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The Financial Situation

We thought it desirable to list in these columns last week a number of instances of upside down thinking in matters that have to do with our relations with other countries. It seemed all too likely that these fallacies would be repeated so often that they would become widely accepted, and then made the basis for policies which could not fail to do us and the remainder of the world a great deal of harm.

The danger is as great from foolish notions about domestic affairs. If the reader feels any doubt of it let him run over in his mind the sources of post-war wealth, or economic well-being, that he has seen or heard listed by men of influence during, say, the past 60 days.

Bases of Prosperity?

He can scarcely have failed to hear these factors cited as if there were nothing in the least inconsistent in their underlying meaning: (1) An unprecedentedly large production equipment, (2) the degree in which upkeep, maintenance and repairs of our industrial machine have been perforce neglected and deferred during the war years, (3) the equally large degree in which public facilities such as roads, streets, public buildings, parks and what not have been permitted to get into disrepair during the war, (4) the accumulated shortage of many, many types of consumers' goods, from clothing to houses, from shoes to cigarettes, from dolls to automobiles, and (5) the extent to which the public has accumulated cash or the equivalent with which to replenish its supplies of all such things when the war is over.

It scarcely seems reasonable to regard both a great growth in our production facilities and a general deterioration (Continued on page 2380)

Secretary Perkins Recalls Progress Of Social Reform Movement

At Town Hall Anniversary Meeting She Urges Further Extension of Social Security and Wider Application of Philanthropic Activities.

On Nov. 16, at the Town Hall Fiftieth Anniversary Founders Day celebration in New York City, Miss Frances Perkins, Secretary of Labor, after speaking of the contributions to social reforms made by the founders of Town Hall, and the influence of this work on her own career in New York City, called for further enlargement of the scope of philanthropic activities and extension of the social security program.



Frances E. Perkins

In recalling the progress made in the fostering of social reforms and in providing better health and living conditions, Miss Perkins stated:

"This conception of philanthropy grew up in America at the same time that America was growing into its enjoyment and into its exploitation of its great natural resources, and its great wealth, and so we began to have more and more a steady demand for government, or legislation—local or Federal—taking over some of these things which had been developed

on small scales by private enterprises and making them available and making the techniques of the prevention of poverty and the prevention of ill health available to all of the people and so we have that drift toward legislation—State, social and labor legislation, city ordinances, and finally in the last few years, I am proud to say and extremely proud to have had a part to play in it, we have written into the laws of the country itself certain underlying protective principles so that the whole people of the United States may have access to the techniques of the prevention of poverty which we have learned to know on a smaller scale. Perhaps no system has had a greater effect on the prevention of the untold suffering from poverty than the whole Security Program, the underlying foundation stones of which are now laid and upon which we can build forever.

"That really wasn't anything new and startling because we already knew of it from these small experiments often described and endorsed by the League for Political Education, and we had learned how old age could be protected.

"We learned what had to be done to stabilize employment and (Continued on page 2384)

Post-War Tax Changes Proposed by Commerce And Industry Association of New York

Recommends Post-War Repeal of Excess Profit and Capital Stock Taxes Together With Reduction of Corporate Tax Rate to a Flat Levy Conformable to Normal Rate on Individuals. Favors Exemption of Dividends From the Normal Tax and the Repeal of Tax on Intercorporate Dividends. Urges Lower Taxes on Income From Foreign Investments and Post-War Graduated Tax Rates on Individual Incomes With a Maximum of 50%. Asks That the Present 23% Normal Minimum Rate on Personal Incomes Be Substituted by a Single Tax of 16% to 20%, and Opposes Increase in Payroll Taxes. Calls for a Simplified Tax Structure.

The Commerce and Industry Association of New York, Inc., through its Secretary, Thomas Jefferson Miley, released a 15-point

Federal Tax Plan last week. The recommendations are to be submitted forthwith to the Treasury Department, members of the Senate Finance Committee, the House Ways and Means Committee, and to the Joint Congressional Committee on Internal Revenue Taxation. The program, compiled by the Association's Committee on Taxation and Public Revenue under the Chairmanship of Laurence Arnold Tanzer, has been approved by the Board of Directors and follows in full:



Laurence A. Tanzer

"Your Committee held meetings on Oct. 10 and 19, to consider recommendations to be laid before the Board of Directors with respect to the position which the Association should take with regard to post-war tax plans which have been the subject of public discussion. The Committee had before it the report of the Association's Post-War Planning Committee on "Winning the War and the Peace"; the report on "Fiscal and Monetary Policy" prepared for the National Planning Asso-

ciation by Messrs. Beardsley Ruml and H. Chr. Sonne; the so-called "Twin Cities Plan"; and "A Post-War Federal Tax Plan for High Employment" proposed by the Research Committee of the Committee for Economic Development, as well as suggestions from various other sources.

"The Committee also had before it, and used in part as a basis for its discussions, a set of "Questions on the Post-War Tax System" prepared by the Division of Tax Research of the Treasury Department of the United States for the purpose of discussions which the Treasury Department and the staff of the Joint Committee of Congress on Internal Revenue Taxation plan to hold with persons and organizations interested in the subject.

A. Corporation Taxes

"1. Declared-value excess-profits and capital-stock taxes—This Association has repeatedly declared itself as in favor of the repeal of these taxes. They have no real basis in reason for their existence; they are a constant annoyance to business; and the revenue derived from them is apparently insignificant. We recommend that the Association reassert its demand for the immediate repeal of these taxes.

"With respect to the question whether in the place of these taxes there should be a tax to apply to corporations that do not make profits as well as to corporations that make profits, your Committee believes that no such tax should be imposed. So far as Federal taxation is concerned the (Continued on page 2383)

"They Should End With the War"

I take the occasion of this report again to point out that the reverse lend-lease aid rendered by nations of the British Commonwealth to the United States is only a part of the aid which we have received from the British in fighting this war. The United States has benefited greatly from reverse lend-lease aid, as the facts set forth in this report indicate. But we have benefited far more, and in a far larger sense, from the total fighting effort of our allies.



President Roosevelt

As I have stated in previous lend-lease reports and as the Congress has expressed itself in reports by its appropriate committees at the time of the virtually unanimous renewals of the Lend-Lease Act in 1943 and 1944, lend-lease and reverse lend-lease are not two sides of a financial transaction. We are not loaning money under lend-lease. We are not receiving payments on account under reverse lend-lease. The lend-lease system is, instead, a system of combined war supply, whose sole purpose is to make the most effective use against the enemy of the combined resources of the United Nations, regardless of the origin of the supplies or which of us uses them against the enemy. . . .

Lend-lease and reverse lend-lease are a system of combined war supply. They should end with the war.—Franklin D. Roosevelt.

The bold face is ours.

As to the rest of it we can only hope that our allies will prove as generous and as little self-seeking as we seem to be in these matters.

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Industrial Activity Down Slightly In October Federal Reserve Board Reports

"Output and employment at factories and mines showed little change from September to October," according to the summary of general business and financial conditions in the United States issued by the Board of Governors of the Federal Reserve System, based upon statistics for October and the first half of November. "Value of department store trade increased further in October and the early part of November, while commodity prices were stable," said the Board in its advices Nov. 27. The Board continued:

Industrial Production

"The Board's seasonally adjusted index of industrial production was 230% of the 1935-39 average in October as compared with 231 in September. Output of durable manufactures continued to decline slightly, while production of non-durable goods and minerals was maintained at the level of the preceding month.

"At steel mills production increased slightly in October but for the month was 7% below the peak of a year ago. Production of copper and other non-ferrous metals continued to decline, with output of aluminum and magnesium curtailed more than 50% from the peak rates reached at the end of last year. In the machinery and transportation equipment industries activity declined slightly in October. Lumber production showed little change in October from the September rate which was 10% above the pre-war level. Output of lumber and also pulpwood has been limited during the past two years because of the difficulty of recruiting labor in these industries.

"Activity at cotton textile mills and at shoe factories declined in October, while output of manufactured food products increased, after allowance for the customary seasonal changes. The rise in food manufacturing was mainly at canneries and was made possible by increased farm production of fruits and vegetables. Newsprint consumption showed a greater than seasonal increase in October. Output of chemicals, rubber products, and other non-durable goods continued at about the level of the preceding month.

"Output of coal and crude petroleum was maintained, while production of iron ore continued to decline seasonally.

Distribution

Department store sales increased considerably in October and were 13% larger than last year, which is about the same year-to-year increase that has prevailed in recent months. In the first half of November sales rose further and exceeded by 8% the exceptionally high level of a year ago.

"Railroad freight traffic was maintained at a high level during October and the early part of November.

Bank Credit

"On the eve of the opening of the Sixth War Loan Drive bank deposits and currency owned by individuals, partnerships, and corporations were larger than at any previous time. Such holdings of deposits and currency have increased in recent months as the Treasury expended funds raised during the Fifth War Loan Drive.

"Adjusted demand deposits of individuals, partnerships, and corporations at reporting banks in 101 cities increased by around six billion dollars between July 12 and Nov. 15; this brought the total outstanding to a level about a billion dollars above that reached before the Fifth War Loan Drive. Time deposits increased by about a billion dollars. At country banks outside the leading cities it is estimated that demand and time deposits are slightly more than three billion dollars larger than they were prior to the Fifth Drive. Currency in circulation has increased by about 2.5 billion since the middle of June.

"As a result of the deposit expansion, the average level of reserves required by all member

banks rose sharply during the inter-drive period and are about a billion dollars greater than at the beginning of the Fifth Drive. Reserve funds to meet the increasing requirements, as well as a currency outflow, were supplied largely through substantial additions to the Government security portfolio of the Reserve Banks; holdings were increased by over three billion dollars between July 12 and Nov. 15. Member bank borrowings at the Reserve Banks also increased as they had done prior to the Fifth Drive. Excess reserves, which increased during the War Loan drive, declined at a fairly rapid rate immediately following the close of the drive and then fluctuated generally around a billion dollars. About three-fourths of these excess reserves are held by country banks.

"At reporting banks in 101 cities, bill and certificate holdings declined by around 2 3/4 billion dollars during the inter-drive period reflecting sales, largely to the Reserve Banks, as member banks adjusted their reserve positions. Bond holdings were increased by around 800 million dollars.

"Loans to brokers and dealers for purchasing or carrying Government securities, which had declined in August to a level comparable to that prevailing prior to the Fifth Drive, fluctuated somewhat over the following period but began to increase early in November. Other loans for purchasing or carrying Government securities continued to decline. Loans for handling other securities, reflecting substantial flotations of new corporate issues, increased during the late fall. Commercial loans also rose."

Oct. Cotton Consumption

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

In the month of October, 1944, cotton consumed amounted to 795,379 bales of lint and 125,722 bales of linters as compared with 793,086 bales of lint and 121,430 bales of linters in September, this year, and 846,993 bales of lint and 117,299 bales of linters in October, last year.

In the three months ending Oct. 31, cotton consumption was 2,429,955 bales of lint and 372,215 bales of linters compared with 2,562,335 bales of lint and 336,237 bales of linters in the corresponding period a year ago.

There were 1,976,720 bales of lint and 211,930 bales of linters on hand in consuming establishments on Oct. 31, 1944, which compares with 1,713,963 bales of lint and 213,429 bales of linters on Sept. 30, 1944, and with 2,206,448 bales of lint and 432,408 bales of linters on Oct. 31, 1943.

On hand in public storage and at compresses on Oct. 31, 1944, there were 11,991,770 bales of lint and 27,932 bales of linters, which compares with 9,776,490 bales of lint and 38,954 bales of linters on Sept. 30 and 12,273,785 bales of lint and 53,336 bales of linters on Oct. 31, 1943.

There were 22,228,138 cotton spindles active during October, 1944, which compares with 22,239,574 cotton spindles active during September, 1944, and with 22,599,574 active cotton spindles during October, 1943.

Ruml Re-elected Head Of NPA Business Com.

Beardsley Ruml was re-elected as Chairman of the Business Committee of the National Planning Association at the Committee's annual meeting held in New York City on November 17. Mr. Ruml, who has acted as Committee Chairman for the year, is Treasurer of R. H. Macy and Company and Chairman of the Federal Reserve Bank of New York.



Beardsley Ruml

P. B. Stull of Wilmington, Delaware, Vice-President and Director of Hercules Powder Company, was elected as Vice-Chairman. Mr. Stull, a member of the Committee since its creation in 1942, has been especially active in the Committee's studies of post-war industrial reconversion.

Charles E. Wilson, President of General Electric Co., was elected to membership on the Committee at the annual meeting. Mr. Wilson is a member also of the Executive Committee of NPA's Board of Trustees and served as Chairman of the Board for the term preceding that of William L. Batt, the present Chairman.

Results of Treasury Bill Offering

The Secretary of the Treasury announced on Nov. 27 that the tenders of \$1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated Nov. 30 and to mature March 1, 1945, which were offered on Nov. 24, were opened at the Federal Reserve Banks on Nov. 27. The details of this issue are as follows:

Total applied for, \$2,061,528,000. Total accepted, \$1,202,980,000 (includes \$63,971,000 entered on a fixed price basis at 99.905 and accepted in full).

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

Range of accepted competitive bids:

High, 99.908, equivalent rate of discount approximately 0.364% per annum.

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

(53% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Nov. 30 in the amount of \$1,210,155,000.

Pond, Adams Directors Of NY Reserve Bank

Beardsley Ruml, Chairman of the Board of the Federal Reserve Bank of New York, announced on Nov. 17 that Harry H. Pond, President of the Plainfield Trust Company, Plainfield, N. J., was elected by member banks in Group 2 as a Class A director of the Bank, and that Charles E. Adams, Chairman of the Air Reduction Company, Inc., New York, N. Y., was elected by member banks in Group 2 as a Class B director. Each was chosen for a term of three years beginning Jan. 1, 1945. The election of directors to succeed William J. Field, Class A director, and Frederick E. Williamson, formerly Class B director, was held in accordance with the requirements of the Federal Reserve Act.

An item in the matter appeared in our issue of Oct. 12, page-1610.

The State of Trade

What was long anticipated has now come to pass with the action taken by the National War Labor Board on Saturday, last, in granting the United Steel Workers of the CIO wage adjustments above the "Little Steel" formula. The result of the Board's action was not surprising, but it was most disheartening to a large segment of the American people. It was especially disconcerting to those who have borne the privations and hardships that a changing economy imposes. A condition where living costs skyrocket and personal income keeps snail's pace with the upward trend of prices, or, in many instances, shows no change at all.

In commenting upon the increase in pay to the steel workers, William H. Davis, Chairman of the NWLB stated that the advance was accomplished "without even bending" the formula. In effect the formula is flexible enough to meet the demands of well-organized groups who can exert sufficient pressure to obtain their demands. In the case, however, of individuals seeking equitable adjustments in pay to cope with excessive living costs, the formula assumes a rigidity that places an impenetrable barrier in the way of even moderate relief from an intolerable situation.

The dangers inherent in such a decision must not be lightly brushed aside. The Board's action prepares the way for an inflationary condition that may well tend to make the plight of the American people worse. By setting the formula aside it has opened the door to other organized groups, thus enabling them to present their demands. The potency of our wage stabilization machinery is also impaired by raising production costs and by building up inflationary buying power that well may wreck our whole economy.

True, the full demands of the steel workers amounting to 17 cents an hour have not been met, but the benefits gained by "bending" or circumventing the formula average 5 to 7 cents an hour for some 400,000 employees involve a total of 88 companies. Together with the increase, other concessions include, the order by the Board to companies to negotiate dismissal pay or severance wages, vacations, shift differentials and the elimination of existing intraplant wage-rate inequities. The award is retroactive to Jan. 3, 1944. The door, however, is not closed to further adjustments in the 17 cents an hour level, since the remainder of the increase has been left to the discretion of the President.

To illustrate the decision's significance for the companies involved, on a 7 cent an hour basis, the award will mean to each of them a mark up in cost of approximately \$28,000 an hour. On a weekly 40-hour basis it would amount to \$1,120,000; running up to about \$58,240,000 a year.

In a statement issued by Irving S. Olds, Chairman of the Board of Directors of the United States Steel Corporation, with respect to the NWLB decision, Mr. Olds said, "Money to pay increases must come from somewhere. Whatever the source the public eventually pays the bill in one way or another. This may come about in one of several ways: (1) Higher prices for steel products and a wide range of manufactured articles requiring steel; (2) higher income taxes made necessary by substantial reductions in Governmental receipts from taxes on the earning of industrial concerns; (3) fewer jobs resulting from the financial weakening of private enterprise."

Insofar as the justification for such an increase, the facts do not bear out the contention of the Union that living costs for steel workers have far outstripped wages, since the official index of the Bureau of Labor Statistics reveals that from January, 1941

the cost of living has increased about 25%. In contrast to this rise it should be noted that steel employees base wages have risen 43% and actual wages by about 65% above those paid in 1939.

Thus, by the Board's decision, this particular group of workers who have already obtained material benefits by the war are to receive further compensation to the possible detriment of all industry and the American people.

Manufacturers' Shipments—Shipments by manufacturers this year will be about \$158,000,000,000, of which \$94,000,000,000 will represent durable goods and the remainder non-durable goods, the Department of Commerce recently reported. The increase from 1943 will be about 7%. Shipments of durable goods have advanced more rapidly in most of the war period than have those in the non-durable goods field, but this year the rate of expansion will be about the same in both fields, the Department said. Deliveries of durable goods in the last six months are expected to be slightly below those of the first half of the year.

Textile Mill Prices—At the close of last week Chester Bowles, Price Administrator, reported that the Bankhead amendment to the Stabilization Act passed by Congress last summer increased prices to the textile manufacturers by more than \$100,000,000 a year.

Mr. Bowles, it is reported, took exception to estimates following the passage of the amendment that the increase might be as much as \$150,000,000. His estimate ranged from \$25,000,000 to \$50,000,000.

The amendment provided that ceiling prices on each major cotton textile item, separately considered, must reflect parity to the cotton grower. In conceding that he was too conservative in his original estimate, Mr. Bowles expressed the hope that this "huge charge" would not be passed on to consumers by the manufacturer.

Commodity Price Index—Commodity prices at the primary market level were unusually steady during the week ended Nov. 18, with increases of only 0.1% recorded in three groups—farm products, fuel and lighting materials and chemicals and allied products—it was announced by the U. S. Department of Labor in its report released Nov. 23, which went on to say: "These slight increases did not affect the Bureau of Labor Statistics' index of all commodities. It remained unchanged at 104.1% of the 1926 average. Since about the middle of October prices for these commodities have risen 0.3% to a point 1.5% higher than at this time last year."

Steel Industry—The complexion of steel orders has changed considerably in the past few weeks, and more changes are expected in the distribution picture during the first quarter of 1945," stated "The Iron Age" in its issue of Nov. 23. In past months accent was on many war programs as far as steel supply was concerned, but has now shifted to only one major war steel item—shell steel. Evidence early this week was that the increased shell program will not be at the expense of steel rails in the first quarter, but will gain its extra supplies from cutbacks in steel plate directives. "Apparently a clear track has been definitely established for first quarter steel rail requirements, which will total about 600,000 tons. It is (Continued on page 2386)

President Reports on Reverse Lend-Lease Aid Received by U. S. From Britain

In a message to Congress on Nov. 24 transmitting a report (the 17th) on lend-lease operations, President Roosevelt noted that 15 of the reports had borne on lend-lease aid extended by the United States, but that his latest report had to do with "reverse lend-lease aid received by the United States from the British Commonwealth of Nations up to June 30, 1944." The President described "lend-lease and reverse lend-lease" as "a system of combined war supply." "They should end with the war," he said, "but the United Nations partnership must go on and must grow stronger," he added.

"For the tasks of building a workable peace that will endure we shall need all the strength that a permanent and stronger United Nations can provide in winning security from aggression, in building the economic foundations for a more prosperous world."

According to the President's message to Congress, "one year ago the Governments of the British Commonwealth reported their expenditures for reverse lend-lease aid to the United States, on the basis of estimates carefully prepared from their records, as totaling \$1,175,000,000." They now report, he said, "that by June 30, 1944—one year later—these expenditures had risen to \$3,348,000,000—almost three times the previous total."

The President observed that "reverse lend-lease has played an essential part in the stupendous job of preparing for and supplying the great Allied offensives in Europe." He also said that "it would have required a thousand ships to send across the Atlantic what we received for our men through reverse lend-lease from the United Kingdom," and he further stated that "we were able to use these thousand ships instead for carrying supplies and equipment that had to come from the United States."

The President indicated that "for the war against Japan, United States forces have also received increased quantities of supplies and services in the last six months as reverse lend-lease from Australia and New Zealand, and in India." With respect to the President's remarks that lend-lease and reverse lend-lease "should end with the war," Associated Press accounts from Washington on Nov. 24 said:

The President's position was hailed at the Capitol. Chairman Connally (Dem., Tex.), of the Senate Foreign Relations Committee said, "I am glad the President wants to end it at the end of the war. I have always said it should be ended then."

Meanwhile, it was learned, British and American lend-lease experts in lengthy secret sessions here have virtually completed a \$5,500,000,000 program of lend-lease to Britain for 1945.

This program is built on the assumption that the war in Europe will end at least during the early months of 1945 and thereafter lend-lease to Britain will be justifiable to the extent that it helps the British fight the Japanese.

This is reflected in the estimated over-all total of the new program which is about 50% of the present annual rate of shipments which in recent months has averaged between \$10,000,000,000 and \$11,000,000,000 a year.

With the submission of the President's report to Congress, the Associated Press advices from Washington Nov. 24 said: "The British put out a similar report a few hours earlier covering about the same statistics. This showed that the United Kingdom had supplied, up to June 30 this year, munitions and other goods and services valued at \$2,437,062,000, and that Australia, New Zealand and India furnished \$911,065,000—a grand total of \$3,348,127,000."

"The United States has furnished to the United Kingdom for the same period, ending June 30, a total of \$9,321,549,000 of lend-lease and to all the Allies a total of \$28,270,351,000 worth. But

Mr. Roosevelt urged that no comparisons be made on a dollar basis."

In Associated Press advices from London, Nov. 24, it was stated that Great Britain has given the Allies lend-lease aid amounting to \$4,318,592,000 since the war began, a Government report on "mutual aid" announced on that day. The press advices added:

Chief beneficiary has been the United States; which during the year from July, 1943, to June, 1944, received from Britain alone, \$2,418,920,000 worth of goods and services, the report said.

In addition, during that year alone, British ships brought to the United Kingdom more than 865,000 uniformed Americans, including 320,500 carried on the Queen Mary and the Queen Elizabeth.

Next to the United States, the most aid was given to Russia—\$1,077,828,000 worth of goods during the year, including 1,042 tanks.

Aid to other countries since the war began included:

- China—\$36,200,000.
- France—Up to June, 1943—\$54,400,000.
- Poland—(Provisional)—\$480,000,000.
- Greece—\$49,472,000.
- Czechoslovakia—\$74,516,000.
- Portugal—\$44,532,000.
- Turkey—\$82,724,000.

Aid given American forces, the report said, included petroleum products worth \$235,528,000, aircraft worth \$43,060,000, guns and ammunition worth \$29,196,000, and tanks and vehicles worth \$9,620,000.

Other items listed as having been built especially for the Americans or turned over to them were 133 airfields, barracks, roads, railways, seaport facilities and hospitals with nearly 100,000 beds.

In addition to nearly \$32,000,000 worth of food provided United States troops in the United Kingdom, the report said bulk foodstuffs and raw materials amounting to \$54,000,000 were shipped to the United States, mainly from British colonies, but paid for by England. Included were 40,000 tons of natural rubber, largely from Ceylon.

The building program for airports, barracks and other quarters was estimated to have employed over 100,000 men.

In many cases, it was declared, United Kingdom production met all the requirements of the United States forces. It noted that spark plugs for certain types of American aircraft were wholly provided, including 558,500 used here and another 600,000 shipped to America.

Britain also produced 137,000 jettison fuel tanks to increase the range of U. S. fighter aircraft, 50,000 pieces of armor plate, and during the first six months of this year 7,087,802 "Jerriacs," containers specially constructed to hold gasoline.

The President's message addressed to Congress on Nov. 24 follows:

To the Congress of the United States of America:

I am submitting herewith my 17th report to Congress on lend-lease operations.

In 15 of these reports I have reported on lend-lease aid extended by the United States. One year ago, the twelfth lend-lease report to Congress set forth the reverse lend-lease aid received by the United States from the British Commonwealth of Nations under the lend-lease act. That report covered the period up to June 30, 1943.

I now report on reverse lend-lease aid received by the United

States from the British Commonwealth of Nations up to June 30, 1944.

