

The Commercial and FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 160 Number 4344

New York, N. Y., Thursday, December 21, 1944

Price 60 Cents a Copy

The Financial Situation

One of the first official acts of Secretary of State Stettinius was to make a statement which was widely interpreted as criticism of the British policy towards certain liberated or conquered European peoples. Within a few days the situation in "liberated" Greece took a turn which is said to have shocked official Washington—and certainly has caused considerable stir among the rank and file of this country and apparently also in Great Britain. Then last week followed the Churchill revelation of the Russian and British attitude toward Poland—that bedeviled country on whose account ostensibly at any rate Britain went to war in 1939. Again many naive minds in this country are fearfully "shocked" at the picture thus set before their eyes.

Political Shock

Apparently Mr. Churchill's address to the Commons was just about what was needed to set recent events in the Baltic states, Poland and Greece out in a light to arouse many elements in the British and the American populations. At any rate, what he had to say coming on top of the events to which they in part relate obviously placed President Roosevelt in a politically embarrassing position—whatever it may have done to relieve the political pressure under which Mr. Churchill has been laboring. Strangely enough, some observers both in this country and across the Atlantic who have not been more than mildly concerned about the fate of Finland or of Poland now hold up their hands in holy horror at what seems to them to be happening to the Greeks. There seem to be a good many, who are unable to understand how it came to pass that Mr. Stalin in some sections

(Continued on page 2740)

Road to Jobs Is Via the American Way of Free Enterprise

There are some disciples of gloom among the economists who forecast a bleak and depressing future for our country and for the world. They may be right, but I don't think so. Some of them just do not seem to understand how fast we work.

Our enemies grossly underestimated our ability to convert our plants from peace-time products to war materials. And I believe



H. S. Firestone, Jr.

these pessimists are underestimating the speed with which we will recon-vert our facilities. Furthermore, I believe they are underestimating the rapidity with which Americans accept new products and new ideas. In other words, I feel that many of our economists do not realize the mass enthusiasm of the American people and the foresight and skill of American industry. They are too willing to leave the task of providing jobs to government. They advocate changing the economic system of the United States to a combination of fascist and communist practices in an effort to avert what they regard as inevitable catastrophe. But let me remind you and them that government alone did not give this country the highest standard of living the world has ever known. Government alone did not make the United States the greatest in-

dustrial nation on earth. By and large, private enterprise did these things and will continue to do them if it is free to carry on.

That is what we call the American way of life, the same way of life that has attracted to our shores millions of people from other lands. Do we want to change that way of life? Certainly not unless there is a better one. And if there is a better one, I have not heard about it.

No, the grass is NOT greener in the other fellow's field.

The problems of the future will challenge all of the ingenuity of American industry. But since when have we been afraid of a challenge? Are we going to pass the buck by dumping our troubles into the lap of government or shall we recognize and anticipate the dangers ahead and plan now to meet them? If we are to have the high level of employment, which alone can assure stability and prosperity after victory, it will be because business, operating in a favorable atmosphere, takes the necessary steps to provide this employment. A big job to do. Let's do it and let's start now!—Harvey S. Firestone, Jr., President, The Firestone Tire and Rubber Company before the Economic Club of New York, Dec. 5, 1944.

Compulsory Universal Military Training

By HAROLD W. DODDS*

President of Princeton University

Leading Educator Cautions Against Adopting Peacetime Compulsory Military Training Until We Know the Nature of the Peace. Points Out That Universal Training Is Not Essential to Preparedness and That It is Equally Important to Have Adequate Industrial and Technical Training for the Purpose, and If This Regimentation is Made Compulsory It Will Have Grave Effects Upon Our System of Private Enterprise. Stresses the Value of Scientific and Engineering Research as a Means of Defense and Deprecates the Use of Military Training for Health and Educational Purposes.

My position is that there are still too many unpredictables—too many deuces-wild in the deck—to permit a reasoned decision at this



Dr. Harold W. Dodds

time. I did what I could to promote the passage of the Selective Service and Training Act of 1940, because we were nearer to war than the country then understood. I am doing what I can now to postpone a decision on compulsory universal service as a peacetime policy, in order that the decision when made will be on the basis of realities which will exist after the war. I believe that certain popular arguments for universal service will not hold water, and that others need much deeper exploration than they have yet received. I therefore favor

delay. I readily admit, however, that post-war conditions may require it.

Throughout, let us remember that the proposal is for universal compulsory training. Each of these adjectives, and particularly the adjective "compulsory," introduces new elements into public service in a democracy in peacetime, elements that will have wide and unpredictable repercussions on our democratic attitudes. If I were either a communist or a national socialist, I should heartily approve the most extensive, all-embracing compulsory service legislation that would have any chance of adoption. When all the implications are considered, such a measure would represent a long step toward the realization of a planned society.

In all probability we shall require a considerable military force for a number of years, merely to dispose of the aftermath of the present war. In that case I should approve a continuance of the

drafting of young men as long as may be necessary for the purpose.

The Difficult Balance Between Force and Law

But the proposal for universal training is not being put forward to complete the business of this war but to prepare for the next. It is none too early to begin to think about the next war.

It seems clear that if the United States is to be even reasonably secure in the predictable future and if our influence is to count for collective security and the reign of law, we must be willing and able to fight. If we are to have an influence for international law and order, as I think we can and should, we must maintain those conditions which will make our influence count. Unfortunately this will involve force. As a nation we face, therefore, the necessity of a difficult psychological balance between a readiness to maintain the degree of force required to make us influential in the cynical world of international relations.

(Continued on page 2741)

*An address made by President Dodds before the Annual Convention of the Middle States Association of Colleges and Secondary Schools in New York City, Nov. 24, 1944.

GENERAL CONTENTS

<i>Editorial</i>	
Financial Situation.....	2737
<i>Regular Features</i>	
Moody's Bond Prices and Yields....	2747
Items About Banks and Trust Cos....	2752
Trading on New York Exchanges....	2750
NYSE Odd-Lot Trading.....	2750
<i>State of Trade</i>	
General Review.....	2738
Commodity Prices, Domestic Index....	2748
Weekly Carloadings.....	2751
Weekly Engineering Construction....	2749
Paperboard Industry Statistics.....	2751
Weekly Lumber Movement.....	2751
Fertilizer Association Price Index....	2748
Weekly Coal and Coke Output.....	2749
Weekly Steel Review.....	2748
Moody's Daily Commodity Index....	2747
Weekly Crude Oil Production.....	2750
Non-Ferrous Metals Market.....	2749
Weekly Electric Output.....	2747
October Building Permits.....	2747
Dec. 1 Cotton Report.....	2749
Gross and Net RR. Earnings (July)*2698	

*Appeared in our issue of Dec. 18 on page indicated.

What About Government Bonds?

Babson Advises Investing in Other Things Also

BABSON PARK, MASS.—How can the huge post-war U. S. Government Debt be serviced? When the total annual expenses of the Government under President Coolidge (including Army, Navy, Pensions, Debt Interest, etc.) were only three billions, how can we now provide the money to pay interest alone of six billions?



Roger W. Babson

Increasing National Income

Prewar national income was about sixty billions. Our bankers state that Washington will provide the necessary money to pay interest on the \$300,000,000 debt by doubling this national income. By increasing prices, land values, etc., this can perhaps be done; but I am not too sure. Certainly, inflation would be a dangerous way out.

Statisticians believe that all nations must make some readjustments in their huge debts after the War. They see no reason why the United States—if we want our

share of foreign trade—should not do the same thing. If so, how may our debt be readjusted?

Government Ownership

Some day the banks, together with the railroads, public utilities and certain large corporations, may be taken over by the Government. This, however, will not happen until the next business depression. One step, however, we may expect any time. This will be to nationalize the twelve Federal Reserve Banks and thus save the Government the interest on bonds held by these Reserve Banks.

The Federal Government could also institute a 100% reserve policy and thus save the Government the interest on all Government Bonds held by the banks. This is now being advocated by the "London Economist." In fact, Geoffrey Crowther recently urged such a program before the Manchester (England) Statistical Society. This could be done, he

(Continued on page 2740)

The State of Trade

As dawn of another Christmas approaches, hope of an early cessation of the European conflict fades. In its place is left uncertainty and arrested plans for early reconversion to the ways of peace. This abrupt change has been dictated by the stern necessities of war. For the moment, the problem of finding jobs for returning servicemen and war workers has been placed in the background, leaving in its stead the task of getting former war workers back to their lathes and benches. There they are sorely needed to assist in the rising tempo of our expanding war production.

In order to expedite their early return, Selective Service has announced that it would resume induction of men in the higher age brackets. Thus, men falling in this age category and not engaged in essential work will be eligible for military service.

The stiff resistance met in the invasion of Germany has shattered the wave of undue optimism reflected in high army circles and in Administration officials here at home as to the early termination of the war in Europe. This cocksure spirit has rendered a distinct disservice to our war effort, since the price American troops are now paying, in part due to the lack of necessary equipment, in their efforts to drive the enemy back beyond his own frontiers is being written in the blood of untold numbers of American youth.

Whether the present offensive launched by the Germans will be sustained or whether it will turn out to be the counterpart of Hindenburg's final effort in the spring of 1918, time alone will tell. As to its effect on post-war plans, they of necessity must wait a more propitious moment.

The action taken by the WPB in freezing civilian output at present levels will hardly work toward a greater abundance of peace-time goods. Present estimates indicate that military requirements will continue to run heavy for some months to come. A perusal of the review of the steel industry below will afford the reader some indication of the future prospects of all industry pending the defeat of Germany.

With the year 1944 almost at an end, it is natural that we turn our eyes to the future in an effort to foresee what the New Year holds in store for each one of us. Discussing 1945 business prospects in his annual address before the Cleveland Chamber of Commerce, Brig. Gen. Leonard P. Ayres, predicted that next year would bring more unemployment and labor disputes as the war approaches its climax, and reconversion to peace-time production increases. General Ayres also felt that national income payments to individuals next year will be definitely lower than those made this year.

This year and next will be the years of transition from a wartime economy to a peacetime economy, and a continued decline in volume of industrial production will occur with the average for 1945 being less than 90% as great as that this year, according to General Ayres. Other predictions

Continued increase in hourly straight-time wage rates of factory workers. Number of business failures will be definitely greater and continued tight regulation of interest rates, resulting in very little difference in rates.

Looking up the job situation, he said, in the transition period at least 20 million Americans must leave their present occupations and other types of work. The probable controlling factors, he said, that will determine the availability of new jobs in 1945 are: The attitude of the administration toward private enterprise after the European war ends and the reaction of business when it realizes the magnitude of the readjustment it faces.

In stressing the point that the country's most important single problem in the post-war period will be jobs for returning servicemen and workers turned out by

munitions factories, he further stated:

"Self-sustaining jobs flow from successful combination of enterprise and capital. They involve the taking of risks by managements which assume these risks in the hope of making profits.

"Hence, it follows that the number of available jobs always largely depends on whether the political climate that is created by the national administration is hospitable or inhospitable toward business enterprise."

Business Activity in November

The Federal Reserve Board reporting on business activity in November revealed that the value of checks cashed in the month was 19.5% higher than in the same month last year. Total debits to deposit accounts of banks in 334 centers amounted to \$77,706,000,000 in November, compared with \$65,025,000,000 in November, 1943. For the previous three months the total was \$221,960,000,000 or 7% above the \$207,050,000,000 reported for the like three months of 1943.

Commodity Price Index—Commodity prices at the primary market level, according to the Bureau of Labor Statistics index remained unchanged at the highest level since the war began at 104.2% of the 1926 average during the week ended Dec. 9. Except for minor fluctuations in prices for agricultural products and higher prices for cigars, there was very little movement in commodity prices at the primary market level during the first week of December.

Business Failures Decline

Commercial and industrial failures in the week ending Dec. 7 dropped to less than half their number in the previous week and to only one-fourth their number a year ago. Dun & Bradstreet, Inc. reports 20 failures, the second lowest number on record, as compared with 26 in the prior week and 40 in the same week of 1943. The decline was sharp among both large and small failures but it was somewhat less marked among failures with liabilities of \$5,000 or more. They fell from 19 a week ago to 8 in the week just ended while small failures dropped from 7 to 2.

All industry groups and all geographic regions showed a decrease in concerns failing. In construction, failures fell from 4 to none and in commercial service from 4 to 1. Other trade and industry groups reported failures at about half their number a week ago. Canadian failures, on the other hand, increased this week exceeding those in the previous week and in the corresponding week of last year. They numbered 4 against 1 in the prior week and 3 in 1943.

Steel Industry—The relatively balanced steel supply and demand which existed a few months ago when hopes were high of an early ending of the European war has been completely erased with the surge of orders, directives and inquiries involving rehabilitated or new war material programs. There was further indication the past week that despite a lessening in plate output, sheet demand is stronger, bar deliveries more extended and tentative programs for shell steel needs such as to cause a tightness in steel demand until Germany is definitely defeated, so states "The Iron Age" in its summary of the steel market in the issue of Dec. 14.

According to the magazine, it now appears that the output of shell steel covering all sizes has

(Continued on page 2745)

Treasury Silver Used In War Jobs

Treasury silver to the amount of 1,226,300,000 fine ounces has been put to work in a variety of war jobs since Pearl Harbor, Secretary of the Treasury Morgenthau said on Dec. 7. Most of the tasks assigned to this large quantity of metal have been under lease arrangements, the rest under lend-lease and outright sale, Mr. Morgenthau stated. He added:

"The Treasury early in 1942 launched a policy of directing all available silver into urgent war uses. Its legal staff, with the concurrence of the Attorney General and the approval of the President found authority for releasing 'free silver' holdings to war plants under lease contracts; a considerable amount of 'silver ordinary,' to which usual restrictions did not apply, was disposed of; further sale and leasing of silver was facilitated by new legislation.

"War-time silver transactions accomplished so far under the Treasury policy were summed up by Secretary Morgenthau as follows:

"Provided for non-consumptive uses in war plants under lease arrangements, 903,000,000 fine ounces.

"Supplied to various foreign governments under lend-lease for coinage purposes and other war uses, 243,700,000 fine ounces.

"Sold from 'silver ordinary' stock to industrial users certified by War Production Board, 5,000,000 fine ounces.

"Sold in accordance with WPB priorities under terms of the Act of July 12, 1943, commonly known as the 'Green Bill,' 41,000,000 fine ounces.

"Used as basis of new alloy developed by the Bureau of the Mint for coinage of war-time 'silver nickels,' 33,300,000 fine ounces.

"For many of these uses, copper previously had been required, and the substitution of silver released thousands of tons of copper for other vital war production needs. Development of the war-time 'silver nickels' using an alloy of silver lessened considerably the requirements of the Bureau of the Mint for both copper and nickel for coinage.

"Curtailed Treasury purchases of silver also has contributed to the employment of the metal in war tasks. Practically all foreign silver received in this country since Pearl Harbor has gone into essential manufactures under WPB priorities. Domestically mined silver is made available in limited quantities under WPB control to non-essential industries, acquisitions of newly-mined domestic silver by the Treasury having been reduced to purely nominal quantities.

"Most of the Treasury silver distributed under lease to war plants has been fabricated into electrical conductors for installation in aluminum and magnesium plants and other factories engaged in war work. Title to this silver remains in the Treasury. The uses to which it is put are 'non-consumptive,' and all of the metal will be returned to the Treasury after the termination of the war. This leasing arrangement was inaugurated in April, 1942, in cooperation with the Defense Plant Corporation. A small part of the silver turned over to the Defense Plant Corporation already has been returned to the Treasury with an 'honorable discharge' from its war duties.

"Far Eastern areas have benefited from the lend-leasing of silver to foreign governments. India, for example, received an allotment of 100,000,000 fine ounces. The Government of the Netherlands, among others, arranged with the Treasury for supplies of silver to be used in coinage. All the lend-lease contracts

Conference on Banking Problems Arranged By Manufacturers Trust Co. of New York

Manufacturers Trust Company, New York, was host on Dec. 7 to about 200 bankers, representing its correspondents in the Second Federal Reserve District, for a one-day conference on current banking problems, that was held in the Grand Ballroom of the Hotel New Yorker. The guest speakers were Dr. E. A. Goldenweiser, Director of Research and Statistics, Board of Governors of the Federal Reserve System, who spoke on "Trend of

Post-War Deposits and Government Financing," J. E. Drew, Deputy Manager of the American Bankers Association, who spoke on "Advertising and Publicity for Banks," and George E. Sokolsky, writer, who delivered an informal address during the luncheon. In addition, there were talks by officers of Manufacturers Trust Co. on United States Government Bonds, Financing Time-Payment Sales, Personal Loans, Modernization Loans, G. I. Bill of Rights

Special Checking Service, Commodity Loans and Field Warehousing, Accounts Receivable Loans, Mortgage Management Service and Foreign Department Activities.

Henry C. Von Elm, Vice-Chairman of the Board of Manufacturers Trust Company, welcomed the guests, and Louis P. Christenson, Vice-President in Charge of the banking department at the Main Office, presided at the conference.

U. S. Army of Occupation Abroad Need Not Be Feared, Says Secretary Stimson

According to Secretary of War Stimson, "no country need ever fear a United States Army of occupation—our boys want to get home."

"The American soldier is not afraid of anything, but he's the most homesick creature when he's at war in foreign lands," the Secretary added in an interview at Miami Beach, Dec. 9, it was indicated in an Associated Press dispatch from Miami Beach published in the New York "Times" which further reported his remarks as follows:

"I remember that I shared that feeling in the last war. The effect was to idealize our home—America was the place where the sun shone all the time."

Returning soldiers must be made to realize, he declared, that this country is not made up entirely of strikers and exploiters. The discharged serviceman and his return to civilian life without bitterness or disappointment were among the primary concerns of

the War Department, he said, and he told of intimate talks he has had with soldiers back from battlefields who are being re-processed at the Army redistribution stations.

He asserted that no one person was to blame for the ammunition shortage reported by General Eisenhower.

"Throughout the war," he stated, "the ammunition requirements have fluctuated wildly. Sometimes we have had a surplus of ammunition. At others we have used it up as fast as we could get it."

Nat'l Clearing House Assn. for 24-Hour Check Clearing Recommended to Bank Auditors

Formation of a National Clearing House Association to effect nationwide clearing of checks within 24 hours as a means of eliminating "float," one of the major problems of the banking system, has been recommended to the National Association of Bank Auditors and Comptrollers by Edwin G. Uhl, Comptroller of the Land Title Bank and Trust Company, of Philadelphia. Mr. Uhl suggested utilization

of airplanes, with flights maintained under contract with airlines, as the transportation medium to attain the goal of clearing "foreign" checks within one day. His plan called for the use of planes, equipped similar to present day railroad mail cars, thus enabling a force of men or women to sort items en route. He also suggested using the 12 Federal Reserve banks, their 25 branches and one agency as a nucleus for establishing a national clearing house. Because of its central location, he recommended Kansas City as the clearing city. The flights would be so scheduled as

to meet in the clearing city at the same time.

Admitting that his plan would be more expensive than the present method, Mr. Uhl contended that his idea would produce the following offsetting savings: (1) It would result in uniform "float" with consequent saving of analysis personnel and time; (2) it would eliminate "wire fate" items and; (3) it would be of great value to the economy of the nation as a whole. Answering the argument that "such a plan is not necessary in view of the concentration of clearing volume in the East," Uhl pointed out that in recent years, particularly during the present war, there has been a tendency on the part of business to expand into the South and far West. "The extension of business enterprise into greater geographical areas will naturally result in greater volume of clearings over a greater part of the nation," he said. "The banking profession should be prepared to meet this expansion."

with foreign governments require return of the silver to the Treasury on an ounce-for-ounce basis after the war.

"Silver made available to war industries under the Act of July 12, 1943, is used for the production of engine bearings, brazing alloys and solders, by WPB orders. Sales of silver made under the authority of this Act are at the fixed price of 71.11 cents per fine ounce.

"Sale of a stock of 'silver ordinary' was made in the fall of 1942 to industries which were in urgent need of the metal for immediate war production uses. 'Silver ordinary' represents minor accumulations from such sources as purchases for coinage prior to the Silver Purchase Act, recoveries of bullion lost in melting and coining processes, and balances of silver in excess of amounts estimated to be contained in mutilated coin."

Mr. Uhl contended that banks have tended to look upon "float" as a "necessary evil," something that banks and the nation must tolerate. Some banks, he said, are endeavoring to reduce their analysis costs by establishing average "float" in order to eliminate the necessity for examining individual items. Some have experimented with other plans for reducing analysis time and costs. "The fact remains," he added, "that all these plans approach the problem from the standpoint of avoidance rather than correction."

War Mobilization Director Byrnes Issues "Work or Fight" Order

Hershey Calls on Draft Boards to Cancel Deferments of Men 18 to 37 Who Quit Essential War Work

Incident to the new manpower directive of James F. Byrnes, Director of War Mobilization and Reconversion, local draft boards were notified on Dec. 11 by Draft Director Major-Gen. Lewis B. Hershey to cancel occupational deferments of men from 18 to 37 years who left essential work without Board permission. Stating that Gen. Hershey acted less than 48 hours after Mr. Byrnes issued his new work-or-fight mandate, the Associated Press, Washington advices, Dec. 11, said:

Though the order applies to all men 18 through 37, it is aimed primarily at the 26-37 age group whose deferments have been granted more liberally in the past. Deferment standards already are being applied very strictly to men in the 18-25 age bracket.

In effect, Gen. Hershey has directed the nation's 6,443 local draft boards to review all deferred cases and to apply a more rigid deferment yardstick henceforth "in the light of the immediate urgencies for men in the armed forces and the civilian war effort."

Those who persist in remaining in non-essential jobs or who quit war work will be reclassified immediately and made subject to the draft. Those so inducted will be assigned as combat replacements overseas or to release soldiers in this country for service abroad.

The text of the Byrnes statement on the manpower situation was made known in a White House announcement issued as follows on Dec. 9, it was indicated in Associated Press accounts:

Director of War Mobilization and Reconversion Byrnes announced today that, after consultation with representatives of the Army, Navy, War Manpower Commission and Selective Service, he had requested the Director of Selective Service to amend Selective Service regulations to provide for the calling of additional men in the higher age groups into the armed services to replace men released by the Army and Navy to man critical war programs.

The Director pointed out that in addition to the veterans returning to civilian jobs, at his insistence the Army and Navy had already released several thousand men to fill, in part, the existing manpower shortage in critical war plants, and that the demands for such releases are increasing. The larger number of American divisions now actually engaged in combat, and the continuing pressure against the enemy, has not only increased the requirement for physically fit soldiers, but has also greatly expanded the requirements for military supplies of all kinds.

Justice Byrnes stated: "Essential war industries must be provided with the requisite manpower to meet military requirements if full pressure on the enemy is to be continued. The importance of war production schedules has necessitated the release of men already in the service. In order that these men may be replaced, it is deemed necessary to increase the number of calls by Selective Service for men between 26 and 37 who are not now doing their part to contribute to the war effort."

