, and compares with \$5,698,214,612 on Oct. 31, 1920. Just before the outbreak of the first World War, that is, on June 30, 1914, total was \$3,459,434,174.

Procedure Prescribed For Terminating Bank-Guaranteed T-Loans On Cancelled War Contracts

Uniform procedures for Federal Reserve bank guarantee of termination loans (T-loans) made by commercial banks to contractors whose war contracts are canceled were prescribed on Aug. 24 by Robert H. Hinckley, Director of Contract Settlement, in his first general regulation. T-loans enable any war contractor to convert into cash at his local bank approximately 90% of the sound value of his war assets frozen by contract termination. The lending bank, in turn, is protected on its loan by Federal Reserve bank guarantee. Subcontractors, as well as prime contractors, are eligible for T-loans.

The procedures promulgated as Regulation No. 1 of the Office of Contract Settlement were formulated by a committee made up of representatives of the War Department, Navy Department, United States Maritime Commission, and the Federal Reserve Board and were approved by the Contract Settlement Advisory Board established by the Contract Settlement Act of 1944.

Mr. Hinckley said that to speed up the granting of small loans in the field, the Federal Reserve banks, as fiscal agents, have been authorized to approve T-loan guarantees totaling \$500,000 or less to a single borrower.

The regulation states in part:

"The requested percentage of guarantee should not ordinarily be questioned by the Federal Reserve Bank or the contracting agency if it does not exceed 90%; and a contracting agency should not authorize a percentage of guarantee in excess of 90%, or 95% in the case of small loans, unless the circumstances clearly justify the financing institution in requesting it and other means of interim financing are not promptly available.

"The borrower's certification of his investment in termination inventories and receivables and of amounts payable to subcontractors should not be questioned by the Federal Reserve Bank or the contracting agency unless there is reason to believe it is substantially overstated in value."

Accompanying Regulation No. 1, the Office of Contract Settlement made available the texts of its standard T-Loan Guarantee Agreement, Termination Loan Agreement and Explanatory Notes with reference to these agreements.

The functions of the Office of Contract Settlement, as outlined in the enabling Act approved July 1, 1944, are:

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

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

3. To assure uniformity among Government agencies in basic policies and administration with respect to such termination settlements and interim financing.

4. To facilitate the efficient use of materials, manpower, and facilities for war and civilian purposes by providing prime contractors and subcontractors with notice of termination of their war contracts as far in advance of the cessation of work thereunder as is feasible and consistent with the national security.

5. To assure the expeditious removal from the plants of prime contractors and subcontractors of termination inventory not to be retained or sold by the contractor.

6. To use all practicable methods compatible with the foregoing objectives to prevent improper payments and to detect and prosecute fraud.

The text of General Regulation No. 1 follows:

Pursuant to the authority conferred upon me by Sections 4 (b) and 8 (c) of the Contract Settle-

ment Act of 1944, I hereby prescribe the procedure for the guaranteeing of termination loans by the War Department, the Navy Department and the Maritime Commission through the Federal Reserve Banks, outlined in the Guarantee Agreement, the Loan Agreement, and Explanatory Notes attached hereto as exhibits A, B, and C, respectively.

Technical amendments not affecting policy may be made in exhibits B and C by agreement among the War and Navy Departments, the Maritime Commission and the Federal Reserve Board.

In the execution of this procedure the following policies will be observed:

1. Termination loan (hereinafter called T-Loan) guarantees should not be refused by the contracting agency having the preponderant interest in the borrower's war contracts if the borrower is or has been engaged in performing an operation connected with or related to war production, except in such classes of cases as may be prescribed by the Director. The borrower's certification of his investment in termination inventories and receivables and of the amounts payable to subcontractors should not be questioned by the Federal Reserve Bank or the contracting agency unless there is reason to believe that it is substantially overstated in value. Financing institutions should be encouraged to make unguaranteed production and termination loans, and the fact that a financing institution has made such an unguaranteed loan shall not affect its right subsequently to apply for a T-Loan guarantee, even if the proceeds of the T-Loan are used to retire the existing loan.

2. If a contracting agency which utilizes the Federal Reserve Banks as fiscal agents for T-Loan guarantees has local representatives in connection therewith, it should delegate to such banks authority to approve, after consultation with and in the absence of objection by such representatives, all applications for guarantees of loans totaling (a) \$500,000 or less to any one borrower when the requested percentage of guarantee is not in excess of 90%, and (b) \$100,000 or less to any one borrower when the requested percentage of guarantee is not in excess of 95%. Any such contracting agency which does not have such local representatives will provide them in the localities where, and at the times when, it is determined that they are required, in the light of its prospective volume of contract terminations and after consultation with the Director, and in the absence of such representatives should delegate such authority to the Reserve Banks as is necessary to insure prompt processing of applications for and execution of such guarantees.

3. Conditions other than those required under the standard loan agreement should be prescribed by the contracting agencies or the Federal Reserve Banks only in exceptional circumstances and when they are clearly necessary to protect the Government's interest. Additional conditions agreed upon by the borrower and the financing institution, if not unreasonable and not inconsistent with the standard loan agreement, should not be objected to by the contracting agency or the Reserve Banks.

4. The requested percentage of guarantee should not ordinarily be questioned by the Federal Re-

serve Bank or the contracting agency if it does not exceed 90%; and a contracting agency should not authorize a percentage of guarantee in excess of 90%, or 95% in the case of small loans, unless the circumstances clearly justify the financing institution in requesting it and other means of interim financing are not promptly available.

5. In general, the percentages in the loan formula certificate agreed upon by the financing institution and the borrower should not be questioned by the Federal Reserve Bank or the contracting agency. After consultation with the Board of Governors of the Federal Reserve System, the contracting agencies will, to the extent practicable, specify general criteria or standard maximums which may be employed in typical classes of cases.

Eric Johnston Appoints Insurance Executives

President Eric A. Johnston of the Chamber of Commerce of the United States announced on Aug. 31 the appointment of 29 of the country's leading insurance executives to membership on the Chamber's 1944-1945 Insurance Committee. The members are from 18 cities and represent principal sections of life, casualty, fire and marine insurance.

At the same time, Mr. Johnston disclosed that two special sections on marine and aviation insurance have been added to the Committee so that specific study may be given to post-war plans and developments relating to the growth and expansion of these important fields of insurance.

In his announcement, President Johnston said:

"Today with the horizons of victory more clearly discernible, the protection of life and property and the many other basic services of insurance in the public interest are now more vital than ever before, especially in the sense of preserving without impairment our institutions and competitive system.

"The nation's insurance industry—companies and producers—in war and in peace, presents a splendid example of achievement in the American system. As a public service institution, providing a bulwark of security for industry, family and individual, it represents capitalism at its best. It is a stabilizing influence for our American economy and productive power. In the post-war era of clearly indicated, unprecedented expansion of peacetime business and commerce, the insurance industry will inevitably attain even greater heights in accomplishment and service.

"Thus, the Chamber's Insurance Committee, representing as it does all fields of insurance, is admirably adapted to make particularly valuable contributions to the Chamber's work of speeding victory and preparing the nation for its task of reconstruction. The Committee's various functions include (1) recommendation of economic policy and legislative action in connection with questions affecting insurance carriers and policyholders; (2) the correlation of the services and needs of insurance with those of other business represented by the Chamber; and (3) the fostering of united effort in furtherance of Chamber policies."

James L. Madden, Vice-President, Metropolitan Life Insurance Company, will be Chairman of the Committee for the third consecutive year.

The first meeting of the new Insurance Committee will be held in Washington, D. C., Thursday, September 21, in the Chamber's board room. Closely related to the conservation work of the Committee, are the activities of the National Fire Waste Council and Health Advisory Council also aligned with the National Chamber's Insurance Department.

Nation Counts On American Labor To Aid In Solving Peace Problems, Gov. Dewey Declares

In a message to the New York State Federation of Labor, in an annual convention at Albany on Aug. 21, Gov. Thomas E. Dewey stated that "we have real cause to hope that if our efforts do not flag here at home, our fighting men abroad will have made it possible for the next annual convention of the Federation to devote its concentrated attention to the complex problems of peace which will confront us."

He also stated that "the nation will be counting on the American labor movement and its leaders to make a major contribution to solving those vital problems and solving them in a new way—I mean a way which provides not doles but jobs for all."

The following is the Governor's message as given in Albany advices Aug. 21 to the New York "Herald Tribune," by Paul Tobenkin:

"Your President, Tom Murray, has sanctioned this once the breaking of a hallowed precedent which both you and I respect. That precedent requires the Governor of the State of New York to appear personally and address the New York State Federation of Labor.

"He understands, and I know you will too, that the press of my obligations and responsibilities at this time make it impossible for me to be on hand. After all, there is probably no group in the State of New York which can understand better how the necessary and unnecessary problems we have had to live with in wartime have made almost limitless demands on public officials. For you are, in a sense, public officials yourselves.

"Each one of you has been elected by a constituency of wage earners to a position of trust which bears directly on the public welfare.

"You, too, have had to live with the boards, the regulations and the directives and have had to wait through what seemed interminable delays for answers to vital problems, meanwhile being subject to mounting pressure to get the decisions you sought.

"You have also seen, and held your temper though you were outraged, how other, less patriotic people have taken advantage of the delays while you cautioned patience, I know that the job of

being a business agent or union representative is hardly a bed of roses. But I also know it must have compensations in your knowledge that you have put winning the war above all other considerations.

"You have done your job supremely well and no one can dare to question the patriotism of your organizations. Although New York is first among industrial states of the nation, its war-time strike losses are among the lowest in the nation.

"This is a great record, and it has been made by you through the responsibility and character you have given to the organizations you represent. I like to think the state administration has made some contribution to that record by having an understanding of your problems and being prepared to co-operate realistically in the maintenance of industrial peace.

"I know of no reason why the stability which you, and the New York industry, and the State Government together have achieved cannot be duplicated nationally.

"We have real cause to hope that if our efforts do not flag here at home our fighting men abroad will have made it possible for the next annual convention of the New York State Federation of Labor to devote its concentrated attention to the complex problems of peace which will confront us. The nation will be counting on the American labor movement and its leaders to make a major contribution to solving those vital problems and solving them in a new way—I mean a way which provides not doles but jobs for all.

"You have my best wishes for making successful your deliberations in Syracuse. I know that you will, at this convention, as you have always done in the past, be guided by counsels of moderation and wisdom which are the products of your rich experience."

Lend-Lease Shipments Of \$1,400,000,000 To China And India Announced By FEA

Total Shipments In May Of 1944 At \$1,159,000,000 To All Areas

Almost \$1,400,000,000 worth of lend-lease supplies were shipped by the United States to the China-Burma-India theatre of operations from the beginning of the war to May 1, 1944, according to a statement issued on July 16 by Leo T. Crowley, Foreign Economic Administrator, who added:

"Three-quarters of the supplies consisted of planes, tanks, guns and other military equipment for the Chinese, British and Indian forces fighting side by side with American forces in this theatre against the Japanese.

Lend-lease exports to the China-Burma-India theatre through April 30 were as follows:

| | |
|-----------------------|-----------------|
| Ordnance | \$216,319,000 |
| Aircraft | 269,404,000 |
| Tanks and vehicles | 270,187,000 |
| Watercraft | 25,141,000 |
| Agricultural products | 65,177,000 |
| Industrial items | 322,328,000 |
| | \$1,168,556,000 |

In addition to the totals listed above, more than \$217,000,000 of war materials have been consigned to Lt. Gen. Joseph W. Stilwell, to be transferred to the Chinese forces. The major share of these consignments consisted of ordnance, totaling nearly \$134,000,000; tanks and other vehicles, \$63,000,000, and miscellaneous equipment and supplies, \$20,500,000.

The Superfortress attacks on Japan's industry have been possible only through the cooperative

effort of our Allies in this theatre. Tens of thousands of Indians worked with American engineers in creating the Indian bases for the big B-29 planes. In China, an estimated 400,000 Chinese labored with their bare hands and the crudest kind of implements to lay out field surfaces of stones, mud, plaster, bamboo and native woods, and then with equipment that had to be flown "over the hump" from India to equip the bases for the giant planes.

Recent reports from China-Burma-India theatre indicate continued successes by British, Chinese and Indian forces using lend-lease equipment in addition to that produced in their own countries. Some 40,000 Japanese casualties are reported on the 700-mile Burma front as a result of British action and more than 17,700 Japanese killed in eight months by the Chinese-American forces under General Stilwell in northern Burma.

Farley Although Opposed To Third Or Fourth Presidential Term Will Support Roosevelt

James A. Farley, former national Democratic Chairman, who voted against a fourth term nomination for President Roosevelt, announced on July 21 that he would support him in the November election. Associated Press accounts from Chicago reporting this on the date above, stated:

Farley, who guided Franklin D. Roosevelt to the Presidency in 1932 and 1936, thus followed the same course he did in 1940 when he opposed a third term nomination but voted for the President that year.

Immediately after the nomination of Senator Harry S. Truman of Missouri for the Vice-Presidency today, Mr. Farley issued this statement.

"I have been opposed on principle to a third or fourth Presidential term. For that reason I voted for the nomination of Senator Harry F. Byrd of Virginia.

"Having participated in the proceedings of the convention I accept its decision and will support the party nominees."

Regarding the New York vote at the Democratic National Convention in Chicago it was reported in July 21 advices to the New York "Herald Tribune" that Mr. Farley rescued the convention from a jam into which it had been plunged on the taking of the first ballot for Vice-President by the neglect of Edward J. Flynn and his lieutenants to poll the New York delegation before coming to the convention. The advices from which we quote added:

"Mr. Farley suggested that a fair estimate of the vote be announced by James W. Gerard, former Ambassador to Germany, when New York was reached on the roll call. He further suggested that some one then challenge the vote as announced. Henry Epstein, an advocate of Vice-President Wallace, had agreed to do this anyway, as he was apprehensive of the vote that would be handed to Mr. Gerard by the party chiefs, who favored Senator Truman.

"The convention, unaware of the cause of the challenge, groaned when Mr. Epstein questioned the accuracy of the announced vote and demanded a poll of the delegation.

"Mr. Gerard's estimated vote, compiled by Paul E. Fitzpatrick, state chairman, was: Truman, 65; Wallace, 30½; Barkley, one-half. The corrected vote, as announced from the rostrum at the close of the poll, was: Truman, 69½; Wallace, 23; Barkley, one-half; absent three."

Farmers Use But Fifth Of Credit Available

A survey by the Agricultural Commission of the American Bankers Association shows that 11,000 country banks in 1944 have \$4,840,555,000 available for crop production loans, compared with \$935,764,000 in such loans actually in use by farmers at the beginning of the year. The Commission said that these figures are indicative of the capacity of banks to meet all financial needs of agriculture.

The Association points out that the importance of the service rendered by banks in advancing farmers money to finance crop production was emphasized by the survey figures which show that 2,340,056 or 38% of all of the farmers in the United States used such loans from their banks in 1943.

"The fact that banks had more than five times the amount needed by farmers for financing their crop is the answer to those who sometimes charge that banks cannot be depended upon to take care of farmers' credit needs," asserted Otis A. Thompson, Chairman of the ABA Agricultural Commission, who is also President of the National Bank and Trust Co., Norwich, N. Y. He added:

"The unparalleled liquidity of the banking system should give assurance that the extension of

From Washington Ahead Of The News

(Continued from first page)

It would perhaps be just as well if the Congressional committees let Hillman alone. They don't seem to be able to get anything out of him. Instead, they serve as vehicles for him to tell of his virtues. The literature with which his outfit is flooding the country would alone cost more money than the committees would seem to be able to find out has been spent. It is doubtful if this country has ever known anything like it. They are even distributing comic strips. And certainly Hillman is too modest when he says he has no ambition to take over the Democratic Party. He has already done it insofar as this campaign is concerned. There is not the slightest doubt that the Democratic National Committee occupies a secondary position in the campaign and that Mr. Roosevelt is looking to Sidney's campaign to reelect him.

Bill Bullitt, who was one of Mr. Roosevelt's aces in the "world machinery" before the war, a machinery that is now apparently to be surmounted with a super-duper structure, has again justified his reputation as a bull in a China shop, with his magazine story that we are letting Russia get away with the communizing of Eastern Europe. Bill points out that after Hitler turned on Stalin, the emotional Harry Hopkins was sent over to Moscow and, without attempting to get any agreement out of the Moscow head, came back and ordered that lend-lease be extended to him.

Bill is concerned over the fate that awaits Poland, and he has reason to be. It was he, who as our Ambassador to France, got the Polish Government to resist Hitler. It was he who brought the Polish Premier Beck to London to sign a pact with Britain and France. He is said to be very bitter against Mr. Roosevelt now because the latter wouldn't let him have a commission in the American Army. He is serving as a Major with the French.

It would not be surprising if the true story of Pearl Harbor came out during this campaign. The New Dealers are finding it a troublesome issue, particularly out on the Pacific Coast. Recently New Deal Congressman Magnuson of Washington, who is running for the Senate, felt the heat so strongly that he said, although he was a Democrat, he thought the story ought to be told. He gave it as his understanding of what occurred, that the Japanese "peace" emissary told Secretary Hull that unless our fleet was kept in the harbor he would not be able to handle the War Party at home. Hull very promptly said that not only did the peace emissary not make any such request but the State Department made no such request of the Army and Navy. The question of whether the fleet was ordered to stay in the harbor by Washington is yet to be answered. If there is one thing certain, it is that Hull doesn't intend to let the responsibility for this disaster be pinned on him. He has told his friends of this determination.

That the fleet was really ordered into the harbor by Washington over the protest of high Naval officers has been the generally accepted story in Congress for a long time. And members of Congress get their information from Naval officials.

559,000. Nevada had only 786 farmers or 22% needing such loans last year, of which \$2,382,000 remained in use Jan. 1, while 43,109 farmers or 33% in California sought aid from banks and continued to use \$72,774,000.

The South Atlantic States, from Delaware to Florida, 176,593 or 17% of all farmers used their bank credit in 1943 with \$42,794,000 outstanding, while their banks could have served them with as much as \$371,122,000.

The South Central States, covering the region including Kentucky and Texas, reported that 513,415 or 26% of all farmers obtained crop production loans from banks last year and that \$195,032,000 remained outstanding at the beginning of 1944. This compares with \$996,077,000 the banks have available. In this area financial needs of farmers vary widely as between the States as shown by Louisiana, where only 12,833 or 9% of all farmers used crop production loans last year, of which \$6,878,000 remained outstanding compared to Oklahoma, where 153,941 or 86% of all farmers borrowed from banks to finance crops and \$29,114,000 remained in use at the beginning of this year.