One year ago the Governments of the British Commonwealth reported their expenditures for reverse lend-lease aid to the United States, on the basis of estimates carefully prepared from their records, as totaling \$1,175,000,000. They now report that by June 30, 1944—one year later—these expenditures had risen to \$3,348,000,000—almost three times the previous total.

The first six months of 1944 showed a significant increase in reverse lend-lease aid from the British Commonwealth. These were the months when the final preparations were being made in the United Kingdom for the liberation of western Europe and for the offensives aimed at Germany.

In these six months, United States forces in the British Isles received the equivalent of almost 3,851,000 ships' tons of supplies from the United Kingdom under reverse lend-lease, exclusive of construction materials and gasoline, compared with 2,950,000 tons in the entire preceding 18 months. In monetary value, the supplies and services we received in these six months were greater than for the entire preceding year.

By D-Day, United States armed forces had reached the United Kingdom in vast numbers. From the day our first soldiers arrived in 1942, one-third of all supplies and equipment currently required by United States troops in the British Isles has been provided under reverse lend-lease. The percentages of total United States Army requirements in the European theater provided by the United Kingdom have ranged as high as 63% in the case of quartermaster supplies and 58% for engineers' supplies.

Reverse lend-lease has played an essential part in the stupendous job of preparing for and supplying the great Allied offensives in Europe.

It would have required a thousand ships to send across the Atlantic what we received for our men through reverse lend-lease from the United Kingdom.

We were able to use these thousand ships instead for carrying supplies and equipment that had to come from the United States.

Without the reverse lend-lease aid that we received from the United Kingdom, we would surely have been forced to delay the invasion of France for many months. Now that this campaign has been successfully launched and is on the road to ultimate success, it is possible to include in this report facts about specific and vitally important reverse lend-lease projects that could not previously be safely disclosed in a public report.

For the war against Japan, United States forces have also received increased quantities of supplies and services in the past six months as reverse lend-lease from Australia and New Zealand, and in India. These were the months in which the forces under Gen. MacArthur were completing the New Guinea campaign and were preparing to launch the campaign for the liberation of the Philippines.

Our forces in the Pacific have already received 1,850,000,000 pounds of food alone from Australia and New Zealand, including more than 400,000,000 pounds of beef and other meats.

Another important reverse lend-lease program in this theater has been the production for our forces of landing craft, small ships and boats, for the campaign we are waging in the Pacific. Tremendous numbers of these boats are needed for landing and supply operations on hundreds of islands scattered across thousands of miles of water. More than 9,500 of these craft had been produced and delivered by Australia alone in time for the Philippines campaign and over 12,000 more are on the way. In addition, Australia and New Zealand have turned

over to our forces many hundreds of coastal steamers, barges, tugs, lighters, yachts and launches.

In India the increased rate of reverse lend-lease aid we have received in the first six months of 1944 has kept pace with the rising tempo of air, land and sea operations in the Burma-India and China theaters. A significant proportion of the supplies we have received in India has consisted of aviation gasoline and other petroleum products drawn from British oil resources in the Middle East and refined at the British refinery at Abadan. This gasoline, provided to us as reverse lend-lease, without payment by us, is helping to power our B-29 Superfortresses in their raids from both China and India on the Japanese homeland and on such enemy-occupied strong points as Singapore. It is also being used by the fighter and bomber planes of the Tenth and Fourteenth United States Army Air Forces.

I take the occasion of this report again to point out that the reverse lend-lease aid rendered by nations of the British Commonwealth to the United States is only a part of the aid which we have received from the British in fighting this war. The United States has benefited greatly from reverse lend-lease aid, as the facts set forth in this report indicate. But we have benefited far more, and in a far larger sense, from the total fighting effort of our Allies.

As I have stated in previous lend-lease reports and as the Congress has expressed itself in reports by its appropriate committees at the time of the virtually unanimous renewals of the lend-lease and reverse lend-lease act in 1943 and 1944, lend-lease and reverse lend-lease are not two sides of a financial transaction. We are not loaning money under lend-lease. We are not receiving payments on account under reverse lend-lease. The lend-lease system is, instead, a system of combined war supply, whose sole purpose is to make the most effective use against the enemy of the combined resources of the United Nations, regardless of the origin of the supplies or which of us uses them against the enemy.

Neither the monetary totals of the lend-lease aid we supply, nor the totals of the reverse lend-lease aid we receive are measures of the aid we have given or received in this war. That could be measured only in terms of the total contributions toward winning victory of each of the United Nations. There are no statistical or monetary measurements for the value of courage, skill and sacrifice in the face of death and destruction wrought by our common enemies.

We in the United States can be justly proud of our contributions in men and materials and of the courage and skill and sacrifice of the men and women in our armed forces and of all those others who have devoted themselves selflessly to the war effort at home. We can be rightly proud of and grateful for the contributions in men and materials of our allies and the courage and skill and sacrifice of their soldiers, airmen, seamen and peoples.

In this war the United Nations have all drawn strength from each other—our Allies from us and we from them. We can now begin to see the full significance of the overwhelming power that this steadily closer partnership has created. We already know how much it did to save us all from disaster. We know that it has brought and will bring final victory months closer than would otherwise have been possible.

Lend-lease and reverse lend-lease are a system of combined war supply. They should end with the war. But the United Nations partnership must go on and must grow stronger. For the tasks of building a workable peace that will endure, we shall need all the strength that a permanent and stronger United Nations can pro-

Mutual Savings Banks Support 6th War Loan

"Again the American people willingly take up their task of financing our greatest national war effort," said President Isaac W. Roberts of the National Association of Mutual Savings Banks and President of The Philadelphia Saving Fund Society, commenting upon the Sixth War Loan. "Fortunately we have the largest store of day-to-day savings ever recorded, deposits in mutual institutions now approximately \$13 billions of dollars. More than half of this imposing sum already has been invested in Government securities and we will make an important direct contribution to the success of this Sixth War Loan by the purchase of additional Government securities for our own accounts." He added:

"Of equal importance, every mutual institution is organized to assist in wide public distribution of the new War Savings bonds to individuals. Mutual savings banks have established special facilities to advise the public and help in the accumulation of private funds for bond purchases. We are confident that the Sixth War Loan will be assured largely by the savings of the 'little man and little woman.'"

Support Remittances To Italian Provinces

The Treasury and War Departments on Nov. 24, announced that support remittances may now be sent to the recently liberated Italian provinces of Viterbo, Terni, Teramo, Rieti, Pescara, Macerata, Grosseto, Chieti, Aquila, and Ascoli-Piceno. Remittances of this type have previously been authorized for other liberated provinces of Italy as well as Sicily and Sardinia. The Treasury Department's announcement added:

The amount which may be remitted and the procedures to be followed are prescribed in General License No. 32A as amended today by the Treasury. Under this General License a maximum of \$500 per month may be sent to any person in the designated provinces for his support and that of his family. Existing procedures have not been changed by today's amendment and the restrictions against withdrawals from blocked accounts are still effective. Remittances to the areas added by today's amendment will be channeled through the Bank of Italy. Persons desiring to effect remittances to any area in the liberated portions of Italy should consult their local banks.

The Treasury has been advised that the Bank of Italy is establishing correspondent relationship with certain banks in Baltimore, Boston, Chicago, Cleveland, Detroit, Milwaukee, Newark, New Haven, New Orleans, New York, Pittsburgh, Providence, San Francisco, St. Louis, and Washington. The correspondent banks will forward payment instructions to the Bank of Italy, and the Bank of Italy will make payments in lire to the beneficiaries.

Treasury officials again emphasized the fact that the regulations do not authorize the sending of checks, drafts, securities, or currency to Italy.

vide in winning security from aggression, in building the economic foundations for a more prosperous world, and in developing wider opportunities for civilized advancement for the American people and for all the other peace-loving peoples of the world.

FRANKLIN D. ROOSEVELT, The White House, Nov. 24, 1944.

The Financial Situation

(Continued from first page)

tion in equipment at one and the same time as encouraging signs of enhanced economic well-being in the post-war years. As a matter of fact, it may well prove that neither of them is. An enlargement of capacity to produce, if the enlargement has occurred in the capacity to produce the things which the people want and are willing to pay the cost of production for, should without any question be put down on the credit side of the ledger. But is this the fact of the matter? It would appear rather doubtful. In some degree it has been, of course, but close examination of the nature of the added facilities is very likely to lead to the conclusion that much of it is of doubtful worth in peacetime, and that next to none of it will in peacetime be worth what it cost to construct in wartime.

We can now make many, many times as much aluminum and magnesium as we could in 1939. Some of the increase in capacity can be utilized in providing a peacetime industry with more abundant light metals. It would, however, be more than foolish to suppose that ordinary industry in ordinary peacetime can make profitable use of more than a fraction of these metals we can now produce. The plant that has been brought into being to make airplanes must in large part be converted extensively if it is to be employed in the manufacture of other products, as it must be if it is to be utilized advantageously. How much it will cost to convert it, and how much it would be worth once it is converted no one at this time can say. An enormous part of war increase in plant has been created for the production of explosives. It may be doubted if any very material part of this will be worth much of anything after the war. And so it goes. The mere fact that we have expended many billions of dollars expanding our industrial plant is absolutely no guarantee that for peacetime purposes we are economically stronger than before.

Under-maintained Facilities

But it is merely foolish to suppose that half worn-out machines and the like are assets much greater than the same machines in good repair. The popular notion seems to be that since it will be necessary to repair or replace all such equipment when the war is over, a corresponding amount of employment is guaranteed, and since employment brings prosperity and economic well-being, machines in need of repair are a special source of wealth. But

if such a line of reasoning were valid, then it would pay us to go at intervals through the plants of the nation and put facilities into disrepair in order that we might grow rich repairing the damage thus inflicted! Precisely the same argument would apply to the notion that the state of disrepair found on the roads and the streets of the country and cities, and in the public facilities throughout the land is a potential source of wealth. There is evidently something quite radically wrong with this popular line of thought about such things.

Poor Yet Rich

It is even more foolish to suppose that the fact that most of us are less well supplied with the necessities or the luxuries of life than is usually the case can be regarded as a source of wealth or economic well-being in the post-war period. If a man goes into the post-war period without an automobile when he normally would have one, a house that is in need of major repairs, or perhaps no house at all, and fewer of the other things considered essential for a reasonably comfortable life, he is definitely the poorer, not richer, for the fact. And when he has done whatever is necessary to refill his wardrobe, his cupboard, his garage, and all the rest to their accustomed state, he is then precisely where he would have been to begin with had no such shortages come into being. If this were not true it would be a good thing to set aside a day each year when every man would destroy an appreciable part of all his belongings in order that he might have the opportunity to grow rich replacing them! Of course, no one is so foolish as to believe in any such procedure as that.

We come now to one of the most commonly cited sources of economic well-being after the war—the large current accumulations of "liquid savings," usually cash or Government bonds. We are repeatedly told in effect that we have accumulated shortages of the things we want, but have much money with which to satisfy these wants when the ban is lifted after the war. The picture thus presented to the unthinking is so rosy that it appears almost a shame to unmask it. It is true, of course, of a single individual in ordinary times that if he has the cash he can have what he wants of the good things of life—although it is not clear why at any time he is better off with the cash but without the goods than he would be with the goods and minus the corresponding amount of cash. But be that

Mrs. Roosevelt Favors Foreign Military Service After the War

Mrs. Franklin D. Roosevelt on Nov. 27 suggested the post-war possibility of young men who may be called up for a year's military service under a universal service law passing part of that year in an army of occupation. This was disclosed in a press dispatch on Nov. 27 from the Washington office of the New York "Herald Tribune," which also said:

In answer to a reporter's question as to whether she considered it wise for the Congress to take immediate action on the passage of a post-war universal service law, Mrs. Roosevelt replied: "It is wise to take action now because during the period of occupation it will be good to have a continuous flow of men." She commented further to the effect that trips abroad would be of educational value to the young men and "it is very likely that if any of the groups volunteered to go any place they might be sent."

Mrs. Roosevelt has been in favor for some time of including young women in a universal service program, assigning them to various types of social service work and civic activity. Her comment on the Wadsworth-Gurney bill for compulsory service was that it left most of the decisions up to the Chief Executive and she thinks "it is dangerous to leave so much to the Executive—the law should express what the people really want."

as it may be, the cold fact is that what works in this way for a single individual, or even for a group of individuals, does not work that way for all the people at one and the same time.

Plenty of Money

What is being said is that Tom, Dick and Harry, and all the others, including their wives and children, have plenty of cash; what they lack is goods that they want. They lack the goods because the war has interfered with supply and rationing has intervened. Once the war is over, and rationing disappears, all these Toms, Dicks and Harrys will go promptly into the market and satisfy their wants forthwith. What market? From whom will they buy—until they themselves have made the goods they all want? But in the process of making them each has received the value of the goods in funds with which he can buy the goods if he wants them. One thing seems clear; that is, that what is likely to be most abundant on the new Armistice day will be money. Simultaneous effort on the part of the millions of holders of these funds to exchange them for goods they have long wanted and long been denied, would of necessity merely mean a competitive bidding up of what supplies actually existed.

We should be wise, perhaps, to reconsider the fundamentals on which we have been planning our post-war programs.

SEC Hears Arguments on Trading Privileges

Curb Exchange and NASD Battle for Trading Privileges in Common Stocks

The Securities and Exchange Commission on Nov. 21, at Philadelphia heard arguments on the application of the New York Curb Exchange to extend unlisted trading privileges on six common stocks, comprising the Lukens Steel Co. \$10 par stock; Merck & Co. \$1 par stock; Northern Natural Gas Co., \$20 par stock; Public Service Co. of Indiana, no par stock; Warner & Swasey Co. no par common; and the

the Curb under the alternative definitions of 'vicinity' to support unlisted trading privileges." He added also that there is not sufficient public distribution in and around New York to warrant the Curb dealing in the shares as a regional market.

In the NASD brief, the vicinity of the Curb was defined as "the five boroughs of New York City, or an area within an hour's commuting distance of New York City," while the Curb contends that it should include New York, New Jersey, Rhode Island, Massachusetts, Connecticut, Pennsylvania and also Ohio.

Col. Lockwood, in his argument for the grant of "unlisted" trading on the Curb, referred to the study made by the Securities and Exchange Commission in which, he contended, it was shown that investors paid more a share, on an average, than the highest prices recorded on the Curb Exchange for the same securities.

"Such stocks, therefore," said Col. Lockwood, "belong on a Stock Exchange. The record shows conclusively that the public interest and the protection of the investors necessitate the exchange market. If unlisted trading privileges are not granted to these stocks it is difficult to see that the purpose of Congress to create a fair field of competition between exchanges as a group and the over-the-counter market will ever be created."

In answer to Col. Lockwood on this point Mr. Thayer attacked the study of the Commission as "biased and unfair" to over-the-counter trading, and supported the principle that there must be sufficient distribution of a security in the vicinity of New York to support the claim of a grant of unlisted trading privileges on the Curb.

Lloyd George Contends Greatest Mistake of First World War Was Action of U.S. in Leaving League

Hopes America Will Act Differently This Time

The surest way of preventing a third World War would be "by America's acting differently this time," it was stated by David Lloyd George, Great Britain's Prime Minister in the First World War, in an interview on Nov. 25, according to Associated Press advices from London. These advices, as given in the New York "Times," went on to say:

In one of his rare press interviews—he has not talked thus for more than two years—Mr. Lloyd George, by his own expression still keen and vigorous, was asked what had been the Allies' greatest mistake in dealing with Germany after the first World War. Rather grimly and without hesitation, he replied:

"America. If they had kept to their bargaining instead of backing out and leaving the League of Nations, things would have gone differently."

With the blunt earnestness of his reply, he suggested that American statesmanship and public opinion would hold a broad international outlook after peace had been made. He held that the United States commitments to a potential world community would perhaps be the great stabilizer.

On his own share in the prosecution of the gigantic war of a generation ago and in the shaping of destinies at Versailles, Mr. Lloyd George, who will be 82 years old next Jan. 17, was brusque and incisive: "If I had my part to do over again, I should do precisely the same—on the assumption that America would stand by her word."

He counseled the complete dis-

armament of Germany after this war, holding that it would be the only reliable means of exorcising the military spirit. He said that he thought this could be done without arousing mass resentment in Germany, intimating that it would show to what extent the German people had been dragged into war by their masters. Good Germans, in his view, would welcome absolute disarmament, involuntary or otherwise.

Concerning post-war problems and probabilities generally, Mr. Lloyd George said that he did not wish to venture too far into the twilight haze of prophecy. Although agreeing that great changes were undoubtedly in store for most nations, he withheld comment on possible political, social and economic reorganizations of the future, except for brief reference to portents in his own land.

"There will be a big change in the unemployment situation in Great Britain, thanks to the Sir William Beveridge plan for lifelong social security," he said. "I think this will be adopted rather than the Government's White Paper on social security, which doesn't go far enough."

Message to A. F. of L. by Roosevelt Urges Workers Stay on Job to Shorten War

That "we can and we must stay unceasingly at the production job so as to shorten the war" was the assertion contained in a message by President Roosevelt on Nov. 21 to the American Federation of Labor, at its annual convention at New Orleans. At the same time the President told American workers that they have been discharging their "high duty in a very full measure," and "have done a production job the like of which the world has never seen before."

A message was also received at the convention from Gen. Dwight D. Eisenhower, which was read by Holt Ross, the Federation's delegate to the recent meeting of the British Trade Union Congress, who visited the general's headquarters, according to Louis Stark, who in special advices from New Orleans to the New York "Times" said:

General Eisenhower asked Mr. Ross to tell labor "that the job is not yet done. We are not through fighting, nor are they. We on the battlefronts, and they at the benches, in the mines and in the fields of America, must carry on until the enemy is completely defeated in battle. It is, therefore your battle as well as ours."

The same note of the urgency to remain on the job was sounded by Mr. McNutt, who told the delegates that "Germany has not been beaten" and that "a long war with Japan looms ahead."

"For the Japanese, the end of the war with Germany will mean the beginning of Japan's all-out war with us," he asserted. "Psychology will fight for the Japanese—the psychology of good Americans—unless great American organizations like the AFL assume the responsibility, as they will, of pointing out the facts."

President Roosevelt's message to the convention, as given in the "Times," follows:

"Thank you very much for your sincere and cordial invitation to attend and address the 64th annual convention of the American Federation of Labor. I regret exceedingly that I cannot be with you in New Orleans, but the job of going ahead with the war makes it impossible for me to do so at this time.

"This war job is of first impor-

tance and concern to all of us, to American soldiers, sailors and marines, who are winning it on land and sea, and in the skies all over the world, to American workers, to American employers, and to American farmers.

"It is the task of us at home to leave nothing undone so that our fighting men may continue gaining their glorious victories on every front.

"We have been discharging that high duty in a very full measure. American working men and women have done a production job the like of which the world has never seen before. They have supplied our fighters with the finest weapons in record quantities, weapons with which they are beating the enemy and with which they will keep on beating him everywhere they meet.

"American employers with their ingenuity and drive and American farmers with their industry and patience have shared with American working men and women in getting so well done the job of producing the weapons, materials and supplies needed by American fighting men. We have all worked to that end and it has paid off in victories and the saving of lives. We can and we must stay unceasingly at the production job so as to shorten the war.

"I know that there will be no let-down in this task by any group of patriotic Americans, and I know that such cooperation will continue after the war is won so that we can win a peace for the world which will be just and lasting and in the interest of safety, protection and well-being of generations yet unborn.

"Please extend my greetings and best wishes for a successful meeting to those attending the annual convention."

Uruguay's Suggestions Regarding Dumbarton Oaks World Security Plan

What is termed the first official criticism of the Dumbarton Oaks world security plan by a small nation came on Nov. 9 from Uruguay, which proposed instead that the League of Nations be revitalized. Uruguayan Ambassador Juan Carlos Blanco presented the proposal to the other American republics at a meeting of Latin diplomats with E. R. Stettinius, Jr., Acting Secretary of State, it was indicated in Washington Associated Press accounts Nov. 9, which stated that the session was the third to be held on the general subject of Dumbarton Oaks' accomplishments.

In later advices (Nov. 13) to the New York "Herald Tribune" from its Washington bureau it was reported that Mr. Stettinius asserted on that day that all but two Latin-American governments have expressed agreement with the basic objectives of the Dumbarton Oaks international security agreement. From these advices we also quote:

"Noting that suggestions on the plan by some Latin-American nations have been interpreted as attacking the Dumbarton Oaks plan, Mr. Stettinius told his news conference that the Southern republics are just as much in favor of a world organization as any country. El Salvador has not been asked for an opinion on the world security proposals, nor has Argentina, excluded because of its pro-Nazi Government.

"Mr. Stettinius told correspondents there had been some response from Latin-American nations on the Argentine suggestion for a meeting of foreign ministers of the American republics, but he did not disclose the nature of the response. He said he could not discuss the replies because the general exchange of views on the Argentine request has not yet been completed."

Argentina and San Salvador, whose present governments are not recognized by Washington, were not represented at the Nov. 9 session, at which the suggestion by Uruguay was presented, as to which the Associated Press had the following to say:

"The Uruguayan plan said it would be enough to introduce in the structure of the League of Nations . . . reforms which may be deemed expedient, in order that it be able to apply and satisfactorily fulfill the promotion of world security.

"However, the memorandum continued, Uruguay would accept a new League if the old one could not be revived and modernized.

"The new League should 'make of the world a unit where law and order will prevail,' the statement declared.

"Doctrines of racial superiority and the use of force, the document added, should be repudiated by the new organization which should consolidate in itself 'respect for human dignity.'

"If a new organization is established, Uruguay declared its Executive Council should provide for 'no differences in prerogatives or treatment among members.'

"The memorandum added that 'under present circumstances, but on a temporary basis, the Uruguayan Government would accept' the arrangement that Britain, the United States, Russia and China have places on the organization's security council.

"The Dumbarton Oaks plan contemplates permanent places on the Council for these four nations.

"Normally, Uruguay suggested, nations should become members of the directing Council 'with identical rights through designation by the assembly.'

"Uruguay, it was stated, 'would consider with the keenest sympathy,' the inclusion of France on

be handled in the form of a treaty, and that the Senate be not deprived of its Constitutional right either to ratify or withhold its ratification as it has consistently done in the past."

the Council, and would support inclusion of Latin-American nations 'which adhere to the ideals that inspire the international organization.'

"There was no explanation for the latter statement. However, Argentina has shown concern at being left out of the peace plan.

"The Council of the world organization should have specific rules to guarantee the rights of small nations, Uruguay declared.

"These possible rules were suggested:

"1. Requiring special majorities for important decisions.

"2. According nations not represented on the Council the right to have 'voice but not vote' in Council deliberations directly concerning them.

"3. Specifying beforehand the precise powers of nations on the Executive Council 'which will be elected by the Assembly.'

"4. Fixing the number of nations on the Council 'in order to avoid any contingencies contrary to the rights and personalities of the small nations.'

"The Dumbarton Oaks plan left unsettled the question of voting procedure on the Council, although it provided for six elected members, four permanent members at the start and 'in due course' a permanent place for France.

"Another of the points which Britain, the United States, Russia and China failed to settle at Dumbarton Oaks was how to liquidate the League of Nations and the mandates held under it. Theoretically, the old League still lives.

"Other points made by the Uruguayans:

"1. 'All differences, oppositions, or conflicts among nations, whatever their nature, must of compulsion be submitted to the international court of justice.' Dumbarton Oaks provided only for legal questions to be settled by the court.

"If the court were to fall into distinctions between political and juridical disputes, Uruguay maintained, 'it would not be appreciably advanced beyond the similar institutions created by the Versailles Treaty.'

"2. Uruguay is against 'a super-state with its own police force and other elements of coercive power.' It supports maintenance of military forces by all member nations 'in readiness for joint action whenever necessary.'

"3. The League should guarantee, 'even with arms, the integrity of the rights and the frontiers of nations which may be threatened or attacked.'

"4. The Pan-American system of cooperation should be incorporated in the world organization."

Up Special Delivery Fee To Canada

On Nov. 13 Postmaster Albert Goldman announced that information has been received from the Post Office Department at Washington that effective Nov. 15, to conform to the increase in the United States domestic special-delivery fees, the fee for special-delivery articles addressed to Canada weighing up to 2 pounds is increased from 10 cents to 13 cents. It is added that there is no change in the fees for articles weighing over 2 pounds up to 10 pounds, which is 20 cents and over 10 pounds, which is 25 cents.