"More than 2,000,000 men over 30 years of age are now serving their country in the armed services, and, hence, it is not too much to expect that all other men in this age group not in the armed service are prepared to contribute to the war effort."

Gen. Hershey has been requested to amend his regulations immediately to provide for the induction of men in this age group who are not now contributing to the war effort, as replacements for men in the armed services who have been or may have to

Congress Extends Second War Power Act

Both the House and Senate have voted to renew the administration's broad war powers over rationing and the allocation of vital materials for another year. The House on Nov. 30 passed a bill extending through 1945, the life of the Second War Powers Act—legislative basis for the War Production Board, rationing War Food Administration and many other wartime agencies, while the Senate passed the bill on Dec. 8.

Reporting the House action on Nov. 30 Associated Press advices from Washington as given in the New York "Journal of Commerce" said the House approved an amendment empowering Federal courts to review and enjoin WPB orders suspending individual allocations of critical materials.

The original bill provided for no court review of any rulings by the war agencies. Persons dissatisfied with War Production Board action had but one recourse, an appeal to the Office of War Mobilization.

Although backers of today's amendment said it is not distasteful to the administration, Rep. Cochran (Dem., Mo.) told the House it could snarl the war program at the very time when fighting front generals are pleading for more ammunition.

"I don't want any hamstringing amendments on our war powers," he said. "Let us forget our fears for the rights of individuals until we've won this war."

Chairman Summers (Dem., Tex.) of the Judiciary Committee said the amendment was a protection against "abusive and tyrannical" actions.

Sponsors of the amendment said it actually applied to a limited part of the war program—giving courts the right to pass only on those war production orders which withdraw a previously granted allocation of vital materials, but Mr. Cochran contended it is broad enough to let any person who loses a rationing privilege—a "B" card gasoline ration for example—to tie up the war agency's program.

Part of the amendment reads: "The District Courts of the United States are hereby given exclusive jurisdiction to enjoin or set aside, in whole or in part, any order suspending any priority or allocation, or denying a stay of any such suspension, that may have been issued by any person, officer, or agency, acting or purporting to act hereunder, or under any other law or authority."

The Senate accepted the bill as it passed the House with the above amendment.

Redeem Cuban Bonds

Republic of Cuba, through Roberto Hernandez, Consul General of Cuba in New York City, is notifying holders of its external loan 30-year sinking fund 5½% gold bonds issued under Loan Contract dated Jan. 26, 1923, that \$333,300 principal amount of the bonds have been drawn by lot for redemption on Jan. 15, 1945, out of moneys in the sinking fund, at 100% of their par value and accrued interest to the redemption date. The bonds drawn for redemption will be paid at the office of the fiscal agents, J. P. Morgan & Co., Incorporated, on or after Jan. 15, 1945, after which date interest on the drawn bonds will cease. On Dec. 11, 1944, \$446,300 principal amount of these bonds previously drawn for redemption had not been presented for payment.

be to cut down appreciably the huge labor turnover that has been a No. 1 problem in fighting lagging war production.

Roosevelt Makes Initial Report to Congress on UNRRA—\$1,350,000,000 Pledged by U. S.

According to a report to Congress by President Roosevelt the liberated peoples of Europe will be able to supply 90% of their own basic needs this winter. This statement was made by the President in submitting his first report on American participation in the United Nations Relief and Rehabilitation Administration, in which he noted that supply operations "have not yet begun in the field." The Associated Press advices from Washington, Dec. 5, in reporting this, also said, in part:

"Covering the three months ended Sept. 3, the report showed an actual cash outlay of \$4,253,423 and allocations totaling \$353,000,000 out of the \$800,000,000 thus far appropriated in American funds. The allocations have been earmarked for food, clothing, medical supplies and other types of necessary equipment.

"Noting that 'emergency needs in liberated areas are still being met only from military relief supplies,' Mr. Roosevelt told the lawmakers that field supply operations 'are likely to begin shortly in some areas.'

"American participation in the 44-nation U. N. R. R. A. was authorized last March and effectuated by Executive Order in July. An aggregate of \$1,350,000,000 was pledged as this country's total share.

"In his report, the Chief Executive said that the liberating Allied armies, in some sections, found conditions to be 'worse than we had anticipated, and in other sections they are not as bad as we had feared. Generally, however, there has been a wide extent of suffering and privation, and the job ahead is great.'

"Furthermore, the report provided a glimpse of the tremendous job ahead. Already, in Europe alone, it said, 100,000,000 people have been freed after three to five years of 'Nazi looting, persecution and brutality.'

"It spoke of acute food shortages in many lands, particularly in cities. It said exposure, due to lack of clothing, had killed nearly as many people as had starvation. It mentioned 'seriously lowered resistance' to disease and the death of hundreds of thousands of children from malnutrition.

"It estimated that 20,000,000 men, women and children had been driven or had fled from their homes, and said that their return will mean 'the greatest migration of modern times.'

"Thus far UNRRA has asked the United States, especially for foods costing \$72,345,290, clothing textiles and footwear worth \$37,646,489, food production supplies totaling \$18,298,487, and transportation, medical and miscellaneous supplies and equipment to bring the total to \$129,490,380."

The President's message to Congress, in transmitting the report, follows:

"To the Congress of the United States of America:

"I am transmitting herewith the first quarterly report on UNRRA expenditures and operations in accordance with the Act of March 28, 1944, authorizing United States participation in the work of the United Nations Relief and Rehabilitation Administration.

"The enemy has been driven out of all or virtually all of the Soviet Union, France, Greece, Belgium, and Luxembourg. Parts of the Netherlands, Yugoslavia, Poland, Czechoslovakia, and Norway, as well as the Philippines, New Guinea, New Britain, and Burma have been liberated by the armed forces of the United Nations. Those forces—more powerful each month than the month before—are now striking additional blows to complete the task of liberation and to achieve final victory over Germany and Japan.

"UNRRA was established by the United Nations to help meet those essential needs of the people of the liberated areas which they cannot provide for themselves. Necessary relief stocks are being

acquired and the personnel recruited to assure efficient and equitable administration of relief supplies and relief services. As rapidly as active military operation permit, UNRRA is undertaking operations in the full UNRRA representatives are already in or on the way to liberated areas of Europe and are preparing to go to the Pacific and Far East. The colossal task of relieving the suffering of the victims of war is under way.

"The conditions which prevail in many liberated territories have proven unfortunately to be fully as desperate as earlier reports have indicated. The enemy has been ruthless beyond measure. The Nazis instituted a deliberate policy of starvation, persecution, and plunder which has stripped millions of people of everything which could be destroyed or taken away.

"The liberated peoples will be helped by UNRRA so that they can help themselves; they will be helped to gain the strength to repair the destruction and devastation of the war and to meet the tremendous task of reconstruction which lies ahead.

"All the world owes a debt to the heroic peoples who fought the Nazis from the beginning—fought them even after their homelands were occupied and against overwhelming odds—and who are continuing the fight once again as free peoples to assist in the task of crushing completely Nazi and Japanese tyranny and aggression."

FRANKLIN D. ROOSEVELT

The White House, Dec. 5, 1944.

San Francisco Chamber of Commerce Elects

Dr. Henry F. Grady, President of the American President Lines, was on Dec. 5 elected President of the San Francisco Chamber of Commerce and will take office Jan. 1. Mr. Grady, who was the Chamber's First Vice-President succeeds Adrian J. Falk, who was the 1944 President. Brayton Wilbur, President, Wilbur-Ellis Company, was elected First Vice-President of the Chamber; Roland Tognazzini, President, Union Sugar Co., was elected Second Vice-President; W. Lansing Rothschild, President, Yellow Cab Co., was elected Third Vice-President; Louis B. Lunborg, General Manager of the Chamber, was elected Fourth Vice-President.

Prentiss A. Rowe, President, A. I. Hall & Son, Inc., was elected Treasurer of the Chamber and Elmer G. Johnson, recent President of the San Francisco Junior Chamber of Commerce, Assistant Treasurer, and M. A. Hogan, Secretary.

Money in Circulation

The Treasury Department in Washington has issued its customary monthly statement showing the amount of money in circulation after deducting the money held in the U. S. Treasury and by Federal Reserve Banks and agents. The figures this time are those of Oct. 31, 1944, and show that the money in circulation at that date (including of course that held in bank vaults of member banks of the Federal Reserve System) was \$24,425,292,971, against \$23,794,299,623 on Sept. 30, 1944, and \$19,250,318,310 on Oct. 31, 1943, and compares with \$8,698,214,612 on Oct. 31, 1920. Just before the outbreak of the first World War, that is, on June 30, 1914, total was \$3,459,434,174.

The Financial Situation

(Continued from first page)

of Europe and Mr. Churchill in others are proceeding persistently and without anything in the way of effective opposition from us to practice power politics in precisely the way they thought this country was fighting to end.

Of course both are looking out for the interests of their own country or Empire in the traditional prewar way. It would be silly to condemn the general purpose of one and praise or even excuse the objective of the other. It may be that one or the other is proceeding with more finesse or épritude than the other. On the whole, Mr. Stalin appears to have been more forehanded, more ruthless and thoroughgoing in his technique than the British Prime Minister, who may have picked the wrong horse in Greece—or possibly the wrong groom or jockey. At any rate, revolutionary ideas appear to be rampant in that part of the world as they have been many times in the past, and the influence of Russian thinking—whether or not deliberately or consciously exerted—appears to have posed some problems for Mr. Churchill. But be all this as it may, the British Empire is, and must be, interested in safeguarding its life line through the Mediterranean precisely as Russia is bent upon protecting itself against any future uprising of the Germans.

Why Surprise?

Now, where does all this leave the United States of America? Well, first of all, there is no reason for surprise, and certainly no possible excuse for "shock." Only the most naive could possibly have imagined that such veterans of world politics as Russia and the British Empire were likely to fore-swear their "interests" and follow the President of the United States on some crusade (as it must certainly have appeared to them) against windmills. Rather meaningless assents to such vague declarations as the Atlantic Charter at a time when all anti-Axis countries were dependent almost for their very life upon the United States was to be expected and was certainly not to be construed in other than a Pickwickian sense. Just as de Gaulle has entered an agreement with Russia for mutual protection against Germany in the future—quite independent of any concert of powers which may later be established—so it should have been taken for granted that Russia and Great Britain would do what seemed best to them to protect their own future when it seemed best to them to do it.

Our second observation is that the developments to which reference has been made are quite beyond our power to correct. We could,

of course, take a "strong stand" in protest—and, according to some observers, make post-war collaboration of the sort on which many in this country have set their hearts quite impossible—but such a course on our part would in all probability not change the policies of Russia and Great Britain in any great degree. The simple truth probably is, however, that we shall "collaborate" with other nations in the interest of future peace despite such policies on their part or not at all. We shall have to reconcile ourselves to precisely such course of action on their part either at the present time or at some later date.

What has been done or is being done in Europe really can not directly affect us in any substantial way. We may think that all this is sowing the seeds of another European war. It may be. But why should we think we know more about solving the problems of Europe than those countries which must live next door to the sore spots of that continent? If we are to permit ourselves to be drawn into all major European wars, it must be admitted that we have an interest in doing what may be done to prevent war from coming to Europe, but it would be foolish indeed to suppose that we—thousands of miles from the scene—can ever hope to direct the conduct of European countries. Our interests dictate that we do whatever we reasonably can to help keep the peace in Europe, and to manage our affairs in such a way that we can keep out of European entanglements.

Two Dangers

There are two dangers in the situation as it now develops. One of them is that it will be permitted to reach lengths which will interfere with the conduct of the war. There is no reason why this should be permitted to take place, but it is a possibility, and a possibility which we especially should be on guard against. It appears reasonably clear that Russia and Great Britain have come to a working understanding, at least about European questions. It is not very likely that they will get sufficiently at cross purposes—even if there are other areas where their interests may clash—while the present conflict is in progress to interfere with its prosecution. We apparently have been faced with a *fait accompli*—and we can make the most of it and get on with the war, or we can act in such a way that the end

Vague But Mischievous

"With the inevitable end of Hitler, the struggle begins, not of tank and plane, but of heart and soul and brain, to forge a world in which humanity may live in peace.

"This new world must be based on the recognition that the individual human being is the cornerstone of our culture and our civilization. All that we cherish must rest on the dignity and inviolability of the person, of his sacred right to live and to develop under God, in whose image he was created.

"With this creed as our foundation, we declare:

"1. That an International Bill of Human Rights must be promulgated to guarantee for every man, woman and child, of every race and creed and in every country, the fundamental rights of life, liberty and the pursuit of happiness.

"2. No plea of sovereignty shall ever again be allowed to permit any nation to deprive those within its borders of these fundamental rights on the claim that these are matters of internal concern.

"3. Hitlerism has demonstrated that bigotry and persecution by a barbarous nation throws upon the peace-loving nations the burden of relief and redress. Therefore it is a matter of international concern to stamp out infractions of basic human rights."—Vice-President Wallace, Governor Dewey and others.

Such terms as "rights of life, liberty and the pursuit of happiness" can, of course, be interpreted to mean almost anything or nothing. It may be that considerations such as this led some of the distinguished gentlemen signatory to the "Declaration" above quoted to permit their names to be attached.

But be that as it may, we wish there were much less tendency on almost all sides in this country to meddle with the affairs of other peoples.

Freight Rate Increases Again Suspended

The Interstate Commerce Commission in an order dated Dec. 13 declined to require the railroads to cancel the passenger fare increases, but suspended until Jan. 1, 1946, the authority to increase freight rates. This decision was reached Dec. 12, by a vote of 7 to 2, Chairman Patterson and Commissioners Aitchison, Porter, Lee, Mahaffie, Splawn and Rogers constituting the majority, with Commissioner Aldredge concurring in part and Commissioner Miller dissenting in part. Commissioners Johnson and Barnard did not participate.

The reopened proceeding, which resulted from a further hearing held in the latter part of October, 1944, dealt with the questions (1) whether increases in freight rates, averaging about 4.7%, which by authority of the Commission were in effect from March 18, 1942, to May 14, 1943, but were suspended until Jan. 1, 1945, should be permitted again to be established, and (2) whether the 10% increase in interstate standard passenger fares of the railroads in effect since Feb. 10, 1942, should be canceled.

of the war is deferred. Let us not forget that we have millions of our young men upon the battle fields of Europe. We must finish up that business and get them home as soon as possible.

The second danger has to do with our own position after the war is over. We must not continue to charge windmills and to act as a Don Quixote throughout this conflict and when the terms of peace are being written. We have no imperialistic ambitions and interests, but we do have a continent to defend in a world which is not given to consideration for others. We must have bases and the like to make our shores unreachable. Let us not lose sight of that fact while Russia and Great Britain are putting their hard, practical heads together about post-war mat-

The Commission, in its report, further stated:

"Freight and passenger business of the railroads has continued to increase substantially in the last two years. Operating revenues this year will reach an all-time high. Because of the great increase in railroad traffic, the National Association of Railroad and Utilities Commissioners filed a petition requesting that no increases in freight rates be permitted to become effective on Jan. 1, 1945, but that authority to do so should be canceled. The Price Administrator, the Director of Economic Stabilization, the Secretary of Agriculture and the War Food Administrator made the same request. In addition, certain of these parties called upon the Commission to cancel the increases in passenger fares. In response, the railroads asked that no action be taken to prevent the increases in freight rates from going back into effect on Jan. 1, 1945, or to cancel the passenger fare increases.

"In view of the uncertainties facing railroads and shippers in the coming year, the proceeding is held open upon the Commission's docket so that any party may request further action if conditions substantially change."

28,910 Freight Cars and 495 Locomotives on Order

The Class I railroads on Dec. 1, 1944, had 28,910 new freight cars on order, the Association of American Railroads announced. This included 9,523 hopper, 3,054 gondolas, 200 flat, 12,218 plain box cars, 1,345 automobile box cars, 2,213 refrigerator, and 357 stock freight cars. On Dec. 1, last year, they had 36,253 cars on order.

The roads also had 495 new locomotives on order on Dec. 1, this year, which included 90

What About Government Bonds?

(Continued from first page)

claims, in a way not to hurt the banks, although I am not too sure of this.

Probable Refunding

My own present guess is that as the "E," "F," and "G's" become due an entire new system of refunding will be instituted which will both save the Government money and not necessarily hurt anyone. For instance, maturities up to a limited amount—say \$5,000—will be paid in cash. Larger holders can be given the option: (1) of accepting 2½% Registered Fifty Year Bonds—two per cent being retired by lot at par each year, it being understood that the Government shall not buy any in the open market under par; or (2) of accepting 1% Coupon Ten Year Bonds which would have a free market and have some tax advantage.

Along with such refunding, legislation will be passed by Congress whereby insurance companies (and this will now be possible under the recent Supreme Court decision) will be allowed to value such 2½% bonds at par; and banks will be allowed to value the 1% bonds at par—whatever either issue may be selling for in the open market. This program could result in cutting the Federal interest costs about in half and ultimately in retiring the bonds.

All of the above means that the Federal Debt could be divided into two parts—like the departments of every bank—viz: a *Savings Department* and a *Commercial Department*. Those who want income will get 2½%, but they must be willing to forego liquidity until their bonds are called by lot at par. Those who want liquidity must be content with 1% interest, but they will always be able to sell their bonds. This should be no different from the way the banks are now treating us depositors in their two above-mentioned departments.

Conclusion

We all should buy our share of War Bonds Series "E," "F" and "G." During the years ahead they may or may not be our best investment. Only the future can tell; but this one thing is certain: If we will also buy a carefully-selected list of good stocks, then we will have two barrels to our gun. If the bonds go down in price, the stocks should go up; while if the stocks go down, we will have a safe back-log in the bonds.

steam, two electric and 403 Diesel locomotives. Total on order Dec. 1, 1943, was 1,004, which included 387 steam, three electric and 614 Diesel locomotives one year ago.

The Class I railroads put 35,972 new freight cars in service in the first 11 months this year compared with 26,433 in the same period last year. Of the total installed so far this year, 5,140 were installed in November. Those installed in the first 11 months included 14,698 hopper, 3,735 gondola, 1,315 flat, 2,863 automobile box, 12,768 plain box, 143 stock, 449 refrigerator freight cars and one other car.

They also put 846 new locomotives in service in the first 11 months of 1944, of which 305 were steam, one electric and 540 Diesel. New locomotives installed in the first 11 months of 1943 totaled 656, of which 380 were steam, 15 electric and 261 Diesel. New locomotives installed in November this year totaled 63, of which 18 were steam and 45 were Diesel.

Compulsory Universal Military Training

(Continued from first page)

ternational relations on the one hand, and on the other a persistent zeal for the expanding reign of law among nations to replace that self-same force. If we plump for force alone we are doomed. If we ignore force we are equally doomed. It is easy to go all out for force; it is likewise easy to go all out for disarmament. The grave danger is that we shall, as individuals, fall into one or the other of these traps in our thinking about military training.

The fact that we must be willing and able to fight by no means establishes the case for universal training in peacetime. The degree to which we should arm ourselves is related to what other nations do. To adopt it now before the terms of the peace are known would prejudice that peace. It would tend to force other peace-loving nations to military preparedness on the same scale, and would be in fact a public avowal to the world that we expect nothing truly constructive to come out of the war.

Important Questions Yet Unanswered

We do not yet have enough facts on which to base a judgment. General Marshall states that a large professional army is out of place in a democracy. How large a standing army does he mean? What is being planned as a standing army for the post-war period? Is it to be an army of 500,000 men, or a million men or 1,800,000 men? There appear to be military opinions favoring each of the two extremes. If the Army heads consider a large standing army necessary, is the disruption of the lives of millions of young men by supplementary training justifiable in peace time, in view of the speed with which the techniques of war seem to change these days?

Since it is preparation for total war that alone would justify compulsory universal training, may not the best answer to such a situation be a large standing army with a proper industrial organization behind it? Too many advocates of compulsory training forget that if world conditions call for universal service, that service must be backed up by industrial regimentation and industrial readiness for war. This will have grave effects upon our system of private enterprise, which I for one cherish greatly. Think, for example, of the radical changes that must take place in the geographical distribution of many industries and the consequent economic disruption, if we must prepare for a war featured by rocket bombs, robot planes, and the still undeveloped atomic bomb of dreadful promise, as they can be contrived in the next ten years alone. If this war brings no agencies of international collaboration in which we can place substantial hope of security, the regimentation of young men for war will be but one phase of national regimentation at all levels. In that case, will not the totalitarians really have won the war?

It is said that we need universal conscription because the volunteer system has always failed to give us even the small peacetime armies authorized by Congress. My question is, has the volunteer system ever been really tried? Has the Government ever sought to make a volunteer tour of army duty attractive, either in pay or in experience which a man could capitalize afterwards? The answer, I think, must be no.

Furthermore, on the strictly military side we need to know more of the experience in other countries. For example, did universal training strengthen France or weaken her by contributing to a false sense of security, which has come to be called the Maginot Line psychology? Nothing could

be worse for us, as we enter an era in which the techniques of war will change so rapidly, perhaps to the degree of altering them fundamentally, than to assume that universal service is a substitute for national will. Certainly, to be a prepared nation, we must be alert to the importance of science and technology; not just a nation whose young men have all had basic military training.

We are always prone to view the next war in the pattern of the last. Spectacular mobilization of armies may not signify as much as before. Scientific and engineering research may replace them as our chief line of defense.

There is another phase of national preparedness that is often overlooked; namely, ways and means of keeping aggressor nations weak and thus reducing the relative need for large forces on the part of peace-loving nations. For several generations the studied, deliberate philosophy of national aggression has been restricted to two parts of the world. Victory will give us an opportunity to remove these points as military threats. Obviously it will require wisdom to devise the best plan and persistent determination to enforce it. At this stage, to talk about peace-loving nations adopting peacetime conscription only muddies our thinking as to how to demilitarize Germany and Japan, and keep them so. In my opinion a soft peace, or one that fails to restrain the Axis nations as military potentials may well compel us to go over to total military preparedness. This is one reason why I regret the rise of any issue now that may divert us from attention to the nature of the peace.

We Should Know Nature of the Peace Before We Decide

But the most cogent reason for delaying decision on universal compulsory military training is the one I made at the beginning of my remarks and to which I would like to return again; namely, the question cannot be decided until the terms of the peace are known. To adopt universal training today would confirm the dangerous spirit of cynicism towards all proposals to expand the scope of collective security and reign of law. It would carry America to the peace conference with notice to the rest of the world that for us the Atlantic Charter is not to be taken too seriously. Secretary Stimson says that we need universal service to impress other nations that we can fight. But, I repeat, would not the real effect at this time be to impress other nations that we place no hope in the possibility of international institutions to make world wars unnecessary? I think it would. Certainly it would confirm the sense of defeatism in respect to what we are fighting for, which Mr. Churchill expressed when he stated that the ideological aspects of the war are not so significant now as they once were. Now that it is clear that America will escape invasion — and probably even bombs — in this war, and because we are not yet fully conscious of the casualty lists yet to come, I sense on the part of the American public a most unfortunate complacency towards the next war. I suggest that this is not shared this evening by millions of homeless, harassed and suffering people of Europe.