The Western States, including Mountain and Pacific Coast areas, show 214,830 or 42% of all farmers using bank services in 1943 for crop production loans, of which \$183,371,000 remained outstanding, while the capacity of banks for such loans was \$898,-

Sen. Bridges Assails Secrecy Policy At Security Conference

The Senate was cautioned on Aug 28 by Senator Bridges against the secrecy imposed on the Dumbarton-Oaks security conference and said Congress will "not stand for the double-talk" surrounding United States proposals for an international peace organization it was revealed in Associated Press advices from Washington on Aug 28, which also had the following to say:

From what has been learned of the United States proposal, he said, a projected assembly representing all nations "will be a debating society with no power save to discuss and advise" and "all power will be in the hands of the Big Four."

Under it, he continued, the United States, Great Britain, Russia and China will have permanent members on the council, while all the other nations will have only seven "and the Big Four will have a veto on anything proposed and will have in its possession whatever force is authorized to enforce the decrees of the league."

Senator Bridge's speech came after Senator George (D.-Ga.) had suggested that general sessions of the Dumbarton-Oaks conference be open to the press.

Senator Bridges said President Roosevelt's statement to the conference delegates that "the four of us have to be friends, conferring all the time," confirmed suspicions that the Big Four "intends to dominate and that they will decide the peace provisions and policies of the world."

Saying this is not only the basis for "big power politics," Mr. Bridges added that the President's use of the personal pronoun "us" raised the question whether "big ruler politics" also was involved under the domination of Roosevelt, Churchill, Stalin and Chaing Kai-shek.

Referring again to the reported United States plan, Mr. Bridges said he objected to Secretary of State Hull asserting "that this Government has no intention to set up an organization in which these four big Powers will run the World."

"If this plan is necessary, let us understand it and debate it for whatever it is," he added, "but it is an insult to our intelligence to tell us that it is not a plan under which we and our three great Allies will dominate the world."

At one point Senator Bridges interrupted his prepared address to demand more order. Looking toward the Democratic side, he declared:

"Apparently some Senators don't want to listen to plain talk about the Dumbarton-Oaks conference—but they will get plenty of it the next few months."

After Mr. Bridges had completed his speech, Senator Hill (D.-Ala.), acting Democratic floor leader, said the Republican appeared to be pre-judging the conference.

"It is very evident," he said "that the Senator (Bridges) is disturbed by rumors. He should reserve his criticism until he sees what the conference does. I am protesting against his rising on this floor at this point, giving the impression that some grievous mistake is about to be committed at Dumbarton Oaks."

Senator Bridges asked Mr. Hill whether he believed in "all the secrecy surrounding the conference."

Senator Hill replied that he favored all possible publicity, but that "they can't be informed what the conference does until it has had time to reach its decisions."

Senator George, former chairman and present member of the

N. Y. Reserve Bank Reviews War Activities

Mr. Allan Sproul, President of the Federal Reserve Bank of New York, said in a booklet issued to the employees of the bank on July 31 that:

"The Federal Reserve System has grave responsibilities in this, the second world war in which the system has played a significant part. Your bank has correspondingly grave responsibilities. It is the biggest bank in the Federal Reserve System; it is the central bank in the principal financial center of the country."

Mr. Sproul also pointed out that the number of the staff of the bank has more than doubled since 1940.

The booklet of the Federal Reserve Bank entitled "The Federal Reserve Bank of New York and the War," which also says:

"To lessen the threat of inflation the Government wants to sell as many of its securities as possible to individuals and organizations other than commercial banks. The Federal Reserve Bank of New York is helping with this job—

"1. Through the aid it gives and the services it performs for the State War Finance Committees of the District.

"2. Through your participation in the payroll allotment plan of the bank, and your purchases of Government bonds for cash during war loan drives."

This report went on to say:

"Due to the vast Government financing program, however, it has not been possible for the Government to obtain all its borrowed funds from investors other than commercial banks. In the Government financing of marketable securities outside the war loan drives the commercial banks have stood ready to buy whatever amounts could not be sold to other investors. In addition, they have been active in purchasing securities sold in the open market by other investors. The reserves of these banks must be maintained so that they can continue to perform this important function of assuring the success of Treasury financing. Your bank, as part of the Federal Reserve System, helps to see to it that the commercial banks have the reserves they need for this purpose."

It is also shown in this booklet that the Federal Reserve Bank has had much to do with the selling of Savings Bonds in 1936 pre-war era, and now series E bonds first issued in 1941.

The New York Reserve Bank has two functions not performed by the other 11 organizations of the system. It handles Federal open-market investment operations and the accounts of foreign central banks. In addition, it processes the Army benefit checks for the entire country, and more than 20% of all Government checks.

The booklet reviews the bank's functions in connections with the issuance of savings bonds and their redemption, its supply of cash to banks in this district, its activities in collecting withholding taxes, check clearings and collections, ration banking, war-production loans, consumer credit, foreign operations, foreign funds control as well as all of the other functions of the bank.

Senate Foreign Relations Committee, said he would open general sessions to the press "so that the public here and all the United Nations could follow the proceedings, and understand and evaluate the work as it goes along."

Senator Truman, Accepting Nomination As V.-P., Urges Re-Election Of President Roosevelt

(Continued from first page)

re-establish our own domestic economy."

In his speech, Senator Truman responded to a notification address by Senator Connally (D. of Texas).

The full text of Senator Truman's speech formally accepting the Democratic Vice-Presidential nomination was given in Associated Press advices from Lamar, on Aug. 31, as follows:

Mr. Chairman, members of the notification committee and fellow citizens:

I am deeply honored to have been named as the Democratic party's candidate for the Vice-Presidency and accept with humility and a prayer for guidance that I may perform honorably and well whatever tasks are laid before me.

Upon being nominated for the office of Vice-President of the United States, my first wish was to express my appreciation to the members of the Democratic party.

I have wanted since then to address my fellow Americans everywhere, regardless of party, so that I might offer a statement concerning the critical times that lie ahead.

Franklin Delano Roosevelt is my leader and commander in chief. In the past I have supported the policies formulated by him to protect and advance the welfare of our nation. I will continue to do so and will continue my efforts to make certain that those policies are carried out promptly and efficiently by those entrusted with their administration.

We have long been engaged in a desperate struggle to preserve our liberties and to safeguard the American way of life. Many of our brave citizens have given their lives to win for us the certainty of victory, now assured. All of us now toil and sacrifice to win this most terrible of all wars. Victory is now in sight. Our courageous, well trained and completely equipped soldiers and sailors are beating down the enemy wherever he can be found. Their unequalled valor under the greatest leadership ever given a fighting force guarantees this victory.

The task of the government has been to provide that leadership, as well as the foresight which will enable victory to be won as soon as possible. When victory is won, government must provide for our returning veterans and our war workers an assurance that their sacrifices were not in vain; that they will return to a country worth fighting for; that they will have an opportunity to earn a good living; and that the same humane principles and policies for the protection of the average man and woman carried out under Franklin D. Roosevelt for the past twelve years will be continued under his leadership.

Although victory may be close at hand, it must still be won. Our enemies are still numerous and well equipped. They have the advantage of fighting on the very threshold of their homes. We must fight in every climate and on every terrain. We must transport our armed forces and their equipment—and maintain them—thousands of miles from our shores. Our enemies are fanatical and desperate. They chant hymns of hate and utter threats that before they succumb they will destroy the foundations of our civilization, so painfully and slowly erected by the hard work of generations of mankind.

The carrying out of plans already made to overwhelm the enemy, and the formulation of new policies as the occasion demands, require the co-ordination of all our resources and all of our people. The skill and ability of

the military, of business, of labor and of agriculture must all be directed with initiative, with courage, with foresight and with experience, just as they have been since the emergency actually began. We know from the success of our efforts to date that under the continued leadership of President Roosevelt these objectives will be accomplished.

Under his leadership we have met one crisis after another, in peace and war. In each of these crises we have had anxious moments when we faced the fearful possibilities of national disaster. No one can ever forget the prayerful moments that preceded our successes in Africa, in Italy, in France and in the Pacific. Those successes were possible because our fighting men had what they needed, where they needed it and when they needed it. Much of the credit for this must be given to the wise decisions of the President. None but the most uninformed question the fact that Franklin Roosevelt did make those vital decisions in collaboration with the great leaders of our war allies. Those decisions brought about the greatest succession of victories in the annals of warfare.

Tomorrow's challenge is today's problem. The proven leadership of our successes must continue. The fortunes of the future for which our boys have fought, bled and died must not be endangered by intrusting them to inexperienced hands. There is no substitute for experience, which can be gained only through years of application and service.

I am confident that the people of the United States, and I know that the people of my own home state of Missouri, may be trusted in this vital hour to choose their President from a standpoint of proven experience and qualification. They will not choose for President, by political chance, a man who lacks experience.

In the struggle to rid the world of the enemies of democracy, the firing of the last shot on the battlefield marks but a beginning. Military victory over Germany is but a step. Military victory over Japan, though it may follow with all possible speed, will be but the completion of one turn in a long road.

War has taught us that, whether we like it or not, we cannot build a wall of isolation around the United States. Our very existence depends upon the establishment and maintenance of a sound and just peace throughout the world.

If you ask the historian why we failed to bring about a lasting peace after World War I, he will answer: "A partisan struggle for political power." Let us remember the warning of Woodrow Wilson. He stressed that in an effort to make peace partisan politics should be adjourned.

"Partisan politics," he said, "has no place in the subject we are now obliged to discuss and decide." His wisdom has been proved by the test of time.

We have another historical parallel today. Make no mistake about the fact that once again we also have among us a group of isolationists as determined, as bitter, and as dangerous as the band who set themselves against the League of Nations and gave to Wilson's peace in 1920 a stab in the back.

Much work has been performed in the task of building for peace. The peace we seek is partly made. While the main task is yet ahead of us, world peace was actually in the process of making many months, even years ago.

The administration of Franklin D. Roosevelt was preparing the ground to support this peace

structure when, against the bitter criticism and dire warnings of the isolationists and their press, Mr. Roosevelt first proposed lend-lease.

This peace was in process many months ago when two men met in mid-Atlantic and drew up a charter, a set of principles for peace that have been cited and used as guides by both Democrats and Republicans alike ever since they were first set forth.

This peace was being made at Casablanca, at Moscow, at Quebec, at Cairo, at Teheran. It was being made last week in our own nation's capital. It will be made in many other places, at many other times. It is a continuing process, already years under way, still years in prospect. We are, in our effort to make this peace, very definitely in midstream.

And this peace has been given life movement and certainty by the high resolve of the men who are making it. Neither time nor space nor the personal hazards of a world at war have been allowed to interrupt it.

The destruction that already has occurred and that which is reasonably certain to occur before the war finally is won will make this a most difficult task. The people of the earth will have to rebuild a new and greater prosperity from the ashes of the efforts of the many generations that preceded them. The nations, great and small, must adjust themselves to these new conditions, and must find a sane and sensible means of living together in friendship and with mutual advantage. We comprise but a small percentage of the people of the earth, and we shall have to guide the way with wise counsel and advice if we expect to play our full part in establishing a good and enduring peace.

The end of hostilities may come suddenly. Decisions that will determine our future for years, and even generations to come, will have to be made quickly. If they are made quickly and wisely by those who have had years of experience and the fullest opportunities to become well informed with respect to our national and international problems, we can have confidence that the next generations will not have to spill its blood to rectify our mistakes and failures.

It takes time for any one to familiarize himself with a new job. This is particularly true of the Presidency of the United States, the most difficult and complex job in the world. Even in peace time, it is well recognized that it takes a new President at least a year to learn the fundamentals of his job. We cannot expect any man wholly inexperienced in national and international affairs to readily learn the views, the objectives and the inner thoughts of such divergent personalities as those dominant leaders who have guided the destinies of our courageous Allies. There will be no time to learn, and mistakes once made cannot be unmade. Our President has worked with these men during these trying years. He talks their language—the language of nations. He knows the reasons which govern their decisions.

Just as he respects them and their opinions, so do they respect him. At no time in our history has a President possessed such knowledge of foreign leaders and their problems. None has ever so completely won their confidence and admiration.

Winning the war and concluding the peace are only part of the task facing us during the next four years. We must also re-establish our own domestic economy.

To win the war we have shifted millions of workers hundreds and thousands of miles from their old homes; we have built thousands of fine new factories and equipped them with tens of thousands of the best machine tools;

we have increased enormously our facilities for manufacturing basic commodities; we have evolved new processes for shaping materials, and new uses for those materials.

We cannot go back to our pre-war status, for it is impossible to reshuffle our people into the old pattern. Nor can we throw into junk heaps \$20,000,000,000 worth of new plants and equipment. Only by using them can we hope to provide good jobs for our brave fighting men when they return, and for our splendid war workers. With those plants we shall make more and better goods. We shall combine full employment with an even higher standard of living. By utilizing new methods and products discovered during the war, and by encouraging further research and invention, we shall insure the position of the United States as a leader of world progress.

The achievement of the goals the Administration has set for the post-war nation will not be easy. Already some selfish interests are complaining. If they can, they will prevent new independent enterprises from acquiring these plants, from hiring workmen and from putting into civilian production a flood of consumer goods at prices within the reach of all.

We must not accept the kind of thinking that during the 1920's kept Muscle Shoals and other World War I plants idle.

The Administration proposes to see to it that these plants are sold or leased on fair terms to those who will use them to manufacture consumer goods, and to create employment for our fighting men and our men and women war workers.

If we devote the same ingenuity to production for peace in America that we have given to the making of engines of destruction, in this war, our future will be secure. But to do this will require energy and courage. The forces of reaction, and the selfishness of those who always fear any kind of change, will have to be overcome. We cannot go back, as we tried to do in 1920. We cannot stand still. We must go forward.

On all of these great issues we know that President Roosevelt will take a progressive and courageous position, because his past record of able and forthright action speaks for itself.

As early as Oct. 5, 1937, when few of us dreamed that war was approaching, Franklin Roosevelt in a speech at Chicago, warned that the peace and freedom of 90% of the world's people were being jeopardized by the remaining 10%, who were threatening a breakdown of all international law and order. You need not be reminded that he was then called an alarmist and a war monger by the isolationists and their press—the same group that now seeks to block every advance he makes for the welfare of the country.

Despite strong opposition he pushed through the national-defense program. He steered a course toward preparedness. Through his efforts we obtained selective service that enabled us to train a great army and to discover and supply its needs. Countless thousands of lives were saved by this one prophetic act. He advocated lend-lease, which enabled the British and others to let contracts that gave us a full year's start on war production. He declared a national emergency that enabled our own defense program to make progress beyond anything ever before achieved in the history of the world. I need not recall to you the vitriolic violence of the opposition to these measures—nor the identity of those who opposed them.

Franklin Roosevelt set production goals that were ridiculed as fantastic and misleading. For example, his request in June, 1940, for 50,000 planes. But under his leadership those goals were at-

tained and even surpassed. Industry, labor and agriculture were co-ordinated and did co-operate to produce this inspired achievement.

Without this kind of leadership and preparation what would have been the fate of our nation? Who can tell how many more years would have been required to win the war, and at what greater cost in lives?

On this greatest of all issues, the defense of the country, President Roosevelt was years ahead of his time, just as he was years ahead of his time when he fought for freedom from want and forced through protective legislation for labor, social security for the aged, work relief for the unemployed, and a farm program which saved the farmers. Just as he battled to protect the savings of small depositors and for security regulations to prevent a repetition of the financial excesses of the '20s that brought on the depression.

You remember the battles he fought to accomplish all this. And you know the sources of his opposition. His opponents are still the same. But which of these great programs are they now willing to tell you they propose to destroy? Those programs have stood the acid test of the years, and the President's opponents dare not openly attack them.

Ask yourselves whether you dare to intrust the further development and growth of these great social reforms to those who not only were without the ability to develop these programs but who even lacked the foresight and courage to support them.

Ask yourselves whether you dare to intrust the negotiation of the peace of the world to those who are not familiar with world affairs.

The welfare of this nation and its future, as well as the peace of the whole world depends upon your decision on Nov. 7.

You can't afford to take a chance. You should indorse tried and experienced leadership—you should re-elect Franklin D. Roosevelt President of the United States.

Lordan Assistant To Cotton Exchange

John T. Scatterty, President of the New York Cotton Exchange, announced on Aug. 29 the appointment of F. P. Lordan, previously connected with the futures brokerage concern of Robert Moore & Co. to the position of Assistant to the President of that Exchange, to go into effect Sept. 1.

Mr. Lordan also had been a member of the Board of Managers directing activities of the Exchange to enlarge service to members, to the cotton industry and its distributive trades. Mr. Lordan is trying to increase a broader scope of relations between the Cotton Exchange, Public and Government.

The "Journal of Commerce" in reporting this also said:

Mr. Lordan enjoys broad experience in various branches of the cotton industry and is identified in the trade by his close attention to Washington developments during the past 10 years. He is a native Texan, where he spent the early part of his cotton career in association with the exporting company of P. G. Pauls & Co., Galveston, Texas. In 1934 he was a member of the group that organized the southwide Cotton Industries Association and served as President of the Texas division until 1935, when he came to New York City to become affiliated with Robert Moore & Co. He was admitted to partnership in that company Jan. 1, 1944, and recently terminated that status to accept the New York Cotton Exchange appointment.

The State Of Trade

(Continued from page 1058)

ing mills a chance to catch up on structural rail, heavy bar and semi-finished steel backlogs. Despite small but possibly significant trends, orders the past week almost approached those of a week previous with pressure applied for deliveries of most steel products and unfilled order backlogs reflecting little or no change.

Almost complete apathy ruled all scrap markets the previous week, with prices whenever quoted, being purely nominal, and represented for the most part lost sale levels or a figure which sellers would be glad to lose a firm commitment. According to the "Iron Age", the softness in scrap markets will continue until a firmer, but lower level is established.

Auto Industry Forecast—Speaking before a conference of mid-western newspaper men and trade journalists last week, Paul G. Hoffman, president of the Studebaker Corporation, said that the production schedule at Studebaker would be double that of pre-war years and that passenger cars would be rolling off the company's assembly lines six months after Germany surrenders.

Some expansion of facilities would be needed, he added, to employ about 14,500 to 15,000 men and women, compared with pre-war employment of about 8,000.

Electric Production—The Edison Electric Institute reports that the output of electricity declined to approximately 4,418,298,000 kwh. in the week ended Aug. 26 from 4,451,076,000 kwh. in the preceding week. The latest figures represent a gain of 2.2% over one year ago, when output reached 4,322,195,000 kwh.

Consolidated Edison Co. of New York reports system output of 166,500,000 kilowatt-hours in the week ended Aug. 27, 1944, and compares with 205,100,000 kilowatt-hours for the corresponding week of 1943, or a decrease of 18.8%.