Chicago Banks Provide For Small Business

Fifty million dollars has been made available by the Chicago Clearing House Association banks for loans to small business in the post-war period, it was announced on Nov. 16, by Howard W. Fenton, Chairman of the Chicago Clearing House Committee. This action by the Chicago banks is in line with the program of the Post-War Small Business Credit Commission of the American Bankers Association outlined at a regional meeting in Chicago. It is regarded as a major step in implementing the constructive work of the Commission. "The \$50,000,000 for lending to small and medium sized business concerns in the reconversion and post-war periods," declared Mr. Fenton, "is to assure adequate bank credit to every competent individual, firm or corporation in this area. If additional credit is needed it will be promptly provided." Mr. Fenton went on to say:

"Small business, which comprises 92% of all American enterprise, will have many new credit problems in the days ahead: war industries converting to peacetime production, large segments of business and industry recovering from the effects of priorities, rationing and manpower restriction, and business generally gearing its activities to new demands for goods and services.

"Every credit facility and lending technique will be employed by the Chicago banks in fulfilling their pledge to provide adequate credit to small business. Credit in the form best adapted to each particular business will be made available. This does not mean that the banks are going to make bad or reckless loans. Such loans are of no benefit to the borrower, the bank or the community. Providing ample credit for small business is no new story to bankers. In 1940, the last peacetime year of business, the records show that the banks of the United States loaned 39 billion dollars to 24 million borrowers. The average loan was \$1,700. American banking is determined that small business shall live and be given the opportunity to grow and prosper. Financing business is banking business."

Canal Zone Study Group Of AIB Active

In the Panama Canal Zone, where members of bank staffs not only provide the same services offered in other modern American financial institutions, but also cope with a wide variety of languages and national customs, the value of instruction provided through courses of the American Institute of Banking of the American Bankers Association is recognized, say advices from the Association.

Ernest L. Slocum, instructor of the Cristobal-Colon Study Group, in a recent letter to Dr. William A. Irwin, Educational Director of the Institute, reported that 18 employees of the branches of The Chase National Bank of New York have recently completed the second part of the course in Fundamentals of Banking. He inquired as to other courses in which members of the bank staffs are interested and requested permission to enroll several persons outside of the working bank staffs in the courses. These prospective students are either business men or members of the Government's administrative staff. In earlier correspondence, Mr. Slocum, who is also Assistant Manager of the Cristobal Branch of The Chase National Bank of New York, enclosed several letters written by bank employees analyzing the benefits they had received from their study in the AIB group.

N. Y. Industry Assn. Says St. Lawrence Project Should Be Regarded as Treaty, Not Agreement

With a hearing called on Nov. 21, on the Great Lakes-St. Lawrence canalization proposal by Senator John H. Overton, Chairman of the Subcommittee of the Senate Committee on Commerce, Secretary Thomas Jefferson Miley of the Commerce and Industry Association of New York, Inc., submitted a written statement supporting the view that the proposal should be regarded as a treaty between the United States and

Great Britain. As opponents of the Great Lakes-St. Lawrence canalization project the Association expressed itself as interested in the hearing to discuss the question of whether the project is one that can properly be treated by agreement between the United States and Canada, or one which should be considered in the form of a treaty between the United States and Great Britain. With the unlikelihood of having a representative at the hearing, the Association submitted its view in writing with the hope that the subcommittee would deem it appropriate to incorporate in the record its views as thus presented.

In support of the Association's stand for the treatment of the project as a treaty, Secretary Miley gave six reasons. They are:

"1. The project was originally assigned by the United States and Great Britain to the International Joint High Commission, which was appointed jointly by this country and the Crown—not the Dominion, indicating that it was then considered to be a matter to be disposed of by treaty between the two sovereign nations.

"2. As late as July 18, 1932, the proposal was still regarded as a treaty subject. On that date a treaty was signed both by our

Government and the Government of Canada, and was submitted to the Senate for ratification.

"3. In May, 1938, our State Department submitted another draft of document to the Dominion of Canada, in which the State Department specifically called the document a treaty.

"4. The character of the project has not changed since our own Government designated the proposed compact as a treaty.

"5. The proposed compact now under consideration commits this Government to substantial and permanent obligations to the British Empire. For example, it commits this Government to huge expenditures on a joint navigation project, nine-tenths of which, between the Great Lakes and the open sea, lies wholly within the boundaries of the British Empire and one-half of the remaining tenth of the distance also lies in British territory.

"6. The project surrenders to the British Empire a voice in the amount of water which the United States will be permitted to withdraw from Lake Michigan, which lake lies entirely within the United States.

"In view of all this," said Secretary Miley of the Association in his letter to Senator Overton, "we respectfully urge that the proposal

Annual Report of Secretary of Commerce and Industry Association

With a modernized format and a make-up streamlined to the latest in trade conceptions of an annual report, the Commerce and Industry Association of New York, Inc., issued on Nov. 18 the 47th Annual Report of the Secretary. Of manuscript size, the report is 54 pages, departmentalized according to the respective activities of the Association. In cover and text stock, it is stated, it meets with WPB's war-time paper conservation policy. In reporting on the year to President Neal Dow Becker, Secretary Thomas Jefferson Miley said:

"The Association has truly exercised its functions as 'The Voice of Business.' There has been no phase of endeavor, even national and international, where such affected New York City's business and civic welfare, in which the Association's voice has not been heard. For another year, in its 47 of existence, the Association has executed its civic stewardship in the fullest sense."

In local matters, Mr. Miley pointed to a savings to the taxpayers of \$5,266,043, direct results of Association recommendations to the Finance Committee of the City Council and to the Comptroller. "Indications are," he said, "that by virtue of the Association's further watchfulness there will be a reduction of about 15 points in the tax rate which will save approximately \$21,000,000 in taxes to property owners." Mr. Miley also says:

"Recognizing that the vast real property of New York City, representing capital investments approximating \$16,000,000,000, was seriously affected by taxation, trade conditions and other causes, war-born in the main, a Property Owners Committee was organized under the chairmanship of Robert W. Dowling. Because of the expanding scope of the Committee's endeavors in the interests of zoning, taxation, city expenditures and so forth, the addition of a Property Owners Bureau is contemplated."

Despite the unpopularity of its stand, he said the Association "without prejudice as to the merit of the proposal" sought an opinion through the Courts on the legality of methods contained in the proposed referendum to grant a bonus to members of the Police and Fire Department. The Courts upheld the Association's stand that the referendum, as written, was contrary to law. "On the surface," he added, "the referendum was a warranted proposal. However, in effect, it would have been detrimental and costly to the people it was designed to benefit as well as to all other taxpayers. Our Bureau of Research estimated that the initial addition to the City Budget of \$12,000,000 would have been but one-third of the ultimate minimum tax addition." Mr. Miley also had the following to say:

"Through the Association's leadership, concrete action toward alleviating the mounting operating deficit was taken for the first time in the hectic 40-year history of the transit system. Of paramount local concern is the transit system's rising \$41,000,000 yearly deficit with the gradual deterioration of service and equipment. Following a special study conducted by our Bureau of Research, the Association activated a borough-wide Citizens Transit Committee under the chairmanship of Paul Windels, whose objective is a Transit Authority."

"An important phase of the Association's activities was a comprehensive study made of the 1943 Federal Revenue Bill. Many of the recommended reductions were adopted. The Association played a leading part in actively cooperating with the Government's war agencies and with private industry. Through our Industrial Bureau's War Contracts Division, millions of dollars worth of war work was obtained, resulting in

direct benefits to the city and its citizens. Realizing that the peak of war orders is passing, the War Contracts Division has already instituted a new program for the coming year. This program has two phases. One is to persuade large manufacturers to place sub-contracts with New York plants for service or replacement parts for machines now in use. The second phase is to encourage large out-of-town manufacturers to utilize the subcontracting facilities of New York City plants in speeding up their reconversion program immediately upon the cessation of hostilities. As a direct service to our membership and to industry at large, the Association has had heads of the leading war agencies clarify plans, policies, rules and directives in connection with such problems as contracts, manpower, contract termination, reconversion, labor stabilization, wage incentive plans, foreign trade, veterans reemployment and civilian requirements.

"As a result of the work of the War Contracts Division, many of the city's small businesses, otherwise bypassed, have been able to stay solvent. To complement the work of the Industrial Bureau, an Industrial Relations Bureau was established dealing with industrial relations and personnel management in all their aspects. It has ably demonstrated the need for such a specialized service. Enabling policies it has set up have been accepted nationally.

"Continuing its efforts to obtain improvements in export controls, during the war, and the resumption of normal private trade in the post-war period, the Foreign Trade Bureau presented numerous specific recommendations to various government agencies, particularly FEA and OPA. As a result, definite action was taken by the Government toward closer coordination of, and in operation of, its various agencies with whose activities the business community is directly affected.

"With governmental orders and restrictions regarding transportation constantly changing due to war conditions, the Transportation Bureau was alert to analyze governmental orders, directives and so forth. Congressional legislation which would have been detrimental to the interests of New York was closely followed. Of signal importance was the Association's marshalling of widespread opposition to freight rate legislation affecting all northern and mid-western industries. The work of this Bureau, through its Manager, has been closely coordinated with ODT, the Maritime Commission, the War Shipping Agency and the Civil Aeronautics Board.

"While continuing its many efforts to further the war effort, foresightedly, the Association has planned for the peace. That the 25-member Post-War Planning Committee planned well is attested by the national and international recognition accorded its 46-page report, 'Winning the War and the Peace,' a program of legislative action. The report, the result of 18 months closely coordinated study by the Committee members, all leaders in their respective fields of national endeavor, was compiled and edited by the Committee Chairman, Dr. Fred I. Kent.

"Invaluable from a time-saving point of view to the business man has been the service of our Legislative Bureau in its reviews and

Savings Banks October Deposits Increase

A gain in deposits of \$87,050,301 in October, second largest monthly gain of the year to date, brings the total amount due depositors in the mutual savings banks of New York State to another new high of \$6,896,904,925. This deposit gain was accompanied, according to figures released by the Savings Banks Association, by a gain in the number of depositors of 23,768, bringing total accounts open to 6,457,478. The advices from the Association further stated:

The October gain of \$87,050,301 is to be compared with gains of \$33,398,836 and \$10,090,932 in October 1943 and 1942 respectively, and a deposit loss in October 1941, shortly before the declaration of war, of \$21,385,635.

Since Pearl Harbor the 131 New York State savings banks have shown a net gain of 469,000 depositors and \$1,464,000,000 in deposits, a tremendous reservoir of new savings, some of which will go into building and home modernization when building is resumed. A survey conducted last year for the savings banks by Elmo Roper indicates that 24.6% of the people who are putting money into savings plan to use it within five years' time for building, buying or remodeling homes. An additional 9% said they wanted more things for better living and to replace worn-out equipment.

Salvage Mutilated Currency

An interesting move in the direction of conservation of vital raw materials is the plan for salvaging of worn and mutilated currency, bonds and stamps announced on Nov. 21 by C. A. Dickerson, head of the Paper and Paper Products Division of Treasury's Office of Surplus Property. The Treasury Department's announcement adds:

For many years, worn and mutilated currency, bonds and stamps have been destroyed by incineration. The Treasury Department is installing new machinery which will macerate the old currency and by this process make available for re-use approximately five tons of high grade pulp a day, which according to Treasury officials will add to the short supply of raw materials.

Mr. Dickerson further announced that his office is now ready to negotiate a contract with interested parties for the purchase of this pulp. He stated that sufficient time will be allowed for closing a contract so that all interested parties may make contact with his office in Washington.

digests of Federal, State and city bills, resolutions and new laws. Indicative of its work during the fiscal year was the review of 6,901 bills, resolutions and laws. In addition, our Committee on State Legislation substantially contributed to the enactment of legislation favorable to commerce, industry and the public welfare.

"As a service to the public to keep abreast of the complexities and the mounting tenor of business, the Association conducted a weekly business forum over Station WMCA. This public forum is now in its third year and was instituted because the Association believes that business is the foundation of American democracy. It is upon the welfare of business that the welfare of every citizen and his family depends. The Association is dedicated to advancing the welfare and the trade of New York City."

Davis, Taylor and Graham Yield to President's Request to Remain as Public Members of WLB

Three of the four public members of the War Labor Board, viz., William H. Davis, George W. Taylor and Frank P. Graham, who it was made known on Nov. 13, had asked President Roosevelt to relieve them of their duties at the conclusion of current wage deliberations, have acceded to the request of the President to withhold their resignations until "the elimination of Germany from the war." The White House statement of Nov. 16, indicating this, said:

"The President announced that he would not accept the resignations of Chairman William H. Davis, George W. Taylor and Frank P. Graham, three of the public members of the War Labor Board.

"He stated that he appreciated the reasons which caused each of these gentlemen to wish to leave the service but he had requested them to remain and they had agreed to stay until the elimination of Germany from the war, or at least until such time when they could leave without seriously affecting the work of the organization."

Mr. Davis said on Nov. 13 that he had submitted his resignation — to be effective on Jan. 10, if possible — on his 65th birthday, Aug. 29. According to the Associated Press, Mr. Taylor, former General Motors labor umpire and Economics Professor at the University of Pennsylvania, submitted his resignation on Oct. 19, hoping to be relieved by Dec. 1, he disclosed. Dr. Graham, President of the University of North Carolina, sent his letter of resignation on Oct. 9, to be effective at the conclusion of the present wage discussions.

From the Associated Press we also quote the Board at the moment is in the midst of one of its most important phases — preparing a report to the President on the status of the wage-earner in the face of increased living costs and determining scores of other demands of more than 2,000,000

workers, mainly CIO members.

The AFL and CIO both have urged the Board to recommend abandoning the Little Steel formula, which limits wage increases to 15% above the level of Jan. 15, 1941. The labor groups insist that living costs have soared as much as 45.3%.

The Board decided in October it would not make any recommendation and the two AFL members refused to participate further in those particular discussions.

Mr. Davis, as Chairman of the President's Special Cost of Living Committee, has been preparing a separate report on this question, and hopes to send it to Mr. Roosevelt by tomorrow.

While Lloyd K. Garrison would be the only regular public member left on the Board after departure of Davis, Taylor and Graham, and thus might succeed to the Chairmanship, there are these alternate public members who might be named to full membership by the President:

Lewis M. Gill, former Chairman of the Cleveland Regional Board; Dexter M. Keezer, former President of Reed College, Oregon; Edwin E. Witt, Professor of Economics, University of Wisconsin; and Nathan P. Feinsinger, Professor of Law at the University of Wisconsin.

Other members are four labor representatives and four management men. With the Board make-up, the controlling voice on momentous decisions often has been that of public members.

Twohy Sees Federal Home Loan Bank System Triple in Size 10 Years After War

Indications are that member savings and loan associations of the Federal Home Loan Bank System will triple in size in the first ten years after the end of the war, James Twohy, Governor of the System, said on Nov. 4. At present, those 3,700 specialized home-financing institutions hold resources of approximately \$6,000,000,000, including mortgages totaling more than \$4,000,000,000 he reported.

"If they meet their opportunities for service to home buyers in the decade after the war — and assuming that the nation's economic machine is operating at near capacity — such a projection of growth for those thrift associations is entirely reasonable," Governor Twohy said. He likewise stated:

"Nearly full employment during that period would mean a national income of at least 125 billion dollars annually. On that basis, savings would rise to unprecedented totals. Traditionally organized to receive and invest the surplus earnings of people, thrift associations can count on a large share of these savings and, at the same time, a greatly broadened home mortgage outlet for investment of the funds.

"After the war, in my opinion, home construction will be among the first of our economic activities, if indeed not the actual pace-setter. The first post-war decade may come to be known as the home-building era, as in the past 75 years we have had the successive periods of railroad development, highway construction and the popularization of the automobile.

"Many projections of the housing need have been made, ranging from one to two million dwelling units annually over the next ten years. Under the GI Bill alone, whereby the veteran can receive 100% financing at a rate as low as 4%, with payment spread over 20 years, it has been estimated that from ten to twenty billions

of dollars in home mortgages will be used.

"Member savings and loan associations of the Federal Home Loan Bank System have expanded their holdings of cash and government bonds from \$288,000,000 at the end of 1940 to \$1,500,000,000 on June 30, 1944. Reserves and undivided profits increased from \$304,000,000 to \$431,000,000. Savings associations are now dedicated to national war needs — the sale of Series E War Bonds and stepping up their programs of buying government bonds for investment. But at the same time they are building their liquid resources to meet the hugely augmented demand for home loans that will be upon them after peace returns."

Vatican City Packages

Postmaster Albert Goldman calls attention on Nov. 13 to the regulations concerning the mailing of gift packages to addressees in Italy and Vatican City State which provide that for the present the mail service for packages is restricted to those addressed for delivery to Rome City, Naples City and Palermo City, Italy and Vatican City State. The announcement adds:

"Since the mail service for packages was established, it has been necessary to return a great number of parcels to the sender because they were addressed to places in the Provinces of Rome, Naples and Palermo outside of the cities mentioned above."

Post-War Tax Changes Proposed by Commerce And Industry Association of New York

(Continued from first page)

corporation income tax and the excess profits tax, while it continues in effect, should be the only taxes imposed directly on corporations. Any taxes in the nature of franchise taxes should be left to the states, under the laws of which corporations are licensed, and any approach toward a Federal licensing system for corporations should be avoided.

2. Excess profits tax—Following the Association's policy that the cost of the war should be borne through current taxation to the greatest extent practicable, your Committee recommends that the excess profits tax should not be repealed until the cessation of hostilities. At that time the tax should be repealed outright and not be allowed to linger, as after the last war, even at reduced rates.

"Assuming that the excess profits tax will be repealed outright after the termination of hostilities, it is the recommendation of your committee that, meanwhile, immediate consideration should be given to removing inequities in the present law and to reduction of rates commensurate with any reduction in expenditures.

"To avoid complications in computation of the tax, your committee recommends that the repeal of the tax take effect at the close of the calendar year in which hostilities cease for corporations operating on a calendar year basis, and that for corporations on a fiscal year basis the repeal take effect at the close of their fiscal year following the cessation of hostilities.

"The unused excess profits tax credit provision was included in the law to protect the taxpayer against great variations in year to year earnings. In order to maintain this protection it is recommended that the provisions permitting unused excess profits credits to be carried back for two years should be retained even after the repeal of the excess profits tax, and that taxpayers be permitted to use their unused excess profits credits just as though the excess profits tax continued in effect.

"Section 722 of the Internal Revenue Code, providing relief against cases of hardship, has become enmeshed in a mass of technicalities. Your committee recommends that the principle of arriving at a constructive normal base period net income should be given effect, freed of the arbitrary and technical rules now in the statute and regulations. Further, the committee recommends that there be vested in the Tax Court the power of final determination of the measure of relief in reviewing the action of the Commissioner of Internal Revenue.

3. Corporate tax base—Income derived by stockholders is now taxed twice—once when the corporation pays a tax on its earnings, and again when the earnings are distributed among the stockholders as dividends. In order to avoid this duplication so far as practicable, it is recommended that the normal tax rate on corporate income be fixed at a rate equal to the rate of normal tax upon individual incomes, say 20%, and that dividends be free of normal tax to the individuals receiving them. Thus, the stockholder would, in effect, be credited with the corporate tax which will be treated as having been paid in his behalf. This would be equivalent to a withholding tax, on behalf of the stockholder, on corporate net income paid out in dividends, to the extent of the normal tax, leaving only surtax to be paid by the stockholder.

"The suggestion that some corporations be given the option to

be taxed as partnerships appears impracticable from the standpoint of administration, except in cases in which the consent of the corporation and of all its stockholders can be obtained. In such cases the privilege might well be granted.

"It is the opinion of your committee that no credit against tax of a stated per cent of the cost of new plant and equipment should be allowed, since the determination of what is "new plant and equipment" will not make for simplification in either the statute or the regulations, and such credit might involve unfair discrimination against existing plants.

"On the other hand, the committee believes that the practice with respect to depreciation and amortization should be liberalized. Adequate annual depreciation rates should be allowed. The ability to amortize assets rapidly provides a stimulus for the purchase of new and more efficient equipment. Also, adequate tax deductions should be allowed for accumulated deferred maintenance and repairs which were not taken care of due to the inability to obtain material and labor during the war period.

"The taxing of income on an annual basis works hardship with respect to business incomes which fluctuate from year to year. This type of taxing results in a heavier tax burden over a period of years for such irregular incomes than for incomes which are stable. The present carryback of losses for a two-year period should be continued and the period for carrying forward one year's losses should be lengthened, in your committee's opinion, from the present two-year period so as to apply against subsequent earnings for a period of four or five years.

"Your committee recommends that the Association continue its position in favor of the repeal of the tax on intercorporate dividends and of the 2% differential for consolidation of corporate tax reports; and oppose any taxation of undistributed profits.

4. Corporate income tax—Your committee recommends that the Association oppose graduated income tax rates on corporations, and that corporations be subject only to a flat rate corporate income tax.

5. Foreign business—In order to stimulate foreign trade and American influence abroad in the post-war trade, your committee recommends that the Government adopt a tax program which would give favorable tax rates to income from foreign business. For example, the benefits now conferred by law on corporations deriving substantially all their income from foreign business might be proportionately extended to corporations deriving a substantial part of their income from abroad.

B. Individual Income Tax

"The Association has, in the past, advocated the lowering of individual income tax exemptions, which has been effected, in order that the Government might reach, through taxation, a large number of persons not previously taxed for the support of the Government. In your committee's judgment a tax on individual income is less deterrent in its effect upon production and the flow of venture capital than taxes upon corporate profits, provided that the tax rates on the upper-income groups are sufficiently lightened to give encouragement to risk-taking, and that the tax rates on the lower-income groups are not so high as to limit consumer markets unduly. Your committee is not in a position to recommend a specific schedule of suggested personal income tax rates. However, your committee recommends that, at the cessation of hostilities,

the existing graduated surtax rates should be substantially reduced with a top limit on surtaxes on individual incomes of 50%.

"Your committee further recommends that:

"(1) Personal exemptions should be raised to the extent of eliminating the present 3% normal tax which allows no credit for dependents. The present exemptions for the regular income tax of \$500 for each taxpayer and for each dependent should be retained.

"(2) The present combined tax of 23% for the lowest bracket of taxable income should be replaced by a single tax of 16 to 20%, depending upon revenue requirements. This rate would then be geared in, as suggested above, with the normal tax rate for corporations in order to avoid the double taxation of corporate dividends.

"(3) Tax rates on incomes above the lowest taxable bracket should be substantially reduced throughout the range.

C. Sales Tax

"During the war period the supply of civilian goods decreased and the civilian demand increased, resulting in an inflationary threat to our economy. Your committee has recommended and this Association has advocated the imposition of a sales tax to close the inflationary gap. If a sales tax were enacted, it would probably not become law until some time after the close of hostilities with Germany.

"At the cessation of hostilities with Germany the production of civilian goods will be resumed and the threat of inflation from this source will be materially decreased. A sales tax, being a deflationary measure, would be harmful at a time when industrial and business enterprise is looking for an increase in production and the creation of new and greater civilian markets. Your committee, in the interest of higher employment of men and production facilities immediately after the close of hostilities, recommends that the Association oppose the enactment of a sales tax so long as the present base for income tax is maintained.

D. Taxation of State and Local Securities

"Your committee recommends that on all future issues the Federal Government tax state and local securities, maintaining the position heretofore taken by the Association.

E. Inclusion in the Tax Base of the Annual Net Rental of Owner-Occupied Homes

"In order to encourage the building and ownership of homes and to avoid administrative difficulties, your committee recommends that the annual net rental value of owner-occupied homes should not be included in the tax base.

F. Capital Gains and Losses

"The capital gains tax is a direct and unwise restriction upon the private enterprise system. It serves to destroy incentive and prevent freedom of transfers necessary to keep the investment portfolios of the nation in a sound condition. Furthermore, in the long run, the receipts from this tax are not an important item of government revenue. Your committee recommends the abolition of the tax and, pending its repeal, favors an immediate reduction of the tax to a flat rate of 12½%, similar to the tax in force in 1921, accompanied by a 12½% allowance of capital losses as an offset against ordinary income.

G. Social Security

"Social Security is not properly a part of the tax structure. Your committee reaffirms its position

in opposition to the imposition of increases in payroll taxes for social security purposes at this time. In addition, your committee recommends that the existing rates be continued, and that the automatic increases effective Jan. 1, 1945, be suspended while the taxes are in excess of current requirements. Further, it is the recommendation of your committee that there be no federalization of the unemployment insurance program and that, prior to the extension of the social security program or changes in the method of financing, there be a Congressional investigation to review and study the problem of extension and financing of the Old Age and Survivors Insurance program.

H. Excise Taxes

"Approximately two billion dollars are collected by the Federal Government annually in sundry excise taxes. Your committee recommends that excise taxes be reduced in the post-war period to a point which will not force an increase in the income tax rates. The questions of retention, abolition or reduction of excise taxes or their rates should take into consideration: the deflationary tendency of the tax; its optimum point of productivity of revenue; its nuisance effect, and its adverse effect on industry and employment.