Are Collateral Educational Values Really Valid?

Up to this point I have been urging as a citizen those considerations that call for delay in deciding the question of universal training.

I now come to the issues on

which educators have a special right and duty to speak as their minds and experience dictate. I refer to the so-called educational advantages of universal military training. When investigated, these collateral arguments, which seem so soft on military training in the raw, are seen to be unsubstantial. Here it is necessary to clarify our thoughts, or we shall be found to be trying to play both ends against the middle. To use an equally vulgar phrase, you can't work both sides of the street for military training.

My thesis as to educational advantages is perfectly simple. If the Army is to make up for the shortcomings of the home, the church and the school, it will not be able to give us the trained man-power it says we need. It can't do all these things and train for combat too. And it is naive to expect that it will. In Chapter I, Volume I of "Platoon Training," a textbook for officers, occur these words, "Success in battle is the ultimate object of all military training." No truer word was ever said on the subject. When the objective departs from this principle it becomes neither military training to meet our requirements of military power (whatever they may be) nor education for civilian responsibilities.

Military Discipline and Civilian Discipline Are Two Different Things

Take the question of discipline first. Every old man knows that the younger generation are poorly disciplined. It has always been so. I confess myself to enough gray hairs to think that many young people need discipline which they are not getting, but which in earlier days they received automatically when family conditions and economic conditions rested on a more domestic economy. While formal education is no substitute for home influences, modern pedagogy must accept its share of blame for any lack of civilian discipline in a generation which, by the way, seems to be doing all right as soldiers.

The Army rightfully makes slight claim to developing the intellect of the common soldier, whereas true self-discipline calls for both mental and emotional controls combined in one personality.

Therefore I insist that discipline for peacetime responsibilities and discipline for military responsibilities are two different things. Success in battle calls for its own peculiar form of discipline. It comprises the physical, mental and emotional equipment of a soldier. I am willing to accept the word of the Army that it takes one year to accomplish this, that it cannot be done properly in three summer sessions. And even a year leaves little time for frills. It would, of course, embrace some technical training as might be useful to a soldier, but at a high cost of time and money compared to much more that could be done under civilian auspices.

Military discipline is imposed from above. It very properly consists in willingness to obey orders with the threat of punishment for disobedience always present to control the conduct of the individual. Civilian discipline must be self-discipline functioning from within. We all know young men who seem to have been helped and matured by military training during the past three or four years. What we do not yet know, is how much of this development will be carried over into civilian life afterwards. The history of past wars suggests that the brutalizing experience of war does not carry over. Returned soldiers are not killers. Nor does history indicate that the common soldiers have been helped by their military training for civilian life afterwards in any significant proportion. One of the great worries of college authorities is how they will treat the students returning

from military service who will react against their experience with military discipline without having developed corresponding self-discipline for a peacetime way of life. How we can get such students back into the stream of civilian responsibility will be a problem.

While in many cases such rejection does not prove that the individual cannot look forward to a long and healthy life, there can be no doubt that the health of our youth is a matter of grave national concern. However, the pertinent question is: will a year of military training materially improve the health of the nation?

Of course most young men who qualify for military training enjoy good health while in training. Nourishing food, regular exercise and regular sleep and living conditions will improve anyone's health. But, like habits of discipline, health habits, enforced from above, will not carry over in any degree comparable with what cheaper medical care and an expanded health program in the schools and health centers would accomplish at less cost. President Roosevelt has referred to those boys in the army who didn't know how to brush their teeth. This condition is indeed regrettable, but its causes run deeply into our social life. Not brushing one's teeth is but a superficial symptom of ignorance and underprivilege, and the causes require more attention than the Army can give.

Two things need to be remembered if we are to be sensible about health. One is that, if the Army is to remain concentrated on national defense (which is the only reason for having an army), it cannot accommodate those young men whose physical defects bar them from being good soldiers. It cannot use those who are most in need of remedial health services. Bad teeth can be rectified and hernias corrected, but by and large the Army cannot turn itself into a health center, even if the year at its command were sufficient to work basic improvements for young men under par.

The second fact is that many of the conditions which render a man physically unfit occur before the lad is of military age. His ailments may run to earlier illness, malnutrition, insanitary environment or failure to receive the best remedial medical attention. Some defects are non-correctable by most complete medical service. Poor eyes, punctured eardrums and certain heart conditions are examples. Asthma and hay fever cannot be cured by a year in the army. Emotional instability, about which we hear so much, requires different and more prolonged treatment than the Army can provide. I suggest, therefore, that universal military training (which would in fact be universal only for those already in good physique) will contribute little to national health. Again, I repeat, much broader and more fundamental results can be attained in other ways at less cost.

Proposal for a Year of National Service to Include Military Training as One Element

The final argument which I consider erroneous is the proposal for a year of as yet undefined national service for all youth, in which military training would be but one element. It is advocated that this plan be extended to young women and no one would be exempt. It would be presumably a year devoted to training for good citizenship and the inculcation of ideals of public service in all youth. Secretary Knox declared that "responsibility of citizenship under a popular form of government could be taught" through military service; but he didn't say how. Others, feeling some skepticism in respect to the benefits of mere military training, would add various other features on a universal compulsory basis. In a way this is the most dangerous position of all, because it is

seductive to some who dislike to face the realities of military training, even if it becomes clearly indicated that we need it in the post-war world.

Let me say at once that I am a firm believer in the value of work-on-the-job as an educational force. The large proportion of our youth who are missing this experience in their late adolescence is appalling. Work experience should be a part of the life of all young people; but it is best performed under conditions of free men and not under those of conscripts. And this goes for national work camps under any guise that rests upon compulsion by the State. It smacks too much of Nazism to suit me. If events prove that we must go over to compulsory military training in peacetime, let us not try to mitigate the great social and economic costs by self-deception.

All this holds also for those proposals which link the inculcation of zeal for participation in public affairs with compulsory military service. My fear is that a year of compelled service is more apt to make a boy think that he has sufficiently performed his obligation to the State than to fill him with a sense of duty towards public service. It is this fear that suggests that special inducements will be required to impel young men of the right sort to continue voluntarily their preparations to be officers, after the year of compulsory service.

Although I am as yet far from certain that universal military training is in the national interest, of one thing I am sure. If America decides that it is necessary, the colleges and universities will find ways and means to make the appropriate adaptations, and will lend themselves loyally to it. They will faithfully and effectively contribute whatever is asked, accepting, as Americans should, the verdict of the people as to what is required of them.

1944 Sugar Manual Issued

Farr & Co., 120 Wall Street New York City, members of the New York Stock Exchange, has just issued the 22nd edition of its Manual of Sugar Companies. With a few exceptions, features of previous manuals have been continued this year. Included are descriptions and synopses of various sugar concerns; also information on companies discontinued through reorganization, merger, liquidation, etc.

Among the special subjects treated in the new 1944 edition are the U. S. Sugar Control, with outline of the Sugar Act of 1937 and Amended Acts; Sugar Quotas from 1934 to 1943; Ceiling Prices and Rationing, Etc., and historical and descriptive sketches of the beet and cane sugar industries. The statistical tables cover production, yields, prices, consumption, etc.

The Manual also contains complete lists of sugar factories in Cuba, Puerto Rico, Dominican Republic and British West Indies, with ownership, production, etc. In view of the possibility of the Philippines being again available as a source of supply, there have been included a short description and pre-war statistics of that industry.

Copies of the 1944 Manual may be obtained from Farr & Co. at \$1.00 per copy, postpaid, plus 1% sales tax for deliveries in Greater New York City.

Zellers Heads Trade Section

John A. Zellers, Vice-President of Remington Rand, has been elected Chairman of the International Trade Section, New York Board of Trade, to succeed John B. Glenn, who has held that post for the past two years. Fred J. Emmerich, Vice-President and General Manager of Block International Corp., was elected Vice-Chairman, and Albert J. Barnaud was reelected Secretary-Treasurer.

Capitalism Declared by Baruch As Best Economic System in War or Peace

Declaring that capitalism had proved itself the best economic system in the world "in peace and in war," Bernard M. Baruch on Dec. 12 urged the support of private charity as the best means of preserving the capitalist system.

He spoke at a "Million Dollar Breakfast" at the Hotel Astor given by the Federation of Jewish Philanthropies for volunteer fund-raisers who undertook to raise \$1,000,000 before nightfall. Federation spokesmen said they believed this objective would be achieved, according to the New York "Times," which further indicated Mr. Baruch as saying:

"If we want to retain the system of personal initiative, we must support private charity; the two go hand in hand. Abolish private charity and the State takes over in a grim, organized, statist way."

Mr. Baruch expressed his opposition to "classes or groups" that "come together for special pressure purposes, as opposed to the general good," and said he preferred the "preservation of a broad front, without cleavages into special interests."

Charity, he added, was not special, "because it is for another we give, not for ourselves, except for the joy in giving."

"The system of individual effort," he continued, "which we call the capitalistic system is the best in the world. It has proved itself so in peace and in war. I believe in trying to better that system, instead of tearing it down. I believe it rests upon the elements that I have named, and that the protection of these essentials leads to certain social and economic levels, which promise progress."

"These levels cannot be attained without fully realizing that the enterprise system carries personal obligations and that one of them—charity—is greatest at this moment."

"The Jew has always tried to

take care of his own. That characteristic has always been a proud badge of the members of this faith, and is even a prouder one these days when paternalism is so soft and beguiling."

Further remarks by Mr. Baruch are taken, as follows, from the New York "World Telegram":

"There are private liberties," said Mr. Baruch, "to which this country is consecrated. Those liberties have to do with the basic rights of all peoples. After these liberties come certain privileges. I want to give my life—I hope I can say continue to give my life—to the protection of freedom of speech, of worship and of assembly."

After the meeting, it was stated in the "Times," Mr. Baruch was asked if he was opposed to a Government social security program, and he replied: "My position on social security has been made clear. I'm going to make it even clearer on the medical phase." He declined, however, to elaborate on this statement.

From the same paper it is learned that other breakfast speakers, who also participated in a forum over radio station WOR explaining the phases of the Federation's work, were Samuel S. Schneierson, city-wide chairman of the 1944 Federation drive; Judge Jonah J. Goldstein, President of the Council of Fraternal and Benevolent Organizations of the Federation, and Benjamin Lazarus, associate chairman of the fund-raising campaign.

Principle of Annual Wage Endorsed by Labor Legislation Body

The principles of an annual wage was endorsed on Dec. 14, by the National Conference on Labor Legislation and the department of Labor was urged to survey its experiences of those companies which have set up such systems, said a special dispatch from Washington to the New York "Times," on Dec. 14, which added:

The resolution stated that the experience of progressive managements over a period of years had shown "the value of a guaranteed annual wage in maintaining the stability of employment and purchasing power for the products of industry."

"Such a wage will be of even greater value after the war in achieving the higher living standards for which we are fighting today," the resolution added.

The conference recommended extension and coordination of existing social-security legislation into a national program "which will provide protection for millions of workers and the self-employed not now covered by any social-security law, including coverage of all Federal employees with respect to unemployment compensation, provide income to help make up for loss of income due to sickness, and which will conform to accepted minimum national standards."

Among the specific steps proposed in connection with the resolution were amendment of the Social Security Act to improve and liberalize old-age and survivors' insurance and to provide prepaid sickness and hospitalization benefits; amendment by the States of existing State Unemployment Compensation laws to provide protection for all employees and continuance of public employment services on a national basis, to include job counseling as well as placement.

The scattering of labor matters among a variety of Federal agencies was criticized by the conference, which adopted a resolution recommending "that all labor functions be established in the State and Federal Labor Departments."

Adoption of the "equal-rights" amendment was disapproved by the conference.

Catholic Group Opposes Enforced Peacetime Training

In a statement on Dec. 13, the Post-War World Committee of the Catholic Association for International Peace opposed universal compulsory military training in peacetime, contending it was contrary to our general peace aims and inimical to the success of a general security organization. A special dispatch from Washington on Dec. 13 to the New York "Times," from which we quote, reported the statement as saying:

"It is possible for an institution to be legitimate in theory yet in actual practice be identified with a multitude of evils which counterbalance the good it is expected to produce," the statement said. "This is the case with conscription."

"Catholic moral teaching does not deny the right of the State to force its citizens to undergo military training for the legitimate defense of the country."

"But however legitimate in theory, conscription has been by the candid testimony of history part and parcel of the war-minded philosophy of power politics that has produced two world wars."

Terms of French-Russian Treaty of Mutual Aid

A treaty of alliance and mutual assistance between France and Soviet Russia was signed at Moscow on Dec. 10. With the signing of the pact General Charles de Gaulle concluded a 16-day visit to Moscow. Associated Press Moscow advices Dec. 10 reported that the treaty embodies Russian-French determination to remove the menace of German aggression. It pledged partnership in the war against Germany "until complete victory" and joint measures to safeguard Europe from new aggression after the war. These press advices added:

It parallels the 20-year alliance between Britain and Russia that was signed in 1941 after Germany invaded the Soviet Union, and fills a gap in Russia's future defenses in the West, where she started building a ring around Germany with her Czechoslovak alliance.

The treaty was signed at the Kremlin at 4:40 this morning after an all-night meeting which began with a formal banquet where the French and Russians were joined by British and United States diplomatic and military missions in Moscow.

Text of Communiqué

The communique announcing conclusion of the new pact said: "The sojourn in Moscow of General de Gaulle, Chairman of the Provisional Government of the French Republic, and M. Bidault, Minister of Foreign Affairs, was marked by numerous manifestations of sympathy which unites the people of France and those of the Soviet Union and which was strengthened by the trials experienced during the war. Conversations took place with the Chairman of the Council of People's Commissars of the U. S. S. R., J. V. Stalin, and the People's Commissar for Foreign Affairs V. M. Molotov."

"These talks were concerned with the sum total of problems appertaining to the conduct of the war and the organization of peace, and in particular to the German problem."

"These talks disclosed the existence of a wide concord of the point of view between both governments as well as the most sincere desire for close collaboration. Both governments again confirmed their decision to conduct military operations until complete victory over Germany, and their will to take jointly all the necessary measures to safeguard Europe from new aggression."

"In the spirit of these decisions on Dec. 10 this year both governments signed a treaty of alliance and mutual assistance, the text of which will be published separately."

From Paris Dec. 17 Associated Press advices reported the text of the new Franco-Russian treaty of alliance and mutual assistance as made public there, according to the New York "Herald-Tribune":

The Provisional Government of the French Republic and the Presidium of the Supreme Soviet (Parliament) of the Union of Soviet Socialist Republics:

Determined to pursue together to the end of the war against Germany, convinced that once victory has been achieved the re-establishment of peace on a stable basis and maintaining of peace on a lasting basis require as prerequisites the existence of close collaboration between them (France and Russia) and all the United Nations, resolved to collaborate in order to set up a system of general peace and safeguarding harmonious development between the nations, anxious to confirm reciprocal engagements resulting from an exchange of letters on Sept. 9, 1941, regarding joint action in the war against Germany, and in the knowledge that by concluding an alliance between France and the U. S. S. R. the

interests and sentiments of the two peoples are best assured, as are the necessities of war and the needs of peace and economic reconstruction in complete conformity with aims envisaged by the United Nations, have resolved to conclude to this effect a treaty and have appointed their plenipotentiaries.

These are: For the Provisional Government of the French Republic, Georges M. Bidault, Minister of Foreign Affairs; for the Presidium of the Supreme Soviet (Parliament) of the U. S. S. R. M. (Viacheslav M.) Molotov, People's Commissar for Foreign Affairs.

After duly having exchanged credentials, they agreed on the following:

1. Each of the contracting parties will continue, at the other's side and that of the United Nations, to fight until final victory over Germany. Each of the contracting parties undertakes to give to the other help and assistance in this fight with the means at their disposal.

2. The high contracting parties will undertake not to enter into separate negotiations with Germany nor conclude without mutual agreement and armistice or peace treaty either with the Hitlerite government or with any other government or authority set up in Germany with the aim of prolonging or supporting a policy of German aggression.

3. The high contracting parties will undertake to adopt all the necessary measures in common accord at the end of the present conflict with Germany to eliminate any new threat emanating from Germany, and to bar the way to any kind of initiative rendering possible a new German attempt at aggression.

4. In the event of one or the other high contracting parties finding itself implicated in hostilities with Germany either as a result of aggression committed by Germany or as result of circumstances mentioned in article 3, the other party will immediately bring it all the aid and assistance in its power.

5. The high contracting parties undertake not to conclude alliances or enter into coalitions aimed against one or the other of them.

6. The high contracting parties agree to exchange all possible economic assistance after the war so as to facilitate and speed up the reconstruction of their respective countries and contribute to the prosperity of the world.

7. The present treaty does not affect in any way any previous engagement contracted by any of the two parties with third nations by virtue of extracts published.

8. The present treaty, drawn up both in French and Russian, will be ratified and the instruments of ratification will be exchanged at Paris as soon as it is feasible to do so.

The treaty will enter into effect immediately when the instruments of ratification are exchanged and will be valid for 20 years.

If the treaty is not denounced at least one year previous to the lapse of this period by either of the two contracting parties, it will remain valid indefinitely, with either of the contracting parties retaining the right to end it by declaration to that effect upon one year's notice.

In pledge of the above, the following plenipotentiaries have signed and put their seals to the present treaty, which was issued in duplicate in Moscow, Dec. 10, 1944.

BIDAULT,
Minister of Foreign Affairs,
MOLOTOV,
People's Commissar of Foreign Affairs.

Tabulate Sales in 6th War Loan Drive

Figures were released by the Treasury Department on Dec. 16 before the radio broadcast of Secretary Morgenthau, showing that sales in the Sixth War Loan drive tabulated to date aggregated \$17,133,000,000, of which the corporate total was \$13,446,000,000 and the sales to individuals \$4,140,000,000, or 82.8% of the quota. According to the New York "Times" of Dec. 17 these figures, it was explained,

do not include considerable additional sales on which Mr. Morgenthau based his statement that total sales would exceed the \$19,000,000,000 mark. The final figures will be announced Jan. 2. The "Times," in part, added:

The nation-wide sale of E bonds stood at \$1,683,000,000, or only 67.3% of the quota, but Ted B. Gamble, national Chairman of the War Finance Committee, said that encouraging last days' sales would place E bond quotas over the top in many communities.

Frederick W. Gehle, State Chairman of the War Finance Committee, said that New York State for the first time in any bond drive probably would exceed its E bond quota with sales that will be counted through Dec. 31.

He disclosed that New York State had over-all sales of \$5,324,712,000, exceeding its original quota by \$1,398,100,000, and easily accomplishing the sales of \$1,000,000,000 additional in bonds promised by local campaign authorities when the first quota was met more than a week ago.

Mr. Gehle also reported that the State had individual sales of \$802,430,000, which also surpassed the quota for these issues.

"Never have the people turned out in such numbers to register their belief in our American way of life," Mr. Gehle said. "It is inspiring to review the record of this war loan, in which, wholly voluntarily, the public has subscribed such vast amounts of money in the war securities of our nation. This will be wonderful news, I am sure, to those New York men who are fighting for

our freedom on the battlefronts of the world."

New York City, according to yesterday's report, had an over-all sales record of \$4,965,675,231, or 135.4% of quota, and cumulative individual sales of \$647,945,017, or 108.4% of quota. E bonds represented \$120,460,035, or 66.4% of quota.

Following is the breakdown of bond sales in the boroughs of New York City:

SERIES E BOND SALES			
Counties:	Friday	Cumulative	% of Drive Quota
Manhattan	\$3,808,358	\$77,550,934	71.6
Bronx	196,275	7,640,208	56.6
Kings	1,192,657	24,219,691	61.3
Queens	489,779	9,854,811	55.7
Richmond	74,325	1,294,391	59.9
N. Y. City total	\$5,761,394	\$120,460,035	66.4

SALES TO INDIVIDUALS			
Counties:	Friday	Cumulative	% of Drive Quota
Manhattan	\$25,489,430	\$57,017,585	115.2
Bronx	979,499	20,066,744	91.2
Kings	3,662,851	61,728,403	84.6
Queens	2,621,587	27,036,414	81.9
Richmond	93,225	2,095,871	59.9
N. Y. City total	\$33,046,592	\$647,945,017	108.4

SALES TO ALL INVESTORS			
Counties:	Friday	Cumulative	% of Drive Quota
Manhattan	\$290,535,459	\$4,380,941,713	133.8
Bronx	9,143,056	74,339,759	154.9
Kings	25,105,999	373,369,347	146.4
Queens	25,745,880	120,639,208	150.6
Richmond	3,308,225	16,385,104	160.6
N. Y. City total	\$353,838,619	\$4,965,675,231	135.4

The opening of the Sixth War Loan Drive on Nov. 20 was referred to in our issue of Nov. 23, page 2275.

Amendment to Dumbarton Oaks Plan Proposed by Canada to Increase Powers

An amendment to the Dumbarton Oaks Security Plan which is designed to increase the authority of middle powers, like Canada and the Netherlands, without reducing the effectiveness of the proposed League or destroying the special authority of the big powers has been submitted to Washington and London by the Canadian Government, according to special Washington advices Dec. 11 to the New York "Times" by James B. Resion, which went on to say:

This qualification has been offered in the hope of removing the possibility that the strong middle powers would be directed to sever diplomatic or economic relations with or supply armed forces to fight against some future aggressor without having the opportunity to vote on these vital decisions.

While Article 1, Chapter 2 of the Dumbarton Oaks proposals states that the new security organization should be based on "the principle of sovereign equality of all peace-loving states," it adds in Chapter 6 the suggestion that, in order to ensure prompt and effective action against future aggressors, all members of the organization should "confer on the Security Council primary responsibility for the maintenance of international peace and security. And should agree that in carrying out these duties under this responsibility it (the Security Council of eleven members) should act on their behalf."

Under this proposal, if accepted, Canada, for example, might be obligated to break off trade relations with some country or supply men, money and war material to the Security Council, but would have no more assurance of a vote on the Council on these matters than any small nation which had little or no force to put at the disposal of the Council.

This apparent lack of distinction between the "middle nations" and the smaller nations is not wholly acceptable to the former. The Dumbarton Oaks plan sought to establish the principle that nations in the new League should be given authority in proportion to their obligation to provide them, money and materials for dealing with future aggressors and this was the principle that was invoked to explain the proposal that the United States, Britain, Russia, France and China should be made "permanent members" of the Security Council with the right to veto plans to use force against future aggressors.

The Canadians are evidently

prepared to accept this principle and therefore to sustain not only the right of the Big Five to a permanent place on the Security Council but also their right of veto, at least in all cases in which the Big Five themselves are not involved.