Local distribution of electricity amounted to 154,400,000 kilowatt-hours, compared with 193,500,000 kilowatt-hours for the corresponding week of last year, a decrease of 20.2%.

R. R. Freight Loadings—Carloadings of revenue freight for the week ended Aug. 26 totaled 905,724 cars, the Association of American Railroads announced. This was an increase of 18.278 cars, or 2.1% above the preceding week this year, and an increase of 1,667 cars, or 0.2% above the corresponding week of 1943. Compared with a similar period in 1942, an increase of 6,319 cars, or 0.7%, is shown.

R. R. Operating Revenues—Class I railroads of the U. S. in July, 1944, had an estimated net income, after interest and rentals, of \$58,500,000 compared with \$82,278,032 in July, 1943, according to reports filed by the carriers with the Bureau of Railway Economics of the Association of American Railroads.

In the first 7 months of 1944 estimated net income, after interest and rentals, totaled \$381,000,000 compared with \$527,936,159 in the corresponding period of 1943.

In July, net railway operating income, before interest and rentals was \$98,630,425 and compared with a net railway operating income of \$127,849,936 in July, 1943. It should be noted that July is the 14th consecutive month in which the net earnings of the carriers has shown a decline.

For the first 7 months of 1944 net railway operating income, before interest and rentals, totaled \$650,037,566 compared with \$840,026,082 in the same period of 1943.

In the 12 months ended July 31, 1944, the rate of return on property investment averaged 4.30% compared with a rate of return of 6.07% for the 12 months ended July 31, 1943.

Coal Production—The U. S. Bureau of Mines reports production of Pennsylvania anthracite for week ending Aug. 26, 1944, at 1,290,000 tons an increase of 121,000 tons (10.4%), over the preceding week, and a decrease of 13,000 tons, or 1% from the corresponding week of 1943. The 1944 calendar year to date shows an increase of 6.5% when compared with the corresponding period of 1943.

The report of the Solid Fuels Administration placed bituminous production for the week ended Aug. 26 at 12,010,000 net tons, against 11,950,000 (revised figure) tons in the preceding week and 12,242,000 tons in the corresponding week of last year, while output for Jan. 1 to Aug. 26 totaled 412,980,000 (revised figure) tons, as against 384,665,000 tons in the same 1943 period, or a gain of 7.4%.

Estimated production of beehive coke in the United States for the week ended Aug. 26, 1944, as reported by the same source, shows a decrease of 11,200 tons when compared with the output for the week ended Aug. 19, last, and a decline of 38,100 tons from the corresponding week of 1943.

Silver—The London market for silver was unchanged at 23½d. The New York official for foreign silver continued at 44¾c, with domestic silver at 70½c.

Gold and Silver Legislation—Toward the close of last week Senator Scrugham, (D., Nev.) co-sponsor with Repres. Engle, (D., Col.) proposed legislation in their respective branches of the Congress to permit the free movement of newly-mined United States gold and silver in world markets. In proposing the legislation to the Senate, Senator Scrugham said, "it is high time our producers were permitted to take the advantage of high world prices" adding:

"Those so-called economists who object to higher U. S. Treasury prices for gold and silver on the ground that this would constitute a subsidy hardly could object to domestic producers benefiting from high prices abroad." Elaborating further, Mr. Scrugham said: "The bill specifically exempts export of such metal as is needed in the war effort.

"I do not think the monetary plan evolved at the Bretton Woods conference is sound without gold and silver backing in substantial amounts. In my opinion, Congress will do well to reject the plan as it now stands.

"Those who complain that our Treasury already holds too much gold and silver should be pleased at the prospect of foreign sales being made. The nations agreeing to the Bretton Woods plan should be happy over the possibility of obtaining more of the precious metals to contribute to the common fund."

Lumber Shipments—The National Lumber Manufacturers Association reports that lumber shipments of 504 reporting mills were 6.3% below production for the week ended Aug. 26, and new orders of these mills were 8.5% below production for the same period, while unfilled order files amounted to 102% of stocks. For reporting softwood mills, unfilled orders are equivalent to 38 days' production at the current rate, and gross stocks are equivalent to 35 days' production. For 1944 to date shipments of reporting identical mills exceeded production by 4.4% and orders ran 7.1% above output.

Compared to the corresponding weeks of 1935 - 39, production of reporting mills was 24.2% greater, and orders, 21.4% greater.

Crude Oil Production—Daily average gross crude oil production for the week ended Aug. 26, as estimated by the American Petroleum Institute, was 4,667,450 barrels. This represented a decline

of 7,650 barrels from the record output reached the week ended Aug. 19, 1944. When compared with the corresponding week last year, crude oil production was 471,200 barrels per day higher. The current figure was also 11,150 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. 26 daily output averaged 4,665,150 barrels.

Reports from refining companies indicate that the industry as a whole ran to stills (on a Bureau of Mines basis) approximately 4,698,000 barrels of crude oil daily and produced 14,112,000 barrels of gasoline. Kerosene output totaled 1,401,000 barrels with distillate fuel oil placed at 4,566,000 barrels and residual fuel oil at 8,680,000 barrels during the week ending Aug. 26, 1944. Storage supplies at the week-end totaled 80,740,000 barrels of gasoline; 12,921,000 barrels of kerosene; 41,543,000 barrels of distillate fuel, and 59,339,000 barrels of residual fuel oil. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

Paper Production—Paper production for the week ended Aug. 26, was at 93.2% of capacity as against 91.3% the preceding week, and for the week ended Aug. 23, last year, 91.2%, the American Paper & Pulp Association's index of mill activity disclosed. As for paperboard, production for the same period was reported at 96% of capacity, compared with 95% in the preceding week.

Department and Retail Store Sales—Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index were 18% ahead of a year ago for the week ending Aug. 26 as compared with a revised figure of 2% in the preceding week. For the four weeks ending Aug. 26, 1944, sales increased by 9%. A 7% increase in department store sales for the year to Aug. 26, 1944, over 1943 was also noted.

August Meat Output—Beef and veal production for the month of August in federally inspected meat packing plants, surpassed any other month in history, the American Meat Institute reported. The all-time record output in August was 600,000,000 pounds, 28% greater than July, and 21% above August, 1943. This unusual record was attributed to heavy marketings of grass fed cattle which produce lean, non-rationed beef. August pork production, however, declined 12% below the July level and 19% under that of August, 1943.

Progress was noted the past week in retail buying for the nation at large, while wholesale activity continued its steady course. In accounting for the improvement, Dun & Bradstreet ascribed the rise in consumer demand to cool weather and the fact that schools are due to reopen shortly.

Increased sales are general at this season, but this year retail volume was greater than that registered last fall. Apparel and accessory buying was unusually pronounced. This was especially true for students' apparel and accessories, though houseware, too, was in demand, in the face of shortages in some lines. Restaurants, drug stores and auto supply stores also approached last year's record.

Interest in sportswear was pronounced with black velvet dresses popular. In the higher-price field, coat and suit sales were specially marked, while summer sportswear for men still continued to hold up well, though demand for autumn clothing rose slightly above that of the same week a year ago. Food sales, too, moved above the figure recorded a year ago, with dairy products sufficiently scarce in some sections that retailers felt warranted in rationing them.

Wholesale trade remained on a par with the preceding week. Fall

reorders were still sizeable with large backlogs accumulating. Irregularity featured deliveries, with some lines running 60 days in arrears. Shortages and late deliveries of some staples have induced a spirit of caution and careful selectivity, even though inventories are below those of a year ago.

The above source estimates a gain of 5% to 8% for the week in retail sales throughout the country over the same week in 1943. Regional increases were: New England, 2 to 4%; East, 5 to 8%; Middle West, 6 to 9%; Northwest, 5 to 7%; South, 8 to 10%; Southwest, 10 to 12%, and the Pacific Coast, 7 to 11%.

According to Federal Reserve Bank's index, department store sales in New York City for the weekly period to Aug. 26 increased by 20% over the same period of last year. This compared with a decrease of 9% (revised figure) in the preceding week. For the four weeks ending Aug. 26, sales rose by 8%, and for the year to Aug. 26, they improved by 8%.

Back-to-school merchandise purchases featured an active retail trade market in New York the past week. Although percentage gains were smaller in the week, the average increase for department stores was estimated at 15% or more over the like week last year. Wholesale markets reflected a decrease in sales so far as new fall orders were concerned. Badly needed goods were under pressure for early delivery, and a genuine effort to increase scant allotments of cotton goods was made.

AIB Extends Training Program Study Course Will Earn Credits Toward AIB Certificate

Training facilities of the American Institute of Banking are to be made available to all banks everywhere regardless of location under an extension of the AIB educational program, William C. Way, President of the Institute, has announced. This extension includes the offering of a new study course in the fundamentals of banking which can be given to the staff of any bank in any place under competent leadership right in its own shop. As indicated, this course, which is especially valuable to present-day personnel, is available to all banks, but is directed particularly to the 8,000 to 10,000 banks which are not close enough to populous areas in which AIB chapters are usually located to be able to use the facilities of the chapters. The announcement states:

"The object of the new course is to provide the means for giving all employees a working knowledge of the fundamentals of banking and to give this knowledge to them quickly. To that end it has been set up in such a manner that it can be covered in as few as 15 easy and enjoyable class or conference sessions of two hours each. Students completing the course will be credited by the Institute with work done toward the winning of a pre-standard certificate.

"The heart of the course is the Institute's new text, the 'Fundamentals of Banking.' This is a complete, over-all, easy-to-read and understand text of some 24 chapters or topics covering the fundamentals of banking and elucidated with simple charts, tables and illustrations used to help clarify various points.

"The course has been given a thorough tryout in a number of banks before being offered to all banks. Those which have used it report that it contributes to the stability of their organizations through giving their staffs an interesting and helpful knowledge about the business in which they are engaged and through bringing their staffs together on common

ground for the exchange of ideas. They also report that as a by-product the course gives their employees a better knowledge of their own institutions and their functions. In the process of applying the information studied to their own shops, questions are raised which provide opportunities for intimate discussion and explanation of policies and procedures based on actual experience with them.

"In announcing the course the AIB cites six benefits which may be expected to accrue to any bank adopting it. These are: increased efficiency of the staff and thus of the banks; better service to depositors and communities, and therefore better public relations; increased earnings resulting from efficiency and better service; better employee-employer relationships; increased volume of work from personnel staff, and smooth-working bank teams with knowledge about what each other is doing."

Information about the course is available at the headquarters of the American Institute of Banking at 22 East 40th Street in New York City.

Truman Quits Senate Inquiry Committee

A recommendation to Congress that it expand its investigation activities as a means of raising its power and prestige, was made on Aug. 7 by Senator Truman, Democratic nominee for Vice-President. Senator Truman, who resigned on Aug. 3 from the Senate War Investigating Committee, in order to have a free hand in the Democratic campaign, presented to the Senate on Aug. 7 his last report as Chairman of the Committee, at which time he said:

"In my opinion, the power of investigation is one of the most important powers of the Congress. The manner in which that power is exercised largely will determine the position and prestige of the Congress in our future. An informed Congress is a wise Congress, and an uninformed Congress surely will forfeit a large portion of the respect and confidence of the people."

Reviewing the Committee's three and a half years of investigation under his Chairmanship, Senator Truman, the Associated Press reported, reminded his colleagues that the Committee called as early as last November for a start on reconversion problems.

"Specific methods of dealing with those problems were set forth in the Committee's third annual report," he said. "Progress has been disappointing, because many new needs have arisen and because the armed services have been bitterly opposed to taking any action."

Under date of Aug. 3, the Washington Associated Press advised stated:

Democrats and Republicans alike sought to persuade Senator Truman to continue as head of the Committee over which he has presided for three and a half years, but he told them "it wouldn't be fair."

"Anything I might say or do as a member of the Committee would be construed as political," he said. "It is best for me to leave it entirely."

In the end, they agreed to respect his wishes. They offered the Chairmanship to Senator Tom Connally, Democrat, Texas, but he had to decline because of his heavy duties as Chairman of the Foreign Relations Committee.

On Aug. 4 Senator James M. Mead (Democrat) of New York was unanimously chosen Chairman of the Committee. The nomination of Senator Truman as Vice-President of the Democratic Party was noted in our issue of Aug. 3, page 519.

Moody's Bond Prices And Bond Yield Averages

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

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

Table with columns: 1944 Daily Averages, U.S. Govt. Bonds, Ave. Corporate Rate, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R.R., P.U., Indus.). Rows include dates from Sep. 5 to Sep. 5, 1942, and summary rows for High/Low 1944, High/Low 1943, and 1 Year Ago/2 Years Ago.

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

Table with columns: 1944 Daily Averages, U.S. Govt. Bonds, Ave. Corporate Rate, Corporate by Ratings (Aaa, Aa, A, Baa), Corporate by Groups (R.R., P.U., Indus.). Rows include dates from Sep. 5 to Sep. 5, 1942, and summary rows for High/Low 1944, High/Low 1943, and 1 Year Ago/2 Years Ago.

Cotton Ginned from Crop of 1944 Prior to Aug. 16

The census report issued on Aug. 23, compiled from the individual returns of the ginners shows as follows the number of bales of cotton ginned from the growth of 1944 prior to Aug. 16, 1944, and comparative statistics to the corresponding date in 1943 and 1942:

Table with columns: State, 1944, 1943, 1942. Rows include United States, Alabama, Florida, Georgia, Louisiana, Texas, and All other states.

*Includes 48,182 bales of the crop of 1944 ginned prior to Aug. 1 which was counted in the supply for the season of 1943-44, compared with 107,053 and 48,626 bales of the crops of 1943 and 1942.

The statistics for 1944 in this report are subject to revision when for 1943 and 1 for 1942.

These statistics for 1944 in this report are subject to revision when checked against the individual returns of the ginners being transmitted by mail.

Consumption and Stocks — United States

Cotton consumed during the month of July, 1944, amounted to 839,705 bales. Cotton on hand in consuming establishments on July 31, was 2,117,343 bales, and in public storages and at compresses 7,704,181 bales. The number of active consuming cotton spindles for the month was 22,654,790.

In the interest of national defense, the Department of Commerce has discontinued until further notice the publication of statistics concerning imports and exports.

World Statistics

Because of war conditions and the difficulties in obtaining dependable world statistics such data are being omitted from this report for the time being.

National Fertilizer Association Commodity Price Index Continues Slight Advance

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on Sept. 5 continued to advance slightly in the week ended Sept. 2 to 138.5 from 138.4 in the preceding week. A month ago this index stood at 138.8 and a year ago at 135.5, based on the 1935-1939 average as 100. The Association's report went on to say:

Due to the few price changes in the farm products there was only a moderate advance in this group. Weakness in wheat and rye featured declining grain markets last week. Livestock prices held at ceiling levels with no changes in hogs, cattle, and lambs. An increase in the price of eggs was the only cause for this group advancing. This increase in eggs also caused the foods group to move into higher ground. A slight increase in raw cotton reflected only a fractional advance in the textiles group. Lower prices for scrap steel caused a fractional decline in the metals index number, marking the first change in this index number in over two years. All other indexes remained unchanged from the previous week.

Although the index advanced fractionally last week, only 2 price series advanced and 3 declined; in the preceding week there were 6 advances and 3 declines; and in the second preceding week there were 7 advances and 3 declines.

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

Table with columns: Each Group Bears to the Total Index, Group, Latest Preceding Week, Month Ago, Year Ago. Rows include Foods, Farm Products, Fuels, Miscellaneous commodities, Textiles, Metals, Building materials, Chemicals and drugs, Fertilizer materials, Fertilizers, Farm machinery, and All groups combined.

*Indexes on 1926-1928 base were: Sept. 2, 1944, 107.9; Aug. 26, 107.8, and Sept. 4, 1943, 105.6.

Germans Lose 400,000 Men In France

The German armies in northern France have lost at least 325,000 in the most recent campaigns by the American forces, with the Canadian First and British Second Armies still to report the number of German soldiers they have killed or captured.

London Associated Press advices on Aug. 29 further stated: Supreme Headquarters announced on Aug. 29 that 92,000 prisoners had been taken by the Allies in northwestern France between Aug. 10 and 25, of whom from 42,000 to 45,000 were taken in the Falaise pocket area.

A Rome dispatch yesterday estimated German losses in southern France at more than 50,000, raising the total for all France close to 400,000.

Liquidate OEM Branch

We learn from Associated Press Washington advices that on Aug. 27 President Roosevelt ordered the liquidation of the Office of Emergency Management's branch known as the Division of Central Administrative Services.

This division of the OEM employed 3,700, all of which will be absorbed in other Government jobs.

The Associated Press report also says:

The division has been performing administrative services for most of the civilian war agencies of the Government, and in the main its functions will be transferred to the agencies it has been serving, along with the employees.

This change was recommended by Division Director R. R. Brown and the House Appropriations Committee.

OPA Denies Rent Rise In New York City

Protests against the Rent Regulation for Housing in the New York City Defense-Rental Area, including a petition to increase all rents in the area by 10% and requesting an alternate maximum rent date for those landlords whose rents on March 1, 1942 were lower than on March 1, 1942 were denied on Aug. 30 by the Office of Price Administration, Acting Price Administrator James Rogers announced. In his announcement he stated:

"The protests were filed by a group of apartment house owners and sponsors by the Metropolitan Fair Rent Committee, an association of real estate owners and agents in New York City.

"The addition of 10% to all rents in the city would have amounted to an increase of more than \$100,000,000 a year in the New York rent bill. The present rent bill for the city is estimated to be over a billion dollars a year.

"The protesting parties claimed that the maximum rents for the area were not generally fair and equitable unless accompanied by the 10% increase. They did not question the propriety of establishing rent control in the area at proper maximum rents. The protest stated that the rents in effect on the maximum rent date do not represent rents agreed on by landlords and tenants in a free competitive market prior to war activities. War activities in the area, those protesting said, adversely affected their operations.

"In a 12-page (brief) opinion accompanying an order denying the protests, OPA set forth the results of a survey of approximately 50,000 dwelling units.

"It was estimated on the basis of the survey that the operating position of New York landlords for 1944 is better than it was in any of the years 1939-1943. Although some individual items of expense have increased, the overall increase in expenses is less than 5% during the last four years. OPA said that a substantial increase in occupancy has more than compensated for this rise in expense.

"Moreover, OPA stated, one reason for initiating rent control was that between March and October 1943, rents in New York were raised for approximately 138,000 dwelling units, which is more than equivalent to an increase for every rental housing unit in a city the size of Buffalo, N. Y. or New Orleans, La.

"OPA also found that adverse operating conditions were experienced chiefly in property having an average monthly rental of less than \$30, and that this was caused by a decline in occupancy, and not by changed rental rates.