I. Estate and Gift Taxes

"Your committee subscribes to the recommendations of the Kent Post-War Report, viz., (1) that the present exemption of \$60,000 for estate taxes should be increased to \$100,000, and that the rates be materially reduced; (2) that the gift tax be more clearly differentiated from the estate tax by taxing gifts at rates sufficiently lower than estate tax rates to encourage lifetime giving; and (3) that gifts made more than two years before death be freed of any question of having been made in anticipation of death, and, further, such gifts made within two years of death should be so freed unless the Government can prove that they were made for the purpose of avoiding inheritance taxes.

J. The Public Debt

"It is estimated that at the conclusion of the war the national debt will amount to three hundred billion dollars. Your committee recommends that the Association advocate that proceeds from the sale, lease or disposal of war salvage, excess war equipment and government-owned war plants should be applied directly against debt reduction, and that commencing not later than two years after the cessation of hostilities the Government should provide for the reduction of the debt at the rate of not less than 1% a year. Surplus revenues should be used to reduce the debt, and if the national income will allow, the amortization of the debt should be at a rate greater than 1%.

K. Stability, Simplification and Integration of the Tax System

"The tax structure and tax programs should, in the opinion of your committee, be established, so far as possible, on a permanent basis. Changes in income tax rates which might become necessary should be made in the normal tax rather than in surtax rates. Any increase in tax rates should be made effective for the following taxable year and should not be retroactive.

"Simplification of the tax system is essential to enable business to expand. The administrative regulations should be clarified, and procedures relating to tax questions should be simplified so far as practicable, particularly with respect to refunds of overpayments, coordination of settlements of income and of excess profits taxes, etc.

"Your committee recommends that the Association favor the appointment of a Congressional committee to study the coordination

and integration of Federal, State and municipal taxation. Burdensome double and sometimes triple taxation is unfair and not in the public interest. Any breaking down of the fiscal powers of the States through Federal encroachment should be opposed.

"A prime requisite for the coordination of taxation on the three levels of government is the establishment of a stable Federal fiscal policy based upon economy in government and financed by a balanced budget.

"Committee on Taxation and Public Revenue

"Laurence Arnold Tanzer, Chairman."

Members of the committee: Laurence Arnold Tanzer, Tanzer & Mullaney; George E. Cleary, Root, Clark, Buckner & Ballantine; Ray R. Dobson, George Rossetter & Co.; H. B. Fernald, Loomis, Sutherland & Fernald; Charles W. Gerstenberg, Chairman of Board Prentice-Hall, Inc.; Laurence Graves, George Lange, Asst. Secretary Consolidated Edison Co. of New York, Inc.; Godfrey N. Nelson, J. W. Oliver, Secretary, The Linen Thread Co., Inc.; Paul L. Peyton, Breed, Abbott & Morgan; Martin Saxe, Saxe, Cole & Anderson; William J. Schieffelin, Walter A. Staub, Lybrand, Ross Bros. & Montgomery; O. A. Taylor, Vice-Pres., S. H. Kress & Co.; Wilmer D. Zirkle, Zirkle, Breden & Co.

Labor Dept. Reports on Factory Workers Hours And Earnings in Sept.

Wage earners in manufacturing industries worked a slightly longer week in September, 1944, than in September last year, indicating that the observance of Labor Day as a holiday was not as widespread this year, Secretary of Labor Frances Perkins reported on Nov. 22. "The hours worked per week averaged 44.9 in September, only slightly less than in August," she said. Miss Perkins added:

"Although each of the durable-goods groups reported a shorter work-week, all but three of the non-durable groups had longer weekly hours in September than in August. Many plants in the civilian goods industries, and in industries which are now reconverting to the manufacture of civilian goods, reported holiday work. In the latter group are such industries as sewing machines, typewriters, clocks and watches, and motorcycles, bicycles and parts.

"This widespread work on Labor Day accompanied by the premium payments is reflected in the 1½% increase in gross hourly earnings to a level of \$1.03. Although increased earnings were reported by each of the major manufacturing groups, the extent of the increase varied considerably. The largest percentage increase was reported by the apparel group which regularly increases production in September.

"Weekly earnings in manufacturing industries averaged \$46.25, compared with \$45.86 in August and \$44.39 in September of last year. The increase in weekly earnings over the year reflects a slightly longer work-week, coupled with an increase in gross hourly earnings of almost 4 cents.

"Anthracite miners worked, on an average, slightly less than 40 hours per week, earning \$47.45. Average weekly earnings in bituminous coal mines amounted to \$50.95, \$3.50 more than in anthracite mines, for a work-week of 42 hours. Earnings in both coal mining industries reflected the payment of time and one-half for work done on Labor Day as permitted under Executive Order 9240."

Recalls Progress of Social Reform Movement

(Continued from first page)

that steady income was necessary to men and women who through no fault of their own were temporarily out of employment. We learned too that the care of the young; that the maintenance of the home; that some kind of provision for maternity care; that some kind of provision for keeping dependent children with their mothers on what we used to call the Widows' Pension System, was possible and that it could be endowed by a 2% tax, or even a 3% tax on the payrolls of the country, and so we have developed a way by which the money is made and turned over to be put into a fund for that specific purpose—prevention of poverty.

"We have learned through experimentation that it doesn't pay in a great, rich country like this to deplete the health and vigor, and intelligence of our people and our children by too long hours of work, or by rates of pay which are so low that they keep the wage earner from being a purchaser in the market of an enterprising system which has as its characteristic a tremendous mass production.

"We have learned that wages must be maintained at least to the point where the wage earner can buy as the result of work that he has done, and the wages that people earn should not only be enough to sustain themselves, but enough to be a good market for the production that comes off our mass production lines — not only of automobiles and washing machines, but of just the common, ordinary things of everyday life, the canned goods, clothes and all that sort of thing. We have learned that that is the sort of economy we can have and that we had better have in America if we are all going to keep ourselves happy and prosperous, and progressive, and if we are going to develop in the future the kind of culture we want and know we can have. Then, of course, we must not forget, even though we have done so well in the early part of the twentieth century, that we have only begun and that we have the future ahead of us. A great many things still need to be corrected in our life in this country. There is still inadequate education; in-

adequate public health care; inadequate treatment and protection for those who are feeble-minded or crippled, or unable to scramble for themselves. In the field of life this is all over the country. We must find the way. It is a part of your duty to find the way by which this slack can be taken up and shall be taken up, and by which we can apply the remedies we already know on a broader scale."

Turning her attention to social reforms in the future, Miss Perkins remarked: "We have got to find, and find soon, some way to make good medical care accessible to everyone who needs it and that not only by money endowments, but by actual location of doctors and hospitals and nurses in areas not now so served by their beneficent and healing ways.

"We have got to develop a new type of education, and as Dr. Goodykoontz so well knows, and ably said, and as you in your Town Hall adult education have so well demonstrated, we have got to make more realistic education available to more people. This is for our country and now we are already engaged in a great enterprise of extending our philanthropy. This is real work. Extending our brotherly love to the whole world and saying that what happens in Poland; what happens in Indo-China; what happens in the islands of the Pacific; how people live there; whether they are warm and clothed; whether they have access to health and culture, and what internationalism is going to be also matters to us, but it is but an empty phrase if it results only in political instruments of keeping the peace and security. It should result in philanthropic instruments of bringing the world together so that men will love each other and so that you and I can live in peace; so that in time to come we will not have to shudder over the troubles of the men, women and children in Poland exactly as we do today when it is publicized, and we see their pictures.

"We must know that poverty anywhere is a threat to prosperity and civilization everywhere. That is really what it means!"

N. Y. Board of Trade Petitions Senators For Defeat of St. Lawrence Waterway Project

Opposition to the St. Lawrence Waterway and Power Project has been voiced anew by the New York Board of Trade, its President Matthew G. Ely, having in telegraphic advices Nov. 20 to Senators Wagner and Mead, of New York State, and Senator Overton, in charge of the St. Lawrence project in the U. S. Senate, reiterated the objection of New York business to the project. Stating that "New York Board of Trade respectfully petitions for the defeat of any and all legislation designed to construct St. Lawrence Waterway and power project," the telegram added:

"This Board, organized 1873, has approximately 1,500 members representing accurate cross section of business both large and small centered here in New York. This project, which would cost at a minimum one-half billion dollars, may ultimately cost twice that amount. It could not possibly help in the war effort. On the contrary it would divert men, materials and money. Ports along Atlantic which are successfully servicing our armed forces and Allies would be seriously crippled by a part-time facility, clogged with ice for four months and our whole co-ordinated system of rail, water, highway and air transportation would suffer. We cannot strengthen our position in post-war by undermining existing foundations of strength."

In his comments in the matter Mr. Ely said:

"It is no military secret that the Port of New York has rendered a magnificent war service. The

flow of men, material and supplies to our own forces, and to our Allies, has been a miracle of waterborne transportation. Particularly, in the Port of New York the co-ordination of rail and keel, of trucks and planes, lighters and car-floats, docks and warehouses — and especially of stevedores and longshoremen — has changed world history, in the triumph of democracy over the Nazis.

"The canalization of the St. Lawrence Waterway to be used largely by tramp steamers, of foreign registry, will definitely hurt the Port of New York. Not that all the traffic will be diverted, as that would be entirely impossible, but it would be a 'thorn in the side'—a festering sore, disturbing rate structures, diverting a little here and a little there and just about as useful as a leaking valve on a fine new balloon tire.

"And, American business will be asked to pay an exorbitant price for this unneeded and aggravating facility. In our war effort a sum ranging from one-half to one billion dollars is relatively small, but in the post-war era that will seem an extravagant sum to

Secretary of State Hull Resigns—Stettinius Named His Successor

The resignation of Cordell Hull as Secretary of State, submitted to President Roosevelt, because of ill health, has been accepted with great and deep regret the President announced in a talk with newspaper men on Nov. 27.

In making known the resignation of Secretary Hull the President announced that Edward R. Stettinius, Jr., Under Secretary of State, has been nominated as Secretary.

Mr. Hull, who is 73 years of age, has been ill in the Navy Hospital at Bethesda, Md. since some time in October. The President has requested that Mr. Hull defer his resignation until Jan. 20, "which is the end of our third term." At the same time the President in his letter to Mr. Hull says that "incidentally, when the organization of the United Nations is set up, I shall continue to pray that you as the father of the United Nations may preside over its first session."

In Associated Press accounts from Washington Nov. 27 it was stated:

The Chief Executive declared that Mr. Hull's doctors told the Secretary, and Mr. Hull felt, that his complete recovery from a long illness would be retarded if he continued to bear the responsibilities of his Cabinet portfolio.

Mr. Hull feels, Mr. Roosevelt reported, that it also would not be right for the country if he were to remain on the job.

The President noted today that Mr. Hull was coming along all right physically but that it was a long process of recovery. He recalled that it was necessary two or three years ago for the Secretary to spend several months in Florida.

He had to think of the Secretary's recovery and take official responsibilities off his shoulders.

In reviewing the activities of Mr. Stettinius, Associated Press advices from Washington Nov. 27 said in part:

Mr. Stettinius, now 44, at 43 had been Under-Secretary of State just over a year, and it seems virtually certain that the Senate will agree with the White House that he can take the place of Cordell Hull.

In his year at the State Department he has reorganized administration, dashed to London and back on a diplomatic mission, and headed negotiations with other Governments on organizing the world for peace.

The Dumbarton Oaks security plan is his prime interest now and it has top priority on the State Department list of jobs to be done.

"Stet," as his colleagues call him, came to the State Department from lend-lease, which he organized and got rolling as administrator. He has held a number of other responsible positions in Roosevelt Administrations. In 1940 he joined the Council of National Defense. Later he was active in preparations to mobilize American industry. Then came the Office of Production Management — the War Production Board's predecessor.

Before that, in 1936, he had reached one of America's top industrial posts—Chairman of the Board of the United States Steel Corporation, and that when he was 38.

"Stet" considers himself primarily a business man, and that's the way he has worked in the State Department. Before he ever went into the world of Wall Street, he wanted to be a preacher.

When young "Stet" was at the University of Virginia he used to go out in the backwoods to bring enlightenment to hillbillies. Another way he thought up to carry out his social urge was to found

pay for something that we do not need, and that will only continue to plague us and be of advantage to our competitors."

a one-man employment agency for his fellow-students.

Scouting about Charlottesville in his rattle-trap car he made such a success of the venture that it came to the attention of John Lee Pratt, then a Vice President of General Motors and now a special consultant at the State Department.

Mr. Pratt talked him out of the ministry and into a job as stock room attendant at the Hyatt Roller Bearing Works. The pay was 44 cents an hour.

Three years later he stepped up to a white collar job as Pratt's assistant and not long afterward became Vice President of General Motors.

Big business was not new in Stettinius' family—his father was a partner in J. P. Morgan & Co. But Stettinius Senior refused to raise his sons in the Long-Island-Connecticut-Harvard-Wall Street pattern.

In his letter of resignation to the President, Secretary Hull said:

My dear Mr. President:

It is with inexpressible disappointment that I find it necessary, for considerations of health, to retire from public service.

I, therefore, with utmost regret tender herewith my resignation as Secretary of State.

It is a matter of special satisfaction to me that throughout my almost 12 years at the Department of State, our personal relations have been uniformly and invariably agreeable and that, by our joint efforts, many difficult tasks growing out of the foreign relations of this country before and during this war have been brought to partial or full completion; many great questions have been faced successfully; and many forward movements of surpassing importance to friendly relations among nations have been instituted.

As the war draws to a close there remains a vast area of complex and difficult conditions and problems which must be dealt with in the months and years immediately ahead.

It is a supreme tragedy to me personally that I am unable to continue making my full contribution to such great international undertakings as the creation of the post-war peace organization, the solution of the many other problems involved in the promotion of international co-operation, and the final development of a full and complete structure of a world order under law.

When I recover my strength, I shall individually be always at your service in every possible way. Sincerely yours,

CORDELL HULL.

President Roosevelt's reply follows:

My Dear Cordell:

Your letter of this afternoon has hit me between wind and water. It has been very sad for me even to contemplate the ending of our close relationship during all these 12 years. It is not merely that our personal relations have been so uniformly and invariably agreeable, or that our joint work has borne true success in so many fields, as it is the personal feeling of not being able to lean on you for aid and intimate interchange of thought.

This is especially true because we have come so far along the road of friendly relations among nations that I have counted so much on your help in carrying this work through the final stage

of complex and difficult conditions which still face us.

Your health is honestly my first thought, and I am really confident that you will be on your feet again in a relatively short time, even though you are limited to special tasks and avoid the daily routine of department work. As of today, therefore, you must devote all your thought to getting back on your feet, and on this all your friends will join in helping.

I will, of course, accept your resignation as Secretary of State if you want me to do so. But I wish you would, as an alternative, allow me to accept it as of Jan. 20, which is the end of our third term. Perhaps sentiment enters into this suggestion a little bit, but it would give me great satisfaction if we should round out the three terms. That means two months more, and during that time I could see you from time to time and get your advice on some of the things that will come before us.

Incidentally, when the organization of the United Nations is set up, I shall continue to pray that you as the father of the United Nations may preside over its first session. That has nothing to do with whether you are Secretary of State or not at the time, but should go to you as the one person in all the world who has done the most to make this great plan for peace an effective fact. In so many different ways you have contributed to friendly relations among nations that even though you may not remain in a position of executive administration, you will continue to help the world with your moral guidance.

With my affectionate regards, as ever yours,

FRANKLIN D. ROOSEVELT.

Christmas Greetings As First-Class Mail

Postmaster Albert Goldman called attention on Nov. 7 to information received from the Post Office Department, Washington, D. C.: "That because of the many advantages that will result, mailers should be urged to send their holiday greetings at the first-class rate of postage, explaining that when so sent the greetings may be sealed and contain written messages, not otherwise permitted, therefore having a personal appeal which is, of course, more highly appreciated by the recipients that such greetings are dispatched and delivered first, given directory service, and, if necessary, forwarded without additional charge; also, if undeliverable, they are returned without charge providing the sender's return card is shown on the envelope."

The Post Office Department adds:

"On the other hand, printed Christmas greetings mailed in unsealed envelopes at the third-class rate which cannot be delivered as addressed, because of the removal of the addressee or for some other reason, must often be destroyed as waste, thereby causing disappointment. Greetings mailed at the third-class rate are not entitled to the free forwarding privilege accorded those mailed in sealed envelopes at the first-class rate and, consequently, the senders in many cases never know that the greetings were not received by the addressees. This would not occur if the greetings were mailed sealed at the first-class rate."

[A previous release by the Postmaster on the subject of Christmas greetings for overseas appeared in the "Chronicle" of Nov. 9, page 2060.]

Senator George Favors Lower Post-War Taxes and Start on Reducing Public Debt

Lower post-war taxes and an immediate start on reducing the public debt when peace comes was called for by Senator George (Dem.-Ga.) on Nov. 21 and, according to the Associated Press, he foresaw a definite possibility of lowering levies, beginning to pay the debt, and keeping the budget balanced, all at the same time. These press advices from Washington, as given in the "Wall Street Journal," also said:

"High taxes," the Senate Finance Committee Chairman said, "will act as a definite brake on any high level of business activity in the post-war period. As we approach the end of the war, we will see the absolute necessity of easing the tax burden to prevent its serving as a brake."

Payments on the public debt, Mr. George said, would indicate to business, better than anything else, the direction the Government may take after the war.

"If we are in earnest about no deficit spending," he said, "we have got to prove it by meeting expenses from revenues, and beginning to reduce the debt immediately after the high expenditures for war are over."

The Senator went on to survey the Government's financial outlook, on the basis of the best analyses available to a special Senate Post-War Planning Committee which he heads.

"The minimum possible budget in the immediate post-war period," he asserted, "would be somewhere around \$16 billion or \$17 billion. That presupposes the most rigid economy in Government."

"The maximum probably would run up to \$21 billion or \$22 billion. Any budget as high as \$20 billion would, I should think, include a reasonable amount for debt retirement. It should begin immediately after the end of the war, on a scale commensurate with budget demands."

Current revenues of around \$46 billion a year are nearly three times the minimum budget Senator George mentioned. And they are more than double the maximum.

Earlier in November—the 13th—Senator George stated that "prospects for any substantial change in tax rates for 1945 are very remote." At that time, Associated Press accounts reported:

He said adoption of a post-war tax program should be delayed until Congress can see the end of the European war definitely approaching. But Congress should have its plans ready for quick action when the time comes, he added.

The Finance Chairman, who pilots revenue measures in the Senate, predicted "general revision" of the Social Security Law in the next Congress. Both the Republican and Democratic Parties promised the act would be broadened.

Probably two or three months of hearings will be required in the House Ways and Means Committee and another month in his own Committee before there can be action on new benefits for more people, Senator George declared.

Whether Congress again will freeze Social Security taxes at 1% each on employees' wages and employers' payrolls by the end of the year rests largely with the House. Unless Congress acts, the rate goes up automatically to 2% on Jan. 1.

President Roosevelt, Senator George recalled, has not been enthusiastic about a freeze and neither has the Treasury. As for himself, he hasn't made up his mind.

The big question, the Georgian asserted, is whether another \$1,500,000,000 in taxes should be levied at this time.

Planned Saving Stressed As Sixth War Loan Drive Appeal by Smith of ABA

The long term benefits of war bond ownership, providing a program of planned saving for future use, will be an effective appeal in the Sixth War Bond Drive, says Tom K. Smith, President of the Boatmen's National Bank, St. Louis, Mo., and Chairman of the American Bankers Association Committee on War Bond Drives. Millions of dollars will be used to buy bonds, Mr. Smith believes, for the future education of children, self retirement plans and for many other endowment purposes. He pointed out that the whole period of the Sixth War Loan Drive comes at a very propitious time for the buying of bonds by farmers. Other drives have occurred at times when crops had not yet been turned into cash, and when the farm population was extremely busy. "Also there is December 7," said Mr. Smith, "with its many opportunities for remembering one great reason why we are saving with a vengeance." An announcement by the ABA on Nov. 21 in reporting the remarks of Mr. Smith, also quoted him in part as saying:

"The basic appeal to bankers in the selling of War Bonds is the encouragement of the habit of thrift. There is no question about our armed forces winning this war but the military victory is only part of the job. If we are also to win the peace we must keep our economy stabilized. Banks realize that through their sales efforts in the Sixth War Loan Drive they will be helping to win the war, to lessen the dangers of inflation, and to assist individuals in building an investment backlog for the years to come.

"A pre-drive poll of large and small banks throughout the country shows a well defined trend toward face-to-face contact as the best way to sell war bonds. The experience of banks in five previous loans has demonstrated that there is no substitute for the per-

sonal interview in merchandising bonds to individuals.

"Basically the sales appeal is the excellence of the investment itself and the need to follow through to victory. There are bonds for every kind of buyer and every investment requirement: for long-term investment, for marketability, to pay taxes, for estates and gifts, for maximum safety of principal, maximum yield, current and deferred income, short and medium term investment, and bonds which can be used as collateral for loans.

"It is gratifying to know that more banks than ever are going to fix individual quotas for themselves and take part in a friendly competitive arrangement with other banks in their communities for scoring and reporting during the drive.

"In all previous drives, banks have taken an outstanding part in the sales effort. According to reports heretofore compiled by the Treasury, fully 80% of the bonds distributed to the public have been either sold by the banks or processed through the banks. I am convinced that we shall not only maintain this record, but improve on it in the Sixth War Bond Drive."

French Loan of Liberation Issued

The French Press and Information Service in New York made public on Nov. 13 the following from Paris Nov. 6 giving the text of a communique from the Council of Ministers of November 3, 1944, concerning the issuing of the French Loan of Liberation:

"Upon the recommendation of the Ministry of Finance, the Government decided to issue, starting Monday, November 6, until a future date which will be fixed by the Ministry of Finance, the loan of Liberation; this loan will be 3% perpetual, the same type as the former 3% with which it will form one single fund. It will be issued at par.

"The subscriptions will be received in cash and in Treasury bonds by all Treasury office branches, banks, and at all post offices in the usual manner. The Government does not seek to fill immediate needs only. Of course, great funds are necessary to pay for the war, for economic reconstruction, and for social restoration, but due to the funds realized from taxes since the liberation and to the volume of Treasury bonds purchased, the Treasury has been replenished considerably. The purpose of this loan is to stabilize the currency by withdrawing from circulation a large part of the notes issued by the enemy during the occupation. The Government believes that the country having so forcefully and spontaneously contributed to the military liberation, must also find the means of a monetary liberation.

"The ultimate success of the Government in this matter will depend for the most part upon the way in which the Nation responds to this confident appeal.

It was stated in a wireless message Nov. 2 to the New York "Times" from Paris that by means of a great "Liberation Loan," Gen. Charles de Gaulle hopes to be able to avoid devaluing French currency, on the Belgian model, or having recourse to a forced levy.

Olrich Resigns From Treasury Post

Resignation of Ernest L. Olrich as Assistant to the Secretary in charge of the Procurement Division was announced by the Treasury Department on Nov. 14. Mr. Olrich informed Secretary Morgenthau that it was essential that he return to the Presidency of Munsingwear, Inc., of Minneapolis, from which position he took leave of absence to come to the Treasury last April. His resignation is effective Nov. 27. Mr. Olrich, it is announced, has had responsibility for organizing the unit of the Procurement Division in charge of disposing of consumer type goods declared surplus by the War and Navy Departments. Secretary Morgenthau said:

"I regret very much that developments in his own business have made it necessary for Mr. Olrich to leave us. In the few months he has been with the Treasury Department he has done an extraordinarily able job in developing in the Procurement Division the organization necessary to handle the tremendously difficult surplus disposal work. He has done this at the sacrifice of his own interest and at substantial personal expense. His has been a really fine patriotic contribution to the nation in time of war."

Mr. Olrich expressed great appreciation of the free hand given him by the Secretary in establishing the surplus disposal organization.

President Roosevelt in Message to CIO, Says We Must Keep on Producing for Fighters

In greetings to President Murray at the opening of the annual convention in Chicago on Nov. 20 of the Congress of Industrial Organizations, President Roosevelt declared that "we are united in this nation, united in a common cause against a common foe. That unity of purpose has brought us victory after victory. It will continue to do so until the war is won on all fronts. After that, it will help us to win a peace that will endure"

for the lasting benefit of mankind." He further said: "American men and women on assembly lines, at machines, in mines, at counters, in office work, on farms and those directing production, have, almost without exception, done everything humanly possible to help our brave fighters carry on against ruthless enemies." He noted that the job is not yet done, and that "we must, and I know we will keep turning out the weapons and materials needed by our fighters so that the war may be shortened."