But the Canadians argue—and their point of view is noteworthy because it has considerable support among the other "middle powers"—that if the principle of authority in relation to power is to be applied by giving the big powers superior authority in the Security Council over the middle powers, so, they suggest, should the middle countries be given greater authority than the smallest nations who contribute very little power to the new League.

Carrying out this principle, therefore, the Canadian amendment is understood to propose that:

The non-permanent seats on the Security Council be allocated to those nations that have the will and the power to place a high minimum of force at the disposal of the Security Council and which are prepared to be bound by a majority decision of that council.

The five permanent members would be given the right of veto in all cases in which they were not a party to the dispute, and the six non-permanent seats would be allocated to the middle powers on a rotating regional basis, not yet defined.

The majority decision of the Security Council would be binding, in the first instance, only on the members of the Security Council, but any nation which wished to associate itself with the majority decision of the Council could do so if it liked.

The Security Council could carry out its own majority decisions without any action by the General Assembly of all the nations, but if the assembly voted by a two-thirds majority to carry out the recommendations of the Security Council, then this vote would be binding on all the nations in the General Assembly.

NY Supreme Court Holds Suits Under SEC Subject to Jurisdiction of Federal Courts

Holding that the Federal Courts have exclusive jurisdiction over suits brought under the Securities Exchange Act, Supreme Court Justice Ferdinand Pecora in New York, dismissed on Dec. 12 five suits brought against five officers and directors of the American Distilling Co. It was noted in the New York "World Telegram" of Dec. 12, from which the foregoing is taken, that the ruling was the first in any New York State Supreme Court on the question of whether jurisdiction in such suits was vested solely in the Federal courts, or whether under the interpretation of the statute suits might be brought in either the State courts or the United States district courts.

According to the New York "Herald Tribune" of Dec. 13, the present proceeding is looked upon as a test case, and it was added that it is understood that the Pecora ruling is to be carried to the highest court in the State. From the "Herald Tribune" we also quote:

"The action was brought by the distilling company, with the Craftsman Finance and Mortgage Company, a minority stockholder, as intervener, to recover \$296,812 from Russell R. Brown, company President and director; George W. Mitchell, Vice-President and Director; Samuel Rothberg, Vice-President; Henry C. Cole, Vice-President, Treasurer and director, and Thomas S. Brown, Secretary. There is no charge of mismanagement or official misconduct against the defendants.

"Sections of the Securities Exchange Act provide in a general way that no officers or directors of a corporation may use "inside knowledge" to profit from deals in a company's stock. It is provided that any profits accruing to an officer or director within six months of the purchase of such stock must be turned over to the company.

"The rules set forth also that upon demand of a stockholder, the company must sue for recovery of such profits and in case of the company's failure to do so, any stockholder could start suit. In this case the demand was made by the Craftsman Finance and Mortgage Company, a Massachusetts corporation, owning three shares of stock."

After tracing the history of the legislation said the New York "Times" of Dec. 13, the court ruled because of the provisions of Section 27, which in substance grants to the Federal Court "exclusive jurisdiction" over violations of rules and regulations, that "consistency of enforcement will more likely be achieved if the Federal courts retain exclusive jurisdiction."

Mail for France

It was made known on Dec. 2 by Postmaster Albert Goldman that according to information received from the Post Office Department at Washington, arrangements under which letters and packages prepaid at the letter rate of postage may be accepted up to a weight limit of 4 pounds 6 ounces, when addressed for delivery in the liberated areas of Continental France, to which limited mail service is in effect, were primarily for the transmission of written communications and related papers which may be of a bulky nature. It is emphasized that no merchandise, foodstuffs or printed matter of any kind may be included in such letters or packages, and it is added:

"With the exception of instructions relating to personal support remittances, communications of a financial or business character will, for the present, be restricted to those ascertaining facts and exchanging information, and enclosures of currency, checks, drafts or securities are prohibited."

Regarding mail service to liberated France, an earlier announcement (Nov. 6) by the Post Office Department said:

"Mail will be accepted for the

whole of Continental France with the exception of the territory of Belfort and the Departments of Doubs, Meurthe-et-Moselle, Meuse, Moselle, Bas-Rhin, Haut-Rhin, Haute-Saone and Vosges. The postage rate is 5 cents.

"The Treasury Department is making arrangements whereby personal support remittances to the limit of \$500 per month may be sent to individuals in France through banking channels under General License Nos. 32 and 33, as soon as banks in this country are able to make the necessary arrangements with French banks. Information regarding the transmission of such remittances may be secured by interested persons from their local banking institutions or the Federal Reserve Bank of their district. Currency, money orders, checks or drafts cannot be used for this purpose. Registration, air mail and parcel-post services are not yet available.

"It is no longer necessary for liberated France to obtain Treasury licenses to exchange financial and commercial information and establish business contacts. Creditors may communicate with their debtors in France. Banks, brokerage houses and other financial institutions may advise their customers and depositors in France of the status of their accounts. Bank statements, financial records and commercial reports may be furnished. Wills, legal notices and birth, death and marriage certificates may be transmitted. Proxies may be solicited and signature cards may be obtained.

"Other than instructions relating to support remittances, however, business communications between the United States and France for the time being are restricted to the ascertainment of facts and the exchange of information. Thus Treasury licenses will not be granted for the present for the sending to France of powers of attorney, executed proxies, payment instructions and other communications which are transactional in nature.

"Until now mail service with liberated France had been restricted to non-illustrated postcards on personal or family matters."

Justice Jackson to Speak at NY Meeting

Associate Justice Robert H. Jackson of the U. S. Supreme Court will be a principal speaker at the 17th annual mid-winter meeting of the New York State Bankers Association on Monday Jan. 15. C. George Niebank, the Association's President and President of the Bank of Jamestown announced on Dec. 18. Justice Jackson, who was U. S. Attorney General prior to his nomination to the Supreme Court, will speak at the Association's annual dinner at the Waldorf-Astoria Hotel. His subject will be announced later. Advance registration, it is announced, indicates that attendance at the mid-winter meeting will equal, and possibly surpass, the 1943 session at which 1,020 bankers, representing 600 of the Association's 720 member banks were present. At a daytime session the bankers will hear talks on banking's program for advancing adequate post-war credit to small business men and making loans to World War II veterans under the Servicemens Readjustment Act of 1944.

Savings Bank Deposits Increase in November

A gain in deposits of \$80,405,603 for the mutual savings banks of New York State in November was reported on Dec. 12 by the Savings Banks Association, bringing the total deposit gain to \$812,405,577 for the eleven months to date and the amount due depositors to an all-time high of \$9,978,478,850. The advices from the Association also state:

"This gain also takes into account the \$1,456,178 turned over to the State Comptroller, representing the deposits in 105,338 accounts which have been reclaimed for 15 years or more. The change in number of accounts shows a 78,217 net loss, indicating that exclusive of unclaimed deposits there was a gain of 27,111 active new savings accounts.

"War Bond sales to the public in November—almost all 'E' bonds—were \$18,993,935, a figure which unquestionably will be topped in December when complete War Loan results are in.

"As a result of the unprecedented flow of new savings for 131 mutual savings banks of New York State, up to the close of business on Dec. 9th, had subscribed for their own accounts to over \$899,900,000 of bonds offered in the Sixth War Loan Drive. This is already a larger purchase than the banks made in any of the previous drives and it is expected that their final Sixth War Loan subscription figure will be over \$1,000,000,000."

British Member of Combined Raw Materials Board to Retire

The Combined Raw Materials Board announced on Dec. 11 the retirement, effective Dec. 15, of Sir Charles Hambro as British Member of the board. His place will be taken by Sir Henry Self, who will also continue as United Kingdom Deputy on the Combined Production and Resources Board. Commenting on the retirement of Sir Charles, who has completed the tour of duty he originally undertook, William L. Batt, American Deputy of the Board, said he had brought to the work of the board a broad knowledge not only of British governmental practice but of British industry. Mr. Batt also said:

"His connection with the Ministry of Economic Warfare throughout the critical years of the war period had given to him an extensive background of experience in inter-governmental dealings, as well as in the field of materials. Chairman of the Great Western Railway he had the fullest acceptance of British industry.

"In every phase of the Combined work calling for patience and understanding he has been a most helpful colleague, and the American members have been deeply appreciative of the point of view which he brought to their problems. He always presented the British position with firmness and conviction, but was quick to grasp the difficulties on the American side and invariably made great efforts to find suitable accommodation of the two. He has done much to contribute toward the broadening of the board's work internationally. To the staff on the American side he became a friend and valued collaborator and it is with the keenest regret that they see him leave."

It was announced that George Archer will act as head of the British Raw Materials Mission and will be the deputy member on the Combined Raw Materials Board for Sir Henry Self. Sir Henry Self has served on the Combined Production and Resources Board since June, 1943. Prior to this appointment he had served as permanent secretary to the British Ministry of Production.

Commercial Air Agreement's Concluded Between United States, Denmark and Sweden

WASHINGTON, Dec. 16—The conclusion on Dec. 16 of agreements for commercial air transport services between the United States and Denmark and Sweden through an exchange of notes at Washington was reported in special Washington advices to the New York "Times" Dec. 16, which also had the following to say:

The agreements resulted from discussions at the recent International Civil Aviation Conference in Chicago. They incorporate the standard clauses adopted at the conference for use in bilateral agreements relating to scheduled air services on a reciprocal basis. Most-favored-nation treatment is provided for operations.

Under the agreement with Sweden, airlines of the United States receive rights of transit and non-traffic stops in Swedish territory, as well as the right to pick up and discharge international traffic in passengers, cargo and mail at Stockholm, on the following route: New York or Chicago, via intermediate points, to Stockholm and return.

Airlines of Sweden receive rights of transit and non-traffic stop in the territory of the United States, as well as the right to pick up and discharge international traffic in passengers, cargo and mail at New York or Chicago on the following route: Stockholm,

via intermediate points, to New York or Chicago and return.

The agreement with Denmark similar to that with Sweden grants rights to the United States airlines in Denmark and Greenland. It will become effective provisionally on Jan. 1, "and definitely upon confirmation by a free Danish Government when such government shall have been established following the liberation of Denmark."

The agreement with Sweden grants rights for establishing the contemplated services at the option of the respective governments, which will designate the operating airlines. It is understood, however, that the commercial rights should be exercised "at the earliest practicable date."

Items bearing on the agreements reached at the International Civil Aviation Conference at Chicago appeared in our Dec. 4 issue, page 2628, 2629 and 2631.

Canadian Financing of Part of British Export Deficit Advocated by McLeod

At the 113th annual meeting of shareholders of The Bank of Nova Scotia held in Halifax on Dec. 6, J. A. McLeod, President, said that apparently the only policy by which it will be possible for Canada to pass through the post-war transition period to an open and expanding system of international trade, is to provide special means of financing part of the British export deficit and to give British goods every feasible encouragement in the Canadian market. "Such special assistance in financing," he continued, "might take the form of mutual aid for particular reconstruction purposes in the transition period. To some extent it might take the form of credits under the new export credit legislation. It might also involve long-term loans at unusually low rates of interest. Whatever methods may be appropriate, some special means of financing is essential. The alternative is restriction of trade, depressed income, and unemployment."

He cited this trading problem as indicative of the much wider problem to be solved if international trade is to expand and thrive, and said that North American economy is far out of balance with the economies of war-torn Europe and Asia. Mr. McLeod further said:

"Until reconstruction is completed, much of the rest of the world will be incapable of paying for the goods which it wants from North America and which this continent is able and anxious to provide. If the United States and Canada are not prepared to deal with this financing problem on terms of what the rest of the world can reasonably meet, then we may be sure that the countries of Europe and Asia will seek their own solutions in policies of bilateralism and of regional and national self-sufficiency."

"For this continent, that would mean problems of surplus capacity and unemployment; it would doom Canada's hopes for a world order in which she could make the best use of her great capabilities. For the world, it would mean a lower standard of living and new causes of international friction."

According to Mr. McLeod there is a real danger of an inflationary short-lived boom after the

war, followed by a sharp deflation, and because of this he said he believes the Government's intention of continuing to hold to the price ceiling principle so long as the inflationary pressures are powerful "should receive the support of the business community and the public generally."

H. D. Burns, General Manager of the bank, said that when war requirements are curtailed, some tax reductions should be expected. "In the sphere of corporation taxation, it is quite clear that the excess profits tax should be reduced with a view to its eventual elimination. It is an emergency tax and one which admittedly has very discouraging effects on business expansion. To those who argue that 'excess profits' should be taxed heavily as a matter of justice, it can be replied that corporations are impersonal entities and that income in the hands of the final recipients is already taxed at highly progressive rates."

Mr. Burns declared "Social security, useful public works, carefully timed decontrol, external trade policies, and Government measures designed to encourage enterprise and competition, should all help to achieve the goal of high post-war employment and better living standards. It is clear that Government has a vital role to play both in the transition from war to peace and more permanently. If Government failed to recognize its developing responsibilities in the economic and social spheres, private enterprise could not function efficiently and high employment would be out of the question. But let us remember that Government planning and control is not an end in itself and let us not stumble into the pitfall of setting Government and private enterprise in two opposed camps. . . . Government and private activities should be complementary, not conflicting."

Senate Passes Bill Proposing River and Harbor Improvements

St. Lawrence Seaway Project Rejected

Action on the St. Lawrence Seaway and Power Project was disposed of, so far as the present session of Congress is concerned, on Dec. 12, when the Senate in approving the bill providing for a \$500,000,000 program of post-war improvements to rivers and harbors rejected by a vote of 56 to 25 an amendment to authorize the St. Lawrence Seaway.

In Associated Press advices from Washington on Dec. 12 it was stated:

A last-minute boost for the seaway from President Roosevelt failed to turn back the opposition. It came in the form of a telegram to Senator Aiken (Rep.-Vt.) who read it to the Senate just before the vote.

The message, answering an inquiry from the Vermont Senator, said:

"Of course I want action as soon as possible on the St. Lawrence Seaway. It is logical and inevitable. The quicker the better."

With the St. Lawrence amendment beaten, the Senate passed by voice vote the bill authorizing navigation, reclamation, hydroelectric power and other works. The measure already has passed the House, but because of differences it goes now to a joint Senate-House Conference Committee which will work out its final form.

Broad technical provisions similar to those in a post-war flood control bill passed a week ago

were placed in the Rivers and Harbors bill.

These give State governments the right to review Federal projects, give irrigation preference over navigation works in arid States, and authorize disposition of surplus electricity at Government dams by the Interior Department.

Two big projects were eliminated, the \$66,000,000 Tennessee-Tombigbee Waterway and the \$38,500,000 Beaver-Mahoning Canal in Pennsylvania and Ohio.

Among larger authorizations in the bill are the \$25,000,000 Santee-Congaree River Development, North Carolina and South Carolina; the \$58,000,000 Snake River, Oregon, Washington and Idaho program; the \$60,000,000 Alabama-Loosa navigation program, Alabama and Georgia, and the \$25,000,000 Illinois Waterway and Indiana Harbor Canal, Illinois.

The St. Lawrence Seaway project, it is stated, is expected to come up in the new session of Congress in January.

Results Of Treasury Bill Offering

The Secretary of the Treasury announced on Dec. 18 that the tenders of \$1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated Dec. 21 and to mature Mar. 22, 1945, which were offered on Dec. 15, were opened at the Federal Reserve Banks on Dec. 18.

The details of this issue are as follows:

Total applied for, \$2,040,847,000. Total accepted, \$1,215,695,000 (includes \$63,020,000 entered on a fixed price basis at 99.905 and accepted in full).

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

Range of accepted competitive bids:

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

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

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

There was a maturity of a similar issue of bills on Dec. 21 in the amount of \$1,215,529,000.

Slattery Quits Rural Electrification Admin.

The resignation of Harry Slattery as Rural Electrification Administrator was announced on Dec. 11 by the White House. Mr. Slattery is said to have issued a statement in which he indicated that the appointment of a deputy administrator by Secretary of Agriculture Wickard with "coordinate" authority had the effect of displacing him.

The Associated Press also reported Mr. Slattery as saying:

"The President's order forbids Federal officials to engage in public controversies. Therefore, I have resigned in order to carry this fight to the public. This is all I have to say at this time."

From the Associated Press we likewise quote:

"The White House, in announcing the Slattery resignation, did not release the usual exchange of letters. No mention was made of a successor."

"The White House announcement said that Mr. Slattery submitted his resignation by letter early last week, asking that it be made effective at once. Mr. Roosevelt's acceptance was dated Dec. 8."

"Mr. Slattery, who is 57 years old, moved up from Under Secretary of the Interior to be head of the REA in 1939. He served in the Interior Department during a portion of the Wilson Administration and later assisted in Senate inquiries into the Teapot Dome and Elk Hills oil reserves."

For a time he was counsel to the National Boulder Dam Association and was Washington representative of the Power Authority of New York. He returned to the Interior Department in 1933.

Manufacturers Trust Co. Distributing Chronology of World War II

Manufacturers Trust Company, New York, is distributing a folder with the heading "A Chronology of World War II," which lists by dates the important events leading up to and during World War II, beginning with the Japanese attack on Manchuria on Sept. 18, 1931, and concluding with the great United States Naval Victory over the Japanese fleet in the Philippine Sea on Oct. 24, 1944. The folder also comprises tables of foreign exchange quotations, as well as the last available quotations in New York on currencies of enemy occupied or enemy countries.

Military Training Favored by President Seymour of Yale University

The conviction of the necessity of "a system of required military training for all able-bodied young men" as suggested recently by General Marshall was expressed on Dec. 7 by Charles Seymour, President of Yale University in his annual report to the Yale alumni. "In my opinion," said Dr. Seymour, "Congress should enact such a system, in order that the United States may escape the unpreparedness which has brought so great

peril to us in the past and especially in this war." He added:

"The university, whatever the consequences, will have to adjust itself to its effects upon the training of youth. At all costs, the nation must possess the power to protect our freedom, without which there can be no liberal education."

Expressing the belief that the "first condition of a durable peace as well as of the security of American interests" was the settlement of outstanding issues with the British, Dr. Seymour, according to the Associated Press, further said:

"Only thus, can we proceed to the further necessity of jointly meeting and settling our political and economic relations with the Soviet Government, in order that the three greatest powers may be in accord as they face the general problems that touch the welfare of all the people of the world."

"Steps have been taken to establish a security organization and to study monetary problems. It is just as important to prepare plans for settling conflicting trade issues, shipping problems, international air navigation, tariff barriers, the international position of the smaller powers."

The same advices as contained in a New Haven account to the Hartford "Courant" likewise said: "Giving an over-all picture of

Yale for the academic year 1943-44, which Dr. Seymour says was marked "by the most complete transformation of undergraduate Yale into a military and naval training school," the report adds:

"Those who foresaw that Yale would become an empty shell as a result of war conditions have found their prophecies belied. Never in her history has Yale, in whole or in part, been responsible for so many students."

From the New York "Sun" of Dec. 6 we take the following (Associated Press):

Looking into the future, Dr. Seymour said that there was an obligation on the part of the university to extend aid to the needs of the community and to institutions outside the university halls, so as to work more closely with the Agencies of the State and national Governments and industry.

He warned, however, against the tendency "to turn the university into a general service station ready to answer any hurry calls from the outside world. Our first obligation is to scholarship and to liberal education of our students." Yale disagreed, he added, with those who demanded that the university be revolutionized by stressing utilitarian subjects. "We propose to maintain a general course of study calculated to produce humane characteristics."

Mid-Winter Meeting of Executive Council Of AIB Jan. 21-23 in Jacksonville, Fla.

The annual mid-winter meeting of the Executive Council of the American Institute of Banking will be held at Jacksonville, Fla., Jan. 21-23, inclusive, it was announced on Dec. 4 by William C. Way, President of the Institute, who is also Trust Officer of the Central National Bank of Cleveland, O. Principal among topics to be discussed during the three days will be extension of the study group

courses which are now making AIB training available to bank staffs outside of chapter territory, and the Job Relations program which has been initiated throughout the country by the Institute. In addition the Council will discuss plans for aiding returning members of the armed forces, who were drawn from bank staffs, to readjust themselves in the banking business.

The Executive Council of the AIB is composed of 15 members, 12 of whom are elected to three-year terms to represent the 300 chapters and study groups of the Institute in various sections of the country. The Institute's President, Vice-President, and immediate past President are the other three members of the Council.

Members of the Council are: AIB President, William C. Way, Trust Officer, Central National Bank, Cleveland, O.; Vice-President, David T. Scott, Assistant Cashier, the First National Bank of Boston, Mass.; immediate past President, David L. Colby, Assistant Vice-President, the Boatmen's National Bank, St. Louis, Mo.

Other members are: Edward C. Boyer, National Bank of Commerce in New Orleans, La.; Howard R. Chamberlain, Rochester Trust & Safe Deposit Co., Rochester, N. Y.; W. Howard Martie, Farmers Deposit National Bank, Pittsburgh, Pa.; Herbert E. Widenhofer, Fort Wayne National Bank, Fort Wayne, Ind.; Floyd L. Geyer, California Bank, Los Angeles, Cal.; George J. Greenwood, Jr., the Bank of California National Association, Portland, Ore.; Herman W. Kilman, Federal Reserve Bank of Dallas, Texas; S. J. Kryzsko, the Winona National & Savings Bank, Winona, Minn.; Walton L. Sanderson, Hamilton National Bank, Washington, D. C.;

Everett C. Stevenson, First National Bank & Trust Co., Freeport, N. Y.; Albert O. Werner, Industrial National Bank, Detroit, Mich., and T. S. Wiggins, National Bank of Commerce, Memphis, Tenn.

Dr. William A. Irwin, National Educational Director of the AIB, who was also recently appointed as economist of the American Banking Association, and Floyd W. Larson, National Secretary, as well as Leroy Lewis, Assistant Educational Director, and Robert C. Rutherford, Assistant to the Secretary, will also attend the three-day meeting. The Executive Council sessions will be preceded by meetings of the seven Council committees on Jan. 20. These committees include: Budget, Chapter, Administration, Education, Advisory, Nominating, and Transportation. Headquarters for the meeting will be the Roosevelt Hotel in Jacksonville.

Hancock President of Commodity Credit Corp.

War Food Administrator Marvin Jones announced on Dec. 15 the designation of Frank Hancock, former North Carolina representative, as President of the Commodity Credit Corporation. Reporting this Associated Press advices from Washington said:

"Mr. Hancock, a native of Oxford, N. C., succeeds J. B. Hutson, who last week was named assistant to War Mobilization Director James F. Byrnes to plan agriculture's reconversion to peacetime conditions."

Hancock has been Farm Security Administrator during the past year. He will continue to hold this post as well as the Presidency of the CCC.

The State of Trade

(Continued from page 2738)

jumped nearly 90,000 tons since September and is scheduled to be further increased over present levels to the tune of more than 200,000 tons a month by March, 1945. Should Germany still remain to be defeated by that time, even greater additional tonnages are expected to be sought.