"After reviewing the request for an alternate maximum rent date, OPA stated that the protestants' situation is no different from that of any other landlord who contends after the establishment of rent control, that he would not have reduced his rents if he had known the lower rents would become his maximum rents. "To grant relief under these circumstances would be wholly inconsistent with the maximum rent date method, OPA said, and would defeat the purposes of the Emergency Price Control Act."

Moody's Daily Commodity Index

Table with columns: Date, Index Value. Rows include Tuesday, Aug. 29, 1944 (250.8), Wednesday, Aug. 30 (250.2), Thursday, Aug. 31 (250.5), Friday, Sept. 1 (250.3), Saturday, Sept. 2 (250.1), Monday, Sept. 4 (249.6), Tuesday, Sept. 5 (250.4), and various other dates.

Fairchild Retail Price Index August 1 Unchanged For Sixth Consecutive Month

Since March 1, 1944, the Fairchild Publications Retail Price Index has remained unchanged at 113.4. The current index is 0.4% above the index for the corresponding month last year, said Fairchild's report on Aug. 15, which also stated: "As compared with May, 1933, the index shows a 63.4% gain. The present quotations are well above the other base periods which we use for comparisons."

The Fairchild advices continue: "Not only is the composite index unchanged but every item included in it shows no change for the last three months. However, a number of the items show gains in comparison with a year ago. This is particularly marked in furs, women's underwear, aprons, men's shirts, infants' and women's hose, and furniture."

"Analysis of the individual items indicates that advances from pre-war levels have been very great. The largest were recorded in furs 61.8%; cotton piece goods 39.3%; blankets 31.6%; aprons and house dresses 34.3%; sheets 39.3%; furniture 37.3%; and floor coverings 32.6%."

"With the index based chiefly on staple items, and with quality deterioration not reflected in the index, it is expected that the index will continue comparatively stable until the end of the European war, but that a downward revision in prices will develop soon after that time. According to A. W. Zelomek, economist, under whose supervision this index is compiled, the decline will occur in those products which have been most seriously affected by wartime quality deterioration; distributors will tend generally to liquidate these goods before post-war items are made easily available."

THE FAIRCHILD PUBLICATIONS RETAIL PRICE INDEX

JAN. 3, 1931=100

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| | May 1, 1933 | Aug. 1, 1933 | May 1, 1944 | June 1, 1944 | July 1, 1944 | Aug. 1, 1944 |
|---------------------------------|-------------|--------------|-------------|--------------|--------------|--------------|
| Composite Index | 69.4 | 113.0 | 113.4 | 113.4 | 113.4 | 113.4 |
| Piece Goods | 65.1 | 112.2 | 112.2 | 112.2 | 112.2 | 112.2 |
| Men's Apparel | 70.7 | 105.3 | 105.3 | 105.3 | 105.3 | 105.3 |
| Women's Apparel | 71.8 | 112.7 | 113.7 | 113.7 | 113.7 | 113.7 |
| Infants' Wear | 76.4 | 108.1 | 108.2 | 108.2 | 108.2 | 108.2 |
| Home Furnishings | 70.2 | 115.5 | 115.6 | 115.6 | 115.6 | 115.6 |
| Piece Goods | | | | | | |
| Silks | 57.4 | 84.7 | 84.7 | 84.7 | 84.7 | 84.7 |
| Woolens | 69.2 | 108.0 | 108.1 | 108.1 | 108.1 | 108.1 |
| Cotton Wash Goods | 68.6 | 143.8 | 143.8 | 143.8 | 143.8 | 143.8 |
| Domestics | | | | | | |
| Sheets | 65.0 | 126.8 | 126.8 | 126.8 | 126.8 | 126.8 |
| Blankets & Comfortables | 72.9 | 135.0 | 134.9 | 134.9 | 134.9 | 134.9 |
| Women's Apparel | | | | | | |
| Hosiery | 59.2 | 89.3 | 90.0 | 90.0 | 90.0 | 90.0 |
| Aprons & House Dresses | 75.5 | 140.5 | 140.5 | 140.5 | 140.5 | 140.5 |
| Corsets & Brassieres | 83.6 | 111.2 | 111.2 | 111.2 | 111.2 | 111.2 |
| Furs | 66.8 | 140.0 | 145.1 | 145.1 | 145.1 | 145.1 |
| Underwear | 69.2 | 102.7 | 102.9 | 102.9 | 102.9 | 102.9 |
| Shoes | 76.5 | 92.4 | 92.4 | 92.4 | 92.4 | 92.4 |
| Men's Apparel | | | | | | |
| Hosiery | 64.9 | 108.1 | 108.1 | 108.1 | 108.1 | 108.1 |
| Underwear | 69.6 | 114.8 | 114.8 | 114.8 | 114.8 | 114.8 |
| Shirts & Neckwear | 74.3 | 99.1 | 99.3 | 99.3 | 99.3 | 99.3 |
| Hats & Caps | 69.7 | 94.3 | 94.3 | 94.3 | 94.3 | 94.3 |
| Clothing Incl. Overalls | 70.1 | 106.0 | 105.9 | 105.9 | 105.9 | 105.9 |
| Shoes | 76.3 | 109.6 | 109.6 | 109.6 | 109.6 | 109.6 |
| Infants' Wear | | | | | | |
| Socks | 74.0 | 114.6 | 114.9 | 114.9 | 114.9 | 114.9 |
| Underwear | 74.3 | 103.7 | 103.7 | 103.7 | 103.7 | 103.7 |
| Shoes | 80.9 | 106.0 | 106.0 | 106.0 | 106.0 | 106.0 |
| Furniture | 69.4 | 129.2 | 129.4 | 129.4 | 129.4 | 129.4 |
| Floor Coverings | 79.9 | 146.9 | 146.9 | 146.9 | 146.9 | 146.9 |
| Radios | 50.6 | 66.8 | 66.8 | 66.8 | 66.8 | 66.8 |
| Luggage | 60.1 | 94.7 | 94.9 | 94.9 | 94.9 | 94.9 |
| Electrical Household Appliances | 72.5 | 93.5 | 93.5 | 93.5 | 93.5 | 93.5 |
| China | 81.5 | 110.6 | 110.6 | 110.6 | 110.6 | 110.6 |

Note—Composite index is a weighted aggregate. Major group indexes are arithmetic averages of subgroups.

Living Costs In Large Cities Up 0.6% June 15-July 15, Labor Dep't Reports

"Higher prices for food, particularly eggs and fresh fruits and vegetables, accounted for most of the 0.6% rise in retail prices of living essentials during the month ending July 15," Secretary of Labor Frances Perkins reported on Aug. 18. "Increases in other elements of the family budget were small," she said.

"During the past year, average prices of family living essentials have risen by 1.8%, compared to advances of 6% and 11% in the years ending July, 1943 and July, 1942. The advance over the year has been primarily in clothing prices, housefurnishings and miscellaneous services. Food prices as a whole are slightly lower than they were a year ago."

"The 1.3% increase in food prices over the month was primarily due to egg prices, which rose by 15%, to an average of almost 53 cents per dozen after declining rapidly during the spring."

"There was a net rise of 2% in July in prices of the fresh fruits and vegetables included in the Bureau's index, reflecting higher prices for shippers established by OPA on some of this season's crops. The average price of 13.6 cents per pound for apples represented an increase of 12% over June, where there is usually a decline, and oranges advanced by more than 5%. Higher prices were reported for potatoes, sweet potatoes, spinach, and onions in July, but there were large decreases for cabbage, lettuce, and green beans."

"A contraseasonal decline of 0.4% was reported for meats, with most cuts reported lower than in June. In comparison with July 1943, prices for meats, eggs, fruits and vegetables as a group were lower, and cereals and bakery products were slightly higher."

"Except for foodstuffs, average prices paid by moderate-income city families for goods and services showed only occasional small increases between mid-June and mid-July. There were scattered price advances for men's work shirts and summerweight suits, and for women's wash frocks and rayon underwear. In the housefurnishings group, small increases were reported for prices of cook stoves and bedroom suites in a few cities."

"Scattered advances in prices charged for beauty shop services, daily newspapers and laundry work caused an 0.1% rise in the cost of miscellaneous goods and services. Average fuel prices rose 0.2% over the month due to some increases in bituminous coal prices."

"Rents were not surveyed in July."

Note—The BLS index indicates average changes in retail prices of selected goods, rents and services bought by families of wage earners and lower-salaried workers in large cities. The items covered represented 70% of the expenditures of families who had incomes ranging from \$1,250 to \$2,000 in 1934-36.

The index does not show the full wartime effect on the cost of

living of such factors as lowered quality, disappearance of low-priced goods and forced changes in housing and eating away from home.

It does not measure changes in total "living costs"—that is, in the total amount families spend for living. Income taxes and bond subscriptions are not included.

COST OF LIVING IN LARGE CITIES

Indexes, 1935-39=100*

| Date— | All Items | Food | Clothing | Rent | Fuel electricity and ice | House-furnishings | Miscellaneous |
|---------------|-----------|-------|----------|-------|--------------------------|-------------------|---------------|
| 1939: Aug. 15 | 98.6 | 93.5 | 100.3 | 104.3 | 97.5 | 100.6 | 100.4 |
| 1941: Jan. 15 | 100.8 | 97.8 | 100.7 | 105.0 | 100.8 | 100.1 | 101.9 |
| 1942: May 15 | 116.0 | 121.6 | 126.2 | 109.9 | 104.9 | 122.2 | 110.9 |
| Sept. 15 | 117.8 | 126.6 | 125.8 | 108.0 | 106.2 | 123.6 | 111.4 |
| 1943: July 15 | 123.9 | 139.0 | 129.1 | 108.0 | 107.6 | 125.6 | 116.1 |
| 1944: June 15 | 125.4 | 135.7 | 138.0 | 108.1 | 109.6 | 138.4 | 121.7 |
| July 15 | 126.1 | 137.4 | 138.2 | ↑ | 109.8 | 138.5 | 121.8 |

PERCENT OF CHANGE

| Date— | All items | Food | Clothing | Rent | Fuel, electr. and ice | House-furnishings | Miscellaneous |
|---------------------------------|-----------|--------|----------|-------|-----------------------|-------------------|---------------|
| June 15, 1944 to July 15, 1944 | + 0.6 | + 1.3 | + 0.1 | ↑ | + 0.2 | + 0.1 | + 0.1 |
| July 15, 1943 to July 15, 1944 | + 1.8 | - 1.2 | + 7.0 | + 0.1 | + 2.0 | + 10.3 | + 4.9 |
| Sept. 15, 1942 to July 15, 1944 | + 7.0 | + 8.5 | + 9.9 | + 0.1 | + 3.4 | + 12.1 | + 9.3 |
| May 15, 1942 to July 15, 1944 | + 8.7 | + 13.0 | + 9.5 | - 1.6 | + 4.7 | + 13.3 | + 9.8 |
| Jan. 15, 1941 to July 15, 1944 | + 25.1 | + 40.5 | + 37.2 | + 3.0 | + 8.9 | + 38.4 | + 19.5 |
| Aug. 15, 1939 to July 15, 1944 | + 27.9 | + 47.0 | + 37.8 | + 3.6 | + 12.6 | + 37.7 | + 21.3 |

*These indexes are based on changes in the cost of goods purchased by wage earners and lower-salaried workers in large cities.

†Rents surveyed at quarterly dates March 15, June 15, Sept. 15, Dec. 15.

‡Changes through June 15, 1944.

July Hotel Sales Higher

In its September bulletin, Horwath & Horwath, New York, public accountants, report that "increases over last year are dwindling, and minus signs are becoming quite numerous in our table. In July, Philadelphia and Washington both had decreases in total sales and Cleveland had no increase. The over-all gain was only 3%, the smallest in two years and a quarter. To date in 1944, the increase in total sales is 13%."

"The largest gain for a section or city," the report continued, "was 15% for the Pacific Coast and the next was 12% for New York City. Chicago had the third largest, 9%. That indicative group of widely scattered miscellaneous hotels, All Others, was up only 6% in total sales this July over last."

"There were increases all along the line in room sales, New York leading with one of 14% and the Pacific Coast following closely with 13%."

"Nearly all the occupancies were considerably lower than in June, Philadelphia and Washington showing only 78% each and All Others, 79%. New York had only 88% against 94% last month, and the highest for July was 90%, reached by Cleveland and Detroit. Chicago registered 87% for the month of the Democratic convention, one point lower than in the month of the Republican gathering."

"The total rise in average rate was 5%, the biggest individual advance being 10% for the Pacific Coast."

"There were three decreases in restaurant sales, and again the beverage business made a poorer showing than food nearly everywhere, thus continuing the reversal pointed out last month, for the beverage gains for a long time exceeded those in food sales. The drops in total restaurant sales from a year ago were shown by Philadelphia, Washington and Cleveland, and in the last named city it was entirely in beverage sales, which were down 16%. Two other places which had increases in total restaurant business showed declines in beverage sales—Detroit and Texas."

The firm supplies the following statistical data:

| | JULY, 1944, COMPARED WITH JULY, 1943 | | | | | Occupancy | | Room Rate |
|---------------|--------------------------------------|-------|------------|------|-----------|-----------|-----------|-------------------|
| | Total* | Rooms | Restaurant | Food | Beverages | July 1944 | July 1943 | Increase or Decr. |
| New York City | +12% | +14% | +10% | +11% | +9% | 88% | 81% | +5% |
| Chicago | +9 | +8 | +11 | +8 | +15 | 87 | 85 | +6 |
| Philadelphia | -6 | +4 | -17 | -16 | -18 | 78 | 77 | +3 |
| Washington | -2 | +11 | -7 | -6 | -9 | 78 | 74 | +5 |
| Cleveland | 0 | +6 | -6 | 0 | -16 | 90 | 86 | +2 |
| Detroit | +6 | +8 | +4 | +9 | -4 | 90 | 88 | +6 |
| Pacific Coast | +15 | +13 | +16 | +14 | +20 | 87 | 85 | +10 |
| Texas | +6 | +4 | +8 | +11 | -7 | 82 | 82 | +4 |
| All others | +6 | +6 | +6 | +7 | +4 | 79 | 77 | +3 |
| Total | +8% | +8% | +7% | +8% | +6% | 82% | 80% | +5% |
| Year to Date | +13% | +11% | +16% | +16% | +15% | 87% | 83% | +5% |

| MONTHLY TOTALS FOR LAST SIX MONTHS | | | | | | | | |
|------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| July, 1944 | +8% | +8% | +7% | +8% | +6% | 82% | 80% | +5% |
| June | +12 | +10 | +14 | +15 | +12 | 88 | 84 | +5 |
| May | +9 | +7 | +10 | +11 | +8 | 88 | 85 | +4 |
| April | +14 | +11 | +18 | +18 | +17 | 88 | 83 | +5 |
| March | +16 | +12 | +19 | +19 | +20 | 88 | 83 | +6 |
| February | +17 | +13 | +21 | +20 | +22 | 88 | 82 | +5 |

*The term "rates" wherever used refers to the average sales per occupied room and not to scheduled rates. *Rooms and restaurant only.

New Capital Issues In Great Britain

The following statistics have been compiled by the Midland Bank Limited:

These compilations of issues of new capital, which are subject to revision, exclude all borrowings by the British Government; shares issued to vendors; allotments arising from the capitalisation of reserve funds and undivided profits; sales of already issued securities which add nothing to the capital resources of the company whose securities have been offered; issues for conversion or redemption of securities previously held in the United Kingdom; short-dated bills sold in anticipation of long-term borrowings; and loans of municipal and county authorities which are not specifically limited. In all cases the figures are based upon the prices of issue.

NEW CAPITAL ISSUES IN THE UNITED KINGDOM

(Compiled by the Midland Bank Limited)

| | Total | Geographical Distribution | |
|----------------|-------------|---------------------------|-------------------|
| | | United Kingdom | Foreign Countries |
| 1937, 1st half | £97,416,000 | £80,661,000 | £15,633,000 |
| 2nd half | 73,490,000 | 58,107,000 | 9,305,000 |
| 1938, 1st half | 74,051,000 | 56,139,000 | 14,916,000 |
| 2nd half | 44,046,000 | 36,607,000 | 6,368,000 |
| 1939, 1st half | 57,145,000 | 39,906,000 | 17,018,000 |
| 2nd half | 9,149,000 | 3,429,000 | 1,295,000 |
| 1940, 1st half | 3,068,000 | 2,716,000 | 157,000 |
| 2nd half | 1,028,000 | 828,000 | 200,000 |
| 1941, 1st half | 1,280,000 | 1,031,000 | 249,000 |
| 2nd half | 1,046,000 | 896,000 | 150,000 |
| 1942, 1st half | 660,000 | 660,000 | — |
| 2nd half | 3,247,000 | 3,211,000 | 36,000 |
| 1943, 1st half | 3,731,000 | 2,503,000 | 588,000 |
| 2nd half | 4,852,000 | 4,555,000 | 57,000 |
| 1944, 1st half | 2,277,000 | 2,149,000 | 128,000 |

ABA Cost Analysis Service To Rural Banks

A cost analysis program by which country banks may have their costs expertly determined is announced by the Commission on Country Bank Operations of the American Bankers Association as the fourth major step this year in its service to country banks. This service is available without charge to the 12,000 country banks having resources of less than \$5,000,000. The formulas are applicable only to commercial banks.

In a recent letter to the banks announcing the program, Kenneth J. McDonald, chairman of the Commission who is also president of the Iowa Trust and Savings Bank, Estherville, Iowa, stated that, "Under present operating conditions it is vital that every bank know its costs as well as comparative costs of other banks of the same size. In this way only you can reduce unnecessary expenses, develop profitable services and justify your service charges. Therefore from both the public relations and internal management point of view every bank should know its costs. This does not mean a general estimate. It means facts, and facts only."

It is believed by the Commission that by this cost analysis study the average country bank will obtain an analysis of its own costs, secure a check on its operating efficiency particularly in comparison with banks of the same size, and obtain a factual base for its service charges. It will also obtain information that will be helpful in explaining service charges to customers.

Methods for developing the cost study are simple and were worked out after more than two years experience in 300 banks. Mr. McDonald said results obtained during the test proved both practical and "extremely valuable" to the banks.

Enclosed with his letter to the banks were two cards. One by which the bank will indicate its desire to participate and by which a code number can be assigned to it, and the second listing five pilot questions which when answered will provide the commission with data to adjust its procedure to geographical variations, if necessary.

Forms will be mailed soon to the participating banks on which they will count certain items and transactions during the months of October, November and December. The Commission said that it will take a bookkeeper only a few minutes each day to obtain the necessary information.

At the close of the year participating banks will send year-end figures from their books for which forms will be provided.