The President's message to Mr. Murray follows:

"Please extend my hearty greetings to the officers and delegates attending your annual convention and my best wishes for a successful and constructive meeting. I am sorry but official duties, which, as you know are heavy these days, will prevent me from leaving Washington to attend your convention and from accepting your cordial invitation to address it.

"As I write this message our brave fighting men are giving their all on land, on sea, and in the air throughout the world so that when our enemies have been crushed the victors can return to a land of peace and well-being. They want the assurance that their sacrifices will not be in vain. They want an era of peace and good will for all peoples for all time.

"And we propose to give them those things, for to do any less would be to break faith with those who have been fighting our fight

and that of all liberty loving peoples so valiantly at such great cost in suffering, in wounds and in life itself. To do this means that we here at home must permit no letdown in our support of those who are proving once more that united free men in a vigorous democracy can always prevail over dictator ridden peoples.

"We are united in this nation, united in a common cause against a common foe. That unity of purpose has brought us victory after victory. It will continue to do so until the war is won on all fronts. After that it will help us to win a peace that will endure for the lasting benefit of mankind.

"American men and women on assembly lines, at machines, in mines, at counters, in office work, on farms, and those directing production have, almost without exception, done everything humanly possible to help our brave fighters carry on against ruthless enemies. They have supplied them with matchless guns, tanks, planes and ships in record quantities and with unstinted ammunition and ample supplies. It has been a job of which workers, management and farmers may well feel proud.

"That job is not yet done, however. We must, and I know we will, keep turning out the weapons and materials needed by our fighters so that the war may be shortened, lives saved and our boys returned at the earliest possible moment to their homes and loved ones.

"Very sincerely yours,
"FRANKLIN D. ROOSEVELT."

Greater Participation of Ill.-Wisc. Savings And Loan Ass'n Looked for in 6th War Loan

Sixth War Loan participation by the Illinois and Wisconsin savings, building and loan associations surpassing performance in any previous drive was foreseen by A. R. Gardner, President of the Federal Home Loan Bank of Chicago, at a meeting at the bank's offices on Nov. 8 with the Chicago and Cook County Savings and Loan Committee and the State and local chairmen of the War Finance Committee. He said that in the Nov. 20-Dec. 16 drive these institutions will topple their previous \$45,235,000 record made during the Third War Loan 14 months ago, even though the national goal this time is less than it was then. The results of experience in handling their sales of bonds to the public and their purchase of Government securities for their own portfolios will be felt in their larger scale activity this time, Mr. Gardner predicted. Special emphasis upon the sale of series E bonds will be urged upon the savings and loan associations, he pointed out, in view of the Treasury's continued desire to have numerous individual purchasers figure more and more prominently in the absorption of the war loan obligations. In the last drive, the Fifth War Loan, the associations' \$42,347,395 participation in this district was divided \$27,414,408 bought for their own account and \$14,932,896 sold to the public. It is the latter figure which they will be specially urged to increase.

At the meeting with Mr. Gardner, who is Chairman for the Cook County and Chicago Savings and Loan Committee for the Sixth War Loan, were Renslow Sherer, State Chairman of the War Finance Committee, and F. M. Knight, local Chairman, and other members of the savings and loan committee, including Arthur G. Erdmann, President, Bell Savings and Loan Association; Joseph M. Mozeris, Secretary, Keistute Savings and Loan Association; Ed-

ward J. Czekala, President, National Savings and Loan Association; Joseph J. Jaros, Czechoslovakian Savings and Loan League; Col. John B. Reynolds, President, Chicago Federal Savings and Loan Association, and John A. Feaman, President, Illinois Federal Savings and Loan Association.

Ex-Senator Brookhart Dead

The death occurred on Nov. 15 at Prescott, Ariz., of Smith W. Brookhart, for eight years United States Senator from Iowa and one of the foremost champions of the American farmer. He recently became a patient at the United States Veterans Hospital at Whipple, near Prescott.

Senator Brookhart, who was 75 years of age, was born in Missouri, and early in life studied law, being admitted to the bar in 1892, said the Associated Press, from which we also quote:

"Three years later he became Washington County (Iowa) attorney. He did not hold public office again until 1922, when he went to the Senate and immediately allied himself with the Farm Bloc.

"He was an early advocate of recognition of Russia and of cooperative farming. Although a Republican, he opposed the Harding-Coolidge Administration on some legislation, and in 1924, when he sought reelection and apparently had won by a close vote, his opponent contested it. The Senate finally decided in favor of Daniel F. Steck, the Democratic candidate.

The State of Trade

(Continued from page 2378)

expected that this tonnage will be supplied despite competition with shell steel for hot topping facilities. This will mean a step-up of present steel rail output levels," the magazine observed.

An increase in shell steel production of about 5,000 tons a month is looked for, starting in January, with prospects that in May of next year shell steel demand will exceed monthly capacities for that item by some thousands of tons. The rapid turn of events abroad may require subsequent changes in various parts of the shell steel program. For this reason it is believed that any obstacle in the way of full and rapid shell steel output will definitely be removed until such time as requirements of the armed forces are adequately met.

Makers of shell steel and rails as well as structural steel see heavy orders ahead for early next year. This enthusiasm, however, is not shared by some flat rolled producers, who have lost, and will lose additional steel plate tonnage. Heretofore as one contract was canceled there have been two or three to take its place on the wide strip mills, but this is not the case in all areas now.

Pessimism on the part of some flat rolled makers as to the future may be premature, stated "The Iron Age," since other areas indicate that pressure for sheet deliveries will now be shared by both hot and cold rolled sheets, whereas demand had been almost entirely for the former. Currently hot rolled sheets are somewhat easier to supply from an overall basis. A sign that sheet deliveries are generally better may be found in the substantial decline in delivery complaints for this item.

Maritime Commission requirements, written off many times in the past only to rise again, appear to have finally and definitely run their course. Contracts rapidly nearing completion are not being renewed. Otherwise the war production picture is mixed with some contract reductions and cancellations and other new commitments.

Cancellation by the Army of 634 of the 1,226 Bailey bridges scheduled for 1945 output is offset by the Navy Bureau of Yards and Docks' award of 500 two-story barracks requiring 26,000 tons of structural steel. Increases in certain bomb and armor-piercing shot contracts which will involve tonnages of both carbon and alloy steels were noted by the magazine.

On the export front, "The Iron Age" reported, the WPB will shortly issue letters of intent for production of 700 locomotives for use in France. The War Department and the WPB are expected soon to grant permission to go ahead with this order. The order for passenger and freight cars for French use has been held up.

Advices from official French sources in this country last week indicate that France's industrial comeback depends entirely upon the rehabilitation of its main railroad lines as well as interconnecting links. Until such time as her transportation system is restored, France's industrial cities, including steel centers, will make slow progress in regaining regular output. In view of the urgency of the case permission on French purchases may materialize sooner than is generally expected.

Most scrap markets this week followed up last week's advances in price with further increases. Some areas claim that prices are heading for the ceiling level. "The Iron Age" steel scrap composite price is up \$1 a gross ton this week to \$17.08 a gross ton.

The American Iron and Steel Institute announced last Monday that the operating rate of steel companies (including 94% of the

industry) will be 96.3% of capacity for the week beginning Nov. 27, compared with 95.4% one week ago. This week's operating rate is equivalent to 1,732,400 net tons of steel ingots and castings, compared with 1,716,200 net tons last week and 1,734,200 tons one year ago.

Electric Production—The Edison Electric Institute reports that the output of electricity increased to approximately 4,450,047,000 kwh. in the week ended Nov. 18 from 4,396,595,000 kwh. in the preceding week. The latest figures approximate a decline of 1.4% from the level of one year ago, when output reached 4,513,299,000 kwh.

Consolidated Edison Co. of New York reports system output of 181,300,000 kwh. in the week ended Nov. 19, 1944, comparing with 218,900,000 kwh. for the corresponding week of 1943, or a decrease of 17.2%.

Local distribution of electricity amounted to 173,400,000 kwh., compared with 214,900,000 kwh. for the corresponding week of last year, a decrease of 17.9%.

Railroad Freight Loading—Carloadings of revenue freight for the week ended Nov. 18 totaled 864,373 cars, the Association of American Railroads announced. This was an increase of 24,884 cars, or 3% above the preceding week this year, but a decrease of 17,914 cars, or 2% below the corresponding week of 1943. Compared with a similar period in 1942, an increase of 27,611 cars, or 3.3%, is shown.

Coal Production—According to latest reports, the House Ways and Means Committee voted 15 to 9, on Friday last, against considering legislation reviving regulation of the bituminous coal industry. By so doing, it went contrary to the recommendation of the President to continue United States control of coal. The U. S. Bureau of Mines reports production of Pennsylvania anthracite for week ended Nov. 18, 1944, at 1,249,000 tons, an increase of 91,000 tons (7.9%) over the preceding week, and an increase of 36,000 tons, or 3% above the corresponding week of 1943. The 1944 calendar year to date shows an increase of 7.3% when compared with corresponding period of 1943.

The report of the Solid Fuels Administration placed bituminous production for the week ended Nov. 18 at 12,180,000 net tons, a sharp increase over the output in the partial-holiday week preceding, which totaled 10,660,000 net tons. Production in the corresponding week of last year amounted to 12,974,000 net tons, while output for Jan. 1 to Nov. 18, 1944, totaled 553,630,000 net tons, an increase of 6.9% over the 517,796,000 tons mined in the same 1943 period.

Estimated production of beehive coke in the United States for the week ended Nov. 18, 1944, as reported by the same source, showed a decrease of 400 tons when compared with the output for the week ended Nov. 11, last. There was also a decrease of 51,000 tons for the corresponding week of 1943.

Lumber Shipments—The National Lumber Manufacturers Association reports that lumber shipments of 503 reporting mills were 4.2% above production for the week ended Nov. 18, while new orders of these mills are equivalent to 34 days' production for the same period. Unfilled order files amounted to 87% of stocks.

For 1944 to date, shipments of reporting identical mills exceeded production by 2.7% and orders ran 3.9% above output.

Compared to the average corresponding week of 1935-39, pro-

duction of reporting mills was 28.0% greater, shipments 34.8% greater, and orders 21.0% greater.

Crude Oil Production—Daily average gross crude oil production for the week ended Nov. 18, as estimated by the American Petroleum Institute, was 4,738,850 barrels. This represented an increase of 11,450 barrels per day over the preceding week, and 18,350 barrels in excess of the daily average figure recommended by the Petroleum Administration for War for the month of November, 1944. When compared with the corresponding week last year, crude oil production was 324,450 barrels per day higher. For the four weeks ended Nov. 18, 1944, daily output averaged 4,731,750 barrels.

Reports from refining companies indicate that the industry as a whole ran to stills (on a Bureau of Mines basis) approximately 4,567,000 barrels of crude oil daily and produced 14,579,000 barrels of gasoline. Kerosene output totaled 1,479,000 barrels, with distillate fuel oil placed at 4,436,000 barrels and residual fuel oil at 8,324,000 barrels during the week ended Nov. 18, 1944. Storage supplies at the week-end totaled 78,741,000 barrels of gasoline, 14,137,000 barrels of kerosene, 48,017,000 barrels of distillate fuel, and 63,301,000 barrels of residual fuel oil.

Paper Production—Paper production for the week ended Nov. 18 was at 91.7% of capacity, as against 92.3% of capacity in the preceding week, the American Paper and Pulp Association's index of mill activity disclosed. The rate during the week ended Nov. 23 last year was 91.4% of capacity. As for paperboard, production for the same period was reported at 96% of capacity, unchanged from the previous week.

Silver—The London market for silver the past week was unchanged at 23½d. The New York Official for foreign silver continued at 44¾ cents, with domestic silver at 70¢ cents.

1945 Meat Output Estimate—Predictions of the Agriculture Department place 1945 meat production at 2,000,000,000 pounds less this year—or about 8%—as a result of livestock liquidation. According to the Department's forecast, production in 1946 is expected to drop still lower. The continued heavy demand, it is felt, will operate to hold meat prices close to ceiling levels. Meat production for 1945 is expected to total 24,500,000,000 pounds, dressed meat basis.

Wool Consumption in September—Domestic consumption of apparel wool, on a greasy shorn basis, totaled 80,451,000 pounds last September, as compared with 90,431,000 in August and 88,519,000 in September, 1943, the New York Cotton Exchange reported the past week.

For the first nine months of this year consumption on a greasy shorn basis totaled 786,279,000 pounds, against 863,980,000 pounds in the 1943 period.

September consumption, on a scoured basis, was 43,575,000 pounds, against 48,746,000 pounds in August and 47,230,000 pounds in September, 1943. The figures for nine months were 431,298,000 pounds last Sept. 30 against 455,735,000 pounds in the 1943 period.

Cotton Spinning in October—The cotton spinning industry operated in October at 117.4% of capacity, compared with 122.3% in September this year and 129.5% for October, 1943, the Census Bureau disclosed recently.

Spinning spindles in place on Oct. 31 totaled 23,138,762, of which 22,228,138 were active at some time in the month, as against 22,279,574 active in September this year and 22,599,574 in October last year. Active spindles hours in October totaled 9,486,971,017, or an average of 400 hours a spindle in

place, compared with 9,380,598,254 and 404 in September this year and 10,069,332,601 and 432 in October last year.

Furniture Bookings in October—Many furniture manufacturers in October accepted an unusual amount of bookings for future delivery in anticipation of further relaxations of Government controls, Seidman & Seidman, accountants for the trade, reported on Friday, last.

October bookings, states the above source, were 22% ahead of September, the largest September-October increase in the history of the industry. The increase above October, 1943, amounted to 35%.

Production of furniture in October was 5% above the previous month and the corresponding 1943 period. Output for the initial 10 months of 1944, however, ran 5% below a year earlier.

Wholesale and Retail Trade—Volume of retail sales throughout the nation the past week were placed at 7% to 10% above last year by Dun & Bradstreet, Inc. Early Christmas shopping again worked toward increased sales, the major portion of the rise being due to this factor. The anticipation of the Thanksgiving holiday also stimulated sales of food products.

Special "small gift" departments, accessories, lingerie, novelty jewelry and cosmetics departments did an excellent business in the week. Sales of Christmas cards, stationery and holiday candles were in great demand, while stocks showed signs of quick depletion.

Limited assortments of domestic china and glassware were available and were bought up quickly, according to the trade review. Curtain and drapery departments revealed a sales volume 10% better than for the same period a year ago, notwithstanding shortages in many popular items. The turnover was rapid and unit sales high.

A high sales volume was also noted in piece goods departments, with silks, woolens and cottons sharing in the rise. It was reported that the "sew-at-home" trend evident of late in women's apparel was mainly accountable for the upturn.

Wholesale volume likewise was well above a year ago the past week. The bulk of trading was in reorders of holiday lines where still possible. In apparel lines, especially, a policy of longer range purchasing instituted to overcome slow deliveries prompted placements of many large initial spring orders.

Quiet ruled in house furnishing markets the past week. Replacement demand of holiday items ran high, but supplies were inadequate. Glassware and cooking utensils were especially popular.

Cotton shag rugs for bedrooms as well as bathrooms sold well, while hampers, vanity tables and chairs, kitchen stools and other unpainted furniture were ordered freely. Deliveries on all woodenware generally are scheduled for from four to six months.

Percentage increases on a regional basis for the week were: New England, 9 to 11%; East, 5 to 10%; Middle West, 6 to 8%; Northwest, 7 to 9%; South, 9 to 12%; Southwest, 6 to 9%, and Pacific Coast, 10 to 15%.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, were 12% ahead of a year ago for the week ended Nov. 18. This compared with 9% in the preceding week. For the four weeks ended Nov. 18, 1944, sales increased by 10%. A 9% increase in department store sales for the year to Nov. 18, 1944, over 1943, was also noted.

Retail trade in New York the past week made good progress despite bad weather. Department store volume was well ahead of a

Death of Senator "Cotton Ed" Smith

Senator Ellison Durant ("Cotton Ed") Smith, 80-year-old Democrat from South Carolina, and veteran of 35 years in the Senate, died on Nov. 17. Mr. Smith was a bitter foe of the New Deal, and throughout his long career had preached states rights. He fought vigorously for improvements in the cotton and agricultural fields, which in his later years resulted in his appointment as Chairman of the Senate Agricultural Committee. Associated Press advices from Washington Nov. 17 said:

"He was author of the Smith-Lever Act which curbed dealing in cotton futures on commodity exchanges. He proposed a cotton-pool plan, claimed the paternity of the reduction-of-acreage idea and was one of the first to plow under a proportion of his cotton, although as a Senator he could not be paid for this.

"A monument that he was proud of was the legislation creating the Wilson Dam at Muscle Shoals, primarily intended to create nitrate during the first World War; but which later was said to be the forerunner of the larger Norris Dam and the whole TVA project. During the Harding Administration, because of a deadlock, he was elected Chairman of the important Interstate Commerce Committee.

"Senator Smith by last August had served longer in the Senate than any other member in history—35 years. He was defeated for renomination to a seventh term last summer by Gov. Olin D. Johnston, who was elected Nov. 7.

"He won his nickname, Cotton Ed—a cognomen he loved—by campaigning on a platform promise of helping the cotton farmers of the South and by unceasing efforts to carry out his promises by legislation."

After a fifteen-minute session entirely devoted to eulogies of Senator Smith, the Senate adjourned on Nov. 20 until the next day, said special Washington advices to the New York "Times" on Nov. 20, which also stated:

"Although a funeral service was held yesterday in the former Senator's home town of Lynchburg, S. C., his confrere, Senator Burnet R. Maybank, told the legislators that, as there had not been time for an official group to attend, a committee named informally by Vice President Wallace had made the trip to Lynchburg for that purpose. He thereupon submitted the resolution proposing adjournment in respect of his memory.

year ago, according to the New York "Times," the gain ranging to 18% or more for some stores. Merchandise assortments were still favorable, but shortages that are expected to grow acute in mid-December are already making their appearance.

Wholesale markets were not lacking in buyer attendance, but many of them were more concerned in checking deliveries on old orders than in placing new ones.

The garment trades awaited further steps by the OPA in making low-priced clothing available, following announcement of dollars-and-cents ceilings on children's and infants' low-end apparel. Orders for women's spring suits continued heavy.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Nov. 18 increased by 8% over the same period of last year. This compared with 10% in the preceding week. For the four weeks ended Nov. 18 sales rose by 10%, and for the year to Nov. 18 they improved by 9%.

Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES† (Based on Average Yields)									
1944— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
Nov. 27	119.86	113.12	118.80	117.60	113.31	103.97	108.16	113.70	118.00
27	119.87	113.12	118.80	117.40	113.31	103.97	108.16	113.70	118.00
25	119.93	113.12	118.80	117.40	113.12	103.80	108.16	113.70	117.80
24	119.93	112.93	118.60	117.20	113.12	103.80	107.98	113.50	117.80
23	119.95	112.93	118.60	117.20	113.12	103.80	107.98	113.70	117.80
22	119.95	112.93	118.60	117.20	113.12	103.64	107.98	113.50	117.80
21	119.99	112.93	118.80	117.20	113.12	103.64	107.98	113.50	117.80
20	119.99	112.93	118.80	117.20	113.12	103.64	107.80	113.50	117.60
18	119.97	112.93	118.60	117.20	113.12	103.64	107.80	113.50	117.60
17	119.97	112.93	118.60	117.20	113.12	103.64	107.62	113.50	117.60
16	119.92	112.93	118.60	117.00	112.93	103.47	107.62	113.31	117.60
15	119.86	112.75	118.40	117.00	112.93	103.47	107.62	113.31	117.40
14	119.80	112.75	118.40	117.00	112.93	103.30	107.62	113.31	117.40
13	119.80	112.75	118.40	117.00	112.93	103.30	107.62	113.31	117.40
11	119.77	112.75	118.40	117.00	112.93	103.30	107.62	113.31	117.40
10	119.73	112.56	118.40	116.80	112.93	103.30	107.62	113.12	117.40
9	119.77	112.56	118.20	116.80	112.93	103.30	107.62	113.12	117.20
8	119.77	112.56	118.20	116.80	112.93	103.30	107.62	113.12	117.20
7	119.67	112.56	118.40	116.80	112.93	103.30	107.62	113.31	117.20
6	119.55	112.75	118.40	116.80	112.93	103.47	107.62	113.31	117.20
4	119.55	112.75	118.40	116.80	112.93	103.47	107.62	113.31	117.20
3	119.55	112.75	118.40	116.80	112.93	103.47	107.62	113.31	117.20
2	119.55	112.56	118.40	116.80	112.93	103.30	107.44	113.31	117.20
1	119.55	112.56	118.40	116.80	112.93	103.30	107.62	113.31	117.20
Oct. 27	119.33	112.56	118.40	116.61	112.93	103.47	107.62	113.50	117.20
20	119.55	112.75	118.60	116.80	112.93	103.64	107.44	113.50	117.40
13	119.61	112.75	118.60	117.00	112.93	103.47	107.27	114.08	117.20
6	119.52	112.75	118.60	117.00	112.75	103.30	106.92	114.08	117.20
Sep. 29	119.50	112.56	118.60	116.80	112.56	103.13	106.74	114.08	117.00
22	119.22	112.56	118.60	117.20	112.37	103.13	106.74	114.08	117.20
15	119.42	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.20
8	119.48	112.56	118.80	117.20	112.00	103.13	106.74	114.27	117.00
1	119.81	112.56	118.80	117.20	112.00	103.13	106.74	114.27	117.20
Aug. 25	119.89	112.75	118.80	117.40	112.19	103.30	106.74	114.27	117.20
18	119.84	112.56	118.60	117.20	112.37	103.30	106.92	114.08	117.20
11	119.84	112.56	118.60	117.00	112.37	103.30	106.92	114.08	117.20
4	120.08	112.56	118.60	117.00	112.19	103.30	106.74	114.08	117.20
July 28	120.10	112.37	118.60	116.80	112.19	103.13	106.56	114.27	117.00
June 30	120.15	112.37	118.60	116.80	112.00	102.80	106.04	113.89	117.40
May 26	119.66	112.19	118.40	116.80	111.81	102.30	105.86	113.89	117.00
Apr. 28	119.35	111.81	118.40	116.61	111.62	101.47	105.34	113.70	116.41
Mar. 31	119.68	111.44	118.20	116.41	111.25	100.81	104.66	113.70	116.22
Feb. 25	120.21	111.25	118.20	116.41	111.07	100.32	104.31	113.50	116.22
Jan. 28	119.47	111.07	118.20	116.22	111.07	100.16	104.14	113.31	116.41
High 1944	120.44	113.12	118.80	117.60	113.31	103.97	108.16	114.27	118.00
Low 1944	119.20	110.70	118.20	116.22	110.88	99.04	103.30	113.12	116.02
High 1943	120.87	111.44	119.41	117.00	111.81	99.36	103.47	114.27	117.40
Low 1943	116.85	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46
1 Year Ago Nov. 27, 1943	119.69	110.52	118.40	115.63	110.88	98.73	102.96	113.31	115.82
2 Years Ago Nov. 28, 1942	116.78	107.27	117.00	113.89	108.70	91.91	96.69	111.81	114.46