The brunt of the shell steel burden will fall upon mills whose plate schedules have been sharply cut back. Other flat rolled products, particularly hot rolled sheets, are competing for space made available by the drop in plate tonnage on continuous mills, the magazine discloses.

Carryovers are mounting as a result of the shell steel program, especially on regular and quality steel bars, with producers viewing the situation as acute. Directives have been necessary to secure scheduling of structural forms for many important projects and currently there is no sign that the situation will improve. Galvanized sheet delivery schedules, now greatly over-extended, are being stressed further by Army requirements for corrugated culvert pipe.

Activity marked the railroad freight building market the past week, despite the expected cancellation by the Army of practically all of its 1945 railroad car building program. Army freight orders for about 26,000 units, scheduled for 1945 will be cut to 4,800. The Army, it is reported, has several thousand finished cars in this country which will go into service before any new orders are placed or before any outstanding orders are authorized.

On the domestic car market, total orders placed from Oct. 1 to Dec. 1 approximate 40,000 units, and since Dec. 1 an additional 10,000 cars have been placed, but must await approval by the WPB Transportation Equipment Branch before construction will begin. The heavy war toll on railroad equipment has caused some car builders to look for a post-war market somewhere in the neighborhood of 100,000 cars a year for at least five years, the magazine states.

Coincident with the increased demand for war steel, the promise of a longer war in Europe and the rise in the steel ingot rate, scrap prices are hitting the ceiling in practically every district this week. "The Iron Age" steel scrap composite price is up 50 cents a gross ton this week to \$19.17 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 Dec. 18, compared with 96.9% one week ago and 93.0% for the same week last year. This week's operating rate is equivalent to 1,732,400 tons of steel ingots and castings, compared with 1,743,200 net tons last week and 1,620,900 tons one year ago.

Electric Production—The Edison Electric Institute reports that the output of electricity increased to approximately 4,538,012,000 kwh. in the week ended Dec. 9 from 4,524,257,000 kwh. in the preceding week. The latest figures approximate a decline of 0.6% from the level of one year ago, when output reached 4,566,905,000 kwh.

Consolidated Edison Co. of New York reports system output of 183,100,000 kwh. in the week ended Dec. 10, 1944, comparing with 223,900,000 kwh. for the corresponding week of 1943, or a decrease of 16.0%.

Local distribution of electricity amounted to 182,100,000 kwh., compared with 220,600,000 kwh. for the corresponding week of last year, a decrease of 17.4%.

Railroad Freight Loading—Car-

loadings of revenue freight for the week ended Dec. 9 totaled 793,554 cars, the Association of American Railroads announced. This was a decrease of 14,706 cars, or 1.8% below the preceding week this year, and a decrease of 29,757 cars, or 3.6% below the corresponding week of 1943. Compared with a similar period in 1942, an increase of 49,371 cars, or 6.6%, is shown.

Coal Production—The U. S. Bureau of Mines reports production of Pennsylvania anthracite for week ended Dec. 9, 1944, at 1,140,000 tons, a decrease of 53,000 tons (4.4%) from the preceding week, and a decrease of 81,000 tons, or 6.6% below the corresponding week of 1943. The 1944 calendar year to date shows an increase of 6.4% when compared with corresponding period of 1943.

The report of the Solid Fuels Administration placed bituminous production for the week ended Dec. 9 at 11,930,000 net tons, an increase of 95,000 tons above the output in the week preceding, which totaled 11,835,000 net tons. Production in the corresponding week of last year amounted to 13,540,000 net tons (the highest for that year), while output for Jan. 1 to Dec. 9, 1944, totaled 588,695,000 net tons, an increase of 5.7% over the 557,143,000 tons mined in the same 1943 period.

Estimated production of beehive coke in the United States for the week ended Dec. 9, 1944, as reported by the same source, showed a decrease of 2,600 tons when compared with the output for the week ended Dec. 2, last, and 57,700 tons less than for the corresponding week of 1943.

Cotton Consumption in November—According to a report of the Census Bureau, last week, cotton consumed in November totaled 836,541 bales of lint and 122,304 bales of linters. This compared with 759,379 bales of lint and 125,722 bales of linters in October and 858,877 bales of lint and 153,679 bales of linters in November, 1943.

For the four months ending Nov. 30 consumption totaled 3,266,496 bales of lint and 494,519 bales of linters against 3,421,212 bales of lint and 445,916 bales of linters in November, 1943.

Cotton on hand in consuming establishments on Nov. 30, last, amounted to 2,209,694 bales of lint and 232,113 bales of linters, against 2,389,227 and 438,102 a year ago. Total bales in public storage and at compresses were 13,185,606 bales of lint and 24,415 bales of linters, compared with 12,950,983 and 62,433 a year ago.

Cotton spindles active during November numbered 22,257,040, compared with 22,615,732 in November one year ago.

Lumber Shipments—The National Lumber Manufacturers Association reports that lumber shipments of 484 reporting mills were 0.5% below production for the week ended Dec. 9, while new orders of these mills were 0.9% more than production. Unfilled orders files amounted to 86% of stocks.

For 1944 to date, shipments of reporting identical mills exceeded production by 2.7% and orders ran 4.0% above output.

Compared to the average corresponding week of 1935-39, production of reporting mills was 29.9% greater, shipments 40.0% greater, and orders 22.5% greater.

Crude Oil Production—Daily average gross crude oil production for the week ended Dec. 9, as estimated by the American Petroleum Institute, was 4,704,450 barrels. This represented a decrease of 8,450 barrels per day under the preceding week and 17,650 barrels lower than the daily average figure recommended by

the Petroleum Administration for War for the month of December, 1944. When compared with the corresponding week last year, crude oil production was 327,750 barrels per day higher. For the four weeks ended Dec. 9, 1944, daily output averaged 4,723,050 barrels.

Reports from refining companies indicate that the industry as a whole ran to stills (on a Bureau of Mines basis) approximately 4,552,000 barrels of crude oil daily and produced 14,611,000 barrels of gasoline. Kerosene output totaled 1,454,000 barrels, with distillate fuel oil placed at 4,056,000 barrels and residual fuel oil at 8,923,000 barrels during the week ended Dec. 9, 1944. Storage supplies at the week-end totaled 80,880,000 barrels of gasoline, 12,983,000 barrels of kerosene, 44,436,000 barrels of distillate fuel, and 60,458,000 barrels of residual fuel oil.

Paper Production—Paper production for the week ended Dec. 9 was at 93.6% of capacity, as against 92.2% of capacity in the preceding week, the American Paper and Pulp Association's index of mill activity disclosed. The rate during the week ended Dec. 11, last year, was 88.9% of capacity. As for paperboard, production for the same period was reported at 95% of capacity, a rise of one point from the previous week.

Silver—Legislation extending until Dec. 31, 1945, the authority to use Treasury-owned silver for war and essential civilian purposes (Green Act) was passed by the House on Dec. 8. The measure has been sent to the President. The London market for silver the past week was unchanged at 23 1/2 d. The New York Official for foreign silver continued at 44 3/4 cents, with domestic silver at 70% cents.

October Hardware Sales Higher—October, 1944, sales of independent retail hardware stores and wholesale hardware distributors in all parts of the United States showed good gains over the same month last year, the "Hardware Age" reported on Wednesday of this week in its every-other-Thursday market summary. Based on reports from 1,180 independent retail hardware stores, in all parts of the country, sales in October, 1944, averaged a 12% increase over the same period in 1943. October sales averaged 4% over the September volume this year. Cumulative sales for the first 10 months of 1944 averaged 9% more than for the same months in 1943.

Wholesale hardware distributors' sales in October, 1944, averaged 7% more than for the same month in 1943. Cumulative sales for the first 10 months of this year, according to reports from a majority of the hardware wholesalers in this country, were 2% over those for the same months last year. Inventories showed a 6% increase. Wholesale hardware house accounts receivables were 4% higher than for October, 1943. Accounts receivable collection percentages showed a good gain over the same month last year.

Retail and Wholesale Trade—Christmas buying the past week, as in previous weeks, lifted the retail sales volume to higher levels and, according to Dun & Bradstreet, Inc., store purchases throughout the country were 10% to 14% ahead of last year.

Supplies in general showed evidence of holding up well, but in such items as lingerie and toys a shortage is developing and stocks in these categories growing rapidly less. Despite heavy snows and other adverse weather conditions in various parts of the country, sales were being well maintained.

For the different regions of the country gains were all substantial, running from 10% to 15% in the New England district. Other percentages gained were 12% to 16%

Eight Principles in International Trade Set Forth by N. Y. Board of Trade Group

At a meeting on Dec. 8, the Executive Committee of the International Trade Section of the New York Board of Trade, received and adopted a report of a special committee, setting forth eight principles to promote American International Trade. The principles enunciated have been sent to the President of the United States, to members of Congress, and to the administrative heads of agencies having jurisdiction over inter-

trade if continued with return of peace, and

In the declaration of Principles in International Trade it is stated that:

"The International Trade Section of the New York Board of Trade, Inc., after weighing claims for planned economy in the conduct of commerce with other nations, affirms its emphatic confidence in private enterprise as the most effective system for production of the greatest quantities of goods determined by free decision of people and not government agencies, as needed, and in accordance with their individual wishes and as the best method, based on competitive abilities and not official edicts, to bring these desired goods within reach of the largest number of people everywhere to create a true prosperity in terms of desirable products throughout the world."

The declaration goes on to say: "The Committee, while recognizing the benefits of reciprocal trade agreements in normally stimulating the flow of goods between other nations and our own as a result of mutually lowered tariff barriers, believes that it would be amiss to fail in interpretation of present controls incident to priority, import, export, and exchange permits as well as quotas as more destructive than even high tariffs to our world

in the East, 6% to 9% in the Middle West, 8% to 10% in the Northwest, 14% to 17% in the South, 13% to 17% in the Southwest, and 10% to 14% on the Pacific Coast.

All gift merchandise was in demand, Dun & Bradstreet reported, and pointed especially to activity in accessories, apparel for men, women and children, toys, stationery, books, cosmetics and furnishings for the home.

Food volume was above the level of a year ago, with canned goods high, while some dairy products were short.

Wholesale activity remained steady, approximating that of recent weeks, with levels well above those of 1943.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, were 22% ahead of a year ago for the week ended Dec. 9. This compared with 13% in the preceding week. For the four weeks ended Dec. 9, 1944, sales increased by 16%. A 10% increase in department store sales for the year to Dec. 9, 1944, over 1943, was also noted.

Peak proportions were reached here in New York last week in Christmas trade, with expectations good for a continued heavy volume. Department store sales, according to estimates, placed the volume at about 22% or more ahead of the like week of 1943. In specialty and chain stores large sales totals were also the rule.

Unsettled conditions characterized wholesale markets the past week, with spring deliveries growing increasingly more uncertain, the New York "Times" reports. As a result of the worsted freeze order further complications developed to make a bad condition worse.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Dec. 9 increased by 21% over the same period of last year. This compared with 9% in the preceding week. For the four weeks ended Dec. 9 sales rose by 13%, and for the year to Dec. 9 they improved by 9%.

"Therefore:

1. The International Trade Section, New York Board of Trade, Inc., believes in a private and free enterprise system as necessary for the successful development and expansion of international trade.

2. It believes in and urges the removal, at the earliest possible moment, of all export and import controls and obstacles, restrictions and barriers to the normal development of international trade.

3. It believes that the Foreign Economic Administration, through its subsidiary, the U. S. Commercial Corporation, should cease buying and selling after the war, and further that the agency retain no control whatsoever over foreign trade for one day longer than is necessary in the prosecution of the war effort.

4. It commends the efforts of the U. S. Department of State to remove such controls as are detrimental to international trade promotion and development, and urges that the State Department make representations to the governments of other nations towards the curtailment and early complete abolishment of barriers to international trade promotion.

5. It urges that representations be made to the Congress of the United States for the extension, in its present form, of the Reciprocal Trade Agreements Program beyond June, 1945.

6. It urges Congress to appropriate necessary and sufficient funds to maintain an efficient Commercial Attache Service.

7. It advocates close cooperation with all agencies engaged in the promotion of international trade to bring back that trade to private interests at the earliest possible moment.

8. It favors a stable dollar with a fixed quantity of gold as a needed instrument and aid in measuring and stimulating our commerce with the world."

trade if continued with return of peace, and

"The Committee also feels that international monetary stabilization is the result of action by nations individually and that an effective start can be best made in our own country first by endeavoring to bring into balance as soon as possible our national budget and definitely according to the dollar itself a specific value in a fixed quantity of gold on the assumption that other nations following a similar procedure with regard to their national budgets and currencies will have little trouble in the course of natural events to bring about a rigid exchange value of their currencies with ours and we in turn with theirs, and

"Toward attainment of international monetary stabilization by actions of nations individually, a proper perspective will be required of money as a sound measure to evaluate various commodities that enter world trade and that for this measuring, no better device than gold has yet been found, especially if payment for goods with goods is given full sway, as occurs with normal exchanges of commodities among nations.

"Therefore:

1. The International Trade Section, New York Board of Trade, Inc., believes in a private and free enterprise system as necessary for the successful development and expansion of international trade.

2. It believes in and urges the removal, at the earliest possible moment, of all export and import controls and obstacles, restrictions and barriers to the normal development of international trade.

3. It believes that the Foreign Economic Administration, through its subsidiary, the U. S. Commercial Corporation, should cease buying and selling after the war, and further that the agency retain no control whatsoever over foreign trade for one day longer than is necessary in the prosecution of the war effort.

4. It commends the efforts of the U. S. Department of State to remove such controls as are detrimental to international trade promotion and development, and urges that the State Department make representations to the governments of other nations towards the curtailment and early complete abolishment of barriers to international trade promotion.

5. It urges that representations be made to the Congress of the United States for the extension, in its present form, of the Reciprocal Trade Agreements Program beyond June, 1945.

6. It urges Congress to appropriate necessary and sufficient funds to maintain an efficient Commercial Attache Service.

7. It advocates close cooperation with all agencies engaged in the promotion of international trade to bring back that trade to private interests at the earliest possible moment.

8. It favors a stable dollar with a fixed quantity of gold as a needed instrument and aid in measuring and stimulating our commerce with the world."

Dumbarton Oaks Peace Proposal Approved in Principle by Federal Council of Churches

The Dumbarton Oaks proposals for lasting peace were approved in principle on Nov. 28 at Pittsburgh by the Federal Council of the Churches of Christ in America, the Council, however, pointed to certain shortcomings of the proposed world security organization which might necessitate modifications. This is learned from Associated Press advices from Pittsburgh, published in the New York "Herald Tribune," which went on to say:

The Council, meeting in biennial session here, adopted a resolution in which it commended the plan to its communicants "with full recognition of its present limitations and with determination to overcome them."

Signed by representatives of 25 Council denominations, the resolution was adopted following an address by John Foster Dulles, Chairman of the Council's Commission on a just and durable peace, who served as foreign affairs adviser to Governor Thomas E. Dewey, of New York, during the Presidential campaign.

"We can feel encouraged," Mr. Dulles said. "The Dumbarton Oaks proposals contain great possibilities. The Economic and Social Council and related agencies can do much to develop fellowship among the nations."

The resolution recognized "that transition from international anarchy to a complete constitutional world order cannot occur at a single step." Defects cited by the resolution were:

1. "The organization proposed has many of the characteristics of a military alliance of a few great powers."

2. "Certain provisions seem to envisage a division of the world

into regional spheres of influence dominated by one or another of the great powers."

3. "Reliance is placed primarily on force unrelated to any explicitly agreed upon principles of justice."

"Further," the resolution stated, "the proposed organization should be adequately endowed with curative functions needed to deal with the causes of war and with creative functions needed to draw the nations together in fellowship."

"With all of these defects, the proposals do, however, have the great merit of providing for a continuing and virtually constant consultation of representatives of the great power and of selected lesser powers under conditions which will subject what is done to the moral judgment of mankind."

Any plan which would deprive Germany and Japan of the right to a normal existence must be opposed by the Church, a 25,000-word report presented to the Council said.

The report was drawn up by a special commission established two years ago to study the relation of the church to the war. It was presented by Professor Robert L. Calhoun, of Yale University, Chairman.

Commends Planning by Govt., Industry, Labor To Further Post-War Industrial Activity

The belief that for the first time in history there had been "forward-looking thinking and planning on the part of the Government, industry and labor to shorten and cushion the transition period and project a high level of industrial activity and employment at good wages for the post-war years," was expressed on Dec. 8 by Edward Hopkinson Jr., senior member of Drexel & Co., investment bankers of Philadelphia, testifying before a trial examiner of the Securities and Exchange Commission. This was reported in special advices to the New York "Times" from Philadelphia Dec. 8, which noted that in his highly optimistic appraisal of post-war prospects of the nation, Mr. Hopkinson went on to say that annual earnings of \$6,000,000 on the common stock of a reorganized Buffalo, Niagara & Eastern Power Corp. would justify the stock allocation proposed for the company in the reorganization plans filed for it by its parent, Niagara Hudson Power Co. He said a much higher estimate could be justified.

According to the same advices Mr. Hopkinson took issue with Dr. Norman R. Gibson, Vice President and chief engineer of Buffalo, Niagara & Eastern, who estimated prospective post-war earnings of \$5,000,000 for the company after an omnibus contingency reserve.

The "Times" advices went on to say: Repeal of the excess profits tax and some modification of the corporate normal income tax will be the first post-war tax change, Mr. Hopkinson predicted. This is clearly indicated, he added, not only from tax planning by unofficial but important research groups, but is the declared policy of a comprehensive governmental report issued by a special committee of the House of Representatives. "Except to check a post-war inflationary boom, a corporation tax rate ranging down from 35% represents the best thinking today," Mr. Hopkinson said. "And I want to emphasize 'down' because I am reasonably sure that if the readjustment period is delayed, a stimulus to production and employment will be supplied by Congress in the form of a lower business tax." He added that the 40% tax rate assumed by the SEC in a

number of earlier reorganization cases was not now likely even for the first post-war year.

Nov. Cotton Consumption

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

In the month of November, 1944, cotton consumed amounted to 836,541 bales of lint and 122,304 bales of linters as compared with 795,379 bales of lint and 125,722 bales of linters in October, this year, and 858,877 bales of lint and 109,679 bales of linters in November, last year.

In the four months ending Nov. 30, cotton consumption was 3,266,496 bales of lint and 445,916 bales of linters, compared with 3,421,212 bales of lint and 445,916 bales of linters in the corresponding period a year ago.

There were 2,209,694 bales of lint and 232,113 bales of linters on hand in consuming establishments on Nov. 30, 1944, which compares with 1,976,720 bales of lint and 211,930 bales of linters on Oct. 31, 1944, and with 2,389,227 bales of lint and 438,102 bales of linters on Nov. 30, 1943.

On hand in public storage and at compresses on Nov. 30, 1944, there were 13,185,606 bales of lint and 24,515 bales of linters, which compares with 11,991,770 bales of lint and 27,932 bales of linters on Oct. 31 and 12,950,983 bales of lint and 53,336 bales of linters on Nov. 30, 1943.

There were 22,257,040 cotton spindles active during November, 1944, which compares with 22,228,138 cotton spindles active during October, 1944, and with 22,615,732 active cotton spindles during November, 1943.

Klem Appointed Treas. of N.Y. Stock Exchange Gray, Franklin Promoted

Emil Schram, President of the New York Stock Exchange, announced on Dec. 14 the following changes in the executive staff, effective on Jan. 1 next. These changes were approved by the Board of Governors at its meeting this afternoon.

Edward C. Gray, promoted from Assistant Vice-President to Vice-President, Mr. Gray will continue as Director of the Department of Member Firms.

Arthur H. Franklin, promoted from Treasurer of the Exchange to First Vice-President of the Stock Clearing Corporation. Mr. Franklin succeeds John Dassau, who has resigned as First Vice-President of the Stock Clearing Corporation effective Dec. 31, 1944, to become a partner in the Stock Exchange member firm of Ungerleider & Company.

Charles Klem, Assistant Vice-President, also appointed Treasurer of the Exchange, succeeding Mr. Franklin.

Regarding the affiliation of the above with the Exchange, the announcement says:

"Mr. Gray was first employed by the Exchange in 1918 after having been graduated from New York University. Prior to the reorganization of the Exchange in 1938 he was for three years Secretary to the former Committee of Business Conduct. From that position he advanced, in 1940, to the position of Director of the Department of Member Firms. He was made an Assistant Vice-President last year.

"Mr. Franklin has been Treasurer of the Exchange since 1940. He entered the employ of the Exchange in 1928 as an Accountant, subsequently becoming Assistant Chief Accountant, Chief Assistant to the Controller and, in 1938, Assistant Treasurer.

"Mr. Dassau has been associated with the Exchange since 1928, first as an Accountant, then as Controller, later as Treasurer and, since 1940, as First Vice-President of the Stock Clearing Corporation. He has also served as Treasurer of the subsidiary companies of the Exchange.

"Mr. Klem entered the employ of the Exchange in 1922. From 1932 to 1938 he was Assistant Director of the Department of Public Relations. Following the reorganization of the Exchange, he was appointed Assistant Secretary. In the early part of 1941 Mr. Schram detached him from his duties in the Secretary's office to work as a member of the President's staff on financial and budgetary problems. He was made an Assistant Vice-President in 1943."

Railroad Employees Now Total 1,409,231

Employees of Class I railroads of the United States, as of the middle of November, 1944, amounted to 1,409,231, an increase of 3.53% compared with the corresponding month of 1943, but a decrease of 0.03% under October, 1944, according to a report just issued by the Bureau of Transport Economics and Statistics of the Interstate Commerce Commission.

The percentages of increase over November, 1943, are:

Executives, officials, and staff assistants, 2.89; professional, clerical, and general, 3.17; maintenance of way and structures, 8.84; maintenance of equipment and stores, 2.90; transportation (other than train, engine, and yard), 2.65; transportation (yardmasters, switchtenders, and hostlers), 3.84; and transportation (train and engine service), 0.41.

Congress Passes Flood Control Bill—Establishes Missouri Valley Authority

Following the adoption by the Senate on Dec. 1 by a voice vote of the bill authorizing post-war construction of certain public works on rivers and harbors for flood control, at a cost of \$1,000,000,000, the legislation, previously adopted by the House, was sent to conference; the conference report was approved on Dec. 12 by both the House and Senate, the latter thereupon sending the bill to the

White House. Among other things the bill authorizes the development of the Missouri River basin under an integrated program prepared by the Reclamation Bureau and the Army engineers. This program, calling for a first authorization of \$200,000,000, it was noted in Associated Press advices was recommended by President Roosevelt, who also suggested establishment of a Missouri Valley Authority as the administrative agency. The latter proposal was sidetracked for action by the new Congress. From the Associated Press Washington account Dec. 6 we also quote:

"The measure authorizes a \$30,000,000 Connecticut River program; \$36,000,000 for the Roanoke River basin; \$35,500,000 for the Savannah River basin; \$200,000,000 for the lower Mississippi River basin; \$35,000,000 for the Arkansas River basin; \$70,000,000 for the Ohio River basin.