A special staff of the Commission will do all of the compiling, computing and translating of this information and it is estimated that by March of next year, 1944 figures will be in the hands of each of the participating banks.

In a letter to secretaries of State Bankers Associations, the Commission said, "It should be kept in mind that this program is unlike anything heretofore undertaken on a nationwide basis. The Commission is not merely giving the country banks a formula and asking them to apply it to their own bank and do all the work. It simply asks for the essential information and after that it will do all the work itself. In other words, it amounts pretty much to having an outside staff come into the bank and personally do a cost analysis job. The results are the same; in fact the Commission's experience indicates that the results in some instances may be a little better."

Non-Farm Mortgage Financing Activity Higher In First Half Of 1944

The first half of 1944 was marked by a steady month-to-month gain in home financing activity that resulted in the largest half-year aggregate recordings of non-farm mortgages of \$20,000 or less since 1941, it was reported by the Federal Home Loan Bank Administration, which further stated: "The total volume for the six-month period was \$2,176,000,000, or nearly 28% more than the amount of mortgages recorded during the January-June period in 1943 and only 2% less than the record high established for the series in 1941."

The FHLBA's report went on to say: "All classes of mortgages, except insurance companies, participated in this year's increased volume. Individual lenders led with a gain of 40% over last year while savings and loan associations followed with a rise of 35%. Other gains were: Banks and trust companies, 24%; miscellaneous lenders, 23%; and mutual savings banks, 14%. Recordings for insurance companies declined 7%."

"Only slight shifts occurred in the relative participation of the various mortgage lenders as between the first half of 1944 and the same period in 1943. This year the proportion of mortgages recorded by savings and loan associations and individual lenders increased 2 points each, to 33% and 24%, respectively. Recordings of insurance companies declined to 2% to 6%, while the proportion of total lending activity accounted for by banks and trust companies, mutual savings banks, and miscellaneous lenders changed by less than 1 point."

| Type of Mortgage | June 1944 | | Chg. from June 1943 | June 1943 | | Cumulative Recordings January-June | | |
|------------------|------------------|--------------|---------------------|------------------|--------------|------------------------------------|--------------------|--------------|
| | Volume (000) | % of Total | | Volume (000) | % of Total | 1944 | 1943 | Chg. |
| S & L Assns. | \$145,873 | 34.5 | + 4.4 | \$113,431 | 32.5 | \$725,872 | \$539,302 | +34.6 |
| Ins. Cos. | 22,215 | 5.3 | + 1.9 | 26,613 | 7.6 | 125,678 | 135,758 | -7.4 |
| Ek. & Tr. Cos. | 79,453 | 18.8 | + 0.5 | 65,656 | 16.8 | 424,070 | 340,823 | +24.4 |
| Mut. Svs. Bks. | 15,535 | 3.7 | + 4.4 | 14,718 | 4.2 | 73,076 | 64,256 | +13.7 |
| Individuals | 99,140 | 23.5 | + 3.6 | 75,183 | 21.6 | 518,318 | 371,143 | +39.7 |
| Others | 59,394 | 14.1 | +10.3 | 53,445 | 15.3 | 308,953 | 251,332 | +22.9 |
| Total | \$421,631 | 100.0 | + 4.1 | \$349,046 | 100.0 | \$2,175,827 | \$1,702,679 | +27.8 |

"Mortgages of \$20,000 or less recorded in June totaled \$422,000,000, an increase of 4% over the previous month and 21% above June, 1943. All classes of mortgagees recorded a larger volume of loans in June than in May, the gains ranging from 10% for miscellaneous lenders to one-half of one percent for banks and trust companies. Recordings of savings and loan associations (\$145,893,000) and individual lenders (\$99,140,000) were the largest amounts for any month on record. Insurance companies were alone in showing a lower volume of recordings in June, 1944, than during the same month last year."

June Bldg. Permit Valuations 7% Over Last Year

Building construction started in urban areas of the United States during June was valued at \$112,000,000, or 7% more than a year ago, with a decline of 29% in Federal construction offset by an increase of 31% in non-Federal construction, it was stated in a report recently issued by Secretary of Labor Perkins, which continued by saying: "New residential building decreased by 15%, while new non-residential increased 16% as a result of a permit issued for a \$6,000,000 privately financed power plant in Dixon, Illinois. Additions, alterations, and repairs increased by one-third." The Secretary of Labor's report added:

"Building construction started this month exceeded the May, 1944, total by 3%. New residential and new non-residential building were virtually unchanged, while the value of additions, alterations, and repairs increased by 8%. Federal construction declined by nearly one-fourth and non-Federal construction increased by 17% in June."

| Class of Construction | Number of buildings | | | Valuation | | |
|-------------------------------------|---------------------|----------|-----------|--------------------------|----------|-----------|
| | June 1944 | May 1944 | June 1943 | June 1944 (In thousands) | May 1944 | June 1943 |
| All building construction | 66,904 | + 1.1 | +10.7 | 111,714 | + 2.6 | + 7.4 |
| New residential | 9,764 | + 6.6 | -14.5 | 35,723 | + 3.2 | -14.7 |
| New nonresidential | 7,552 | - 7.8 | * | 46,780 | - .7 | +15.8 |
| Additions, alterations, and repairs | 49,588 | - 1.4 | +19.6 | 29,211 | + 7.7 | +34.2 |

*Less than one-tenth of one percent.

Miss Perkins continued: "The total of 11,266 family dwelling units for which permits were issued on Federal contracts awarded during June showed little change from the May figure, but was one-fifth less than that for June, 1943. The 9,973 privately financed dwelling units started this month were slightly more than those begun during May but 13% under June, 1943. Eleven percent of the June total, or 1,293 dwelling units, were in Federal war housing projects. A year ago, 2,710 Federally financed units accounted for 19% of the total."

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

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

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

All figures for the current month are preliminary. Major up-

ward revisions in Federally financed non-residential construction may be expected as a result of late notifications of contracts awarded.

Urban building put under construction during the first six months of 1944 was valued at \$565,000,000 or 13% less than the \$646,000,000 for the same period of 1943. Reflecting the virtual completion of the Federal war construction program, Federal building construction during the first six months of 1944 was half that for the same period of 1943, while non-Federal building increased almost a third. The volume of new residential building was one-third less than last year and new non-residential construction one-tenth less. Additions, alterations, and repairs, however, increased by nearly one-half.

VALUATION OF BUILDING CONSTRUCTION IN ALL URBAN AREAS BY CLASS OF CONSTRUCTION, FIRST 6 MONTHS OF 1943 AND 1944

| Class of construction | 1944 | | | 1943 | | |
|------------------------------------|--|-------------------|--|-------------------|--|--|
| | First 6 Months (In thousands of dollars) | Percentage change | First 6 Months (In thousands of dollars) | Percentage change | | |
| All construction | 565,462 | -12.5 | 646,340 | -12.5 | | |
| New residential | 198,094 | -33.9 | 299,631 | -33.9 | | |
| New nonresidential | 223,542 | -10.2 | 249,059 | -10.2 | | |
| Additions, alterations and repairs | 143,826 | +47.3 | 97,649 | +47.3 | | |

"More than four-fifths of the dwelling units started in the first 6 months of 1944 were privately financed as compared with less than one-half during the same period of 1943. While there was a slight decline in the number of units built there was virtually no change in valuation. Federal construction declined about four-fifths in number of new dwelling units and also in volume of contracts awarded."

"One-family units show an increase of 8% thus far in 1944, while 2-family and multifamily units show a decrease of 19 and 31% respectively."

"The East North Central and Pacific States again in June ranked highest in valuation of urban building construction started, together accounting for nearly half of the total valuation. Five regions showed increase in valuations over May, which were almost offset by declines in the New England, West South Central, Mountain and Pacific States, the latter falling by over one-third."

"Non-Federal construction begun during June was 17% more than in May, resulting from increases in 6 of the 9 regions, ranging from 4% in the Pacific States to 49% in the East North Central States. The New England, Middle Atlantic, and Mountain States showed moderate declines."

"Five geographic regions contributed to the 7% increase in valuations of all building construction started during June 1944 as compared to June 1943. The volume of privately financed building construction started during June exceeded that of a year ago in 6 of the regions, resulting in a 31% increase. With only the Middle Atlantic, South Atlantic, and West South Central regions having increases, Federally financed construction valuation declined sharply, showing a 29% decrease from June 1943, and a 24% decrease from May 1944."

Steel Operations Off Due To Holiday—Price Of Scrap Declines—Buyers Exercise Caution

"Although steel mills this past week noted little change in the volume of steel bookings from a tonnage standpoint, there were additional signs that the actual number of orders appeared to be on the decline." "The Iron Age" states in its issue of today (Sept. 7), further adding: "This condition was being viewed in some quarters as further evidence that extreme caution would be exercised by steel buyers until such time as clarification is forthcoming on the probable end of the European war."

"Orders responsible for the heavy steel tonnage in the past week involve war orders such as Navy flat-rolled requirements, landing-mat needs, and such items as structural requirements for the Army and Navy bridge programs. Another factor which has swelled tonnage volume was railroad requirements for rails and track accessories."

"There was additional evidence in the past week that Maritime plate needs will be down considerably in the first quarter of 1945. According to steel reports, the anticipated cut in Maritime plate requirements is being viewed as more of a certainty this time than has been the case in the past. When and if this substantial reduction in plate rollings materializes, it will be a signal for a rapid clean-up on hot-rolled sheet tonnage which has been piling up on mill order books."

"Post-war plans for many firms, notably those in the automotive group, now have advanced to the point where these companies are able to place tentative production plans in the hands of steel suppliers. Some automotive firms, it appears, will be able to supply a trickle of cars well in advance of the 90 days often quoted as the necessary reconversion period. It seemed clearer than ever this week that while war production was at a high point, steel production at high levels and steel backlogs changed but little, more and more thought was being placed upon the practical aspects of reconverting to civilian manufacture. Additional reports were available this week indicating steel consumers

had taken an even tighter rein over inventories.

"On the steel market front this week it was noted that steel ingots were going begging. A few months ago steel ingots were in heavy demand and were being processed by companies whose finishing facilities were adequate to meet this need. Recently, however, a drop in lend-lease requirements and manpower shortages at plants which heretofore were able to process ingots from other sources finds the supply outrunning the actual demand."

"The American Iron and Steel Institute on Sept. 5 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 95.5% of capacity for the week beginning Sept. 4, compared with 97.1% one week ago, 97.0% one month ago and 100.3% one year ago. The operating rate for the week beginning Sept. 4, 1944, is equivalent to 1,710,700 tons of steel ingots and castings, compared to 1,739,300 tons one week ago, 1,737,500 tons one month ago and 1,748,200 tons one year ago."

"Steel" of Cleveland, in its summary of the iron and steel markets, on Sept. 4 stated in part as follows:

"Shipbuilding, which has been a major factor in war demand from the beginning, is due for a sharp decline in first quarter, from all present indications."

"Maritime Commission quotas probably will be fairly well sustained through January, with material curtailment expected thereafter, with possibility that merchant ship requirements for three

months may not exceed those of one month at present."

"This does not imply that shipyards, even those producing cargo ships, will not be busy for some time further, especially in view of the time required for rolling steel for this purpose. Further substantial ship contracts may be placed but so far as steel requirements are concerned they should be decidedly less by early next year, it is believed."

"This will have a pronounced bearing on various major steel products, plates, shapes, bars and sheets. Any lessening in plate demand will affect first and most importantly continuous strip mills now rolling plates at the expense of sheets. Should merchant ship production be curtailed as much as now indicated for first quarter sheet capacity will be expanded sharply."

"Sheet buying continues relatively dull but deliveries show no improvement, most promises on current inquiries running into first quarter, in some cases to late February and March. Galvanized sheets are not available from some mills before April."

"Steel bars continue tight and December is the average delivery promise by most makers. Some producers of large hot-rolled rounds, especially in quality steels, are booked through the greater portion of first half. Effect of the increasing shell program is felt by diverting steel from regular channels. Cold drawers, though taking a substantial volume, are not specifying as heavily as a few weeks ago."

"Weakness in the scrap market increases and in several districts sales have been made well under ceilings. In other areas consumers are out of the market or are offering prices below ceilings, without actual transactions at lower levels."

"For the first time in more than three years, since April, 1941, the average composite price of steel and iron products shows a change. Reduction of heavy melting steel in the East has brought the composite for steel-making scrap to \$18.83 per ton after holding at the ceiling of \$19.17 since OPA established its control. Finished steel composite remains unchanged at \$56.73, semifinished steel at \$36, steelmaking pig iron at \$23.05."

Mine Workers 'Journal' Attacks FDR On Labor

"The United Mine Workers Journal" printed an editorial on Aug. 30 attacking some unnamed labor leaders as being "too cowardly to press forward for labor gains," and that President Roosevelt was "smart enough to trick the simple minds of the misleaders of labor into believing that the world will go to hell unless the full pattern and design of the present Administration as regards all things is accepted in toto by labor." It was said in a special dispatch to the New York "Times" from Washington on Aug. 31, which also said:

This was presumed to be a preview of a "full dress" attack on President Roosevelt and his labor leaders by John L. Lewis who will probably begin a campaign against the Administration at the Mine Workers Convention at Cincinnati on Sept. 12.

The Labor Day editorial recalled the denunciation of the War Labor Board's "Little Steel" formula by labor, but said that such attacks, like denunciation of sin, would not do away with that formula.

The reasons why the President did not act to do away with the "Little Steel" formula was (1) his ability to "trick" the labor men and (2) the "weak-kneed leadership" by the union leaders.

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. 26, 1944, is estimated at 12,010,000 net tons, an increase of 60,000 tons, or 0.5%, over the preceding week. In the corresponding week of 1943, output amounted to 12,242,000 tons. Cumulative production of soft coal from Jan. 1 to Aug. 26, 1944, totaled 412,980,000 tons, as against 384,665,000 tons in the same period in 1943, a gain of 7.4%.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Aug. 26, 1944, was estimated at 1,290,000 tons, an increase of 121,000 tons (10.4%) over the preceding week. When compared with the output in the corresponding week of 1943, there was, however, a decrease of 13,000 tons, or 1%. The calendar year to date shows an increase of 6.5% 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. 26, 1944 showed a decrease of 11,200 tons when compared with the output for the week ended Aug. 19, 1944; and was 38,100 tons less than for the corresponding week of 1943.

| | Week Ended | | | January 1 to Date | | |
|-----------------------------|---------------|---------------|---------------|-------------------|---------------|---------------|
| | Aug. 26, 1944 | Aug. 19, 1944 | Aug. 28, 1943 | Aug. 26, 1944 | Aug. 28, 1943 | Aug. 28, 1937 |
| Bituminous coal and lignite | 12,010,000 | 11,950,000 | 12,242,000 | 412,980,000 | 384,665,000 | 287,679,000 |
| Total incl. mine fuel | 1,290,000 | 1,292,000 | 2,040,000 | 2,034,000 | 1,886,000 | 1,421,000 |
| Daily average | 2,002,000 | 1,992,000 | 2,034,000 | 2,034,000 | 1,886,000 | 1,421,000 |

| | Week Ended | | | Calendar Year to Date | | |
|---------------------|---------------|---------------|---------------|-----------------------|---------------|---------------|
| | Aug. 26, 1944 | Aug. 19, 1944 | Aug. 28, 1943 | Aug. 26, 1944 | Aug. 28, 1943 | Aug. 28, 1937 |
| Penn. anthracite | 1,290,000 | 1,169,000 | 1,303,600 | 42,823,000 | 40,227,000 | 33,744,000 |
| Commercial prod. | 1,238,000 | 1,122,000 | 1,251,000 | 41,111,000 | 38,618,600 | 32,057,000 |
| Beehive coke | 62,000 | 147,000 | 152,600 | 1,712,000 | 1,608,400 | 1,687,000 |
| United States total | 123,900 | 135,100 | 162,000 | 5,010,200 | 5,096,800 | 2,355,300 |

| State | Week Ended | | | |
|--------------------------------|---------------|---------------|---------------|---------------|
| | Aug. 19, 1944 | Aug. 12, 1944 | Aug. 21, 1943 | Aug. 21, 1937 |
| Alabama | 372,000 | 388,000 | 378,000 | 249,000 |
| Alaska | 5,000 | 5,000 | 5,000 | 3,000 |
| Arkansas and Oklahoma | 95,000 | 87,000 | 88,000 | 60,000 |
| Colorado | 151,000 | 140,000 | 152,000 | 85,000 |
| Georgia and North Carolina | 1,000 | 1,000 | 1,000 | 0 |
| Illinois | 1,432,000 | 1,408,000 | 1,516,000 | 700,000 |
| Indiana | 556,000 | 549,000 | 544,000 | 272,000 |
| Iowa | 40,000 | 36,000 | 46,000 | 52,000 |
| Kansas and Missouri | 178,000 | 170,000 | 152,000 | 113,000 |
| Kentucky—Eastern | 955,000 | 1,003,000 | 947,000 | 681,000 |
| Kentucky—Western | 360,000 | 348,000 | 315,000 | 123,000 |
| Maryland | 37,000 | 36,000 | 41,000 | 28,000 |
| Michigan | 2,000 | 2,000 | 3,000 | 7,000 |
| Montana (bitum. & lignite) | 94,000 | 83,000 | 85,000 | 44,000 |
| New Mexico | 33,000 | 31,000 | 35,000 | 27,000 |
| North & South Dakota (lignite) | 42,000 | 36,000 | 28,000 | 17,000 |
| Ohio | 674,000 | 683,000 | 661,000 | 436,000 |
| Pennsylvania (bituminous) | 2,890,000 | 2,970,000 | 3,011,000 | 2,000,000 |
| Tennessee | 130,000 | 140,000 | 136,000 | 91,000 |
| Texas (bituminous & lignite) | 2,000 | 3,000 | 3,000 | 21,000 |
| Utah | 126,000 | 128,000 | 106,000 | 56,000 |
| Virginia | 366,000 | 385,000 | 384,000 | 257,000 |
| Washington | 30,000 | 33,000 | 29,000 | 30,000 |
| West Virginia—Southern | 2,096,000 | 2,216,000 | 2,296,000 | 1,732,000 |
| West Virginia—Northern | 1,115,000 | 1,162,000 | 995,000 | 544,000 |
| Wyoming | 168,000 | 156,000 | 161,000 | 87,000 |
| Other Western States | 0 | 1,000 | 0 | 0 |

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

| | Week Ended | | | Calendar Year to Date | | |
|----------------------------|---------------|---------------|---------------|-----------------------|---------------|---------------|
| | Aug. 26, 1944 | Aug. 19, 1944 | Aug. 28, 1943 | Aug. 26, 1944 | Aug. 28, 1943 | Aug. 28, 1937 |
| Total bituminous & lignite | 11,950,000 | 12,200,000 | 12,112,000 | 7,715,000 | 7,715,000 | 7,715,000 |
| Pennsylvania anthracite | 1,290,000 | 1,169,000 | 1,239,000 | 1,259,000 | 1,259,000 | 557,000 |
| Total, all coal | 13,119,000 | 13,439,000 | 13,371,000 | 8,272,000 | 8,272,000 | 8,272,000 |

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.