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices)									
1944— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
Nov. 27	1.85	3.00	2.71	2.77	2.99	3.51	3.27	2.97	2.75
27	1.85	3.00	2.71	2.78	2.99	3.51	3.27	2.97	2.75
25	1.84	3.00	2.71	2.78	3.00	3.52	3.27	2.97	2.76
24	1.84	3.01	2.72	2.79	3.00	3.52	3.28	2.98	2.76
23	1.84	3.01	2.72	2.79	3.00	3.52	3.28	2.97	2.76
22	1.84	3.01	2.72	2.79	3.00	3.53	3.28	2.98	2.76
21	1.84	3.01	2.72	2.79	3.00	3.53	3.28	2.98	2.76
20	1.84	3.01	2.71	2.79	3.00	3.53	3.28	2.98	2.76
18	1.84	3.01	2.72	2.79	3.00	3.53	3.29	2.98	2.77
17	1.84	3.01	2.72	2.79	3.00	3.53	3.29	2.98	2.77
16	1.84	3.01	2.72	2.80	3.00	3.53	3.30	2.98	2.77
15	1.85	3.02	2.73	2.80	3.01	3.54	3.30	2.99	2.77
14	1.85	3.02	2.73	2.80	3.01	3.55	3.30	2.99	2.78
13	1.85	3.02	2.73	2.80	3.01	3.55	3.30	2.99	2.77
11	1.86	3.02	2.73	2.80	3.01	3.55	3.30	2.99	2.78
10	1.86	3.03	2.73	2.81	3.01	3.55	3.30	2.99	2.78
9	1.86	3.03	2.73	2.81	3.01	3.55	3.30	2.99	2.78
8	1.83	3.03	2.74	2.81	3.01	3.55	3.30	2.99	2.79
7	1.86	3.03	2.73	2.81	3.01	3.55	3.30	2.99	2.79
6	1.87	3.02	2.73	2.81	3.01	3.54	3.30	2.99	2.79
4	1.87	3.02	2.73	2.81	3.01	3.54	3.30	2.99	2.79
3	1.87	3.03	2.73	2.81	3.01	3.55	3.31	2.99	2.79
2	1.87	3.03	2.73	2.81	3.01	3.55	3.30	2.99	2.79
1	1.87	3.03	2.73	2.81	3.01	3.55	3.30	2.99	2.79
Oct. 27	1.89	3.03	2.73	2.82	3.01	3.54	3.30	2.98	2.79
20	1.86	3.02	2.72	2.81	3.01	3.53	3.31	2.98	2.78
13	1.85	3.02	2.72	2.80	3.01	3.54	3.32	2.95	2.79
6	1.85	3.02	2.72	2.80	3.02	3.55	3.34	2.95	2.79
Sep. 29	1.84	3.03	2.72	2.81	3.03	3.56	3.35	2.95	2.80
22	1.86	3.03	2.72	2.79	3.04	3.56	3.35	2.95	2.79
15	1.83	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.79
8	1.84	3.03	2.71	2.79	3.06	3.56	3.35	2.94	2.80
1	1.81	3.03	2.71	2.79	3.06	3.56	3.35	2.94	2.79
Aug. 25	1.81	3.02	2.71	2.78	3.05	3.55	3.35	2.94	2.79
18	1.81	3.03	2.72	2.79	3.04	3.55	3.34	2.95	2.79
11	1.81	3.03	2.72	2.80	3.04	3.55	3.34	2.95	2.79
4	1.79	3.03	2.71	2.80	3.05	3.55	3.35	2.95	2.79
July 28	1.79	3.04	2.72	2.81	3.05	3.56	3.36	2.94	2.80
June 30	1.79	3.04	2.72	2.81	3.06	3.56	3.39	2.96	2.80
May 26	1.84	3.05	2.73	2.81	3.07	3.61	3.40	2.96	2.80
Apr. 28	1.86	3.07	2.73	2.82	3.08	3.66	3.47	2.97	2.83
Mar. 31	1.83	3.09	2.74	2.83	3.10	3.70	3.47	2.97	2.84
Feb. 25	1.81	3.10	2.74	2.83	3.11	3.73	3.49	2.98	2.84
Jan. 28	1.87	3.11	2.74	2.84	3.11	3.74	3.50	2.99	2.85
High 1944	1.87	3.13	2.74	2.84	3.12	3.81	3.55	3.00	2.83
Low 1944	1.77	3.00	2.71	2.77	2.99	3.51	3.27	2.94	2.75
High 1943	2.08	3.31	2.81	2.96	3.23	4.25	3.93	3.07	2.93
Low 1943	1.79	3.09	2.68	2.80	3.07	3.79	3.54	2.94	2.78
1 Year Ago Nov. 27, 1943	1.86	3.14	2.73	2.87	3.12	3.83	3.57	2.99	2.86
2 Years Ago Nov. 28, 1942	2.09	3.32	2.80	2.96	3.24	4.28	3.96	3.07	2.93

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

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

Indianapolis Papers Up Price

INDIANAPOLIS, Nov. 27 (AP)—The three daily newspapers in Indianapolis announced price increases to subscribers on Nov. 27, according to Associated Press advices from that city, which said mounting production costs were given as the reason. The "News" and "Times" (afternoon) raised single copy price a cent to 5 cents and the carrier price 2 cents to 20 cents a week. The "Star" (morning) increased single copy price 1 cent to 5 cents and the weekly carrier price 5 cents to 35 cents. This includes the Sunday edition. The Sunday edition was raised to 15 cents from 12 cents a copy.

President Welcomed To Washington on Return from Hyde Park

Following his re-election on Nov. 7 for a fourth term, President Franklin D. Roosevelt left his Hyde Park, N. Y., home on Nov. 9 for Washington, where he was given a signal welcome on Nov. 10, despite the rains and winds of the day. Before leaving Hyde Park on Nov. 8 the President, commenting on the result of the election, asserted that "we have again demonstrated to the world that democracy is a living, vital force." His comments were contained in a statement by him distributed by Presidential Secretary Stephen Early, as follows:

"For the first time in 80 years we have held a national election in the midst of war.

"What is really important is that after all of the changes and vicissitudes of fourscore years, we have again demonstrated to the world that democracy is a living, vital force, that our faith in American institutions is unshaken, that conscience and not force is the source of power in the government of man.

"To that faith let us unite to win the war and to achieve a lasting peace."

As to the welcome accorded the President with his arrival in Washington on Nov. 10, the Associated Press said:

Preceded by a Flying V (for victory) of 50 motorcycle policemen, the President grinned and waved from the back seat of an open car to the umbrella-toting throngs which surged against four and a half miles of cable and rope along the route of his triumphal procession from Union Station to the White House.

The rain pattered out to a drizzle as Mr. Roosevelt leaned toward a battery of microphones at a stop in the Union Station plaza to thank the people for "this very wonderful welcome home."

Acting Secretary of State Edward R. Stettinius, Jr., handed the President a scroll renewing the pledge of Federal employees to their chief regardless of party affiliations.

Vice-President Wallace and Senator Harry S. Truman, the man who will succeed him in the No. 2 spot Jan. 2, rode with the Chief Executive to the White House, where Mr. Roosevelt has spent nearly a fifth of his life.

A night-long rain almost stopped as the President paused to wave to the crowd and speak briefly into radio microphones at the station. No amplification system had been installed and only those very close were able to hear.

The text of Mr. Roosevelt's informal remarks to the station crowd was transcribed by a member of the Presidential staff as follows:

"This is a very wonderful welcome home that you have given me on this rather rainy morning—a welcome that I shall always remember. And when I say a welcome home, I hope that some of the scribes in the papers won't intimate that I expect to make Washington my permanent residence for the rest of my life.

"All these years—eight in the Navy Department, 12 in the White House, and four to come—will have a great effect on Washington. The city is very different from the Washington I first came to in the first administration of President Cleveland. I go back—Russ Young (District of Columbia Commissioner) and I go back, I think—to Cleveland's first administration, because we are the same age.

"So I want to tell you how glad I am to be here and say one word to you—especially the Government workers—for all that you

are doing to win this war. And when I say especially Government workers, I don't overlook all the other people in the city who make it possible for them to come here and live here and work here.

"So thanks very much."

The President made his annual pilgrimage to the Tomb of the Unknown Soldier in Arlington National Cemetery on Nov. 11. He did not, however, make any address. Regarding the pilgrimage, the Associated Press (Nov. 11) stated:

Standing beside Henry L. Stimson, Secretary of War

Steel Operations Near Recent Peaks—Plate Directives to Be Cut Again—Scrap Stronger

"For the time being at least, urgent war needs and a substantial backlog to pick from have enabled the steel industry this week to continue a steel production and steel finishing level not far under recent peaks," states "The Iron Age" in its issue of today (Nov. 30), which further adds in part: "All-time highs have been passed and the pressure for overall deliveries is not as pressing as it was a few months ago, but there are still several steel items on which deliveries are tight. Deliveries by the end of the first quarter of 1945 may be easier. For the next few months, however, emphasis will remain on the production of heavy shell steel, small arms ammunition and Navy building requirements."

"While steel plate directives have and will be cut further, and while the Maritime Commission has substantially reduced its current orders for plates, the belief is growing in some circles that the Maritime Commission's shipbuilding program will by no means be completed by the middle of next year. At the present time the Commission's program is continuing but the seeming paradox in the falling off of Maritime steel orders is due more to a balancing out of shipyard inventories accompanied with close control than it is to any current drop in the rate of shipbuilding."

"Railroad news features a report that the New York Central has placed orders for 200 diesel locomotives with General Motors, Electro-Motive Division. The Illinois Central RR. is planning 14 streamliners in its post-war fleet instead of the four presently in use. Revision of the Army 1944 railroad car program provides for completion of 38,782 units by the end of this year. The 1945 Army program calls for 26, 170 units, of which 15,700 are under suspension. The New York Central has placed 1,000 70-ton gondolas with its Dispatch Shop and Santa Fe has ordered 500 50-ton box cars from Pullman Standard subject to court authorization. The Erie RR. will take bids Dec. 12 on 500 50-ton box cars, and the Navy is inquiring for 100 50-ton steel sheathed box cars. Further Brazilian inquiries are also on the books. An order involving about 50,000 tons of sheet steel piling and accessories has been placed and was divided between Carnegie-Illinois Steel Corp., Bethlehem Steel Co., and Inland Steel Co."

"Although the Iron Age steel scrap composite price is unchanged this week at \$17.08 a gross ton, markets are definitely

stronger with many grades other than No. 1 heavy melting having advanced in price."

The American Iron and Steel Institute on Nov. 27 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 96.3% of capacity for the week beginning Nov. 27, compared with 95.4% one week ago, 94.9% one month ago and 99.5% one year ago. The operating rate for the week beginning Nov. 27 is equivalent to 1,732,400 tons of steel ingots and castings, compared to 1,716,200 tons one week ago, 1,707,200 tons one month ago and 1,734,200 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Nov. 27 stated in part as follows:

"General tightening in all major steel products is noted as a result of broader needs for military supplies to support the increasing tempo of the invasion of Germany and requests from the High Command for increased shipments to the front."

"Pig iron consumption shows slight increase as foundries obtain a few more workers, though nothing like the force needed to meet castings demand. Some melters seek to add to inventories but restrictions on accumulating too great a supply still are in force. Meanwhile foundries are unable to accept all business offered and pent up demand continues to accumulate. Shortage of castings for the heavy truck program is a bottleneck, in war production, though some progress has been made in increasing output for this purpose. Contracting for first quarter is expected to start soon."

"Consumption of Lake Superior iron ore is at a lower rate than in 1943, the total for ten months being 73,274,120 gross tons, compared with 74,109,380 tons during the comparable period last year. September consumption totaled 7,319,948 tons, against 7,750,682 tons in Sept., 1943. Stocks at furnaces and Lake Erie ports Nov. 1 aggregated 45,342,562 tons, compared with 48,614,006 tons at the same date last year."

Civil Engineering Construction Volume \$23,189,000 for Week

Civil engineering construction volume for the short week due to the early closing for the Thanksgiving Day holiday totals \$23,189,000. This continental United States volume, not including the construction by military engineers outside the country, American contractors abroad, and shipbuilding, is below the \$29,400,000 reported to "Engineering News-Record" for the preceding week, and is 37% lower than in the corresponding 1943 week and 1% under the previous four-week moving average. The report made public on Nov. 22, continued as follows:

Private construction for the week is 385% higher than in the week last year. Public construction is down 52% due to the 30% decline in state and municipal volume, and the 53% decrease in Federal.

The current week's construction brings 1944 volume to \$1,600,543,000 for the 47 weeks, a decrease of 45% from the \$2,885,384,000 reported for the period in 1943. Private work \$337,207,000, is 25% lower than a year ago, and public construction, \$1,263,336,000, is shown 48% as a result of the 54% drop in Federal volume. State and municipal construction tops last year by 22%.

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

	Nov. 25, 1943 (four days)	Nov. 16, 1944 (five days)	Nov. 23, 1944 (four days)
Total U. S. construction	\$36,523,000	\$29,400,000	\$25,189,000
Private construction	1,294,000	9,650,000	6,277,000
Public construction	35,229,000	19,750,000	16,912,000
State and Municipal	1,592,000	5,861,000	1,112,000
Federal	33,637,000	13,889,000	15,800,000

In the classified construction groups, gains over the 1943 week are in industrial and commercial buildings, streets and roads, and unclassified construction. Public buildings is the only class of work to gain over a week ago. Subtotals for the week in each class of work are: waterworks, \$291,000; sewerage, \$369,000; industrial buildings,

\$2,912,000; commercial building and large-scale private housing, \$3,027,000; public buildings, \$7,262,000; earthwork and drainage, \$206,000; streets and roads, \$2,327,000; and unclassified construction \$6,795,000.

New capital for construction purposes for the week totals \$1,869,000. It is made up of \$1,269,000 in state and municipal bond sales, and \$600,000 in corporate security issues. The week's new financing brings 1944 volume to \$1,683,047,000, a total 45% below the \$3,065,104,000 reported for the 47-week 1943 period.

National Fertilizer Association Commodity Price Index Advances Fractionally

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on Nov. 27 advanced fractionally to 139.6 in the week ending Nov. 25 from 139.5 in the previous week. A month ago the index registered 139.8 and a year ago 135.0, based on the 1935-1939 average as 100. The Association's report continued as follows:

Last week's fractional advance in the all-commodity price index resulted primarily from higher quotations in the farm products and foods groups. The small increase in the livestock group was the result of slight gains for cattle. Lower prices for light weight hogs and lambs were not sufficient to offset the higher prices for cattle. Higher prices for wheat and rye caused a slight increase in the grains group. The foods group again moved into higher ground as higher prices were quoted for fluid milk and potatoes. Prices for raw cotton continued to trend slightly downward. However, this decrease was not sufficient to change the textiles index number. Advancing prices for scrap steel caused a fractional increase in the metals group. All other group indexes remained unchanged from the previous week.

During the week 7 price series in the index advanced and 3 declined; in the preceding week 5 price series advanced and 7 declined; and in the second preceding week 10 price series advanced and 4 declined.

% Each Group Bears to the Total Index	Group	Latest Preceding Week		Month Ago	Year Ago
		Nov. 25, 1944	Nov. 18, 1944		
25.3	Foods.....	143.9	143.7	143.5	140.8
	Fats and Oils.....	145.1	145.1	145.1	145.6
	Cottonseed Oil.....	163.1	163.1	163.1	159.6
23.0	Farm Products.....	164.2	164.1	166.1	152.3
	Cotton.....	202.8	203.2	203.4	185.4
	Grains.....	157.9	157.4	159.8	161.0
	Livestock.....	160.4	160.3	162.7	144.2
17.3	Fuels.....	130.4	130.4	130.4	122.4
10.8	Miscellaneous commodities.....	132.2	132.2	133.4	131.4
8.2	Textiles.....	155.0	155.0	155.0	149.7
7.1	Metals.....	105.6	105.5	104.0	104.4
6.1	Building materials.....	154.1	154.1	154.0	152.4
1.3	Chemicals and drugs.....	126.1	126.1	126.1	127.7
.3	Fertilizer materials.....	118.3	118.3	118.3	117.7
.3	Fertilizers.....	119.9	119.9	119.9	119.8
.3	Farm machinery.....	104.7	104.7	104.7	104.2
100.0	All groups combined.....	139.6	139.5	139.8	135.0

*Indexes on 1926-1928 base were: Nov. 25, 1944, 108.7; Nov. 18, 108.7; and Nov. 27, 1943, 105.2.

Electric Output for Week Ended Nov. 25, 1944 Declined 0.8% Below the Same Week in 1943

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Nov. 25, 1944 was approximately 4,368,519,000 kwh., compared with 4,403,342,000 kwh. in the corresponding week a year ago, a falling off of 0.8%. The output of the week ended Nov. 18, 1944, was 1.4% below that in the similar period in 1943.

Major Geographical Divisions—	Week Ended—			
	Nov. 25	Nov. 18	Nov. 11	Nov. 4
New England.....	1.7	0.9	1.7	*0.0
Middle Atlantic.....	*4.6	*5.2	*5.0	*4.0
Central Industrial.....	1.6	1.4	*0.7	0.5
West Central.....	7.1	7.0	3.6	2.6
Southern States.....	2.9	2.8	2.8	2.4
Rocky Mountain.....	*10.5	*12.6	*12.2	*10.6
Pacific Coast.....	*2.5	*4.3	*3.2	*0.3
Total United States.....	*0.8	*1.4	*1.9	*1.3

*Decrease under similar week in 1943.

Week Ended—	1944	1943	% Change over 1943	1942	1932	1929
Aug. 5	4,399,433	4,240,633	+ 3.7	3,637,070	1,415,122	1,729,667
Aug. 12	4,415,368	4,287,827	+ 3.0	3,654,795	1,431,910	1,733,110
Aug. 19	4,451,076	4,264,824	+ 4.4	3,673,717	1,436,440	1,750,056
Aug. 26	4,418,298	4,322,195	+ 2.2	3,639,961	1,464,700	1,761,594
Sept. 2	4,414,735	4,350,511	+ 1.5	3,672,921	1,423,977	1,674,588
Sept. 9	4,227,900	4,229,262	- 0.0	3,583,408	1,476,442	1,806,259
Sept. 16	4,394,839	4,358,512	+ 0.8	3,756,922	1,490,863	1,792,131
Sept. 23	4,377,339	4,359,610	+ 0.4	3,720,254	1,499,459	1,777,854
Sept. 30	4,365,907	4,359,003	+ 0.2	3,682,794	1,505,219	1,819,276
Oct. 7	4,375,079	4,341,754	+ 0.8	3,702,299	1,507,503	1,806,403
Oct. 14	4,354,575	4,382,260	- 0.6	3,717,360	1,528,145	1,798,633
Oct. 21	4,345,352	4,415,405	- 1.6	3,752,571	1,533,028	1,824,160
Oct. 28	4,358,293	4,452,592	- 2.1	3,774,891	1,525,410	1,815,749
Nov. 4	4,354,939	4,413,863	- 1.3	3,761,961	1,520,730	1,798,164
Nov. 11	4,396,595	4,482,665	- 1.9	3,775,878	1,531,584	1,793,584
Nov. 18	4,450,047	4,513,299	- 1.4	3,795,361	1,475,268	1,818,169
Nov. 25	4,368,519	4,403,342	- 0.8	3,766,381	1,510,337	1,718,002
Dec. 2	4,560,158	4,560,158		3,883,534	1,518,922	1,806,225

Inaugural of President Roosevelt for Fourth Term At White House Jan. 20

The inaugural of President Roosevelt for his fourth term on Jan. 20 is planned to be one of the simplest in recent times, and will take place at the south Portico of the White House. Reporting that a decision to that effect was announced by the Joint Congressional Committee in charge of the inauguration, headed by Senator Harry F. Byrd of Virginia, special Washington advices Nov. 14 to the New York "Times" said:

The shift from the usual pageantry in the plaza in front of the Capitol has been made in deference of wartime conditions, with the enthusiastic concurrence of the President. The Chief Executive's sentiments in the matter were disclosed a few days ago to

Col. Edwin A. Halsey, Secretary of the Senate, and David Lynn, Architect of the Capitol, who were detailed to consult him.

Following the meeting of the Joint Congressional Committee this afternoon the President expressed keen satisfaction with the verdict of the six Senators and Representatives, to scale both expenditures and display to a minimum.

He told his press conference that he understood \$25,000 had been allotted for expenses for the occasion and that he was convinced he could keep it to one-tenth the amount, or even below \$2,000. No stands will be required, he pointed out. By utilizing a wooden scaffold which is available at the White House and an iron one from the Capitol, no new construction will be necessary to accommodate photographers and the press, yet the sloping grounds will afford a clear view of the exercises, he said.

There will be no parade. The President was firm on that point. "It is understood that the President desires that the Congress, the Cabinet, the Supreme Court, the diplomatic corps and other distinguished guests, and the wives of those included, be invited to witness the ceremony," the committee said.

It has since been stated that the President's inaugural address will be restricted to a four or five minute talk. This was made known following a conference on Nov. 27 between the President and Senator Byrd, as to which special advices to the "Times" said:

Senator Byrd said that the ceremony would be "an economic one throughout." The President, in recently announcing the plan for holding the ceremony at the White House rather than at the Capitol, explained jokingly that it probably would cost only about one-tenth of the \$25,000 which had been appropriated to the committee, and observed that Senator Byrd was chairman of the committee.

Senator Byrd, who is also head of the Joint Committee on Reduction of Non-Essential Federal Expenditures, has long been a critic of Administration spending.

After today's meeting the White House issued a statement saying that a lack of liaison between the President and the Inaugural Committee accounted for the discrepancy between Mr. Roosevelt's and the committee's estimates of costs of the ceremony.

"The discrepancy between the amount of money appropriated by Congress for the inaugural ceremonies and that suggested by the President," the statement said "was clarified" at the meeting.

The President stated that he had not disclosed to Senator Byrd his suggestion of having the inaugural ceremonies at the White House before the time that made the usual appropriations for the ceremonies at the Capitol. The statement added:

"Expenses for the ceremonies at the White House will be less than if they had been held at the Capitol, and the President stated that he was glad to join in a program of economy in governmental expenditures."

Senator Byrd was accompanied to the White House by Edwin A. Halsey, Secretary of the Senate and Secretary of the Inaugural Committee, and David Lynn, architect of the Capitol.

With few exceptions, American Presidents have traditionally taken the oath of office on the Capitol portico since 1825, when John Quincy Adams was sworn in in the House chamber. Exceptions to the rule have been Presidents Fillmore, Hayes, Taft and Coolidge. The latter was sworn in by lamplight by his father at Plymouth, Vt., on receiving news of the death of President Harding.

Vice President-elect Harry S. Truman will take the oath at the same time and place as President Roosevelt, it was announced.

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 Nov. 18, 1944 is estimated at 12,180,000 net tons, a sharp increase over the output in the partial-holiday week preceding, and is 230,000 tons, or 1.9%, above that in the week ended Nov. 4, 1944. In the week of 1943, production of soft coal amounted to 12,974,000 net tons. During the calendar year through Nov. 18, 1944 output totaled 553,630,000 tons, a gain of 6.9% over the corresponding period in 1943.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Nov. 18, 1944 was estimated at 1,249,000 tons, an increase of 91,000 tons (7.9%) over the preceding week. When compared with the output in the corresponding week of 1943, there was an increase of 36,000 tons, or 3%. The calendar year to date shows an increase of 7.3% when compared with the same period of 1943.

The Bureau of Mines also reported that the estimated production of beehive coke in the United States for the week ended Nov. 18, 1944 showed a decrease of 400 tons when compared with the output for the week ended Nov. 11, 1944; and was 51,000 less than for the corresponding week of 1943.

Commodity	Week Ended			January 1 to Date		
	Nov. 18, 1944	Nov. 11, 1944	Nov. 4, 1944	Nov. 18, 1944	Nov. 11, 1944	Nov. 4, 1944
Bituminous coal and lignite	12,180,000	10,700,000	12,974,000	553,630,000	517,795,000	397,625,000
Total incl. mine fuel	12,499,000	10,700,000	12,974,000	553,630,000	517,795,000	397,625,000
Daily average	2,030,000	1,945,000	2,162,000	2,021,000	1,879,000	1,457,000

*Revised. †Subject to current adjustment. ‡Average based on 5.5 working days.

Commodity	Week Ended			Calendar Year to Date		
	Nov. 18, 1944	Nov. 11, 1944	Nov. 4, 1944	Nov. 18, 1944	Nov. 11, 1944	Nov. 4, 1944
Penn. anthracite	1,249,000	1,158,000	1,213,000	57,896,000	53,958,000	45,749,000
Total incl. coll. fuel	1,249,000	1,158,000	1,213,000	57,896,000	53,958,000	45,749,000
Commercial produc.	1,199,000	1,112,000	1,164,000	55,581,000	51,800,000	43,462,000
Beehive coke	116,800	117,200	167,800	6,438,900	6,977,900	2,982,900
United States total	116,800	117,200	167,800	6,438,900	6,977,900	2,982,900

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

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

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

State	Week Ended			
	Nov. 11, 1944	Nov. 4, 1944	Nov. 13, 1943	Nov. 13, 1937
Alabama	360,000	352,000	357,000	240,000
Alaska	7,000	7,000	8,000	2,000
Arkansas and Oklahoma	80,000	103,000	58,000	72,000
Colorado	151,000	153,000	154,000	152,000
Georgia and North Carolina	1,000	1,000	1,000	1,000
Illinois	1,196,000	1,484,000	1,460,000	1,107,000
Indiana	472,000	542,000	478,000	372,000
Iowa	42,000	53,000	52,000	76,000
Kansas and Missouri	188,000	184,000	179,000	138,000
Kentucky—Eastern	773,000	1,024,000	959,000	860,000
Kentucky—Western	324,000	392,000	335,000	188,000
Maryland	3,000	3,000	4,000	12,000
Michigan	3,000	89,000	109,000	70,000
Montana (bitum. & lignite)	83,000	35,000	37,000	29,000
New Mexico	62,000	60,000	77,000	62,000
North & South Dakota (lignite)	875,000	643,000	573,000	538,000
Ohio	2,705,000	2,695,000	2,486,000	2,017,000
Pennsylvania (bituminous)	114,000	148,000	158,000	125,000
Tennessee	3,000	2,000	4,000	17,000
Texas (bituminous & lignite)	137,000	129,000	106,000	81,000
Utah	302,000	380,000	378,000	280,000
Virginia	32,000	36,000	17,000	38,000
Washington	1,731,000	2,118,000	2,239,000	1,824,000
West Virginia—Southern	992,000	1,091,000	1,105,000	572,000
West Virginia—Northern	196,000	190,000	162,000	127,000
Wyoming	196,000	190,000	162,000	127,000
Other Western States	1,000	1,000	1,000	1,000
Total bituminous & lignite	10,700,000	11,950,000	11,534,000	9,032,000
Pennsylvania anthracite	1,158,000	1,138,000	1,090,000	1,002,000
Total, all coal	11,858,000	13,088,000	12,624,000	10,034,000

*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.