"A section stipulating that projects should be handled by existing Federal agencies was eliminated on the theory that it might impede development of regional authorities.

"But the Committee retained provisions allowing State review of Federal works, giving irrigation preference over navigation in arid sections, and permitting the Secretary of the Interior to dispose of surplus power at hydroelectric projects."

Philadelphia Bank Credit Group Names Committee

Members of the \$10,000,000 Bank Credit Group of Philadelphia, which was recently formed for the purpose of financing small and medium sized business concerns, at a meeting on Dec. 14 elected J. William Hardt, Vice-President of the Philadelphia National Bank of Philadelphia, Pa., as Chairman of the Credit Committee. Anthony G. Felix, Vice-President of the Pennsylvania Company for Insurances on Lives and Granting Annuities, is Vice-Chairman; and O. Howard Wolfe who for the past three years has been in the service of the United States Government on leave of absence from his duties as a Vice-President of The Philadelphia National Bank, is Secretary.

The credit committee, which is made up of officers from each member bank, and which will pass upon the applications for loans, has appointed a sub-committee of five members to see that these applications are in proper form for presentation to the credit committee. The sub-committee consists of Messrs. Hardt, Felix, J. J. Caprano, Vice-President of the Corn Exchange National Bank & Trust Company; Charles S. Krumrine, President of the Liberty Title and Trust Company; and J. Wilson Steinmetz, President of the Ninth Bank & Trust Company.

In commenting on the plans for the operation of the credit committee, Mr. Hardt stated that the group is now ready to accept applications on behalf of small or medium sized businesses in need of credit during the present reconversion period and pointed out that these applications are to be made only through a bank preferably the applicant's own bank of deposit, which, in turn, will present the application to the credit committee of the bank credit group. The Philadelphia group will serve the entire Third (Philadelphia) Federal Reserve District, which includes Philadelphia, the portion of Pennsylvania east of Johnstown, all New Jersey south of Trenton, and the State of

Business Failures in October Lower

Business failures in October were lower in number and amount of liabilities involved than in September. When compared with October a year ago, the number of failures is smaller but the amount of liabilities involved is larger. Business insolvencies, according to Dun & Bradstreet, Inc., totaled 74 and involved \$3,819,000 liabilities as compared with 75 in September involving \$4,065,000 liabilities and 169 involving \$3,785,000 in October a year ago.

The manufacturing group was the only group that had more failures and liabilities involved in October than in September.

Manufacturing failures last month numbered 30, involving \$3,521,000 liabilities, compared with 4 in September with \$3,288,000 liabilities. Wholesale failures numbered 4 against 5 in September and liabilities decreased to \$19,000 from \$188,000 in September. In the retail trade section insolvencies decreased from 26 to 25 and liabilities from \$161,000 to \$156,700. Construction failures numbered 11 in October against 12 in September and liabilities \$80,000 in October as compared with \$273,000 in September. Commercial service failures were down to 4 in October with liabilities of \$43,000 from 8 in September with liabilities of \$155,000.

When the country is divided into Federal Reserve districts it is found that the Philadelphia, Chicago, St. Louis and San Francisco Reserve districts had more failures in October than in September, the Boston Reserve district had the same number, the Richmond and Dallas Reserve districts did not report any and the remaining districts had fewer failures in October than in September. When the amount of liabilities involved is considered, it is found that the Atlanta, Chicago, Minneapolis, Kansas City and Dallas Reserve districts had less liabilities involved in October than in September, while all of the remaining districts had more except the Richmond Reserve district, which again is distinguished by not having any failures.

Export Freight Movement

Cars of export freight, excluding coal and grain, handled through United States ports totaled 156,665 in the month of November, compared with 133,537 cars in November, 1943, or an increase of 17%. The Association of American Railroads announced Dec. 14. The current figure also compares with 167,299 cars in October of this year.

Export grain unloaded at the ports totaled 3,386, compared with 4,772 in November, 1943, or a decrease of 29%.

The railroads handled 376 carloads of coastal freight in November, 1944 compared with 781 in the same month in 1943, or a decrease of 52%.

The total of 160,427 cars of export and coastal freight, excluding coal, handled through the ports represented an average daily unloading of 5,348 cars. This is the ninth consecutive month that the average daily unloading has exceeded 5,000 cars.

Delaware, although the group is prepared to consider applications from originating banks outside of that territory.

Previous items regarding the new Credit Group appeared in our issues of Oct. 19, page 1691, and Nov. 23, page 2271.

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	U. S. Avge. Corpo- rate*	Corporate by Ratings*					Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Dec. 19	120.30	113.50	118.80	118.00	113.70	104.48	108.70	113.89	118.20	
18	120.30	113.50	119.00	118.00	113.50	104.48	108.70	113.89	118.20	
16	120.23	113.50	119.00	117.80	113.50	104.48	108.70	113.89	118.00	
15	120.17	113.50	119.00	117.80	113.50	104.48	108.70	113.89	118.00	
14	120.12	113.50	119.00	117.80	113.50	104.48	108.70	113.89	118.20	
13	120.12	113.31	119.00	117.80	113.31	104.31	108.52	113.70	118.20	
12	120.12	113.50	119.20	117.80	113.50	104.31	108.52	113.89	118.20	
11	120.12	113.31	119.00	117.80	113.50	104.14	108.34	113.70	118.20	
9	120.09	113.31	119.00	117.80	113.31	104.14	108.34	113.70	118.20	
8	120.09	113.31	119.00	117.80	113.31	104.14	108.34	113.70	118.20	
7	120.12	113.31	118.80	118.00	113.31	104.14	108.34	113.89	118.00	
6	120.09	113.31	118.80	118.00	113.31	104.14	108.34	113.89	118.00	
5	120.03	113.31	118.80	117.80	113.31	104.14	108.34	113.89	118.00	
4	120.00	113.31	118.80	117.80	113.31	104.14	108.16	113.89	118.00	
2	119.97	113.31	118.80	117.80	113.50	104.14	108.16	113.89	118.00	
1	119.95	113.31	118.80	117.80	113.50	104.14	108.34	113.89	118.20	
Nov. 24	119.93	112.93	118.60	117.20	113.12	103.80	107.98	113.50	117.80	
17	119.97	112.93	118.60	117.20	113.12	103.64	107.80	113.50	117.80	
10	119.77	112.75	118.40	117.00	112.93	103.30	107.62	113.31	117.40	
3	119.55	112.75	118.40	116.80	112.93	103.47	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	
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	113.50	119.20	118.00	113.70	104.48	108.70	114.27	118.20	
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										
Dec. 18, 1943	119.55	110.52	118.20	115.82	110.70	98.88	103.13	113.12	115.82	
2 Years Ago										
Dec. 19, 1942	116.78	107.27	116.80	113.89	108.88	92.06	96.85	111.81	114.27	

*These prices are computed from average yields on the basis of one "typical" bond (3 3/4% 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.

MOODY'S BOND YIELD AVERAGES

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices)										
1944— Daily Averages	U. S. Govt. Bonds	U. S. Avge. Corpo- rate*	Corporate by Ratings*					Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Dec. 19	1.81	2.93	2.71	2.75	2.97	3.48	3.24	2.96	2.74	
18	1.81	2.98	2.70	2.75	2.98	3.48	3.24	2.96	2.74	
16	1.82	2.98	2.70	2.76	2.98	3.48	3.24	2.96	2.75	
15	1.82	2.98	2.70	2.76	2.98	3.48	3.24	2.96	2.75	
14	1.83	2.98	2.70	2.76	2.98	3.48	3.24	2.96	2.74	
13	1.83	2.99	2.70	2.76	2.99	3.49	3.25	2.97	2.74	
12	1.83	2.98	2.70	2.76	2.98	3.49	3.25	2.96	2.74	
11	1.83	2.99	2.70	2.76	2.98	3.50	3.25	2.97	2.74	
9	1.83	2.99	2.70	2.76	2.99	3.50	3.26	2.97	2.74	
8	1.83	2.99	2.70	2.76	2.99	3.50	3.26	2.97	2.74	
7	1.83	2.99	2.71	2.75	2.99	3.50	3.26	2.97	2.74	
6	1.83	2.99	2.71	2.75	2.99	3.50	3.26	2.96	2.75	
5	1.83	2.99	2.71	2.76	2.99	3.50	3.27	2.96	2.75	
4	1.84	2.99	2.71	2.76	2.99	3.50	3.27	2.96	2.75	
2	1.84	2.99	2.71	2.76	2.98	3.50	3.26	2.96	2.74	
1	1.84	2.99	2.71	2.76	2.98	3.50	3.26	2.96	2.74	
Nov. 24	1.84	3.01	2.72	2.79	3.00	3.52	3.28	2.98	2.76	
17	1.84	3.01	2.72	2.79	3.00	3.53	3.29	2.98	2.77	
10	1.86	3.02	2.73	2.80	3.01	3.55	3.30	2.99	2.78	
3	1.87	3.02	2.73	2.81	3.01	3.54	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. 27	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	3.05	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	
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	3.58	3.39	2.96	2.78	
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	3.43	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	2.83	
High 1944	1.87	3.13	2.74	2.84	3.12	3.81	3.55	3.00	2.85	
Low 1944	1.77	2.98	2.69	2.75	2.97	3.48	3.24	2.94	2.74	
High 1943	2.08	3.31	2.81	2.96	3.23	4.25	3.93	3.07	2.92	
Low 1943	1.79	3.09	2.68	2.80	3.07	3.79	3.54	2.94	2.76	
1 Year Ago										
Dec. 18, 1943	1.86	3.14	2.74	2.86	3.13	3.82	3.56	3.00	2.86	
2 Years Ago										
Dec. 19, 1942	2.08	3.32	2.81	2.96	3.23	4.27	3.95	3.07	2.94	

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

Graduate School of Banking Theses

Twenty-nine theses prepared by members of the graduating class of 1944 of the Graduate School of Banking of the American Bankers Association have been added to the permanent collection of G.S.B. theses in the library of the Association. It is announced by Dr. Harold Stonier, Executive Manager of the Association, who is Director of the school. The advices from the ABA Dec. 5, added: "These theses are available for

tudy and examination by bank officers and members of bank staffs and may be secured for one week's use upon written application through the Association's library at 22 East 40th Street, New York 16, New York. In all, 351 especially selected theses written by students of the graduate school in fulfillment of one of the school's graduation requirements are now available through the ABA library. "To be placed in the library's collection, a thesis must be passed upon and recommended for that purpose by a faculty board of the Graduate School of Banking."

Electric Output for Week Ended Dec. 16, 1944 Declined 1.1% 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 Dec. 16, 1944 was approximately 4,563,079,000 kwh., compared with 4,612,994,000 kwh. in the corresponding week a year ago, a falling off of 1.1%. The output of the week ended Dec. 9, 1944, was 0.6% below that in the similar period in 1943.

Major Geographical Divisions—	PERCENTAGE INCREASE OVER PREVIOUS YEAR			
	Week Ended			
	Dec. 16	Dec. 9	Dec. 2	Nov. 25
New England	1.3	0.8	1.8	1.7
Middle Atlantic	*4.0	*4.6	*3.7	*4.6
Central Industrial	1.6	2.3	2.5	1.6
West Central	9.4	7.5	5.1	7.1
Southern States	2.0	2.4	2.3	2.9
Rocky Mountain	*10.4	*8.0	*10.9	*10.5
Pacific Coast	*4.6	*2.9	*4.0	*2.5
Total United States	*1.1	*0.6	*0.8	*0.8

*Decrease under similar week in 1943.

Week Ended—	DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)					
	1944	1943	% Change over 1943	1942	1932	1929
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					

Wholesale Prices Stable for Week Ended Dec. 9

"Except for minor fluctuations in prices for agricultural products and higher prices for cigars, there was very little movement in commodity prices at the primary market level during the first week of December," said the U. S. Department of Labor announcement on Dec. 14. Its advice also said:

"The Bureau of Labor Statistics' all-commodity index remained unchanged at the highest level since the war began, 104.2% of the 1926 average. In the past four weeks the index has risen 0.1% and it is 1.3% higher than at this time last year."

The Bureau's announcement continued:

"Farm Products and Foods"—Led by a decline of a little more than 2% for livestock, particularly steers and hogs, average prices for farm products in primary markets dropped 0.2% during the week. In addition to decreases of nearly 5% for steers and 2.6% for hogs, cotton and barley declined slightly and substantially lower prices were reported for onions and for apples at New York and Chicago. Grains rose nearly 1% with rye up almost 3% and corn and wheat up over 1%. Quotations were higher for sheep and wool, for eggs and potatoes, and for apples at Portland (Oregon). Average prices for farm products were 2% higher than for the corresponding week of last year.

"A sharp advance in prices for potatoes largely accounted for an increase of 0.3% in average prices for foods during the first week of December. Rye flour advanced 2.5% and eggs rose 0.2%. Since the early part of November wholesale prices for foods advanced 0.5% but they were 0.5% lower than for the corresponding week of December a year ago.

"Industrial Commodities"—Very few price changes occurred in industrial commodity markets. Scrap steel and mercury continued to rise under active buying. Maple flooring rose about 2% when higher ceilings were allowed by OPA in some regions. Turpentine advanced slightly. Prices of cigars moved upward, reflecting OPA action in raising ceiling prices on some brands in order to stop the disappearance of low-priced goods."

The Labor Department included the following notation in its 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 adjustments 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 Nov. 11, 1944 and Dec. 11, 1943, and the percentage changes from a week ago, a month ago and a year ago, and (2) percentage changes in subgroup indexes from Dec. 2, 1944 to Dec. 9, 1944.

WHOLESALE PRICES FOR WEEK ENDED DEC. 9, 1944 (1926=100)

Commodity Groups—	1944				1943				Percentage change to Dec. 9, 1944 from—		
	12-9	12-2	11-25	11-11	12-11	11-11	10-11	9-11	12-2	11-11	12-11
All commodities	104.2	104.2	104.1	104.1	102.9	0	+0.1	+1.3			
Farm products	124.4	124.6	124.1	124.4	122.0	-0.2	0	+2.0			
Foods	105.4	105.1	105.0	104.9	105.9	+0.3	+0.5	-0.5			
Hides and leather products	116.7	116.7	116.7	116.7	117.5	0	0	-0.7			
Textile products	98.9	98.9	98.9	98.9	97.2	0	0	+1.7			
Fuel and lighting materials	83.7	83.7	83.6	83.5	82.4	0	+2.2	+1.5			
Metals and metal products	103.9	103.9	103.9	103.8	103.9	0	+0.1	0			
Building materials	116.4	116.4	116.4	116.4	117.4	0	0	+2.8			
Chemicals and allied products	104.8	104.8	104.8	104.7	100.3	0	+1.1	+4.5			
Housefurnishing goods	106.1	106.1	106.1	106.1	104.2	0	0	+1.8			
Miscellaneous commodities	93.9	93.7	93.5	93.4	93.0	+0.2	+0.5	+1.0			
Raw materials	114.3	114.4	114.1	114.3	112.1	-0.1	0	+2.0			
Semimanufactured articles	94.7	94.7	94.7	94.7	93.1	0	0	+1.7			
Manufactured products	101.3	101.3	101.2	101.1	100.4	0	+0.2	+0.9			
All commodities other than farm products	99.8	99.8	99.7	99.7	98.8	0	+0.1	+1.0			
All commodities other than farm products and foods	99.0	99.0	98.9	98.8	97.8	0	+0.2	+1.2			

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM DEC. 2, 1944 TO DEC. 9, 1944

Fruits and vegetables	Increases		Other miscellaneous
	2.2	0.6	
Grains	0.9	0.1	
Other farm products	0.7		
Decreases			
Livestock and poultry	2.1		

Steel Output Continues at High Level—Scrap Return to Ceiling Reflects Strong Sentiment

"With the steel industry winding up the highest steel production year in its history—estimated to be at 88,500,000 net tons—activity on urgent war requirements is increasing by leaps and bounds," states "The Iron Age" in its issue of today (Dec. 21), which further adds: "This situation, because of events abroad, is assuming such large proportions that it may eventually show up as a secondary war peak in steel output."

"The nature of demand from the armed forces, which is subject to sudden changes, forecasts a re-appearance of production difficulties, last minute schedule changes and an alteration in the product-mix picture. Signs were apparent this week that the steel industry was well on its way to experiencing these variables.

"Market conditions this week suggested that no matter what plans may be made for first quarter, steel distribution, they are subject to changes depending on the progress of the war. Likewise there seems to be little hope in the near future for any relief over and above what is already being given for essential civilian needs and practically no encouragement for ordinary civilian requirements.

"This tightness in the steel situation could melt away over night if Germany was definitely put out of the war. Until such time, however, it is apparent that the steel industry and its customers must return to that phase of steel deliveries and output which was prevalent some time ago when output of war goods was at its peak.

"Many steel companies were reporting December order volume at a substantial increase over October and November. Practically every steel item except plates is this week tighter than a few weeks ago, including alloy steel, which has completely reversed its recent downward trend. While some steel deliveries fall further behind, new ordnance programs, some for old items including shell,

shell containers and gun barrel forgings, are steadily expanding. Rockets and heavy trucks are especially urgent and forge shops are at peak operations consistent with available manpower.

"The expected petition for price relief by the steel industry has been made to the OPA. About four or five weeks will be required for the industry to gather its cost data for the OPA. The Steel Advisory Committee has requested the OPA to give as early a decision as possible. The resolutions presented to the OPA cover requests for price relief on increased costs exclusive of the latest wage award, increased costs if and when wage award becomes effective and increased costs due to the retroactive feature of the recent wage adjustment."

"Scrap continues tight with prime grades in good demand. Practically all of the latter are at ceiling levels. "The Iron Age" steel composite price is unchanged this week at \$19.17 a gross ton."

The American Iron and Steel Institute on Dec. 18 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 Dec. 18, compared with 96.9% one week ago, 95.4% one month ago and 93.0% one year ago. The operating rate for the week beginning Dec. 18 is equivalent to 1,732,400 tons of steel ingots and castings, compared to 1,743,200 tons one week ago, 1,716,200 tons one month ago, and 1,620,900 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Dec. 18 stated in part as follows: "Indicative of the sentiment of the steel industry as to future war requirements, the sensitive scrap market barometer has moved upward and the average composite price of steelmaking grades has reached the ceiling of \$19.17 at which it had stood from April, 1941, until last September when optimism as to the end of the European war caused a break. Some less important scrap grades still are below ceilings but the trend is upward and strength is apparent.

"Recent increase in plate demand has brought a balance between bookings and production for some mills for the first time in several weeks. Less than a fortnight ago some producers were scheduling new tonnage at about 60% to 65% of output and in some cases substantially less than that percentage. A factor in the present plate improvement is a new pontoon program, estimated to require more than 50,000 tons, and an increase in some Navy specifications, with gains in miscellaneous demand. The pontoon program is scheduled to run through April, with some directives already issued in the effort to get work started promptly. A good rate of plate production through first quarter seems assured, some capacity being available in February, with most promises now in March.

"In spite of the present strong situation many industry observers believe the long-term plate outlook is for decreasing demand, in view of lessened shipbuilding activity. There is talk of increased Navy work early in 1945 but nothing definite has come out."

Hickey Heads Bankers Club of Brooklyn

John J. Hickey, Vice-President of the Greater New York Savings Bank, Brooklyn, N. Y., has recently been elected to the Presidency of the Bankers Club of Brooklyn. Other officers elected at the meeting were: G. P. Kennedy, Vice-President; Christian Mende, Secretary; and Everett M. Clark, Treasurer. Mr. Hickey succeeds C. A. Allen of Kings County Trust Co.

National Fertilizer Association Commodity Price Index Shows Slight Decline

The weekly wholesale commodity price index compiled by The National Fertilizer Association and made public on Dec. 18 declined slightly to 139.5 in the week ending Dec. 16, from 139.6 in the preceding week. A month ago the index stood at 139.5 and a year ago at 135.4, based on the 1935-1939 average as 100. The Association's report added:

The foods group advanced fractionally because of higher prices for potatoes and lard oil. The farm products group showed a slight decline. Higher cotton prices were more than offset by lower prices for grains and livestock. An increase in one grade of wheat was offset by declining prices in another grade, while lower prices were registered for oats and rye. Higher quotations for hogs, lambs and sheep were not enough to offset lower prices for cattle. There was an increase in the quotations of one grade of hay. The textile group increased slightly because of higher quotations for raw spot cotton. The trend of metals it still upward because of higher prices for scrap steel. Building materials declined fractionally due to lower prices for linseed oil. The remaining groups in the index remained at the same level.

During the week six price series in the index declined and ten advanced; in the preceding week there were seven declines and eight advances; and in the second preceding week there were seven declines and seven advances.

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

% Each Group Bears to the Total Index	Group	Latest Preceding Month Year			
		Week Dec. 16, 1944	Week Dec. 9, 1944	Nov. 18, 1944	Dec. 18, 1943
25.3	Food	144.4	144.3	143.7	139.7
	Fats and Oils	145.3	145.1	145.1	146.1
	Cottonseed Oil	163.1	163.1	163.1	159.6
23.0	Farm Products	163.4	163.6	164.1	153.1
	Cotton	204.4	203.5	203.2	187.9
	Grains	159.0	159.7	157.4	164.5
	Livestock	158.3	158.8	160.3	144.0
17.3	Fuels	130.4	130.4	130.4	123.7
10.8	Miscellaneous Commodities	133.2	133.2	133.2	131.4
8.2	Textiles	153.2	155.1	155.0	150.1
7.1	Metals	105.8	105.7	105.5	104.4
6.1	Building Materials	154.0	154.1	154.1	152.4
1.3	Chemicals and Drugs	125.1	125.1	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	139.5	139.6	139.5	135.4

*Indexes on 1926-1928 base were: Dec. 16, 1944, 108.7; Dec. 9, 108.7; and Dec. 18, 1943, 105.5.

We also give the report for the week ended Dec. 9, issued on Dec. 11:

The weekly wholesale commodity price index, compiled by The National Fertilizer Association, advanced fractionally to 139.6 in the week ending Dec. 9 from 139.4 in the preceding week. A month ago the index stood at 139.5 and a year ago at 135.0, based on the 1935-1939 average as 100.

The farm products group again advanced. Higher prices for two grades of wheat more than offset lower prices for rye, causing a rise in the grains group. Higher quotations on cattle and ewes more than offset lower quotations on hogs and lambs. This caused a slight upturn in the livestock group. Although there was a slight increase in steer quotations, lower prices for potatoes were sufficient to cause a fractional decline in the foods group. The textiles group trends downward as lower prices are noted for raw spot cotton. The metals group reaches a new high as quotations on scrap steel are again increasing. Lower prices for denatured alcohol more than offset higher prices for ethyl alcohol, in turn causing a recession in the chemicals and drugs group.