Civil Engineering Construction \$60,282,000 For Third Highest Weekly Volume Reported In 1944

Civil engineering construction volume in continental U. S. totals \$60,282,000 for the week, the third highest weekly volume reported to "Engineering News-Record" in 1944, and made public on Aug. 31. The week's total, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 62% higher than in the preceding week, and 35% higher than the previous four-week moving average, but 2% under the volume for the corresponding 1943 week.

Private construction tops last week by 41%, and is 8% higher than in the week last year. Public work is 65% above a week ago, but 3% under a year ago as a result of the 8% decrease in federal.

The current week's construction brings 1944 volume to \$1,261,642,000 for the 35 weeks, a decrease of 45% from the \$2,285,762,000 reported for the corresponding 1943 period. Private construction, \$271,706,000, is 6% below last year, and public work, \$989,936,000, is 50% lower due to the 56% drop in federal volume.

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

| | Sept. 2, 1943 | Aug. 24, 1944 | Aug. 31, 1944 |
|--------------------------|---------------|---------------|---------------|
| Total U. S. Construction | \$61,674,000 | \$37,309,000 | \$60,282,000 |
| Private Construction | 6,754,000 | 5,157,000 | 7,267,000 |
| Public Construction | 54,920,000 | 32,152,000 | 53,015,000 |
| State and Municipal | 3,776,000 | 4,511,000 | 6,104,000 |
| Federal | 51,144,000 | 27,641,000 | 46,911,000 |

In the classified construction groups, gains over last week are in industrial, commercial and public buildings, earthwork and drainage, streets and roads, and unclassified construction. Increases over the 1943 week are in waterworks, sewerage, industrial buildings, earthwork and drainage, and streets and roads. Subtotals for the week in each class of construction are: Waterworks, \$680,000; sewerage, \$465,000; bridges, \$215,000; industrial buildings, \$5,374,000; commercial buildings, and large-scale private housing, \$1,215,000; public build-

ings, \$34,217,000; earthwork and drainage, \$3,734,000; streets and roads, \$4,529,000, and unclassified construction, \$9,853,000.

New capital for construction purposes for the week totals \$2,860,000, and is made up of \$1,860,000 in state and municipal bond sales, and \$1,000,000 in RFC loans for private industrial expansion.

The week's new financing brings 1944 volume to \$1,598,152,000 for the 35 weeks, a total 45% below the \$2,928,978,000 for the corresponding 1943 period.

Wholesale Prices Down 0.1% For Week Ended Aug. 26, 1944, Labor Dept. Reports

Seasonably lower prices for apples and potatoes together with declining markets for live poultry and eggs brought the Bureau of Labor Statistics' index of commodity prices in primary markets down 0.1% during the week ended August 26, said the U. S. Department of Labor on Aug. 31, which further stated: "At 103.5% of the 1926 average, the all-commodity index was 0.4% lower than at this time last month and only 0.6% higher than for the corresponding week of last year.

"Farm Products and Foods—Average prices for farm products dropped about one-half of one per cent during the week. Grains declined fractionally with lower prices reported for wheat and oats, while quotations for barley were somewhat stronger than a week ago. Apples were considerably lower in most markets and oranges dropped nearly 5%. Prices for eggs fell more than 1% and quotations for live poultry dropped in both the Chicago and New York markets. White potatoes were lower at Chicago but higher at New York and Boston. Higher prices were also reported for cotton, onions and lemons. In the past four weeks average prices for farm products have declined nearly 2% and were approximately 2% lower than at this time last year." The Labor Department's report also said:

"Led by a decline of nearly 3% in fresh fruits and vegetables markets and by the decrease in eggs, average prices for foods dropped 0.5% during the week. Demand for rye flour improved and prices rose 3%, and cured pork advanced nearly 4%. Average prices for foods were more than 1% lower than at the end of July and 1.4% lower than at this time last year.

"Industrial Commodities—Very few changes were reported in prices for industrial commodities. Markets for goatskins and sheepskins advanced. The new pricing formula for cotton goods brought quotations for print cloth up more than 5%. In the mercury market greater activity combined with decreased production brought prices up nearly 3% during the week. Lower prices were reported for resin, for formaldehyde, and for gasoline at mid-continent refineries."

The Labor Department report also contained the following notation:

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

The following tables show (1) index numbers for the principal groups of commodities for the past three weeks, for July 29, 1944, and Aug. 28, 1943, and the percentage changes for a week ago, a month ago, and a year ago, and (2) percentage changes in subgroup indexes from Aug. 19, 1944, to Aug. 26, 1944.

| Commodity Groups | Index Numbers | | | | | Percentage change to Aug. 26, 1944 from— | | |
|--|---------------|-------|-------|-------|-------|--|------|------|
| | 8-26 | 8-19 | 8-12 | 7-29 | 8-28 | 8-19 | 7-29 | 8-28 |
| All commodities | 103.5 | 103.6 | 104.0 | 103.9 | 102.9 | -0.1 | -0.4 | +0.6 |
| Farm products | 121.8 | 122.3 | 124.8 | 124.1 | 124.0 | -0.4 | -1.9 | -1.8 |
| Foods | 104.0 | 104.5 | 106.1 | 105.3 | 105.5 | -0.5 | -1.2 | -1.4 |
| Fibres and leather products | 116.6 | 116.4 | 116.8 | 116.8 | 118.4 | +0.2 | -0.2 | +1.5 |
| Textile products | 97.6 | 97.5 | 97.5 | 97.4 | 97.0 | +0.1 | +0.2 | +0.3 |
| Fuel and lighting materials | 83.7 | 83.8 | 83.8 | 83.9 | 81.8 | -0.1 | -0.2 | +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 | 105.3 | 105.2 | 105.2 | 100.2 | 0 | +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 | 112.5 | 112.8 | 114.3 | 113.8 | 112.8 | -0.3 | -1.1 | -0.3 |
| Semimanufactured articles | 93.9 | 93.8 | 93.8 | 93.8 | 92.8 | +0.1 | +0.1 | +1.2 |
| Manufactured products | 101.0 | 101.1 | 101.1 | 101.1 | 100.0 | -0.1 | -0.1 | +1.0 |
| 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 | 93.7 | 98.7 | 98.7 | 98.7 | 97.3 | 0 | 0 | +1.4 |

| Increases | | | |
|------------------------|-----|---------------------------|-----|
| Hides and skins | 1.1 | Livestock and poultry | 0.2 |
| Cotton goods | 0.4 | Meats | 0.1 |
| Decreases | | | |
| Fruits and vegetables | 2.9 | Other foods | 0.2 |
| Other farm products | 0.8 | Grains | 0.1 |
| Petroleum and products | 0.3 | Paint and paint materials | 0.1 |

Non-Ferrous Metals—Further Aluminum Output Cutback Ordered—Zinc Surplus Increasing

"E. & M. J. Metal and Mineral Markets," in its issue of Aug. 31, stated: "Though production schedules for aluminum have been cut back sharply since the beginning of the year, output of copper, lead, and zinc has been maintained at as high a rate as labor conditions made it possible to operate the mines, smelters, and refineries. During the last week it was announced in Washington that monthly production of aluminum will be reduced immediately to around 45,000 tons. This compares with a peak aluminum production of 94,000 tons a month established last winter. Zinc business last week was in fair volume, but the industry feels certain that stocks are still increasing. Copper was quiet. Lead consumption remains active." The publication further went on to say in part:

Copper
The copper market appeared to be more concerned about pending stockpile legislation than in other problems. September business has been taken care of, and supplies available from all sources are held to be more than ample to cover the needs of consumers, even should some unexpected business develop.

Brass mills produced 447,096 tons of products during June, according to the Copper Division, WPB. This compares with 456,132 tons in May and 457,671 tons in June last year. Peak production was 499,363 tons in March, 1943.

Shipments of ingot brass and bronze during July by 55 manufacturers amounted to 40,532 tons, according to the Defense Council of the Ingot Brass and Bronze Industry. This compares with 40,677 tons in June and 35,972 tons in July last year. Shipments by this group, which embrace about 95% of the total for the entire industry, totaled 301,745 tons in the first seven months of the year, against 272,759 tons in the January-July period of 1943.

Lead
Buying of lead was in moderate volume during the last week, which was fully expected because consumers' requirements for September have been about covered. Sales in the domestic market for the week ended Aug. 30 involved 4,480 tons, against 2,075 tons in the week previous. Consumption of lead shows no signs of slackening. From present indications, consumers will absorb between 65,000 and 70,000 tons of lead during September. This means that a substantial tonnage of foreign lead will be required to round out total deliveries.

Shipments of refined lead by domestic refineries during May, June, and July, in tons:

| | May | June | July |
|---------------|--------|--------|--------|
| Cable | 8,838 | 11,177 | 6,897 |
| Ammonium | 1,653 | 960 | 2,813 |
| Foil | 461 | 734 | 810 |
| Batteries | 6,606 | 5,455 | 5,453 |
| Brass, mlls | 740 | 456 | 813 |
| Sundries | 6,240 | 3,861 | 4,423 |
| Jobbers | 654 | 446 | 606 |
| *Unclassified | 22,950 | 20,396 | 21,146 |
| Totals | 48,142 | 43,485 | 42,966 |

*Includes white lead, red lead, litharge and other oxides, sheet and pipe, solder, babbitt, and lead for tetraethyl for gasoline.

Zinc
Production of zinc continues in excess of current consumption, largely because of the restrictions that are still in force in industries that would normally use the metal at a high rate, as galvanizing and automotive equipment. Some observers feel that stocks of zinc increased about 10,000 tons during August.

The price situation in zinc remains unchanged.

Tin
Salvaging of tin remains an important factor in the supply situation, WPB officials contend. The stockpile of tin has been declining slowly, despite increased supplies available from African sources.

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

| | Aug. | Sept. | Oct. |
|-----------|--------|--------|--------|
| August 24 | 52.000 | 52.000 | 52.000 |
| August 25 | 52.000 | 52.000 | 52.000 |
| August 26 | 52.000 | 52.000 | 52.000 |
| August 28 | 52.000 | 52.000 | 52.000 |
| August 29 | 52.000 | 52.000 | 52.000 |
| August 30 | 52.000 | 52.000 | 52.000 |

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

Quicksilver
With supplies of spot and nearby quicksilver moderate and in firm hands, the price situation last week remained unchanged. Sellers quote from \$105 to \$108 per flask, depending on the quantity. For spot metal some sellers viewed \$106 as the low for round lots. Uncertainty over the duration of the European phase of the war caused general lack of interest in forward shipment metal.

Silver
London reports a steady market for silver, with the price holding at 23½d. Current imports by Great Britain are being used chiefly to fill essential industrial requirements.

The New York Official price for foreign silver was unchanged at 44¾c, with domestic metal at 70¾c.

Daily Average Crude Oil Production For Week Ended Aug. 26, 1944 Decreased 7,650 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Aug. 26, 1944 was 4,667,450 barrels, a decline of 7,650 barrels from the record output reached in the preceding week. When compared with the corresponding week last year, crude oil production was 471,200 barrels per day higher. The current figure also was 11,150 barrels per day in excess of the daily average figure recommended by the Petroleum Administration for War for the month of August, 1944. Daily output for the four weeks ended Aug. 26, 1944 averaged 4,665,150 barrels.

Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,698,000 barrels of crude oil daily and produced 14,112,000 barrels of gasoline; 1,401,000 barrels of kerosine; 4,566,000 barrels of distillate fuel oil, and 8,680,000 barrels of residual fuel oil during the week ended Aug. 26, 1944; and had in storage at the end of that week: 80,740,000 barrels of gasoline; 12,921,000 barrels of kerosine; 41,543,000 barrels of distillate fuel, and 59,339,000 barrels of residual fuel oil. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

| | *P. A. W. Recommendations August | *State Allowables Aug. 1 | Actual Production Week Ended Aug. 26, 1944 | Change from Previous Week | 4 Weeks Ended Aug. 26, 1944 | Week Ended Aug. 28, 1943 |
|---|----------------------------------|--------------------------|--|---------------------------|-----------------------------|--------------------------|
| Oklahoma | 332,000 | 340,000 | 1,342,000 | + 2,000 | 340,200 | 326,200 |
| Kansas | 274,000 | 269,400 | 1,278,900 | - 6,400 | 270,450 | 297,600 |
| Nebraska | 1,000 | --- | 1,500 | - 50 | 700 | 1,800 |
| Panhandle Texas | --- | --- | 98,700 | --- | 98,700 | 98,000 |
| North Texas | --- | --- | 148,750 | --- | 148,750 | 140,400 |
| West Texas | --- | --- | 484,950 | --- | 484,950 | 258,400 |
| East Central Texas | --- | --- | 147,650 | --- | 147,650 | 129,950 |
| East Texas | --- | --- | 371,700 | --- | 371,700 | 371,000 |
| Southwest Texas | --- | --- | 321,650 | --- | 321,650 | 239,050 |
| Coastal Texas | --- | --- | 535,200 | --- | 535,200 | 474,450 |
| Total Texas | 2,099,000 | 2,101,382 | 2,108,600 | --- | 2,108,600 | 1,711,250 |
| North Louisiana | --- | --- | 73,500 | - 250 | 73,700 | 81,900 |
| Coastal Louisiana | --- | --- | 288,950 | --- | 288,900 | 268,500 |
| Total Louisiana | 350,000 | 394,600 | 362,450 | - 250 | 362,700 | 350,400 |
| Arkansas | 78,000 | 78,235 | 80,900 | + 250 | 80,800 | 76,350 |
| Mississippi | 40,000 | --- | 45,900 | + 150 | 46,050 | 52,200 |
| Alabama | --- | --- | 200 | --- | 200 | --- |
| Florida | --- | --- | 50 | --- | 50 | --- |
| Illinois | 215,000 | 205,500 | --- | - 5,000 | 208,250 | 211,800 |
| Indiana | 14,000 | --- | 13,000 | + 150 | 12,900 | 14,700 |
| Eastern— (Not incl. Ill., Ind., Ky.) | 71,400 | --- | 69,450 | + 450 | 73,950 | 73,950 |
| Kentucky | 23,000 | --- | 24,300 | - 250 | 24,950 | 22,600 |
| Michigan | 51,000 | --- | 50,600 | + 1,200 | 51,750 | 56,950 |
| Wyoming | 100,000 | --- | 85,100 | - 2,350 | 88,750 | 96,850 |
| Montana | 24,000 | --- | 19,600 | - 2,200 | 21,250 | 21,350 |
| Colorado | 7,900 | --- | 8,650 | + 200 | 8,350 | 7,300 |
| New Mexico | 110,000 | 110,000 | 106,050 | + 50 | 107,250 | 105,500 |
| Total East of Calif. | 3,790,300 | 3,801,750 | 3,801,750 | -12,050 | 3,807,150 | 3,426,350 |
| California | 866,000 | 866,000 | 865,700 | + 4,400 | 858,000 | 769,900 |
| Total United States | 4,656,300 | 4,667,450 | 4,667,450 | - 7,650 | 4,665,150 | 4,196,250 |

*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. 24, 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 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. 26, 1944

(Figures in Thousands of Barrels of 42 Gallons Each)

| District— | Daily Refining Capacity | Crude Runs to Still | Crude Runs to Still % Re-ported | Crude Runs to Still Average | at Re-fineries Includ. Un-natural | Stocks Finished Gasoline | Stocks Un-finished Gasoline | Stocks of Gas Oil and Distillate Fuel | Stocks of Residual Fuel Oil |
|--|-------------------------|---------------------|---------------------------------|-----------------------------|-----------------------------------|--------------------------|-----------------------------|---------------------------------------|-----------------------------|
| | | | | | | | | | |
| *Combin'd East Coast | 2,518 | 90.3 | 2,498 | 99.2 | 7,045 | 36,776 | 22,182 | 19,128 | |
| Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and inland Texas | --- | --- | --- | --- | --- | --- | --- | --- | |
| Appalachian— | --- | --- | --- | --- | --- | --- | --- | --- | |
| District No. 1 | 130 | 83.9 | 116 | 89.2 | 329 | 2,182 | 529 | 290 | |
| District No. 2 | 47 | 87.2 | 59 | 125.5 | 177 | 1,435 | 225 | 178 | |
| Ind., Ill., Ky. | 824 | 85.2 | 749 | 90.9 | 2,718 | 17,783 | 5,987 | 4,290 | |
| Okl., Kans., Mo. | 418 | 80.2 | 383 | 91.6 | 1,428 | 6,609 | 1,922 | 1,432 | |
| Rocky Mountain— | --- | --- | --- | --- | --- | --- | --- | --- | |
| District No. 3 | 13 | 17.0 | 11 | 84.6 | 34 | 58 | 9 | 30 | |
| District No. 4 | 141 | 58.3 | 99 | 70.2 | 371 | 1,971 | 359 | 659 | |
| California | 817 | 89.9 | 783 | 95.8 | 2,010 | 13,926 | 10,330 | 33,332 | |
| Total U. S. B. of M. basis Aug. 26, 1944 | 4,908 | 87.2 | 4,698 | 95.7 | 14,112 | 80,740 | 41,543 | 59,339 | |
| Total U. S. B. of M. basis Aug. 19, 1944 | 4,908 | 87.2 | 4,694 | 95.6 | 13,757 | 81,477 | 40,308 | 58,737 | |
| U. S. Bur. of Mines basis Aug. 28, 1943 | --- | --- | 4,277 | --- | 12,398 | 71,636 | 36,410 | 66,724 | |

*At the request of the Petroleum Administration for War. †Finished, 68,108,000 barrels; unfinished, 12,632,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,401,000 barrels of kerosine, 4,566,000 barrels of gas oil and distillate fuel oil and 8,680,000 barrels of residual fuel oil produced during the week ended Aug. 26, 1944, which compares with 1,487,000 barrels, 4,819,000 barrels and 9,136,000 barrels, respectively, in the preceding week and 1,383,000 barrels, 4,328,000 barrels and 8,777,000 barrels, respectively, in the week ended Aug. 28, 1943. †Revised due to error by reporting company. Revision effective in "Combined Area" as to finished gasoline.

Note—Stocks of kerosine at Aug. 26, 1944 amounted to 12,921,000 barrels, as against 12,816,000 barrels a week earlier and 10,128,000 barrels a year before.