House Group Votes Against Bituminous Regulation

The House Ways and Means Committee on Nov. 24 voted 15 to 9 against considering legislation reviving regulation of the bituminous coal industry, says an Associated Press dispatch from Washington, D. C.

Wholesale Prices Practically Unchanged for Week Ended Nov. 18, Labor Dept. Reports

"Commodity prices at the primary market level were unusually steady during the week ended Nov. 18 with increases of only 0.1% recorded in three groups—farm products, fuel and lighting materials and chemicals and allied products," it was announced by the U. S. Department of Labor in its report released Nov. 23, which went on to say: "These slight increases did not affect the Bureau of Labor Statistics' index of all commodities. It remained unchanged at 104.1% of the 1926 average. Since about the middle of October prices for these commodities have risen 0.3% to a point 1.5% higher than at this time last year."

The report continued:

"Farm Products and Foods—Slightly higher prices for livestock, particularly steers, hogs and lambs, together with minor increases for wheat and cotton and a seasonal advance for eggs accounted for the increase of 0.1% in average prices for farm products during the week.

"Lower prices were reported for corn and rye, for calves and for apples and onions. In the past four weeks farm product prices have risen 1.4% and are 2.7% higher than for the corresponding week of last year."

"Average prices for foods in wholesale markets remained unchanged during the week. Seasonally higher prices for eggs and sweetpotatoes and an increase for fresh beef in the New York market were offset by lower prices for apples and for onions and potatoes at Chicago. Although prices for foods are 1% higher than at this time last month they are 0.7% lower than in mid-November a year ago."

"Industrial Commodities—Industrial commodity markets continued steady. Mercury again advanced 1.7% under strong demand while production continued to lag. Minor price declines were reported for certain farm machines because of the elimination of tools

and grease guns. Average prices for building brick rose 1.7% as a result of OPA action in raising ceiling prices in some areas in order to maintain current production. The usual elimination of seasonal discounts on potash fertilizers brought the index for chemicals and allied products up 0.1%.

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

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

The following tables show (1) index numbers for the principal groups of commodities for the past three weeks, for Oct. 21, 1944 and Nov. 20, 1944, and the percentage changes from a week ago, a month ago, and a year ago and (2) percentage changes in subgroup indexes from Nov. 11, 1944 to Nov. 18, 1944.

WHOLESALE PRICES FOR WEEK ENDED NOV. 18, 1944 (1926=100)

Commodity Groups	11-18 1944			11-11 1944			11-4 1944			10-21 1944			10-11 1944			10-21 1943		
	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	1944	
All commodities	104.1	104.1	104.1	103.8	103.8	103.8	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.6	
Farm products	124.5	124.4	124.0	122.8	121.2	121.2	+0.1	+1.4	+2.7									
Foodstuffs	104.9	104.9	104.4	103.9	105.6	105.6	0	+1.0	-0.7									
Textile products	116.7	116.7	116.7	116.7	118.4	118.4	0	0	-1.4									
Fuel and lighting materials	98.9	98.9	98.9	98.9	97.2	97.2	0	0	+1.7									
Metals and metal products	83.6	83.5	83.5	83.6	81.6	81.6	+0.1	0	+2.5									
Building materials	103.8	103.8	103.8	103.8	103.8	103.8	0	0	0									
Chemicals and allied products	116.4	116.4	116.4	116.3	113.0	113.0	0	+0.1	+3.0									
Housefurnishing goods	104.8	104.7	104.7	104.9	104.0	104.0	0	-0.1	+4.4									
Miscellaneous commodities	106.1	106.1	106.1	106.1	104.2	104.2	0	0	+1.8									
Raw materials	93.4	93.4	93.4	93.4	93.0	93.0	0	0	+4.4									
Semimanufactured articles	114.3	114.3	114.0	113.2	111.3	111.3	0	+1.0	+2.7									
Manufactured products	101.2	101.2	101.2	101.2	100.3	100.3	0	0	+0.9									
All commodities other than farm products	99.7	99.7	99.6	99.7	98.6	98.6	0	0	+1.1									
All commodities other than farm products and foods	98.9	98.8	98.8	98.9	97.5	97.5	+0.1	0	+1.4									

*Preliminary.

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM NOV. 11, 1944 TO NOV. 18, 1944

Subgroup	Increases		Decreases	
	Nov. 11, 1944	Nov. 18, 1944	Nov. 11, 1944	Nov. 18, 1944
Fertilizer materials	0.9	0.9	0.8	0.8
Livestock and poultry	0.5	0.5	0.2	0.2
Other foods	0.2	0.2	0.2	0.2
Brick and tile	0.4	0.4	0.8	0.8
Meats	0.2	0.2	0.8	0.8
Fruits and vegetables	0.6	0.6	0.8	0.8

Non-Ferrous Metals—Consumption of Copper Holds—Lead Demand Active—Quicksilver Up

"E. & M. J. Metal and Mineral Markets," in its issue of Nov. 23, stated: "Consumption of major non-ferrous metals in the final quarter of the current year will be larger in volume than most observers expected, owing to the intensity of the war effort. Cancellations have been fewer since October, and in some instances schedules actually have been stepped up. Use of copper during the current month is expected to approximate 127,000 tons, or at the same level as that established in October. Purchases of lead for December, covering both domestic and foreign metal, indicate that consumers may absorb close to 75,000 tons. Zinc consumption is holding at around 70,000 tons a month. Quicksilver furnished a rather price change, advancing \$1 per flask." The publication further went on to say in part:

Copper

Fabricators' statistics circulated last week indicate that 127,257 tons of copper were consumed in October, against 129,444 tons in September. Stocks of copper in the hands of fabricators at the end of October amounted to 324,483 tons, which compares with 325,181 tons a month previous. Invoicing for October accounted for a total of 127,618 tons of copper, of which 92,150 tons consisted of domestic metal and 35,468 tons foreign.

In reviewing metal and mineral problems recently at a meeting in El Paso, Texas, Philip D. Wilson, of WPB, said it has been estimated that after the war our domestic economy, including manufacturers for export, may absorb annually 1,000,000 tons of copper. Our unsubsidized domestic mine production today represents only three-fourths of that amount. He also disclosed that under the premium price plan the average cost of domestic copper today is about 13¢ per pound. Mr. Wilson thought it unlikely that the Government will adhere strictly to the 30-day cancellation privilege on "B" and "C" quotas and premiums. Basic "A" quotas would not be cancellable before July 31, 1945, unless the emergency were declared at an end.

WPB officials told members of the Brass Mill Industry Advisory Committee that forecasts indicate that November business in brass

Lead

Requests for foreign lead to supplement domestic metal purchased for shipment in December were large, according to Washington advices. Consumers asked for 33,000 tons, and it is believed that this total will be increased somewhat before the period for arranging for shipments finally ends. This points to total takings for next month (domestic and foreign lead) of about 75,000 tons. Some consumers have been adding to their inventories, the trade believes.

Sales of domestic lead for the week amounted to 10,321 tons.

Shipments of refined lead by domestic producers during October amounted to 42,303 tons, against 43,586 tons in September and 45,956 tons in October last year, according to the American Bureau of Metal Statistics. Production increased from 38,614 tons in September to 42,997 tons in October, the gain resulting from a larger tonnage of refined metal recovered from secondary and foreign material.

The September and October statistics of domestic producers of refined lead, in tons, are summarized as follows:

Category	Oct.	Sept.
	Stock at beginning	23,911
Production:		
Domestic	34,642	35,717
Secondary and foreign	8,355	2,897
	42,997	38,614
Domestic shipments	42,303	43,586
Stock at end	24,595	23,911

Industrial classification of domestic shipments of refined lead, in tons:

	Oct.	Sept.
Cable	7,870	8,252
Ammunition	2,509	2,120
Foil	494	450
Batteries	5,860	5,811
Brass mills	847	657
Sundries	6,677	5,389
Jobbers	1,061	446
*Unclassified	16,985	20,461
Totals	42,303	43,586

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

Zinc

Production and consumption of zinc are so nearly in balance that the industry finds it rather difficult to form an opinion on whether stocks at the end of November will show another gain or begin to move downward. Some observers feel that production has slumped a little, owing to manpower shortages, which might easily bring about a welcome drop in the huge surplus now on hand. Owing to the high rate of activity in the brass industry, consumption of zinc in that field remains substantial. Producers of Prime Western hope for greater activity in galvanizing next year.

Tin

A political revolt at Oruro, Bolivian mining center, was suppressed last week, according to press advices. Whether the disturbance interrupted production of tin concentrates is not known in local mining circles.

No relaxation of restrictions on the use of tin in the manufacture of hardware is possible in the near future, industry heads were informed by WPB. War uses of tin are not expected to decrease after the collapse of Germany, since bronze, babbitts, solders, and other high-tin alloys will be in increasing demand for maintenance and repair.

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

	Nov.	Dec.	Jan.
November 16	52,000	52,000	52,000
November 17	52,000	52,000	52,000
November 18	52,000	52,000	52,000
November 20	52,000	52,000	52,000
November 21	52,000	52,000	52,000
November 22	52,000	52,000	52,000

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

Quicksilver

Will the present heavy demand for quicksilver continue? That question puzzles both consumers and producers. Demands since August exceeded expectations and have been considerably above current production plus imports. Consumers claim that consumption in November remained high, but probably not quite up to the mark of recent months. Because of uncertainty in the demand-supply picture, most operators favor a conservative buying and selling policy. Producers, it is claimed, are unable to increase production, owing to weather conditions in mining areas and the labor shortage.

Because of regulations governing the disposal of surplus material, stockpile legislation and high-cost metal in the hands of Metals Reserve Co., the stockpile cannot be used to relieve the present "emergency." The Government owns between 85,000 and 100,000 flasks of quicksilver, according to estimates.

The New York market was quotable last week at \$118@120 per flask, an advance of \$1.

Silver

The London

Trading on New York Exchanges

The Securities and Exchange Commission made public on Nov 22 figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended Nov. 4, 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 Nov. 4 (in round-lot transactions) totaled 1,306,106 shares, which amount was 15.86% of the total transactions on the Exchange of 4,118,720 shares. This compares with member trading during the week ended Oct. 28 of 1,808,789 shares, or 18.47% of the total trading of 4,896,230 shares. On the New York Curb Exchange, member trading during the week ended Nov. 4 amounted to 303,475 shares, or 13.10% of the total volume on that exchange of 1,158,455 shares; during the Oct. 28 week trading for the account of Curb members of 371,810 shares was 14.18% of total trading of 1,311,720 shares.

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

WEEK ENDED NOV. 4, 1944			
A. Total Round-Lot Sales:	Total for week		%
Short sales	108,720		
Other sales	4,010,000		
Total sales	4,118,720		
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	336,390		
Short sales	35,020		
Other sales	288,960		
Total sales	323,980		8.02
2. Other transactions initiated on the floor—			
Total purchases	207,730		
Short sales	10,500		
Other sales	176,590		
Total sales	187,090		4.79
3. Other transactions initiated off the floor—			
Total purchases	104,400		
Short sales	23,240		
Other sales	123,276		
Total sales	146,516		3.05
4. Total—			
Total purchases	648,520		
Short sales	68,760		
Other sales	588,826		
Total sales	657,586		15.86

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

WEEK ENDED NOV. 4, 1944			
A. Total Round-Lot Sales:	Total for week		%
Short sales	13,240		
Other sales	1,145,215		
Total sales	1,158,455		
B. Round-Lot Transactions for Account of Members:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases	84,320		
Short sales	7,550		
Other sales	82,965		
Total sales	90,515		7.55
2. Other transactions initiated on the floor—			
Total purchases	26,185		
Short sales	1,400		
Other sales	25,725		
Total sales	27,125		2.30
3. Other transactions initiated off the floor—			
Total purchases	40,275		
Short sales	1,500		
Other sales	33,555		
Total sales	35,055		3.25
4. Total—			
Total purchases	150,780		
Short sales	10,450		
Other sales	142,245		
Total sales	152,695		13.10
C. Odd-Lot Transactions for Account of Specialists—			
Customers' short sales	0		
Customers' other sales	52,405		
Total purchases	52,405		
Total sales	34,733		

*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."

week ended Nov. 18, 1944; and had in storage at the end of that week 78,741,000 barrels of gasoline; 14,137,000 barrels of kerosine; 48,017,000 barrels of distillate fuel, and 63,301,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*P. A. W. Recommendations November	*State Allowables begin Nov. 1	Actual Production Week Ended Nov. 18, 1944	Change from Previous Week	4 Weeks Ended Nov. 18, 1944	Week Ended Nov. 20, 1943
Oklahoma	345,000	346,000	358,050	-1,350	356,200	326,650
Kansas	274,000	269,400	282,700	+16,700	274,000	281,350
Nebraska	1,000	-----	11,000	-----	900	1,700
Panhandle Texas	-----	-----	94,150	-----	95,800	85,500
North Texas	-----	-----	151,200	-----	150,350	141,900
West Texas	-----	-----	473,950	-----	480,700	359,750
East Central Texas	-----	-----	144,600	-----	146,350	137,950
East Texas	-----	-----	367,900	-----	369,150	376,400
Southwest Texas	-----	-----	347,100	-----	342,550	298,100
Coastal Texas	-----	-----	553,400	-----	547,800	524,600
Total Texas	2,133,000	2,138,385	2,132,300	-----	2,132,700	1,924,200
North Louisiana	-----	-----	72,250	+400	72,700	78,750
Coastal Louisiana	-----	-----	291,300	-----	290,750	272,200
Total Louisiana	350,000	395,500	363,550	+400	363,450	350,950
Arkansas	78,000	79,975	80,450	-300	80,650	78,350
Mississippi	50,000	52,550	52,550	+1,050	50,600	46,800
Alabama	-----	-----	250	-50	250	-----
Florida	-----	-----	50	-----	50	-----
Illinois	200,000	190,450	190,450	-14,550	199,950	215,250
Indiana	13,000	12,500	12,500	-650	13,000	12,500
Eastern—						
(Not incl. Ill., Ind., Ky.)	72,000	66,750	66,750	+800	67,200	71,100
Kentucky	26,000	30,400	30,400	+50	30,100	23,350
Michigan	50,500	49,800	49,800	-200	48,650	50,100
Wyoming	100,000	93,700	93,700	+1,550	96,300	100,850
Montana	24,000	21,350	21,350	-----	21,350	21,350
Colorado	9,000	9,650	9,650	-150	9,500	7,450
New Mexico	110,000	110,000	104,850	-50	104,900	112,950
Total East of Calif.	3,835,500	3,850,350	3,850,350	+3,250	3,849,650	3,624,900
California	885,000	885,000	888,500	+8,200	882,100	789,500
Total United States	4,720,500	4,738,850	4,738,850	+11,450	4,731,750	4,414,400

*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. Nov. 16, 1944.

‡This is the net basic allowable as of Nov. 1 calculated on a 30-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 2 to 15 days, the entire state was ordered shut down for 6 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 6 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 NOV. 18, 1944

(Figures in Thousands of barrels of 42 Gallons Each)

District	Daily Refining Capacity	Potential % Re-ported	Crude Runs to Still Daily	Crude % Op-erated	Production at Re-fineries In-cluded	Stocks of Un-finished Gasoline	Stocks of Gas Oil and Distillate	Stocks of Residual Fuel Oil	Total
East Coast	729	100.0	631	86.5	1,668	12,205	14,623	10,401	
Appalachian—									
District No. 1	130	83.9	100	76.9	269	2,348	516	337	
District No. 2	47	87.2	42	89.4	145	1,511	205	125	
Ind., Ill., Ky.	824	85.2	761	92.3	2,802	15,942	7,071	3,854	
Okl., Kans., Mo.	418	80.2	358	85.6	1,333	6,966	2,546	1,632	
Inland Texas	278	66.9	232	83.4	932	2,705	438	605	
Texas Gulf Coast	1,165	90.5	1,146	98.3	3,825	14,414	7,619	8,427	
Louisiana Gulf Coast	242	95.5	263	108.7	818	4,171	2,284	1,219	
No. La. & Arkansas	104	68.0	79	75.9	217	2,235	652	312	
Rocky Mountain—									
District No. 3	13	17.0	12	92.3	38	67	19	32	
District No. 4	141	58.3	98	69.5	377	1,603	386	604	
California	817	89.9	846	103.5	2,155	14,574	11,658	35,753	
Total U. S. B. of M. basis Nov. 18, 1944	4,908	87.2	4,567	93.1	14,579	78,741	48,017	63,301	
Total U. S. B. of M. basis Nov. 11, 1944	4,908	87.2	4,650	94.7	14,464	78,091	48,259	63,999	
U. S. Bur. of Mines basis Nov. 20, 1943			4,212		12,480	68,489	45,297	62,339	

*Composed of 13,055,000 barrels of unfinished, 39,440,000 barrels civilian grade automotive, and 26,246,000 barrels aviation, military, solvents and naphthas, and gasoline blending stocks currently indeterminate as to ultimate use. Civilian grade automotive stock for weeks ended Nov. 4 and 11 should be revised downward by 400,000 barrels due to error by reporting company. Aviation, military, etc. stocks should be increased corresponding amount. †Stocks at refineries, at bulk terminals, in transit and in pipe lines. ‡Not including 1,479,000 barrels of kerosine, 4,436,000 barrels of gas oil and distillate fuel oil and 8,824,000 barrels of residual fuel oil produced during the week ended Nov. 18, 1944, which compares with 1,512,000 barrels 4,492,000 barrels and 9,431,000 barrels, respectively, in the preceding week and 1,441,000 barrels, 4,627,000 barrels and 8,870,000 barrels, respectively, in the week ended Nov. 20, 1943.

§Note—Stocks of kerosine at Nov. 18, 1944 amounted to 14,137,000 barrels, as against 14,070,000 barrels a week earlier and 10,942,000 barrels a year before.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Nov. 22 a summary for the week ended Nov. 11 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 Nov. 11, 1944	
Odd-Lot Sales by Dealers (Customers' purchases)	Total for Week 15,112
Number of orders	15,112
Number of shares	429,242
Dollar value	\$17,664,739
Odd-Lot Purchases by Dealers (Customers' sales)	
Number of Orders:	
Customers' short sales	193
Customers' other sales	13,677
Customers' total sales	13,870
Number of Shares:	
Customers' short sales	5,415
Customers' other sales	348,788
Customers' total sales	354,203
Dollar value	\$12,838,085
Round-Lot Sales by Dealers	
Number of Shares:	
Short sales	70
Other sales	78,940
Total sales	79,010
Round-Lot Purchases by Dealers	
Number of shares	151,110

*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."

Nonfarm Real Estate Foreclosure Report Third Quarter 1944

Nonfarm real estate foreclosures in the United States continued at a low level during the third quarter of 1944, it was announced by the Federal Home Loan Bank Administration in its report issued Nov. 1. The 4,082 foreclosure cases estimated during this period represented a decline of nearly 8% from the April-June period of this year, and was 33% below the number concluded in the third quarter of 1943, said the announcement which also had the following to say:

"Of the total number of foreclosures which occurred during the third quarter of 1944, 1,340 were completed in July, 1,255 in August, and 1,487 in September. The seasonally adjusted foreclosure indexes for the three months were 10.3, 9.8, and 11.2, respectively (1935-1939=100).

"During the first nine months of 1944, nonfarm foreclosures continued the decline which has prevailed since 1933. The estimated 13,272 forced transfers which have occurred thus far in 1944, represented a decline of 34% from those of the same period in 1943. The improvement in the foreclosure picture was widespread with reductions throughout the 12 Federal Home Loan Bank Districts ranging from 54% in the Portland District to 24% in the Boston District.

"The national foreclosure rate for the third quarter of 1944, expressed on an annual basis, was 0.7 per 1,000 nonfarm structures compared with 0.8 for the second quarter of this year, and 1.1 for the third quarter of 1943. During the current quarter foreclosure rates by FHLB Districts ranged from 0.1 per 1,000 structures in the Portland District to 1.7 for the New York District. It will be noted that the rate of foreclosures per 1,000 structures is greater in the New England and Middle Atlantic areas than in other parts of the country. Foreclosure rates have been consistently low in the western States."

Daily Average Crude Oil Production for Week Ended Nov. 18, 1944 Increased 11,450 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Nov. 18, 1944, was 4,738,850 barrels, a gain of 11,450 barrels over the preceding week and 324,450 barrels per day more than produced in the corresponding week of last year. The current figure was also 18,350 barrels in excess of the daily average figure recommended by the Petroleum Administration for War for the month of November, 1944. Daily output for the four weeks ended Nov. 18, 1944 averaged 4,731,750 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 4,567,000 barrels of crude oil daily and produced 14,579,000 barrels of gasoline; 1,479,000 barrels of kerosine; 4,436,000 barrels of distillate fuel, and 8,824,000 barrels of residual fuel oil during the

Moody's Common Stock Yields

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

MOODY'S WEIGHTED AVERAGE YIELD OF 200 COMMON STOCKS

	Industrials (125)	Railroads (25)	Utilities (25)	Banks (15)	Insurance (10)	Average Yield (200)
January, 1944	4.6%	7.0%	5.5%	3.8%	3.9%	4.8%
February, 1944	4.6	6.7	5.5	3.7	4.0	4.8
March, 1944	4.6	6.9	5.5	3.8	3.7	4.8
April, 1944	4.6	7.0	5.6	3.8	3.8	4.9
May, 1944	4.7	6.7	5.4	3.6	3.7	4.8
June, 1944	4.4	6.6	5.2	3.5	3.7	4.6
July, 1944	4.5	6.6	5.3	3.6	3.7	4.7
August, 1944	4.5	6.7	5.2	3.5	3.7	4.7
September, 1944	4.5	6.7	5.3	3.5	3.7	4.7
October, 1944	4.5	7.0	5.3	3.5		

Revenue Freight Car Loadings During Week Ended Nov. 18, 1944 Increased 24,884 Cars

Loading of revenue freight for the week ended Nov. 18, 1944 totaled 864,373 cars, the Association of American Railroads announced on Nov. 24. This was a decrease below the corresponding week of 1943 of 17,914 cars, or 2%, but an increase above the same week in 1942 of 27,611 cars or 3.3%.

Loading of revenue freight for the week of Nov. 18, increased 24,884 cars, or 3% above the preceding week.

Miscellaneous freight loading totaled 408,000 cars, an increase of 13,719 cars above the preceding week, and an increase of 7,955 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 108,829 cars, an increase of 777 cars above the preceding week, and an increase of 2,483 cars above the corresponding week in 1943.

Coal loading amounted to 175,567 cars, an increase of 19,725 cars above the preceding week, but a decrease of 12,706 cars below the corresponding week in 1943.

Grain and grain products loading totaled 52,035 cars, an increase of 524 cars above the preceding week but a decrease of 3,020 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products, loading for the week of Nov. 18, totaled 34,073 cars, an increase of 744 cars above the preceding week but a decrease of 1,408 cars below the corresponding week in 1943.

Livestock loading amounted to 24,317 cars, an increase of 1,870 cars above the preceding week and an increase of 1,920 cars above the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of Nov. 18 totaled 19,052 cars, an increase of 1,490 cars above the preceding week and an increase of 1,436 cars above the corresponding week in 1943.

Forest products loading totaled 41,457 cars, an increase of 1,501 cars above the preceding week but a decrease of 4,426 cars below the corresponding week in 1943.

Ore loading amounted to 40,025 cars, a decrease of 13,529 cars below the preceding week and a decrease of 9,045 cars below the corresponding week in 1943.

Coke loading amounted to 14,143 cars, an increase of 297 cars above the preceding week, but a decrease of 1,075 cars below the corresponding week in 1943.