During the week 8 prices series in the index advanced and 7 declined; in the preceding week the price changes were evenly balanced with 7 advances and 7 declines; and in the second preceding week there were 7 advances and 3 declines.

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

% Each Group Bears to the Total Index	Group	Latest Preceding Month Year			
		Week Dec. 9, 1944	Week Dec. 2, 1944	Nov. 11, 1944	Dec. 11, 1943
25.3	Foods	144.3	144.4	143.7	140.1
	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	163.6	163.0	164.6	151.4
	Cotton	203.5	204.1	204.1	185.6
	Grains	159.7	158.6	157.3	162.5
	Livestock	158.8	157.9	161.0	142.3
17.3	Fuels	130.4	130.4	130.4	123.7
10.8	Miscellaneous commodities	133.2	133.2	133.2	131.4
8.2	Textiles	155.1	155.2	155.1	149.7
7.1	Metals	105.7	105.6	104.0	104.4
6.1	Building materials	154.1	154.1	154.1	152.4
1.3	Chemicals and drugs	125.1	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	139.4	139.5	135.0

*Indexes on 1926-1928 base were: Dec. 9, 1944, 108.7; Dec. 2, 108.6, and Dec. 11, 1943, 105.2.

Extend Mail to Italy

Postmaster Albert Goldman announced on Dec. 12 information has been received from the Post Office Department, Washington, D. C., that effective Dec. 12, registry service with Italy and Vatican City State is resumed and letters will be accepted for mailing up to a weight limit of 2 pounds and 3 ounces. The advice also state:

"The order affects the following Italian provinces: Aquila, Ascoli, Piacenza, Avellino, Bari, Benevento, Brindisi, Campobasso, Catanzaro, Chieti, Cosenza, Foggia, Frosinone, Grosseto, Lecce, Littoria, Macerata, Matera, Naples, Pescara, Po-

tenza, Reggio Calabria, Rieti, Rome Province, Salerno, Sardinia, Sicily, Taranto, Teramo, Terni, Viterbo.

"The Post Office Department stresses that the foregoing information embraces only letters and packages prepaid at the letter rate of postage. No merchandise may be sent. The letters are restricted to personal or business communications, not of a transactional character. Limited parcel post service now in effect for gift parcels addressed for delivery in the City of Rome, City of Naples, City of Palermo, and Vatican City State is not extended to other localities in Italy under the terms of the new regulation."

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 Dec. 9, 1944, is estimated at 11,930,000 net tons, an increase of 95,000 tons over the preceding week. In the week ended Dec. 11, 1943, output of soft coal amounted to 13,540,000 tons (the highest for that year). During the calendar year through Dec. 9, 1944, production totaled 588,695,000 tons, a gain of 5.7% over the corresponding period in 1943.

According to the U. S. Bureau of Mines, output of Pennsylvania anthracite for the week ended Dec. 9, 1944, was estimated at 1,140,000 tons, a decrease of 53,000 tons (4.4%) from the preceding week. When compared with the production in the corresponding week of 1943 there was a decrease of 81,000 tons, or 6.6%. The calendar year to date shows an increase of 6.4% when compared with the same period of 1943.

The estimated production of beehive coke in the United States for the United States for the week ended Dec. 9, 1944, showed a decrease of 2,600 tons when compared with the output for the week ended Dec. 2, 1944; and was 57,700 tons less than for the corresponding week of 1943.

ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS

	Week Ended			January 1 to Date		
	Dec. 9, 1944	Dec. 2, 1944	Dec. 11, 1943	1944	1943	1937
Bituminous coal and lignite—	11,930,000	11,835,000	13,540,000	588,695,000	557,143,000	423,811,000
Total, incl. mine fuel	11,930,000	11,835,000	13,540,000	588,695,000	557,143,000	423,811,000
Daily average—	1,988,000	2,006,000	2,257,000	2,020,000	1,893,000	1,462,000

*Subject to current adjustment. †Average based on 5.9 working days.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

	Week Ended			Calendar Year to Date		
	Dec. 9, 1944	Dec. 2, 1944	Dec. 11, 1943	1944	1943	1937
Penn. anthracite—	1,140,000	1,193,000	1,221,000	61,364,000	57,684,000	48,685,000
*Total incl. coll. fuel	1,140,000	1,193,000	1,221,000	61,364,000	57,684,000	48,685,000
†Commercial produc.	1,094,000	1,145,000	1,172,000	58,910,000	55,377,000	46,251,000
Beehive coke—	107,900	110,500	165,600	6,764,600	7,485,300	3,083,600
United States total	1,247,900	1,303,500	1,386,600	68,124,600	65,169,300	51,768,600

*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

	Week Ended			
	Dec. 2, 1944	Nov. 25, 1944	Dec. 4, 1944	Dec. 4, 1943
Alabama	363,000	365,000	403,000	271,000
Alaska	7,000	7,000	8,000	2,000
Arkansas and Oklahoma	90,000	91,000	104,000	83,000
Colorado	163,000	143,000	198,000	165,000
Georgia and North Carolina	1,000	1,000	1,000	1,000
Illinois	1,478,000	1,317,000	1,654,000	1,209,000
Indiana	586,000	497,000	616,000	430,000
Iowa	50,000	45,000	63,000	84,000
Kansas and Missouri	190,000	163,000	193,000	178,000
Kentucky—Eastern	994,000	1,008,000	978,000	690,000
Kentucky—Western	360,000	308,000	321,000	205,000
Maryland	31,000	2,000	37,000	29,000
Michigan	2,000	2,000	4,000	23,000
Montana (bitum. & lignite)	115,000	89,000	110,000	73,000
New Mexico	32,000	30,000	39,000	31,000
North & South Dakota (lignite)	62,000	60,000	88,000	70,000
Ohio	682,000	597,000	672,000	524,000
Pennsylvania (bituminous)	2,690,000	2,695,000	3,124,000	1,638,000
Tennessee	127,000	128,000	155,000	121,000
Texas (bituminous & lignite)	3,000	3,000	5,000	18,000
Utah	143,000	138,000	124,000	73,000
Virginia	360,000	373,000	411,000	277,000
Washington	28,000	35,000	31,000	46,000
†West Virginia—Southern	2,053,000	2,052,000	2,463,000	1,445,000
†West Virginia—Northern	976,000	932,000	1,122,000	491,000
Wyoming	208,000	194,000	199,000	136,000
§Other Western States	1,000	*	*	1,000
Total bituminous & lignite	11,835,000	11,300,000	13,132,000	8,320,000
Pennsylvania anthracite	1,193,000	1,135,000	1,237,000	849,000
Total, all coal	13,028,000	12,435,000	14,369,000	9,169,000

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

Civil Engineering Construction \$31,757,000 for Week—Volume Tops Last Week and 1943 Week

Civil engineering construction volume in continental United States totals \$31,757,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, tops last week by 75%, gains 19% over the total reported to "Engineering News-Record" for the corresponding 1943 week, and is 16% above the previous four-week moving average. The report issued on Dec. 14, went on to say:

Public construction for the week is 68 and 31% higher, respectively, than a week ago and a year ago. Private construction is up 159% compared with last week, but is 29% below the 1943 week.

The current week's construction brings 1944 volume to \$1,686,378,000 for the 50 weeks, a decrease of 44% from the \$2,999,009,000 reported for the period in 1943. Private construction, \$353,701,000, is 26% below a year ago, and public construction, \$1,332,677,000, is down 47% as a result of the 53% drop in Federal volume. State and municipal construction, \$236,394,000, is 22% above the 1943 period.

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

	12-16-43	12-7-44	12-14-44
Total U. S. construction	\$26,792,000	\$18,125,000	\$31,757,000
Private construction	5,580,000	1,526,000	3,954,000
Public construction	21,212,000	16,599,000	27,803,000
State and municipal	2,188,000	4,148,000	1,841,000
Federal	19,024,000	12,451,000	25,962,000

In the classified construction groups, gains over last week are in sewerage, industrial, commercial and public buildings, earthwork and drainage, and unclassified construction. Gains over the 1943 week are in industrial and public buildings, and unclassified construction. Subtotals for the week in each class of construction are: waterworks, \$278,000; sewerage, \$670,000; bridges, \$59,000; industrial buildings, \$2,984,000; commercial building and large-scale private housing,

\$575,000; public buildings, \$16,009,000; earthwork and drainage, \$791,000; streets and roads, \$819,000; and unclassified construction, \$9,578,000.

New capital for construction purposes for the week totals \$5,412,000, and is made up entirely of State and municipal bond sales. The week's new financing brings 1944 volume to \$1,691,774,000, a total that is 45% lower than the \$3,068,468,000 reported for the 50-week 1943 period.

Non-Ferrous Metals—Lead Order Limiting Purchases Studied—Quicksilver Price Up

"E. & M. J. Metal and Mineral Markets," in its issue of Dec. 14, stated: "Consumers and producers of lead were hampered somewhat in doing business last week because of delay in drawing up a plan in Washington for limiting purchases of the metal and thereby preventing stocks from falling below a comfortable margin of safety. Business booked during the week was accepted on condition that the WPB regulation will govern in final settlement of the contract. Demand for copper and zinc was fairly active, pointing to increased consumption in January. The upward trend in quicksilver prices continued, largely because most buyers preferred to look for supplies in the open market and avoid involvement in governmental red tape. The publication further went on to say in part as follows:

Most sales contracts made during the last week contained a provision that would release the seller in the event that the limitation order makes it impossible to live up to the agreement. Sales for the week involved 8,058 tons, which compares with 6,871 tons in the week previous.

Zinc

Though demand for zinc, particularly Special High Grade, has shown improvement, the market situation remains comfortable in all directions.

Production of slab zinc during November held at about the same level as in the preceding month, but shipments decreased and the result was another gain in stocks to a new high of 246,172 tons, according to the American Zinc Institute. The daily rate of production for November was 2,248 tons, which compares with 2,219 tons in October and a high of 2,775 tons last March.

Production, shipments, and stocks of slab zinc from 1939 to 1943, by years, and monthly figures for the current year to the end of November, in tons:

	Production	Shipments	Stocks
1939	538,198	598,972	65,995
1940	706,100	762,780	17,582
1941	863,955	857,471	24,066
1942	929,770	885,568	68,268
1943	971,873	887,638	173,510

1944:	Production	Shipments	Stocks
January	84,066	63,552	194,024
February	79,893	62,716	211,201
March	86,037	84,431	212,807
April	80,405	75,213	217,999
May	80,497	80,825	217,671
June	73,067	65,785	224,953
July	72,947	63,193	234,707
August	71,281	64,295	241,693
September	66,891	65,150	243,434
October	68,781	67,871	244,344
November	67,432	65,604	246,172

Copper

Producers look for consumption of copper to increase after the turn of the year, but ample supplies will be available to meet the situation, either from new production (including imports) or the stockpile. The downward trend in domestic production that has occurred this year, owing chiefly to the manpower problem, should not be embarrassing.

Contracts for the purchase of some 10,000 tons of Canadian copper monthly over the first quarter of 1945 are expected to be closed soon.

Lead

With an order limiting purchases of lead hanging over the market, business was conducted during the last week in an atmosphere of general uncertainty. Various branches of the government have taken an interest in the problem, including the Army and Navy, and little is known in regard to the final form that the document will take. The industry believes that a flat percentage deduction has been abandoned in

Dec. 1 Cotton Report

A United States cotton crop for 1944 of 12,359,000 bales of 500 pounds gross weight is estimated by the Crop Reporting Board of the United States Department of Agriculture, based upon information as of Dec. 1. This is an increase of 39,000 bales from indicated production on Nov. 1, and is only slightly below average production of 12,455,000 bales for the 10-year period (1933-42). The lint yield per acre, computed at 295.3 pounds, is 22.9 pounds above the previous all-time record yield of 272.4 pounds per acre produced in 1942. Average yield for the 10-year period (1933-42) is 226.9 pounds.

The acreage of cotton in cultivation on July 1, 1944, is now estimated at 20,359,000 acres. Abandonment is estimated at 1.3% of planted acreage, leaving 20,098,000 acres for harvest. The present estimate of acreage for harvest is approximately .3 of 1% acreage estimated during the growing season and is the smallest acreage of cotton harvested since 1895.

The present estimate of cotton production for the United States is approximately 1,300,000 bales above the relatively good crop expected on Aug. 1, when the first forecast of production for the season was made. The crop got off to a comparatively poor start in some areas due to excessive rainfall at planting time, but climatic conditions were generally favorable throughout the growing season, with the result that losses from insects were held to a minimum and plants fruited unusually well.

Compared with a month ago, the greatest increases in prospective production occurred in Missouri, where the present estimate is up 50,000 bales, and in Texas, where prospects are up 40,000 bales. These increases are partly offset by reductions of 30,000 bales in Mississippi and 25,000 bales in California. In other States very little change from a month ago is indicated.

Harvesting of the crop is somewhat delayed, particularly in the States west of the Mississippi River, and considerable losses in production could still result from unfavorable weather during the winter months. Ginnings from the 1944 crop prior to Dec. 1 are reported by the Bureau of the Census at 10,274,385 bales, compared with 10,560,109 bales in 1943 and 11,534,702 bales in 1942.

Cottonseed production from the 1944 crop is estimated at 4,941,000 tons, compared with 4,688,000 tons in 1943. On the basis of information received from cotton ginneries, it is estimated that for the 1944 crop there were 62.5 pounds of cottonseed for each 37.5 pounds of lint. The ratio for the 1943 crop was 63.1 pounds of cottonseed for each 36.9 pounds of lint.

Atcheson Resigns

The Office of Surplus Property, U. S. Treasury Department, has announced the resignation of Frederick Roberts Atcheson as Deputy in charge of Operations, effective Dec. 15. Mr. Atcheson directed the warehousing, inventory, classification, pricing, accounting and inspection end of Treasury's sale of surplus consumer goods, which included more than 100 major categories ranging from bolts, nuts, screws, mosquito bars, life rafts to trucks of all types and descriptions. Mr. Atcheson's office also controlled all administrative and fiscal functions of the Office of Surplus Property. Mr. Atcheson has been associated with Marshall Field & Co. continuously for 21 years in both the management and control functions and will return to his post with that company. Since 1936 he has been Comptroller of Marshall Fields' retail stores in the Chicago area.

Nickel

The supply situation in nickel has improved in the current year and consumers are wondering whether the restrictions are likely to be eased. The easier situation has been reflected in increased offerings of secondary material. Monel also is available in larger tonnages, and price unsettlement has occurred in the scrap section of the market.

Tin

Bolivian producers of tin concentrate continue to press for a higher price. In tin circles here it is felt that some advance from the 60c f.a.s. South American ports basis is likely to be granted, particularly if a higher settling basis would lead to increased supplies. A price of 63½c has been mentioned. Demand for new tin, according to some observers, may increase next year in spite of the limitation orders now in effect.

The domestic selling basis, however, is not expected to change, even should costs rise.

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

	Dec.	Jan.	Feb.
December 7	52.000	52.000	52.000
December 8	52.000	52.000	52.000
December 9	52.000	52.000	52.000
December 11	52.000	52.000	52.000
December 12	52.000	52.000	52.000
December 13	52.000	52.000	52.000

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

Quicksilver

Offerings of quicksilver for prompt and nearby delivery in the New York market were extremely light last week, and the price situation remained firm, with quotations largely nominal. Business was reported at prices ranging from \$125 to \$127 per flask. Some observers believe that demands will continue at a high rate for some time to come, and they see nothing of a bearish nature in the move on the part of the government to release stockpiled metal at \$2 per flask above the weekly E.&M.J. quotation. Others contend that as war demands are met through metal obtained from the Metals Reserve the ordinary market, catering to civilian needs, should find that current production plus imports can take care of itself nicely.

Advices from San Francisco indicate that producers continue to take a bullish view of the situation, some asking \$127 per flask, Coast.

Silver

Legislation extending until Dec. 31, 1945, the authority to use Treasury-owned silver for war and essential civilian purposes (Green Act) was passed by the House on Dec. 8. The measure has been sent to the President.

Secretary Morgenthau stated last week that the Treasury has supplied 1,226,300,000 oz. of silver for the war program since Pearl Harbor.

The London market for silver was quiet and unchanged last week at 23½d. The New York Official for foreign silver continued at 44¾c, with domestic metal at 70½c.

Daily Average Crude Oil Production for Week Ended Dec. 9, 1944 Fell Off 8,450 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Dec. 9, 1944 was 4,704,450 barrels, a decrease of 8,450 barrels per day when compared with the preceding week, and 17,650 barrels less than the daily average figure recommended by the Petroleum Administration for War for the month of December, 1944. The current figure, however, was 327,750 barrels per day higher than the output in the week ended Dec. 11, 1943. Daily production for the four weeks ended Dec. 9, 1944 averaged 4,723,050 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 4,552,000 barrels of crude oil daily and produced 14,611,000 barrels of gasoline; 1,454,000 barrels of kerosine; 4,056,000 barrels of distillate fuel, and 8,923,000 barrels of residual fuel oil during the week ended Dec. 9, 1944; and had in storage at the end of that week 80,880,000 barrels of gasoline; 12,983,000 barrels of kerosine; 44,436,000 barrels of distillate fuel, and 60,458,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*P. A. W. Recommendations December	*State Allowables begin Dec. 1 1944	Actual Production Week Ended Dec. 9, 1944	Change from Previous Week	4 Weeks Ended Dec. 9, 1944	Week Ended Dec. 11, 1943
Oklahoma	350,000	356,000	360,350	+ 400	358,900	325,150
Kansas	274,000	269,400	267,350	+ 2,100	272,400	273,500
Nebraska	1,200	---	11,050	---	1,000	1,700
Panhandle Texas	---	---	88,750	- 5,400	92,800	94,400
North Texas	---	---	140,600	-10,600	148,550	143,400
West Texas	---	---	471,350	- 2,600	473,300	354,400
East Central Texas	---	---	141,450	- 3,150	143,800	115,100
East Texas	---	---	371,000	+ 3,100	368,650	364,300
Southwest Texas	---	---	345,450	- 1,650	346,700	290,800
Coastal Texas	---	---	552,950	- 450	553,300	520,500
Total Texas	2,153,000	2,134,078	2,111,550	-20,750	2,127,100	1,822,900
North Louisiana	---	---	71,150	- 1,150	72,000	78,600
Coastal Louisiana	---	---	289,600	- 1,700	290,900	275,500
Total Louisiana	350,000	395,000	360,750	- 2,850	362,900	354,100
Arkansas	78,000	79,975	80,700	+ 600	80,400	79,850
Mississippi	53,000	---	48,050	- 800	50,600	47,250
Alabama	---	---	250	---	250	---
Florida	---	---	50	---	50	---
Illinois	200,000	---	202,750	+ 8,400	199,750	225,350
Indiana	13,000	---	13,750	+ 700	13,150	14,200
Eastern (Not incl. Ill., Ind., Ky.)	69,400	---	62,800	- 5,400	65,400	72,950
Kentucky	30,000	---	29,950	- 1,750	30,350	26,450
Michigan	47,000	---	52,900	+ 5,200	49,550	52,900
Wyoming	100,000	---	96,950	+ 2,450	95,500	96,450
Montana	23,000	---	21,300	---	21,350	20,850
Colorado	9,500	---	8,900	+ 750	9,000	7,600
New Mexico	106,000	106,000	104,850	---	104,850	112,900
Total East of Calif.	3,837,100	3,885,000	3,824,250	-10,950	3,842,500	3,594,100
California	885,000	885,000	880,200	+ 2,500	880,550	782,600
Total United States	4,722,100	4,704,450	4,704,450	- 8,450	4,723,050	4,376,700

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

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a. m. Dec. 7, 1944. ‡This is the net basic allowable as of Dec. 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 2 to 15 days, the entire state was ordered shut down for 7 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 7 days shutdown time during the calendar month.

§Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILL: PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED DEC. 9, 1944

(Figures in Thousands of barrels of 42 Gallons Each)

Figures in this section include reported totals plus an estimate of unreported amounts and are therefore on a Bureau of Mines basis—

District	Daily Refining Capacity	Potential % Rate	Crude Runs to Still	Gasoline Production		Stocks of Gas Oil and Distillate Fuel Oil	Stocks of Residual Fuel Oil	
				at Re-fineries	at Re-fineries and Unfinished			
East Coast	729	100.0	702	96.3	1,767	12,447	12,785	8,915
Appalachian	130	83.9	101	77.7	327	2,463	497	353
District No. 1	47	87.2	56	119.1	193	1,726	201	147
District No. 2	824	85.2	759	92.1	2,879	16,340	6,774	3,402
Ind., Ill., Ky.	418	80.2	371	88.8	1,397	7,589	2,474	1,648
Okl., Kans., Mo.	278	66.9	220	79.1	883	2,793	420	623
Inland Texas	1,165	90.5	1,103	94.7	3,540	14,440	7,138	8,590
Texas Gulf Coast	242	95.5	244	100.8	876	4,348	2,023	1,081
Louisiana Gulf Coast	104	68.0	78	75.0	220	2,436	556	277
No. La. & Arkansas	13	17.0	12	92.3	37	66	19	32
District No. 3	141	58.3	99	70.2	376	1,656	356	541
District No. 4	817	89.9	807	98.8	2,116	14,576	11,193	34,849
California	---	---	---	---	---	---	---	---
Total U. S. B. of M.	4,908	87.2	4,552	92.7	14,611	80,880	44,436	60,458
basis Dec. 9, 1944								
Total U. S. B. of M.	4,908	87.2	4,693	95.6	14,853	80,426	45,832	61,727
basis Dec. 2, 1944								
U. S. Bur. of Mines			4,162		12,552	70,855	44,652	59,154
basis Dec. 11, 1943								

*Composed of 12,069,000 barrels of unfinished, 41,170,000 barrels of civilian-grade automotive (41,179,000 at Dec. 2 and 40,835,000 at Nov. 25) and 26,741,000 barrels of aviation, military, solvents and naphthas, and gasoline blending stocks currently indeterminate as to ultimate use (26,115,000 barrels at Dec. 2 and 25,773,000 barrels at Nov. 25). †Stocks at refineries, at bulk terminals, in transit and in pipe lines. ‡Not including 1,454,000 barrels of kerosene, 4,056,000 barrels of gas oil and distillate fuel oil and 8,923,000 barrels of residual fuel oil produced during the week ended Dec. 9, 1944, which compares with 1,633,000 barrels, 4,082,000 barrels and 8,981,000 barrels, respectively, in the preceding week and 1,341,000 barrels, 4,613,000 barrels and 8,224,000 barrels, respectively, in the week ended Dec. 11, 1943.

Note—Stocks of kerosene at Dec. 9, 1944, amounted to 12,983,000 barrels, as against 13,745,000 barrels a week earlier and 10,332,000 barrels a year before.