Trading On New York Exchanges

The Securities and Exchange Commission made public on Aug. 30 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. 12, 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 12 (in round-lot transactions) totaled 2,428,345 shares, which amount was 18.23% of the total transactions on the Exchange of 6,659,860 shares. This compares with member trading during the week ended Aug. 5 of 1,832,330 shares, or 17.93% of the total trading of 5,111,310 shares. On the New York Curb Exchange, member trading during the week ended Aug. 12 amounted to 407,535 shares, or 13.55% of the total volume on that exchange of 1,504,225 shares; during the Aug. 5 week trading for the account of Curb members of 314,310 shares was 14.00% of total trading of 1,122,360 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 12, 1944 | | |
|---|------------------|--------------|
| A. Total Round-Lot Sales: | Total for week | % |
| Short sales | 191,650 | |
| †Other sales | 6,468,210 | |
| Total sales | 6,659,860 | |
| 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 | 498,610 | |
| Short sales | 65,240 | |
| †Other sales | 432,610 | |
| Total sales | 497,850 | 7.48 |
| 2. Other transactions initiated on the floor— | | |
| Total purchases | 515,070 | |
| Short sales | 41,500 | |
| †Other sales | 482,480 | |
| Total sales | 523,980 | 7.80 |
| 3. Other transactions initiated off the floor— | | |
| Total purchases | 184,340 | |
| Short sales | 16,100 | |
| †Other sales | 192,395 | |
| Total sales | 208,495 | 2.95 |
| 4. Total— | | |
| Total purchases | 1,198,020 | |
| Short sales | 122,840 | |
| †Other sales | 1,107,485 | |
| Total sales | 1,230,325 | 18.23 |

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

| WEEK ENDED AUGUST 12, 1944 | | |
|--|------------------|--------------|
| A. Total Round-Lot Sales: | Total for week | % |
| Short sales | 21,520 | |
| †Other sales | 1,482,705 | |
| Total sales | 1,504,225 | |
| B. Round-Lot Transactions for Account of Members: | | |
| 1. Transactions of specialists in stocks in which they are registered— | | |
| Total purchases | 117,935 | |
| Short sales | 7,545 | |
| †Other sales | 116,655 | |
| Total sales | 124,200 | 8.05 |
| 2. Other transactions initiated on the floor— | | |
| Total purchases | 44,730 | |
| Short sales | 8,900 | |
| †Other sales | 35,810 | |
| Total sales | 44,710 | 2.97 |
| 3. Other transactions initiated off the floor— | | |
| Total purchases | 30,670 | |
| Short sales | 1,700 | |
| †Other sales | 43,590 | |
| Total sales | 45,290 | 2.53 |
| 4. Total— | | |
| Total purchases | 193,335 | |
| Short sales | 18,145 | |
| †Other sales | 196,055 | |
| Total sales | 214,200 | 13.55 |
| C. Odd-Lot Transactions for Account of Specialists— | | |
| Customers' short sales | 0 | |
| †Customers' other sales | 51,428 | |
| Total purchases | 51,428 | |
| Total sales | 36,141 | |

*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."

Factory Workers Hours And Earnings Up In June, Labor Department Reports

Factory workers put in almost a million more man-hours per week in June than in May, the first upward trend in aggregate hours since November, 1943, Secretary of Labor Frances Perkins reported on Aug. 24. "The average number of hours worked per man per week, 45.5, while only slightly longer than in May, was sufficient to offset the employment decline of 35,000," she said. Miss Perkins added:

"In comparison with November, 1943, the peak month of man-hour utilization, there were almost 47 million fewer manufacturing hours in the mid-week of June, 1944. Inasmuch as the work-week in June averaged exactly the same as in November, declines in employment, totaling more than

one million wage-earners, were entirely responsible for the decrease in total hours.

"All but two of the durable-goods groups reported a greater number of aggregate hours in June than in May. The decline of almost three million man-hours

per week in the transportation equipment group reflected a large drop in employment and a very slight decline in the average work-week, while the decline of 160,000 hours in the automobile group took place in spite of a larger work-week and was due entirely to employment decreases."

The Secretary of Labor further stated:

"Of the 11 nondurable groups, three showed declines in total manufacturing hours, the largest occurring in the chemicals group. The decrease of 355,000 man-hours per week in the chemicals group was due entirely to declines in employment, reflecting further cutbacks in production of small arms ammunition. The largest increase in total hours occurred in the food group and amounted to 1½ million hours. Each of the industries in this group contributed to the over-all rise in total hours. The largest gain, reported by the canning industry, was due entirely to seasonal employment increases. The gains in both the baking and nonalcoholic beverage industries were brought about by greater employment and longer work-weeks.

"Anthracite miners worked an average of one hour less per week due to strikes. Hours worked increased in other mining industries.

"Average weekly earnings, \$46.28 for manufacturing, increased in all of the groups except transportation equipment, where hours per man per week were unchanged. While in most groups this increase in weekly earnings was largely due to the longer work-week, in several cases there were also increases in average hourly earnings. In electrical machinery, for instance, weekly earnings were up by 1.7%; average hours and average hourly earnings were both higher by 0.8%.

"Average hourly earnings, 101.8 cents per hour, were up slightly from a month before in all but three of the major groups. This includes payments at overtime rates for overtime work. There was no substantial change over the month in the estimated straight-time average hourly earnings which were 94.4 cents per hour."

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Aug. 30 a summary for the week ended Aug. 19 of complete figures showing the daily volume of stock transactions for odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

STOCK TRANSACTIONS FOR THE ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON THE N. Y. STOCK EXCHANGE

| Week Ended Aug. 19, 1944 | |
|--|----------------|
| Odd-Lot Sales by Dealers (Customers' purchases) | Total for Week |
| Number of orders | 16,751 |
| Number of shares | 481,602 |
| Dollar value | \$18,494,137 |
| Odd-Lot Purchases by Dealers— (Customers' sales) | |
| Number of Orders: | |
| Customers' short sales | 166 |
| Customers' other sales | 16,878 |
| Customers' total sales | 17,044 |
| Number of Shares: | |
| Customers' short sales | 4,914 |
| Customers' other sales | 450,664 |
| Customers' total sales | 455,578 |
| Dollar value | \$14,970,277 |
| Round-Lot Sales by Dealers— | |
| Number of Shares: | |
| Short sales | 120 |
| †Other sales | 115,280 |
| Total sales | 115,400 |
| Round-Lot Purchases by Dealers: | |
| Number of shares | 155,470 |
| †Sales marked "short exempt" are reported with "other sales." | |
| †Sales to offset customers' odd-lot orders, and sales to liquidate a long position which is less than a round lot are reported with "other sales." | |

Revenue Freight Car Loadings During Week Ended Aug. 26, 1944 Increased 18,278 Cars

Loading of revenue freight for the week ended Aug. 26, 1944, totaled 905,724 cars, the Association of American Railroads announced on Aug. 31. This was an increase above the corresponding week of 1943 of 1,667 cars, or 0.2%, and an increase above the same week in 1942 of 6,319 cars or 0.7%.

Loading of revenue freight for the week of Aug. 26 increased 18,278 cars, or 2.1% above the preceding week.

Miscellaneous freight loading totaled 403,502 cars, an increase of 6,925 cars above the preceding week, and an increase of 5,080 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 109,499 cars, an increase of 3,121 cars above the preceding week, and an increase of 7,020 cars above the corresponding week in 1943.

Coal loading amounted to 179,716 cars, an increase of 5,691 cars above the preceding week, and an increase of 899 cars above the corresponding week in 1943.

Grain and grain products loading totaled 49,306 cars, a decrease of 607 cars below the preceding week and a decrease of 4,982 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of Aug. 26, totaled 34,811 cars, a decrease of 348 cars below the preceding week and a decrease of 4,250 cars below the corresponding week in 1943.

Livestock loading amounted to 15,918 cars, a decrease of 518 cars below the preceding week and a decrease of 471 cars below the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of Aug. 26 totaled 12,143 cars, a decrease of 118 cars below the preceding week, and a decrease of 227 cars below the corresponding week in 1943.

Forest products loading totaled 52,395 cars, an increase of 2,187 cars above the preceding week and an increase of 4,097 cars above the corresponding week in 1943.

Ore loading amounted to 81,572 cars, an increase of 1,877 cars above the preceding week but a decrease of 8,919 cars below the corresponding week in 1943.

Coke loading amounted to 13,816 cars, a decrease of 398 cars below the preceding week, and a decrease of 1,057 cars below the corresponding week in 1943.

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

| | 1944 | 1943 | 1942 |
|---------------------|------------|------------|------------|
| 5 Weeks of January | 3,796,477 | 3,531,811 | 3,858,479 |
| 4 weeks of February | 3,159,492 | 3,055,725 | 3,122,942 |
| 4 weeks of March | 3,135,155 | 3,073,445 | 3,174,781 |
| 5 weeks of April | 4,068,625 | 3,924,981 | 4,209,907 |
| 4 weeks of May | 3,446,252 | 3,363,195 | 3,311,637 |
| 5 weeks of June | 4,343,193 | 4,003,393 | 4,139,395 |
| 4 weeks of July | 3,463,512 | 3,455,328 | 3,431,395 |
| Week of August 5 | 890,458 | 872,133 | 850,221 |
| Week of August 12 | 896,172 | 887,164 | 868,845 |
| Week of August 19 | 887,446 | 891,340 | 869,434 |
| Week of August 26 | 905,724 | 904,057 | 899,405 |
| Total | 28,992,506 | 27,962,572 | 28,736,441 |

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Aug. 19, 1944. During the period 66 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. 26

| Railroads | Total Revenue Freight Loaded | | | Total Loads Received from Connections | |
|------------------------------------|------------------------------|---------|---------|---------------------------------------|---------|
| | 1944 | 1943 | 1942 | 1944 | 1943 |
| Eastern District— | | | | | |
| Ann Arbor | 259 | 245 | 321 | 1,385 | 1,491 |
| Bangor & Aroostook | 1,304 | 844 | 864 | 614 | 373 |
| Boston & Maine | 6,941 | 6,729 | 6,474 | 14,203 | 14,471 |
| Chicago, Indianapolis & Louisville | 1,385 | 1,354 | 1,476 | 2,045 | 2,383 |
| Central Indiana | 28 | 41 | 21 | 44 | 60 |
| Central Vermont | 1,142 | 1,096 | 1,097 | 2,193 | 2,352 |
| Delaware & Hudson | 6,020 | 6,492 | 6,234 | 12,451 | 11,294 |
| Delaware, Lackawanna & Western | 8,153 | 7,843 | 7,917 | 10,238 | 12,933 |
| Detroit & Mackinac | 224 | 209 | 541 | 166 | 107 |
| Detroit, Toledo & Ironton | 1,944 | 2,036 | 1,595 | 1,369 | 1,279 |
| Detroit & Toledo Shore Line | 325 | 327 | 276 | 2,660 | 2,484 |
| Erie | 13,637 | 13,673 | 12,277 | 17,804 | 19,284 |
| Grand Trunk Western | 3,831 | 3,933 | 4,755 | 8,116 | 8,362 |
| Lehigh & Hudson River | 197 | 197 | 156 | 2,473 | 2,549 |
| Lehigh & New England | 2,308 | 2,159 | 2,374 | 2,057 | 1,741 |
| Lehigh Valley | 6,757 | 9,005 | 8,765 | 14,707 | 14,293 |
| Maine Central | 2,513 | 2,429 | 2,317 | 2,943 | 2,779 |
| Monongahela | 5,973 | 6,275 | 6,338 | 454 | 444 |
| Montour | 2,562 | 2,381 | 2,387 | 33 | 365 |
| New York Central Lines | 53,292 | 56,395 | 49,345 | 54,595 | 57,381 |
| N. Y., N. H. & Hartford | 9,525 | 10,383 | 10,068 | 17,671 | 18,673 |
| New York, Ontario & Western | 1,138 | 1,448 | 1,071 | 2,947 | 2,620 |
| New York, Chicago & St. Louis | 6,638 | 6,956 | 7,896 | 15,346 | 16,805 |
| N. Y., Susquehanna & Western | 425 | 685 | 414 | 2,388 | 2,263 |
| Pittsburgh & Lake Erie | 7,770 | 7,567 | 7,713 | 9,650 | 9,005 |
| Pere Marquette | 5,285 | 5,230 | 5,575 | 7,524 | 7,695 |
| Pittsburgh & Shawmut | 928 | 998 | 842 | 22 | 32 |
| Pittsburgh, Shawmut & North | 209 | 413 | 384 | 227 | 292 |
| Pittsburgh & West Virginia | 1,333 | 1,139 | 1,189 | 2,658 | 2,644 |
| Rutland | 339 | 345 | 410 | 1,051 | 1,112 |
| Wabash | 5,659 | 5,834 | 6,457 | 9,982 | 12,237 |
| Wheeling & Lake Erie | 5,614 | 6,045 | 5,885 | 4,440 | 4,485 |
| Total | 165,749 | 170,712 | 163,485 | 224,451 | 234,296 |
| Allegheny District— | | | | | |
| Akron, Canton & Youngstown | 718 | 730 | 678 | 1,259 | 1,315 |
| Baltimore & Ohio | 47,240 | 44,783 | 43,262 | 29,241 | 30,372 |
| Bessemer & Lake Erie | 5,649 | 6,705 | 6,877 | 1,963 | 2,021 |
| Buffalo Creek & Gauley | 299 | 318 | 275 | 4 | 4 |
| Cambria & Indiana | 1,198 | 1,851 | 2,072 | 5 | 5 |
| Central R. of New Jersey | 7,053 | 7,379 | 7,704 | 21,177 | 21,373 |
| Cornwall | 561 | 666 | 639 | 56 | 55 |
| Cumberland & Pennsylvania | 235 | 234 | 264 | 11 | 25 |
| Ligonier Valley | 160 | 126 | 138 | 46 | 47 |
| Long Island | 1,802 | 2,073 | 1,176 | 3,560 | 4,136 |
| Penn.-Reading Seashore Lines | 1,868 | 2,078 | 2,199 | 3,081 | 3,146 |
| Pennsylvania System | 91,071 | 88,288 | 87,566 | 66,189 | 70,515 |
| Reading Co. | 15,268 | 16,225 | 15,594 | 29,158 | 26,603 |
| Union (Pittsburgh) | 18,765 | 21,312 | 21,995 | 6,884 | 7,777 |
| Western Maryland | 4,810 | 4,361 | 4,231 | 12,553 | 12,019 |
| Total | 196,747 | 197,129 | 194,670 | 175,187 | 179,363 |
| Pocahontas District— | | | | | |
| Chesapeake & Ohio | 31,599 | 30,104 | 28,575 | 14,207 | 14,441 |
| Norfolk & Western | 22,293 | 22,652 | 23,416 | 7,993 | 7,076 |
| Virginian | 4,514 | 4,957 | 4,542 | 2,415 | 2,259 |
| Total | 58,406 | 57,713 | 56,533 | 24,615 | 23,776 |

| Railroads | Total Revenue Freight Loaded | | | Total Loads Received from Connections | |
|---------------------------------|------------------------------|---------|---------|---------------------------------------|---------|
| | 1944 | 1943 | 1942 | 1944 | 1943 |
| Southern District— | | | | | |
| Alabama, Tennessee & Northern | 433 | 306 | 390 | 334 | 411 |
| Atl. & W. P.—W. R. R. of Ala. | 825 | 659 | 767 | 2,571 | 2,659 |
| Atlanta, Birmingham & Coast | 917 | 717 | 705 | 1,234 | 1,191 |
| Atlantic Coast Line | 10,739 | 11,710 | 12,097 | 9,886 | 10,735 |
| Central of Georgia | 3,777 | 3,785 | 3,828 | 5,483 | 4,296 |
| Charleston & Western Carolina | 403 | 398 | 367 | 1,616 | 1,619 |
| Clinchfield | 1,756 | 1,682 | 1,785 | 2,952 | 2,843 |
| Columbus & Greenville | 199 | 350 | 393 | 308 | 201 |
| Durham & Southern | 110 | 104 | 106 | 848 | 649 |
| Florida East Coast | 763 | 1,282 | 838 | 1,357 | 1,461 |
| Gainesville Midland | 59 | 50 | 38 | 99 | 86 |
| Georgia | 1,393 | 1,315 | 1,489 | 2,482 | 3,036 |
| Georgia & Florida | 815 | 543 | 417 | 708 | 498 |
| Gulf, Mobile & Ohio | 4,193 | 4,256 | 4,428 | 4,357 | 4,452 |
| Illinois Central System | 28,718 | 29,152 | 28,200 | 17,683 | 18,681 |
| Louisville & Nashville | 26,096 | 25,447 | 26,650 | 12,292 | 12,516 |
| Macon, Dublin & Savannah | 202 | 186 | 194 | 643 | 601 |
| Mississippi Central | 338 | 280 | 191 | 628 | 577 |
| Nashville, Chattanooga & St. L. | 3,023 | 3,289 | 3,381 | 4,557 | 5,019 |
| Norfolk Southern | 956 | 975 | 1,215 | 2,211 | 1,400 |
| Piedmont Northern | 383 | 360 | 341 | 1,145 | 1,183 |
| Richmond, Fred. & Potomac | 450 | 443 | 466 | 9,780 | 9,733 |
| Seaboard Air Line | 9,329 | 10,166 | 10,446 | 8,688 | 8,165 |
| Southern System | 24,977 | 22,914 | 24,207 | 24,853 | 23,784 |
| Tennessee Central | 699 | 497 | 545 | 816 | 1,014 |
| Winston-Salem Southbound | 133 | 144 | 196 | 1,296 | 982 |
| Total | 121,718 | 121,010 | 123,680 | 118,827 | 117,786 |

| Northwestern District— | | | | | |
|----------------------------------|---------|---------|---------|--------|--------|
| | 1944 | 1943 | 1942 | 1944 | 1943 |
| Chicago & North Western | 20,846 | 21,512 | 22,187 | 13,862 | 15,064 |
| Chicago Great Western | 2,745 | 2,845 | 2,554 | 3,443 | 3,124 |
| Chicago, Milw., St. P. & Pac. | 23,040 | 22,070 | 21,919 | 11,333 | 11,610 |
| Chicago, St. Paul, Minn. & Omaha | 3,605 | 4,269 | 4,509 | 4,277 | 4,715 |
| Duluth, Missabe & Iron Range | 28,887 | 31,116 | 31,574 | 365 | 345 |
| Duluth, South Shore & Atlantic | 1,307 | 1,587 | 1,220 | 520 | 655 |
| Elgin, Joliet & Eastern | 9,331 | 8,532 | 10,093 | 9,620 | 11,305 |
| Ft. Dodge, Des Moines & South | 380 | 479 | 557 | 78 | 123 |
| Great Northern | 27,390 | 26,376 | 28,816 | 6,905 | 6,333 |
| Green Bay & Western | 464 | 459 | 455 | 1,004 | 1,045 |
| Lake Superior & Ishpeming | 2,521 | 2,968 | 2,120 | 78 | 55 |
| Minneapolis & St. Louis | 2,261 | 2,188 | 2,238 | 2,537 | 2,403 |
| Minn., St. Paul & S. S. M. | 7,701 | 8,306 | 8,417 | 3,282 | 2,825 |
| Northern Pacific | 13,187 | 12,595 | 12,644 | 6,161 | 6,216 |
| Spokane International | 150 | 261 | 243 | 621 | 547 |
| Spokane, Portland & Seattle | 3,494 | 2,816 | 2,893 | 3,329 | 3,582 |
| Total | 147,009 | 148,379 | 152,439 | 67,415 | 70,249 |