All districts reported decreases compared with the corresponding week in 1943, except the Southern and Centralwestern but all districts reported increases compared with 1942 except the 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
4 weeks of August	3,519,800	3,554,694	3,487,905
5 weeks of September	4,428,427	4,456,466	4,410,669
4 weeks of October	3,598,979	3,607,851	3,604,323
Week of November 4	893,333	754,739	829,663
Week of November 11	839,489	847,972	826,695
Week of November 18	864,373	882,287	836,762
Total	39,617,107	38,511,887	39,244,553

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Nov. 18, 1944. During the period 61 roads showed increases when compared with the corresponding week a year ago.

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Eastern District—					
Ann Arbor	359	254	469	1,435	1,477
Boston & Aroostook	1,925	2,541	1,658	368	260
Bangor & Maine	6,816	6,951	6,020	14,494	15,678
Chicago, Indianapolis & Louisville	1,268	1,269	1,529	1,906	2,178
Central Indiana	29	41	23	44	47
Central Vermont	1,110	1,125	958	2,357	2,654
Delaware & Hudson	5,028	6,184	6,104	12,621	11,700
Delaware, Lackawanna & Western	8,067	7,926	7,063	11,354	10,827
Detroit & Mackinac	312	244	433	100	117
Detroit, Toledo & Ironton	1,871	2,279	1,574	1,296	1,354
Detroit & Toledo Shore Line	343	269	253	2,529	2,586
Erie	13,308	13,017	11,822	16,419	19,795
Grand Trunk Western	3,942	3,389	4,160	7,635	7,328
Lehigh & Hudson River	168	226	254	2,298	2,548
Lehigh & New England	2,149	2,061	2,058	1,449	1,332
Lehigh Valley	8,593	8,465	8,267	14,029	13,704
Maine Central	2,289	2,319	2,230	3,697	3,808
Monongahela	6,254	6,069	5,917	2,888	429
Montour	2,670	2,596	2,306	18	22
New York Central Lines	49,916	53,614	45,755	53,903	56,382
N. Y. N. H. & Hartford	9,771	10,549	9,119	17,675	20,161
New York, Ontario & Western	1,034	1,394	973	3,148	2,589
New York, Chicago & St. Louis	6,715	7,008	7,338	15,110	16,135
N. Y., Susquehanna & Western	485	671	456	2,114	1,779
Pittsburgh & Lake Erie	7,645	7,654	7,088	7,348	7,542
Pere Marquette	5,406	5,125	5,908	7,682	7,886
Pittsburgh & Shawmut	820	903	760	23	6
Pittsburgh, Shawmut & North	313	354	355	199	304
Pittsburgh & West Virginia	938	1,203	869	2,849	2,587
Rutland	364	366	291	1,103	1,087
Wabash	6,357	6,780	5,673	12,191	11,956
Wheeling & Lake Erie	5,241	4,519	4,572	4,244	4,498
Total	161,506	167,397	152,195	222,026	230,756
Allegheny District—					
Akron, Canton & Youngstown	688	769	728	1,199	1,350
Baltimore & Ohio	45,883	47,043	38,176	28,121	32,037
Bessemer & Lake Erie	5,556	4,832	5,731	1,626	1,735
Buffalo Creek & Gauley	327	404	327	6	3
Cambria & Indiana	1,606	1,775	1,787	14	8
Central R. R. of New Jersey	6,998	7,557	7,017	18,781	21,028
Cornwall	547	635	746	55	57
Cumberland & Pennsylvania	175	238	217	8	19
Ligonier Valley	52	154	123	68	45
Long Island	1,340	1,360	1,060	3,715	3,480
Penn.-Reading Seashore Lines	1,971	1,991	1,787	2,398	3,062
Pennsylvania System	85,075	86,280	78,344	66,188	67,116
Reading Co.	15,896	15,717	15,047	28,619	27,952
Western (Pittsburgh)	19,507	20,028	20,807	5,004	6,318
Union Maryland	4,043	4,993	3,669	12,811	11,633
Total	189,669	193,776	175,566	168,613	175,843
Pocahontas District—					
Chesapeake & Ohio	29,097	30,708	27,373	12,985	15,545
Norfolk & Western	21,799	23,569	21,857	7,490	7,057
Virginian	4,332	4,859	4,796	2,671	2,672
Total	55,228	59,136	54,026	23,146	25,274

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Southern District—					
Alabama, Tennessee & Northern	435	325	305	362	304
Arl. & W. P.—W. R. R. of Ala.	681	702	748	2,934	3,434
Atlantic, Birmingham & Coast	874	707	728	1,548	1,338
Atlantic Coast Line	13,101	13,440	13,507	11,975	11,440
Central of Georgia	3,856	3,861	3,759	5,193	4,805
Charleston & Western Carolina	414	412	413	1,754	1,820
Clinchfield	1,754	1,752	1,852	3,026	2,794
Columbus & Greenville	340	311	445	296	260
Durham & Southern	143	130	119	734	646
Florida East Coast	2,392	1,968	1,270	1,541	1,375
Gainesville Midland	53	41	40	115	114
Georgia	1,278	1,182	1,441	2,413	3,640
Georgia & Florida	489	468	310	695	764
Gulf, Mobile & Ohio	4,561	4,504	4,318	4,491	4,475
Illinois Central System	30,016	29,559	29,975	16,941	17,203
Louisville & Nashville	26,496	26,302	25,260	12,141	12,885
Macon, Dublin & Savannah	184	197	227	836	859
Mississippi Central	403	297	165	532	502
Nashville, Chattanooga & St. L.	3,685	3,475	4,254	4,948	5,346
Norfolk Southern	1,048	1,117	1,243	2,365	1,764
Piedmont Northern	499	376	320	1,339	1,189
Richmond, Fred. & Potomac	448	387	480	10,845	11,740
Seaboard Air Line	10,687	11,016	11,162	9,474	10,144
Southern System	25,218	23,336	23,508	26,456	24,034
Tennessee Central	755	602	523	851	1,054
Winston-Salem Southbound	167	138	119	1,085	938
Total	129,970	126,605	125,591	124,890	124,861
Northwestern District—					
Chicago & North Western	17,856	17,636	17,952	13,288	14,517
Chicago Great Western	2,783	3,010	2,173	3,325	3,584
Chicago, Milw., St. P. & Pac.	22,098	22,289	19,854	9,694	10,011
Chicago, St. Paul, Minn. & Omaha	3,396	3,669	3,237	3,975	3,777
Duluth, Missabe & Iron Range	13,333	17,863	22,321	207	215
Duluth, South Shore & Atlantic	594	482	695	656	502
Elgin, Joliet & Eastern	9,072	8,723	9,539	10,722	12,192
Ft. Dodge, Des Moines & South	406	420	405	80	7
Great Northern	15,161	15,591	18,703	7,260	4,970
Green Bay & Western	491	585	480	1,025	904
Lake Superior & Ishpeming	1,197	1,063	2,424	92	36
Minneapolis & St. Louis	2,268	2,378	2,240	2,540	2,459
Minn., St. Paul & S. M.	5,523	6,806	5,875	2,920	2,914
Northern Pacific	11,102	11,890	12,282	5,866	5,676
Spokane International	253	168	148	566	498
Spokane, Portland & Seattle	2,442	2,548	1,981	3,546	3,477
Total	107,975	115,121	120,309	65,762	65,817
Central Western District—					
Atch., Top. & Santa Fe System	25,879	24,294	23,918	15,890	12,579
Alton	4,106	3,508	3,371	3,600	4,731
Bingham & Garfield	406	504	493	62	82
Chicago, Burlington & Quincy	22,575	22,287	21,558	13,820	13,098
Chicago & Illinois Midland	2,918	3,302	2,614	975	854
Chicago, Rock Island & Pacific	13,163	13,062	12,716	13,655	11,830
Chicago & Eastern Illinois	3,193	3,032	2,550	5,326	7,119
Colorado & Southern	1,206	1,193	1,268	2,913	2,393
Denver & Rio Grande Western	5,514	5,156	4,551	6,627	6,451
Denver & Salt Lake	680	662	847	20	22
Fort Worth & Denver City	969	982	1,502	2,076	1,636
Illinois Terminal	2,440	1,933	1,684	1,979	2,051
Missouri-Illinois	1,321	1,199	1,228	584	452
North Western	1,217	2,244	2,150	83	139
North Western Pacific	853	939	867	922	814
Peoria & Pekin Union	12	12	32	0	6
Southern Pacific (Pacific)	29,653	30,738	26,933	14,034	15,618
Toledo, Peoria & Western	431	403	339	1,836	1,691
Union Pacific System	22,088	20,448	19,772	16,877	18,538
Utah	492	708	575	3	8
Western Pacific	2,083	2,618	1,690	4,537	4,368
Total	141,199	139,229	130,648	105,829	104,472
Southwestern District—					
Burlington-Rock Island	734	350	204	628	139
Gulf Coast Lines	6,130	7,516	5,364	2,376	2,847
International-Great Northern	2,691	2,325	3,712	3,651	3,966
Kansas, Oklahoma & Gulf	272	244	434	1,162	1,147
Kansas City Southern	5,127	5,478	5,138	3,098	2,839
Louisiana & Arkansas	3,738	3,711	3,765	2,603	3,160
Litchfield & Madison	309	349	260	1,395	1,286
Midland Valley	746	602	689	498	294
Missouri & Arkansas	215	181	203	483	478
Missouri-Kansas-Texas Lines	7,104	6,436	6,655	4,672	5,975
Missouri Pacific	18,843	19,385	18,807	18,536	21,642
Quannah Acme & Pacific	77	103	100	429	167
St. Louis-San Francisco	10,598	9,433	9,489	8,986	8,909
St. Louis Southwestern	3				

Items About Banks, Trust Companies

Walter R. Miller, formerly Assistant Vice-President of Manufacturers Trust Company, New York, has been elected a Vice-President of the bank. Mr. Miller was graduated from New York University in 1925. Immediately after graduation, he entered the employ of the former National Bank of Commerce in New York as a credit analyst. He remained there until 1928 when he accepted a position in the Credit Department of the former Chatham Phenix National Bank & Trust Co. Following the merger of Chatham Phenix with Manufacturers Trust Co. in the early part of 1932, Mr. Miller was transferred to the principal office of the latter institution and was named Branch Loan Supervisor for several of its offices. During the latter part of 1932, Mr. Miller was appointed Assistant Manager of Manufacturers Trust Company's office in the Williamsburgh Bridge Plaza in Brooklyn. Four years later he was elected an Assistant Secretary and placed in charge of that office, and in 1938 he was transferred to the office at 84 Broadway, Brooklyn. One year later, Mr. Miller was transferred back to the Main Office to assist in the supervision of the bank's 23 offices in Brooklyn and the Queens, and in 1940 he was elected an Assistant Vice President.

E. Chester Gersten, President of the Public National Bank and Trust Co. of New York, announces that A. M. Strong, who is Manager of the Foreign Department, was elected a Vice-President at a meeting of the directors held on Nov. 22.

Percy H. Johnston, Chairman of the Chemical Bank & Trust Company of New York, announces the election of Richard K. Paynter, Jr., Treasurer of the New York Life Insurance Company, to the Advisory Board of the bank's Fifth Avenue at 29th Street office of the bank.

Harold E. Watson, out-of-town representative of Manufacturers Trust Company, New York, has been elected an Assistant Secretary. He started his banking career with the New York Trust Company in 1911. During World War I, Mr. Watson served as Captain in the U. S. Army Air Corp. In 1919 Mr. Watson organized the New York Stock Exchange firm of George H. Watson & Co., which later became known as Watson-Wallace & Co. This firm has since been dissolved. Mr. Watson became affiliated with Manufacturers Trust Company in 1939 and after spending some time in various branches and departments of the bank he was assigned to the Out-of-Town Department. During the last few years Mr. Watson has frequently visited the States of Kentucky, Tennessee, Virginia and West Virginia in connection with the trust company's correspondent bank relationships in those States.

The election of Miss Bess Bloodworth as a Trustee of the Brooklyn Savings Bank, of Brooklyn, N. Y., is announced by Adrian Van Sinderen, President of the bank. Miss Bloodworth, who is Vice-President in charge of personnel and a member of the board of directors of the Namm Department Store in Brooklyn, is the first woman to be elected a Trustee of a savings bank in New York City, said the Brooklyn "Daily Eagle" of Nov. 24, which states that she started her business career as a Secretary for the Texas Company, New York. She later served as production expert of the lubrication section of the Division of Aeronautics and subsequently became Sales Promotion Manager of the Chicago division of Sinclair Refining Company. She has been associated with the Namm Store since 1921.

According to the Boston "News Bureau" of Nov. 24 it is proposed that Newton-Waltham Bank & Trust Co. be the name of the new bank to follow the merger of the Newton Trust Co. of Newton, Mass., and Waltham National Bank of Waltham, Mass. Newton Trust Co. will change its name to the new designation, and one share of new stock will be issued for each of the 108,000 present shares, said the "News Bureau," which further stated:

"At the same time capital stock will be increased by 24,000 shares, and it is proposed to issue these for the 32,000 shares of Waltham National Bank common in the ratio of $\frac{3}{4}$ share of new for each present Waltham share.

"Stockholders of Waltham National will vote on the proposal at a special meeting to be held on Friday, Dec. 15, and a special meeting of Newton Trust stockholders will be held at about the same time. The new bank will have capital, surplus, undivided profits and reserves of approximately \$4,500,000. On Oct. 31, last, Newton Trust had total assets of \$37,849,000 and deposits of \$31,567,000, while Waltham National had assets of \$18,331,000 and deposits of \$17,179,000. The Waltham National preferred stock issues will be paid off at par, which is \$6.25 per share for the \$276,000 A preferred owned by the RFC, and \$12.50 for the \$200,000 B preferred, owned locally.

"Following consummation of the proposed merger, Bay State Corp. will offer to pay \$43 per share for new stock received by Waltham National Bank common stockholders, and will buy fractions on a basis of \$42 per share and sell fractions on a basis of \$44. If this corporation, which was formerly Old Colony Trust Associates, acquires no stock under its offer, and sells none, it will hold just under 55% of the 132,000 shares of the new bank, on the basis of its present holdings of 71,922 shares of Newton Trust.

"It is expected that Herbert K. Hallett, President of Waltham National Bank, will be elected Chairman of the board of the merged bank, while Seward W. Jones will be President and Frank L. Richardson will be Executive Vice-President, similar to the positions they now hold in Newton Trust Co. Principal office of the new bank will be in Waltham."

The Providence (R. I.) Institute for Savings (better known, says the Providence "Journal," as the Old State Bank) celebrated on Nov. 20 its 125th anniversary. Among the many congratulatory messages received by the bank's officials was one from Governor J. H. McGrath, Governor of Rhode Island, who spoke of the founders as a group whose "wisdom and foresight in founding this place," he said, "has given impetus to the industrial life of Rhode Island." The "Journal" states that "included among the personnel of the bank in attendance were five whose periods of service range from 35 to 56 years. They were Frank M. Mason, Secretary and clerk of the corporation, employed since 1888; Harry V. Mayo, Assistant Treasurer, 1899; Ezra W. Mason, Treasurer, 1902; Frank G. Howard, Assistant Secretary, 1908, and Pardon R. Kenney, Assistant Treasurer, 1909."

A. Livingston Kelley is President of the bank.

In its statement of condition on Sept. 30 the bank showed total number of depositors to be 80,962; the total amount credited to these accounts being \$83,536,880.49, and the average for the depositors being \$997.97.

A 25% increase in the capital stock of the Corn Exchange National Bank & Trust Co. of Philadelphia was recommended to the bank's stockholders in a resolution approved on Nov. 21 by the board of directors, David E. Williams, President, announced. Shares outstanding now total 227,500. The proposed 56,875 additional shares would be offered proportionately to stockholders at \$40 a share. Outstanding stock par is \$20 and the market value is approximately \$58. Proceeds from the additional stock issued would be apportioned equally between capital and surplus, says the announcement, which states:

"The resolution passed by the directors today (Nov. 21) will be presented at the annual meeting of stockholders, Jan. 9. The resolution provides that stockholders of record Dec. 2, 1944, will be qualified to vote at the January meeting. The proposal requires the approval of two-thirds of the shareholders of record. As of Sept. 30, 1944, Corn Exchange of Philadelphia capital was \$4,550,000; its surplus \$7,500,000, and its undivided profits \$2,717,932. With approval by stockholders of today's proposal, the bank's capital would be \$5,687,500; its surplus \$9,000,000, and its undivided profits \$2,500,000, reflecting a proposed transfer of approximately \$350,000 from undivided profits to surplus."

Mr. Williams said the proposed increase would enable the bank to take greater advantage of the present opportunity to enlarge the scope of its business. Founded in 1858, Corn Exchange has 11 offices in central Philadelphia and in various sections of the city.

William F. Freeman, Secretary of Banking of Pennsylvania, announced on Nov. 21 that depositors of the closed Pennsylvania Trust Co. of Pittsburgh, Pa., received a liquidation dividend of 8%, or a total of \$161,463.13, on Nov. 21. This payment, it is stated, is the fourth since the bank closed Nov. 29, 1933, and will bring the total payment to depositors to \$807,776.14, or 40%.

Frank O. Potter, President of the Citizens State Bank of Park Ridge, Ill., announced on Nov. 17 the payment of \$36,800 of capital debentures to the RFC. Reporting this, the Chicago "Journal of Commerce" of Nov. 18 said:

"The bank's surplus was increased from \$100,000 to \$150,000 at the same time. Capital structure of the bank now includes the following: Capital stock, \$50,000; surplus, \$150,000; undivided profits and reserves, \$58,366. Deposits total approximately \$7,200,000."

Benjamin Bramlage, Vice-President of the First National Bank & Trust Co., Covington, Ky., died on Nov. 22. Mr. Bramlage, who was 80 years of age, began his career 68 years ago with the Farmers & Traders Bank of Covington, which was consolidated with the First National Bank & Trust in 1910. Mr. Bramlage was also President of the Madison Avenue Building Association, a director of the Stewart Iron Works Co., and a member of the Chamber of Commerce, all of Covington.

The Federal Reserve Bank of St. Louis, Mo., announced on Nov. 21 that the Citizens Bank of Owensville, Owensville, Mo., has become a member of the Federal Reserve Bank. The new member was chartered Nov. 2, 1934. It has a capital of \$25,000, surplus of \$19,000, and total resources of \$989,597. Its officers are: F. W. Stukenbroecker, President; J. Hy. Roethemeyer, Vice-President; Fred A. Schaeperkoetter, Secretary; A. F. Berger, Cashier.

Announcement is also made that the Citizens Bank of Windsor,

Mo., became a member of the Federal Reserve Bank of St. Louis on Nov. 24. The new member was chartered Oct. 22, 1883. It has a capital structure of \$59,677 and total resources of \$1,138,498. Its officers are: E. L. Sutherland, President; Lois Johnston Cashier. The addition of the Citizens Bank of Windsor brings the total membership of the Federal Reserve Bank of St. Louis to 473. These member banks hold over 70% of the net deposits of all banking institutions in the Eighth District, according to the Reserve Bank's announcement.

The Board of Governors of the Federal Reserve System announced recently that on Nov. 16 the Nevada Bank of Commerce, Elko, Nev., a State member, absorbed the Bank of Pioche, Nev., a State member. In connection with the absorption a branch was established at Pioche.

Total resources of \$1,526,734,000, the highest in the 127 years of the bank's operation, were reported on Nov. 24 by the Bank of Montreal. Such resources, contained in the annual statement for the fiscal year ended Oct. 31, 1944, compared with \$1,313,065,000 a year earlier, an increase of \$213,669,000. Deposits on Oct. 31 aggregated \$1,420,811,000, a gain of \$214,937,000 over the preceding year, despite heavy withdrawals in both the commercial and savings departments by subscribers for investment in Victory loans.

Holdings of bonds and debentures, principally Dominion Government and high-grade Provincial and municipal securities of early maturity, amounted to \$955,538,000, an increase of \$156,075,000. Cash holdings and money on deposit with the Bank of Canada were \$184,473,000 on Oct. 31, an increase of \$62,196,000. These assets, together with other resources, placed quickly available resources of the bank on Oct. 31 at \$1,279,000,000, equal to 88.30% of liabilities of \$1,448,768,786 to the public. Commercial loans declined to \$203,104,000 from \$223,399,000. The decrease indicated a continuance of the trend of recent years in which business men engaged in Government war work have found less need for banking accommodation. Profits amounted to \$3,194,300, compared with \$3,302,834 in the 1943 fiscal year. Profits were equivalent to a return of 4.10% of capital, reserve and undivided profits, compared with 4.30% in the preceding fiscal year.

The 74th annual statement of The Dominion Bank, Toronto, Canada, for the year ended Oct. 31, 1944, shows substantially higher deposits, with relative increase in Government securities and higher commercial loans, and indicates a strong cash and liquid position. Net profits, after providing for all taxes, including Dominion Government taxes of \$834,000, amounted to \$925,974, from which \$110,000 was contributed to the officers' pension fund; \$150,000 written off bank premises; dividends of 8% per annum amounting to \$560,000 paid, and \$105,974 was added to profit and loss account. Total assets of \$275,341,000 showed an increase of \$51,496,000 over last year, while total deposits amounting to \$247,839,000 increased over \$51,000,000. Dominion and Provincial Government bonds increased \$38,000,000 to \$143,636,000. Commercial loans and discounts in Canada now amount to \$65,759,000, an increase of \$5,500,000. Cash assets exceed \$48,000,000 and represent 19% of public liabilities, while immediately available assets of \$196,000,000 are over 77% of total liabilities to the public. Capital of \$7,000,000 and reserve fund of \$7,000,000 remain unchanged. Undivided profits were \$1,071,000. The annual meeting of

the bank will be held in Toronto, Canada, on Dec. 13.

All-time year-end highs for deposits and total assets feature the 113th annual statement of The Bank of Nova Scotia, which is released on Nov. 29. The figures are for the 10 months' period ended Oct. 31, the bank having changed its year-end from Dec. 31. Assets of \$542,480,713 show an increase of \$49,000,000. Net profits are \$1,445,420 for the 10 months' period. This compares with \$1,717,961 for the previous 12-month period. The usual strong liquid position is maintained.

Other interesting items include increases of approximately \$3,000,000 in total deposits and \$44,000,000 in investment account, reflecting, respectively, the savings of the Canadian people out of a record national income and the participation of the bank in short-term financing for the Dominion Government. Loans are down roundly \$2,400,000.

Cash, clearings and balances due from other banks, \$119,853,452, represent, it is stated, 23.72% of total liabilities to the public. Total quick assets, which include the above, together with investments and call and short loans secured by stocks and bonds amount to \$383,546,705 and represent 75.93% of liabilities to the public. The latter figure compares with 73.53% at date of last statement.

Investment account now aggregates \$254,650,467, of which 90.8% is in Dominion and Provincial securities, and 51.9% is in Dominion and Provincial securities maturing within two years. Investments include \$8,446,159 in municipal securities, \$8,614,704 in public securities other than Canadian, and \$6,347,400 in other bonds, debentures and stocks, all at not exceeding market value.

Loans other than call loans totaling \$123,689,451 are down roundly \$2,700,000 since last statement. Current loans in Canada are down roundly \$7,000,000, while loans elsewhere than in Canada are up \$3,800,000, while loans to Provincial and municipal governments and call loans are practically unchanged. Acceptances and letters of credit outstanding are up over \$3,000,000.

Total deposits are \$472,849,484, an increase of \$46,095,557. Interest-bearing deposits of the public show an increase of over \$35,000,000 over the 10 months' period, notwithstanding the substantial withdrawals made during two Victory loan campaigns. Deposits of Dominion and Provincial Governments at \$21,075,000 are down \$29,000,000, and demand deposits of the public are up nearly \$39,000,000. Net earnings for the 10 months are \$1,445,420 after taxes of \$1,736,508, of which \$203,271 is refundable under the provisions of the Excess Profits Tax Act. Net earnings for the previous year were \$1,717,961 after taxes of \$1,542,488. The annual meeting of the shareholders will be held in Halifax on Dec. 6.

FIG Banks Place Debs.

A successful offering of two issues of debentures for the Federal Intermediate Credit Banks was concluded Nov. 16 by Charles R. Dunn, New York fiscal agent for the banks. The financing consisted of \$20,540,000 0.85% consolidated debentures dated Dec. 1, 1944, due June 1, 1945, and \$28,975,000 0.90% consolidated debentures dated Dec. 1, 1944, and due Sept. 1, 1945. Both issues were placed at par. Of the proceeds, \$39,425,000 will be used to retire a like amount of debentures due Dec. 1, 1944, leaving \$9,910,000 for new money purposes. As of Dec. 1, 1944, the total amount of debentures outstanding will be \$279,825,000.