| Central Western District— | | | | | |
|--------------------------------|---------|---------|---------|---------|---------|
| | 1944 | 1943 | 1942 | 1944 | 1943 |
| Atch., Top. & Santa Fe System | 26,145 | 22,718 | 23,213 | 14,206 | 13,147 |
| Alton | 3,552 | 3,722 | 3,559 | 4,403 | 4,913 |
| Bingham & Garfield | 638 | 536 | 563 | 76 | 56 |
| Chicago, Burlington & Quincy | 20,119 | 20,401 | 21,373 | 13,042 | 12,589 |
| Chicago & Illinois Midland | 2,871 | 2,854 | 2,614 | 825 | 1,035 |
| Chicago, Rock Island & Pacific | 13,377 | 12,503 | 12,666 | 13,090 | 12,759 |
| Chicago & Eastern Illinois | 2,796 | 2,851 | 2,881 | 5,750 | 6,451 |
| Colorado & Southern | 885 | 1,017 | 885 | 2,826 | 1,998 |
| Denver & Rio Grande Western | 5,032 | 5,619 | 4,459 | 6,708 | 6,251 |
| Denver & Salt Lake | 838 | 833 | 776 | 38 | 25 |
| Fort Worth & Denver City | 858 | 1,212 | 1,624 | 2,345 | 1,726 |
| Illinois Terminal | 2,422 | 2,003 | 1,862 | 2,014 | 2,002 |
| Missouri-Illinois | 1,304 | 1,083 | 1,348 | 757 | 653 |
| Nevada Northern | 1,531 | 2,134 | 2,164 | 105 | 117 |
| North Western Pacific | 1,280 | 1,160 | 1,297 | 982 | 804 |
| Peoria & Pekin Union | 4 | 20 | 7 | 0 | 0 |
| Southern Pacific (Pacific) | 34,247 | 32,722 | 33,522 | 14,466 | 14,548 |
| Toledo, Peoria & Western | 208 | 327 | 271 | 1,984 | 2,153 |
| Union Pacific System | 19,713 | 16,757 | 16,750 | 18,958 | 17,929 |
| Utah | 485 | 576 | 463 | 5 | 6 |
| Western Pacific | 2,336 | 2,338 | 2,419 | 5,322 | 4,259 |
| Total | 140,651 | 133,386 | 134,716 | 107,902 | 103,436 |

| Southwestern District— | | | | | |
|------------------------------|-------|-------|-------|-------|-------|
| | 1944 | 1943 | 1942 | 1944 | 1943 |
| Burlington-Rock Island | 1,078 | 282 | 945 | 439 | 220 |
| Gulf Coast Lines | 5,690 | 5,760 | 4,975 | 2,695 | 3,511 |
| International-Great Northern | 2,661 | 2,872 | 3,334 | 3,550 | 3,434 |
| Kansas, Oklahoma & Gulf | 334 | 326 | 366 | 983 | 1,210 |
| Kansas City Southern | 5,489 | 6,144 | 4,802 | 3,450 | 2,764 |
| Louisiana & Arkansas | 4,203 | 3,139 | 4,218 | 2,903 | 2,722 |
| Litchfield & Madison | 264 | 344 | 365 | 1,342 | 1,700 |
| Midland Valley | 811 | 725 | 771 | 561 | 313 |
| Missouri & Arkansas | 189 | 151 | 208 | 384 | 401 |
| Missouri-Kansas-Texas Lines | 6,072 | 5,811 | 5,764 | 5,101 | 5,535 |
| Missouri Pacific | 17,8 | | | | |

Items About Banks, Trust Companies

In the interest of a wider knowledge of the important part which foreign commerce will play in our national economy during the post-war period, the United States Rubber Company is exhibiting in the windows of the Rockefeller Center Office of Colonial Trust Company a display featuring raw materials, many of which are imported from Latin America and other parts of the world, and finished goods both for export and domestic consumption. In commenting upon the exhibit, Arthur S. Kleeman, President of Colonial, said: "This display is sponsored by our Foreign Division which, of course, has a deep interest in financing imports and exports to the end that two-way trade may be established and maintained to the mutual benefit of the United States and those countries throughout the world with which we maintain commercial relations."

The 14,415 shares of common stock of the Manufacturers Trust Co. of New York, which were offered in secondary distribution, have been sold and the subscription books have been closed, according to an announcement by Goldman, Sachs & Co., who offered the stock at \$51.50 per share.

On August 30 Arthur L. Burns, retired Vice-President of the National City Bank of New York, died at his home in Mamaroneck. Until Mr. Burns retired in 1929 he was associated with the Fifth Avenue Branch of the bank. He became Vice-President of the National City Bank in 1922 after having been Assistant Cashier and a Vice-President of the Second National Bank of New York. Mr. Burns started his banking career in 1893 as a messenger for the Second National.

William M. Vermilye, retired Vice-President of the National City Bank of New York since early this year, died at a regional meeting of the War Labor Board on August 29. Mr. Vermilye, who was a substitute industry member of the WLB, was attending a regional meeting in Hershey, Pa., of the Board. Aside from many other high offices he held in various corporations Mr. Vermilye, who was 64 years old, originated the Vermilye Medal for industrial contributions awarded by the Franklin Institute of Pennsylvania.

James C. Nicoll, retired manager of the Loan Department of the Bank of Montreal's New York Branch, died on August 29. Mr. Nicoll had served in the post from 1919 to 1931.

The Lincoln-Alliance Bank and Trust Company, largest bank in Rochester, N. Y., and third largest in the State outside of New York City, is offering to its present stockholders 31,333 shares of common stock in the ratio of one share for each five shares now owned. The offering price is \$42 per share. The First Boston Corporation is underwriting the issue in association with George D. B. Bonbright & Co., Little & Hopkins, Inc., and Meyer & Ewell Co., Inc., of Rochester. Rights to subscribe will expire on September 19. It is pointed out that the increase in the bank's capital is indicative of a trend in commercial banking to increase capital funds since these funds in most cases have not increased in proportion to deposits, both war loan and commercial. Banks in this manner are preparing themselves for the anticipated increase in industrial borrowing in the post-war period.

With resources of over \$190,000,000, Lincoln-Alliance Bank and Trust Company's deposits have risen from about \$80,000,000 at the end of 1939, to about \$180,000,000 at present. The bank, in 1943, earned \$3.54 per share from

current operations and net profit was \$4.10 per share. For the first seven months of 1944 earnings were \$2.15 per share from current operations alone. These earnings per share are on a pro forma basis of 188,000 shares and give effect to the issuance of the 31,333 new shares. It is also announced that the bank is currently paying dividends on the common stock at the rate of \$2 per share and it is the present intention of the board of directors, subject to changes in earnings and other factors affecting dividend policy, to continue that rate on the increased capitalization. On a pro forma basis, the bank's capital funds per share of common stock, would have been equal to \$48.72 a share on June 30, 1944.

Lincoln-Alliance Bank and Trust Company's holdings of Government securities total \$119,000,000, 26% of which matures within one year, 33% in one to five years and 33% in five to ten years. The average maturity of Government holdings is less than 4½ years.

It was made known on September 1 by Ralph E. Flanders, President of the Federal Reserve Bank of Boston, that on that date the Brattleboro Trust Co. of Brattleboro, Vt., was admitted to membership in the Federal Reserve System. The officers of the new member bank are: Charles A. Boyden, Chairman of the Board; Henry Z. Persons, President; Harry E. Clark, Vice-President; Frank G. Shumway, Treasurer and Trust Officer; Marguerite H. Daley, Assistant Treasurer and Assistant Trust Officer; George A. Boyden and Elizabeth M. Ranney, Assistant Treasurers.

John Neville, retired Vice-President of Fidelity Union Trust Co. of Newark, N. J., died on August 29 in the Newark Memorial Hospital. He was 66 years of age.

In connection with the simplification of the redemption of U. S. Bonds, Series E, announced by the Treasury Department, M. J. Fleming, President of the Federal Reserve Bank of Cleveland, reported on August 29 that: "The Federal Reserve Bank of Cleveland is preparing information relative to the qualification of incorporated banks and trust companies as paying agents for United States savings bonds. This information, together with the appropriate Treasury regulations, should reach all banks in the Fourth Federal Reserve District early next week."

The Mercantile National Bank of Chicago received authorization from its stockholders on August 28 to increase the capital stock of the bank from \$600,000 to \$1,000,000 and to change the par value of outstanding shares from \$100 to \$20. The Chicago "Journal of Commerce," from which this information is learned, went on to say:

"Upon final approval of the change by the Comptroller of the Currency, shareholders will be offered the new shares at \$20 on the basis of two new shares for every three shares now owned. The proceeds, amounting to \$400,000, would raise the capital stock account of the bank to \$1,000,000."

Announcement was recently made by Merrill Lynch, Pierce, Fenner & Beane and Associates that shortly after Labor Day they would offer 37,315 shares of common stock of the Commerce Trust Co. of Kansas City, Mo. The bank on August 26 increased the number of common shares from 60,000 of \$100 par value to 300,000 shares of \$20 par value. The shares to be offered are being purchased from large stockholders on the Pacific Coast and do not represent new financing on the part of the Commerce Trust Co. The present bank is the successor to the original bank called the Kansas

Program Announced For ABA Second War Service Meeting In Chicago Sept. 25-27

Completion of a program for the Second War Service Meeting of the American Bankers Association in Chicago, Sept. 25-27, accentuating banking's post-war plans for service to business and agriculture, was announced on Aug. 31 by A. L. M. Wiggins, president of the Association. The program will bring together a notable group of speakers. Those at the general sessions will include Dr. Bruce R. Baxter, Bishop of the Methodist Episcopal Church, Portland, Ore.; Senator William C. Freeman, Secretary of State for Banking in Pennsylvania, and William M. Jeffers, president of the Union Pacific R. R. and former U. S. Rubber Administrator.

Speakers to be heard at the divisional meetings will include Maple T. Harl, Banking Commissioner for Colorado; W. L. Hemingway, immediate past president of the A. B. A.; Dr. Marcus Nadler, Professor of Finance at New York University; Edward D. Odum, solicitor of the U. S. Veterans Administration; W. G. F. Price, Vice-President of the American National Bank and Trust Co., Chicago; E. D. Reese, President of the Park National Bank, Newark, Ohio; James E. Shelton, Chairman of the Executive Committee, Security-First National Bank, Los Angeles, Cal., and Russell Weisman, chief editorial writer of the Cleveland Plain Dealer, Cleveland, Ohio.

An additional feature this year will be a whole afternoon devoted to the interests of country banks, the program for which includes two round table discussions and an address by Chester C. Davis, president of the Federal Reserve Bank of St. Louis. This country bank session will occupy the entire afternoon of Tuesday, Sept. 26.

The meeting will be a streamlined affair of two and one-half days' duration. It will open Monday morning and close Wednesday noon. These two and one-half days will be crowded with

City Savings Association, established in 1865.

In terms of total resources, the Commerce Trust Co. ranks, it is stated, as the largest banking institution in the Tenth Federal Reserve District.

It was expected that directors would meet on September 5 and declare a dividend on the new 300,000 shares of stock, which at present prices will yield approximately 3.75%.

The Federal Reserve Bank of St. Louis, Mo., announced on August 30 that the Hamilton Bank, of Hamilton, Mo., had on that day become a member of Federal Reserve System. The Reserve Bank's statement also said:

"The new member was chartered in 1938. It has a capital of \$25,000, surplus of \$30,000, and total resources of \$1,433,899. Its officers are: L. G. Ehlers, President; Elmer E. Clark, Vice-President and Secretary; Hazel Martin and Marion L. Bretz, Assistant Cashiers.

"The addition of the Hamilton Bank brings the total membership of the Federal Reserve Bank of St. Louis to 470. These member banks hold over 70% of the net deposits of all banking institutions in the Eighth District."

Following the death of the late H. T. Jaffray, William G. More, former Assistant General Manager of the Imperial Bank, Toronto, Canada, has been promoted to the position of General Manager.

The Toronto "Globe," in reporting this, said:

"The new General Manager is a break from the tradition which has heretofore drawn General Managers from those who have had wide experience of banking in various parts of Canada and elsewhere in branches as well as having a period of service at the head office. Mr. More's whole experience in Canadian banking has been in the head office."

two general sessions and the annual meetings of the Association's four divisions and its State Association Section. Committee meetings will be held mostly on Sunday, Sept. 24. As was the case a year ago, banks sending representatives have been asked to restrict attendance in keeping with wartime travel conditions by limiting their representation to one person or one person in addition to such officers of their institutions as may be serving as members of A. B. A. committees, commissions and councils.

The program sessions will get under way Monday morning, Sept. 25, with the annual meetings of the Savings Division, the State Bank Division, and State Association Section. The National Bank Division and the Trust Division will have their meetings Monday afternoon, and the State Association Section will have a second meeting Monday afternoon.

The first general session will take place Tuesday morning, Sept. 26. Mr. Jeffers and Mr. Wiggins will be speakers at this session. The second and closing one will follow Wednesday morning, Sept. 27. Bishop Baxter will address this session, as will Senator Freeman.

The War Service meeting will be preceded by committee meetings on Sunday, Sept. 24, and by a tea tendered by the Chicago banks to the assembling delegates that afternoon at 4 o'clock. The other social function will be a reception at 5:30 o'clock, Tuesday afternoon, also tendered by the Chicago banks.

The retiring Executive Council will meet Monday evening, Sept. 25, and the new Council, consisting of members elected during the past spring, will hold its organizational meeting at lunch on Wednesday, Sept. 27.

The program in chronological order is as follows:

MONDAY, SEPT. 25

State Bank Division—Address of the President, Claude F. Pack, President, Home State Bank, Kansas City, Kan.

Post-War Views of a County Seat Banker, E. D. Reese, President, The Park National Bank, Newark, Ohio.

Address—Maple T. Harl, State Bank Commissioner, Denver, Col.

Savings Division—Address of the President, Fred F. Lawrence, Treasurer, Maine Savings Bank, Portland, Me.

Spending or Saving Our Way to Post-War Prosperity—Russell Weisman, Chief Editorial Writer, Cleveland Plain Dealer, Cleveland, Ohio.

Some Observations and Savings Banking in England—W. L. Hemingway, President, Mercantile-Commerce Bank and Trust Co., St. Louis, Mo.; Immediate Past President of the A. B. A.

State Association Section—Meeting of Secretaries and other Officers of State Bankers Associations.

MONDAY, SEPT. 25

National Bank Division—Address of the President, F. Raymond Peterson, President, First National Bank, Paterson, N. J.

Bank Credit—The Beginning or End of an Era—W. G. F. Price, Vice-President, American National Bank and Trust Co., Chicago, Ill.

Bank Investments—Dr. Marcus Nadler, Professor of Finance, New York University, New York City.

Trust Division—Address of the President, Henry A. Theis, Vice-

President, Guaranty Trust Company, New York City.

How Trust Institutions Can Serve Veterans of the Present War—Edward D. Odum, Solicitor, U. S. Veterans Administration, Washington, D. C.

What a Good Trust Department Means to a Bank—James E. Shelton, Chairman of Executive Committee, Security-First National Bank, Los Angeles, Calif.

GENERAL SESSIONS

First General Session—Tuesday, Sept. 26

Address of the President of A. B. A., A. L. M. Wiggins, President, Bank of Hartsville, Hartsville, S. C.

Address—William M. Jeffers, President, Union Pacific Railroad.

Tues., Sept. 26

Meetings for Country Bankers 2:00 to 4:00 P. M.

Round Table: The Bank's Responsibility to the Community. This will cover helping farmers to build financial reserves, the farm land price situation, and the publicizing of the bank's usefulness to farmers. Participants will be W. W. Campbell, president, National Bank of Eastern Arkansas at Forrest City, Arkansas, C. D. Tedrow, president, Citizens First National Bank, Princeton, Ill., and Warren Garst, cashier, Home State Bank, Jefferson, Iowa.

Round Table: Effective Correspondent Bank Relationships Between City and Country Banks. Subjects covered will include the investment portfolio, operation and promotion methods, and credit extension. The participants are: Clyde D. Harris, President, First National Bank, Cape Girardeau, Mo.; B. M. Harris, President, Yellowstone Bank, Columbus, Mont.; B. P. Allen, President, First National Bank, Wabash, Ind.; Hugh L. Harrell, President, First National Bank & Trust Co., Oklahoma City, Okla., and Carlisle R. Davis, Vice-President, State-Planters Bank & Trust Co., Richmond, Va.

Address by Chester C. Davis, president, Federal Reserve Bank of St. Louis, Mo. Theme—American Agriculture in the Future and the Country Banker's Responsibility to It.

Wednesday, Sept. 27

Final General Session—Address—Senator William C. Freeman, Secretary of Banking of the Commonwealth of Pennsylvania.

Address—Dr. Bruce R. Baxter, Resident Bishop of the Methodist Episcopal Church, Portland, Ore.

US Acquired 34 Million Acres For War

Senator O'Mahoney of Wyoming was quoted by Associated Press Washington advices on Aug. 23 as saying:

The Federal Government has acquired, during the war, more than 34,000,000 acres of land, exclusive of tracts taken over by the Defense Plants Corporation.

The total value, is undetermined but the Government already has paid \$565,325,816 for the properties.

A bill to make this surplus land available to returning veterans has been introduced by the Senator who further said:

More than 25,000,000 acres of the total, was acquired for direct war purposes and in excess of one-third of the total was taken from the public domain.

Mr. O'Mahoney concluded his statement by adding that:

The War Department has declared 2,750,000 acres of its holdings as surplus for post-war purposes and the Navy is expected to determine that about 4,000,000 acres are in this category. Of these lands, 1,576,000 acres have been tentatively classified as good agricultural lands, 2,197,000 as grazing land and 2,107,000 as forests.