Trading on New York Exchanges

The Securities and Exchange Commission made public on Dec. 13 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. 25, 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. 25 (in round-lot transactions) totaled 1,150,538 shares, which amount was 16.20% of the total transactions on the Exchange of 3,552,200 shares. This compares with member trading during the week ended Nov. 18 of 1,553,712 shares, or 15.22% of the total trading of 5,103,190 shares. On the New York Curb Exchange, member trading during the week ended Nov. 25 amounted to 365,820 shares, or 15% of the total volume on that exchange of 2,129,655 shares; during the Nov. 18 week trading for the account of Curb members of 392,790 shares was 14.65% of total trading of 1,371,237 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. 25, 1944		Total for week	%
A. Total Round-Lot Sales:			
Short sales	119,260		
†Other sales	3,432,940		
Total sales	3,552,200		
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 stock in which they are registered—			
Total purchases	307,250		
Short sales	43,790		
†Other sales	248,970		
Total sales	292,760		8.45
2. Other transactions initiated on the floor—			
Total purchases	154,900		
Short sales	9,900		
†Other sales	128,260		
Total sales	138,160		4.13
3. Other transactions initiated off the floor—			
Total purchases	121,775		
Short sales	29,920		
†Other sales	105,823		
Total sales	135,743		3.62
4. Total—			
Total purchases	583,925		
Short sales	83,610		
†Other sales	483,053		
Total sales	566,663		16.20

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

WEEK ENDED NOV. 25, 1944		Total for week	%
A. Total Round-Lot Sales:			
Short sales	14,600		
†Other sales	1,205,055		
Total sales	1,219,655		
B. Round-Lot Transaction for Account of Members:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases	125,050		
Short sales	7,895		
†Other sales	90,698		
Total sales	98,590		9.17
2. Other transactions initiated on the floor—			
Total purchases	25,815		
Short sales	3,700		
†Other sales	25,355		
Total sales	29,055		2.25
3. Other transactions initiated off the floor—			
Total purchases	51,700		
Short sales	700		
†Other sales	34,910		
Total sales	35,610		3.58
4. Total—			
Total purchases	202,565		
Short sales	12,295		
†Other sales	150,960		
Total sales	163,255		15.00
C. Odd-Lot Transactions for Account of Specialists—			
Customers' short sales	0		
†Customers' other sales	43,021		
Total purchases	43,021		
Total sales	31,406		

*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."

President Again Requests Action by Congress On Creation of Missouri Valley Authority

In a special message to Congress on Nov. 27, President Roosevelt renewed his recommendation for a Missouri Valley Authority, indicating his approval of a plan developed jointly to Army engineers and the Reclamation Bureau which he said, "constitutes a basic plan for the development and control of the waters of the Missouri River."

The previous recommendation of the President to Congress advocating the development of the Missouri River basin along lines similar to that of the Tennessee Valley Authority was noted in our issue of Sept. 28, page 1379.

The President's latest message on the subject, as addressed to the Senate on Nov. 27 follows:

The White House, Washington, Nov. 27, 1944. The President of the Senate:

Sir: On Sept. 21, 1944, I sent a message to the Congress recommending the creation of a Missouri Valley Authority that would be charged with the duty of preparing and carrying out a single coordinated plan for the development of the Missouri River basin for the greatest benefit of its citizens, both present and future, and for the greatest benefit to the United States. At that time there

was under consideration by the Congress two reports: the one presented by the Corps of Engineers, the other by the Bureau of Reclamation, which, while presenting comprehensive plans for the development of the Missouri River, were in conflict in many details. The two bureaus have reconciled the technical differences in these two reports and have prepared a joint recommendation which in conjunction with the two reports constitutes a basic plan for the development and control of the waters of the Missouri River.

This joint plan represents a beginning in the solution of the problems of the Missouri Valley. But it is only a beginning, for other important matters not within the scope of this joint report bear very materially upon the entire region. As a practical matter, most of these cannot be dealt with by conference and agreement among the 10 States directly involved working with separate Federal agencies, for the delay in getting action would be too great to bring about the objectives important to the economy of the entire region. A single Authority, such as the Tennessee Valley Authority, over the entire region would provide an adequate mechanism for the adjustment of the interests of the States and for the planning and development of the entire valley.

I am transmitting herewith a copy of that report of reconciliation together with accompanying papers. I now recommend that the plans of the two bureaus, published in House Document 475, 78th Congress, and Senate Document 191, 78th Congress, as modified in accordance with the recommendations of this joint report, be authorized as a basic engineering plan to be developed and administered by a Missouri Valley Authority, such as I have already recommended in my message of Sept. 21.

Sincerely yours,
FRANKLIN D. ROOSEVELT.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Dec. 13 a summary for the week ended Dec. 2 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 Dec. 2, 1944		Total
Odd-Lot Sales by Dealers (Customers' purchases)		for Week
Number of orders	19,413	
Number of shares	563,774	
Dollar value	\$24,453,061	
Odd-Lot Purchases by Dealers (Customers' sales)		
Number of Orders:		
Customers' short sales	230	
Customers' other sales	19,391	
Customers' total sales	19,621	
Number of Shares:		
Customers' short sales	7,179	
Customers' other sales	515,989	
Customers' total sales	523,168	
Dollar value	\$18,814,430	
Round-Lot Sales by Dealers		
Number of Shares:		
Short sales	50	
†Other sales	149,789	
Total sales	149,839	
Round-Lot Purchases by Dealers:		
Number of shares	207,670	
*Sales marked "short exempt" are reported with "other sales."		
†Sales to offset customers' odd-lot orders, and sales to liquidate a long position which is less than a round lot are reported with "other sales."		

Revenue Freight Car Loadings During Week Ended Dec. 9, 1944 Declined 14,706 Cars

Loading of revenue freight for the week ended Dec. 9, 1944 totaled 793,554 cars, the Association of American Railroads announced on Dec. 14. This was a decrease below the corresponding week of 1943 of 29,757 cars, or 3.6%, but an increase above the same week in 1942 of 49,371 cars or 6.6%.

Loading of revenue freight for the week of Dec. 9, decreased 14,706 cars, or 1.8% below the preceding week.

Miscellaneous freight loading totaled 387,305 cars, a decrease of 9,067 cars below the preceding week, but an increase of 7,373 cars below the corresponding week in 1943.

Loading of merchandise less than carload freight totaled 106,812 cars, an increase of 907 cars above the preceding week, and an increase of 2,816 cars above the corresponding week in 1943.

Coal loading amounted to 169,705 cars, a decrease of 247 cars below the preceding week, and a decrease of 19,441 cars below the corresponding week in 1943.

Grain and grain products loading totaled 44,250 cars, a decrease of 3,444 cars below the preceding week and a decrease of 9,141 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of Dec. 9, totaled 29,697 cars, a decrease of 2,496 cars below the preceding week and a decrease of 6,399 cars below the corresponding week in 1943.

Livestock loading amounted to 20,107 cars, a decrease of 2,522 cars below the preceding week but an increase of 1,578 cars above the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of Dec. 9 totaled 15,419 cars, a decrease of 2,042 cars below the preceding week, but an increase of 1,429 cars above the corresponding week in 1943.

Forest products loading totaled 39,830 cars, an increase of 1,092 cars above the preceding week but a decrease of 5,334 cars below the corresponding week in 1943.

Ore loading amounted to 12,184 cars, a decrease of 1,405 cars below the preceding week and a decrease of 5,255 cars below the corresponding week in 1943.

Coke loading amounted to 13,361 cars, a decrease of 20 cars below the preceding week, a decrease of 2,353 cars below the corresponding week in 1943.

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

	1944	1943	1942
6 Weeks of January	3,796,477	3,821,811	3,858,479
4 weeks of February	3,159,492	3,055,725	3,122,942
4 weeks of March	3,135,155	3,073,445	3,174,781
4 weeks of April	4,068,625	3,924,981	4,209,907
4 weeks of May	3,446,252	3,363,195	3,311,637
4 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	3,579,800	3,554,694	3,487,905
4 weeks of September	4,428,427	4,456,466	4,410,669
4 Weeks of October	3,698,979	3,604,323	3,607,851
4 Weeks of November	3,365,925	3,304,830	3,236,584
Week of December 2	808,260	882,733	759,773
Week of December 9	793,554	808,260	744,183
Total	41,987,651	41,017,763	41,491,931

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Dec. 9, 1944. During the period 48 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED DEC. 9

Railroads	Total Revenue Freight Loaded		Total Loads Received from Connections	
	1944	1943	1944	1943
Eastern District—				
Ahn Arbor	321	273	1,491	1,517
Bangor & Aroostook	2,476	2,265	1,223	247
Boston & Maine	6,826	6,753	5,758	14,194
Chicago, Indianapolis & Louisville	1,354	1,472	1,439	2,000
Central Indiana	32	42	38	60
Central Vermont	1,110	1,110	2,386	3,079
Delaware & Hudson	4,910	6,098	6,010	12,979
Delaware, Lackawanna & Western	7,800	7,673	6,907	11,252
Detroit & Mackinac	247	203	118	122
Detroit, Toledo & Ironton	1,621	2,081	1,531	1,355
Detroit & Toledo Shore Line	381	300	2,950	3,771
Erie	12,279	12,221	10,703	17,087
Grand Trunk Western	3,829	3,621	3,971	8,644
Lehigh & Hudson River	1,900	1,829	1,778	1,438
Lehigh & New England	8,205	8,543	7,613	13,776
Lehigh Valley	2,394	2,239	2,226	3,686
Maine Central	5,267	6,294	5,807	283
Monongahela	2,593	2,894	2,374	17
Montour	46,719	49,694	43,022	55,263
New York Central Lines	9,780	9,731	9,002	18,469
N. Y., N. H. & Hartford	869	1,238	1,066	2,987
New York, Ontario & Western	6,611	6,389	6,306	16,299
New York, Chicago & St. Louis	373	615	375	1,905
N. Y., Susquehanna & Western	7,385	7,625	7,122	7,170
Pittsburgh & Lake Erie	5,239	4,781	5,073	8,361
Pere Marquette	734	985	758	18
Pittsburg, Shawmut & North	251	322	232	236
Pittsburgh & West Virginia	873	1,254	1,020	2,548
Rutland	377	374	330	991
Wabash	5,872	5,928	5,319	12,006
Wheeling & Lake Erie	5,196	4,811	4,550	4,188
Total	153,939	159,634	144,422	227,308
Allegany District—				
Akron, Canton & Youngstown	758	776	708	1,242
Baltimore & Ohio	41,557	43,103	35,943	27,184
Bessemer & Lake Erie	2,561	4,565	3,050	1,454
Buffalo Creek & Gauley	1	388	1	3
Cambria & Indiana	1,569	1,836	1,700	11
Central R. R. of New Jersey	6,141	7,224	6,547	19,234
Cornwall	498	464	609	51
Cumberland & Pennsylvania	177	247	220	8
Ligonier Valley	94	166	135	53
Long Island	1,393	1,344	1,136	3,629
Penn-Reading Seashore Lines	1,952	1,699	1,606	2,443
Pennsylvania System	78,151	79,632	69,553	60,826
Reading Co.	14,565	14,743	13,139	29,237
Union (Pittsburgh)	19,353	21,235	20,836	3,463
Western Maryland	3,699	4,310	3,778	12,679
Total	172,468	181,752	159,784	161,514
Peachontas District—				
Chesapeake & Ohio	28,009	30,280	27,323	12,008
Norfolk & Western	21,036	24,175	21,266	7,837
Virginian	4,652	5,101	4,558	2,698
Total	53,697	59,556	53,147	22,543

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Southern District—					
Alabama, Tennessee & Northern	2,272	3,355	3,822	369	384
Ad. & W. P.—W. R. of Ala.	631	794	641	3,070	2,877
Atlanta, Birmingham & Coast	756	726	671	1,486	1,412
Atlantic Coast Line	13,009	14,262	13,537	12,675	11,694
Central of Georgia	3,448	3,970	3,628	5,694	5,151
Charleston & Western Carolina	364	428	362	1,725	1,995
Chicfield	1,563	1,626	1,623	3,384	3,530
Columbus & Greenville	397	315	292	277	256
Durham & Southern	142	94	78	752	684
Florida East Coast	2,577	2,815	1,526	1,299	1,432
Gainesville Midland	60	43	38	107	86
Georgia	1,081	1,277	1,077	2,493	2,926
Georgia & Florida	400	493	339	661	703
Gulf, Mobile & Ohio	4,392	4,342	3,604	3,873	4,426
Illinois Central System	27,403	28,064	26,067	17,314	17,393
Louisville & Nashville	25,768	26,376	23,751	11,747	12,700
Macon, Dublin & Savannah	170	214	186	993	1,030
Mississippi Central	230	351	147	491	510
Nashville, Chattanooga & St. L.	3,078	3,367	2,851	4,374	4,930
Norfolk Southern	889	1,054	963	2,059	2,003
Piedmont Northern	460	484	363	1,425	1,488
Richmond, Fred. & Potomac	461	422	356	11,222	11,834
Seaboard Air Line	10,541	11,590	10,111	8,862	9,727
Southern System	23,553	23,839	20,235	25,451	26,880
Tennessee Central	655	573	478	734	919
Winston-Salem Southbound	180	160	101	1,044	1,003
Total	122,425	128,034	113,404	123,661	127,973

Northwestern District—					
	1944	1943	1942	1944	1943
Chicago & North Western	15,020	15,393	14,736	14,261	14,636
Chicago Great Western	2,575	2,708	2,385	3,116	3,446
Chicago, Milw., St. P. & Pac.	22,279	21,977	19,207	10,423	10,423
Chicago, St. Paul, Minn. & Omaha	3,672	4,126	3,956	4,037	3,332
Duluth, Missabe & Iron Range	914	1,187	1,419	180	253
Duluth, South Shore & Atlantic	696	728	592	628	556
Elgin, Joliet & Eastern	8,641	8,516	7,595	12,814	11,146
Ft. Dodge, Des Moines & South	379	460	436	86	115
Great Northern	13,495	13,462	11,791	6,222	5,042
Green Bay & Western	478	493	533	973	852
Lake Superior & Ishpeming	201	305	237	76	60
Minneapolis & St. Louis	2,015	2,382	2,062	2,618	2,551
Minn., St. Paul & S. S. M.	5,303	5,770	4,484	2,752	3,043
Northern Pacific	11,056	10,881	10,505	6,268	5,238
Spokane International	164	142	122	528	683
Spokane, Portland & Seattle	2,687	2,376	1,861	3,922	3,477
Total	89,475	90,906	81,921	68,924	65,358

Central Western District—					
	1944	1943	1942	1944	1943
Atch., Top. & Santa Fe System	23,191	22,699	21,096	13,966	11,647
Alton	3,698	3,159	3,120	4,059	4,277
Bingham & Garfield	377	461	369	93	63
Chicago, Burlington & Quincy	19,279	21,021	18,226	13,316	12,617
Chicago & Illinois Midland	2,939	2,986	2,436	946	1,037
Chicago, Rock Island & Pacific	11,424	12,108	11,527	12,720	12,783
Chicago & Eastern Illinois	2,908	2,717	2,350	5,234	6,751
Colorado & Southern	673	714	1,069	2,106	2,221
Denver & Rio Grande Western	4,211	4,240	4,281	6,440	6,679
Denver & Salt Lake	640	905	790	19	22
Fort Worth & Denver City	687	766	840	1,393	1,469
Illinois Terminal	2,282	1,864	1,547	2,062	1,899
Missouri-Illinois	1,151	1,179	973	494	521
Nevada Northern	1,633	1,800	2,065	90	118
North Western Pacific	737	817	936	928	729
Peoria & Pekin Union	29	8	30	0	0
South Western Pacific (Pacific)	31,662	29,251	29,401	15,122	14,117
Toledo, Peoria & Western	360	327	305	1,988	2,057
Union Pacific System	18,464	18,311	17,552	16,591	17,604
Utah	530	704	692	2	5
Western Pacific	2,205	2,152	2,333	4,738	4,651
Total	129,080	128,189	121,938	102,307	101,267

Southwestern District—					
	1944	1943	1942	1944	1943
Burlington-Rock Island	316	463	179	526	176
Gulf Coast Lines	6,281	7,097	5,289	2,584	2,610
International-Great Northern	2,442	2,204	2,948	3,235	3,356
Kansas, Oklahoma & Gulf	258	257	377	1,030	1,258
Kansas City Southern	4,974	5,049	5,301	2,951	3,094
Louisiana & Arkansas	3,504	3,456	3,241	1,550	1,256
Litchfield & Madison	343	360	301	1,155	1,226
Midland Valley	508	845	677	462	484
Missouri & Arkansas	140	187	144	418	484
Missouri-Kansas-Texas Lines	6,192	5,491	6,058	5,168	6,086
Missouri Pacific	16,916	17,472	15,373	18,238	20,665
Quannah Acme & Pacific	62	68	137	295	261
St. Louis-San Francisco	9,338	8,510	8,679	8,276	8,864
St. Louis Southwestern	3,626	2,873	2,540	7,006	7,418
Texas & New Orleans	11,939	14,266	13,221	5,872	4,905
Texas & Pacific	5,517	6,556	4,961	7,14	

Items About Banks, Trust Companies

Central Hanover Bank & Trust Co. of New York announces the following appointments: Assistant Secretaries—Seymour Johnson, John R. Osborne and Henry L. Ware; Assistant Treasurers—Edward E. Bremner, Philip J. Engliert, Philip Livingston, Archibald A. Macdonald Jr. and Herman Streller.

Walter G. Kimball, President of The Commercial National Bank & Trust Co. of New York, announced on Dec. 13 that the board of directors had voted the transfer on Dec. 31 of \$1,000,000 from undivided profits to surplus, thereby increasing the surplus account to \$10,000,000. The bank's capital is \$7,000,000.

George P. Kennedy, President of the Lafayette National Bank of Brooklyn in New York, has announced that the bank, following its usual custom, will add \$50,000 to its surplus, increasing the total to \$400,000.

At the December meeting of the board of directors of the Union National Bank, Troy, N. Y., the directors voted to submit to the shareholders a proposal for the issuance of 3,000 additional shares of common stock with a par value of \$16.66 $\frac{2}{3}$.

The New York "Times," in reporting this, said:

"If the proposal is accepted, holders of the present 18,000 common shares will receive 30-day warrants to purchase at par one share of new stock for each three shares owned on Jan. 9, 1945.

"At the expiration of the warrants, holders of the bank's B preferred stock will have a right to subscribe to any of the proposed new issue of common not taken by the present common stockholders."

Myron S. Short was elected President of the Buffalo Savings Bank at a meeting of the board of trustees on Dec. 11. He succeeds Charles L. Gurney, who becomes Chairman of the board. Mr. Short, previously Executive Vice-President of the bank, is also President of the Savings Banks Association of the State of New York, a member of the Federal Deposit Insurance Corporation's Advisory Council on Mutual Savings Bank Matters and on the Executive Committee of the American Bankers Association's Savings Division. He is a trustee of the University of Buffalo and Syracuse University. Other elections in the bank were William S. Rogers, formerly Vice-President, to Executive Vice-President; Carlton P. Cooke, Real Estate Officer, to Vice-President, and W. Franklin Maischoss, Controller, to Vice-President and Controller.

Consolidation of the National Bank of West New York with The First National Bank of Jersey City, effective Dec. 18, is announced by Kelley Graham, President of The First National Bank. The former organization will be known hereafter as the West New York office of The First National Bank of Jersey City. Mr. Graham's announcement states that the new office will not only increase the facilities of The First National Bank but will round out the geographical location of its offices in the northern part of Hudson County. Established in 1864, The First National is one of the oldest banks in Hudson County. With the opening of the West New York office the bank will have four offices in addition to its main office at One Exchange Place, Jersey City. Total resources on Sept. 30 amounted to \$96,308,966. Resources of the National Bank of West New York on Sept. 30 totaled \$6,845,682.

Waldron M. Ward, Chairman of the board of managers of the Howard Savings Institution of Newark, N. J., has been elected to the board of directors of the National Newark & Essex Banking Co., Robert G. Cowan, National Newark President, announced. The Newark "News" states that Mr. Ward is also a member of the law firm of Pitney, Hardin & Ward and a director of Weston Electrical Instrument Corp., American Colortype Co., and Taylor-Wharton Iron & Steel Co. He is President of the Silver Hill Foundation of New Canaan, Conn.

The Montclair Trust Co. of Montclair, N. J., proposed on Dec. 15 to common stockholders an increase of common stock and retiring its entire outstanding preferred stock of \$160,000 held by the Reconstruction Finance Corporation. The recommendation of the directors will be voted at the Jan. 9 annual meeting, said the Newark "News," from which we also quote:

"The plan provides increase of \$540,000 common stock by \$60,000 to be raised through issuance of 6,000 additional shares of \$10 par value. The shares would be offered at \$14 to common stockholders as of next Jan. 9 in ratio of one new share for every nine held. State Banking Department permission has been obtained conditioned upon raising a portion of necessary funds through moderate sale of new common stock.

"To \$84,000 resulting from sale of the 6,000 shares would be added \$76,000 from the second half of 1944 income to retire the \$160,000 in preferred stock. Common stock dividends aggregated 50 cents per share in 1944 and 40 cents last year. Common stock had a book value of \$23 per share, the bank's last statement showed.

"President Frederic P. Fiske said: 'Consummation of the plan will give the bank a well balanced and more flexible capital structure to meet expanding business requirements.'

J. O. Miller, Acting President of the People's-Pittsburgh Trust Co., Pittsburgh, Pa., announces the election of John D. Dupuis as Vice-President of the bank. We quote the Cincinnati "Enquirer," which said:

"Mr. Dupuis was formerly Assistant Vice-President in charge of the credit department, and in his new position will continue to have general supervision of credit activities. He joined the bank in April, 1938, having served previously with the Benjamin D. Bartlett Co., Cincinnati, members of the New York Stock Exchange and before that with the Irving Trust Co., New York City."

The board of directors of The Peoples National Bank of Lynchburg, Va., announces the election of the following officers: John Victor, Chairman of the board, and Scott Nesbit, President.

The stockholders of the Harris Trust & Savings Bank of Chicago at a meeting on Dec. 13 approved a 33 $\frac{1}{3}$ % dividend in stock, payable to holders of Dec. 18. The stockholders also approved a new pension plan for employees and a new group insurance program. Directors of the bank declared a dividend of \$3 a share, payable Jan. 2 to stockholders of record Dec. 18. The cash dividend is payable only on the old stock. The Chicago "Journal of Commerce" also stated:

"The pension program will cost the bank an estimated \$160,000 for the first year, while the cost of the group insurance was estimated at \$10,000 annually. The dividend in stock will boost the bank's capital to \$8,000,000 from \$6,000,000. The increase will be

Sixth War Loan Drive Closes; Expect Results To Exceed \$14,000,000,000 Goal by \$5 Billion

With the closing of the Sixth War Loan on Dec. 16, Secretary of the Treasury Morgenthau announced that not only had the \$14,000,000,000 goal been met, but that he believed when the tallies are all in they will exceed \$19,000,000,000.

It was further noted by Mr. Morgenthau, in a radio address broadcast from Washington on Dec. 16, that "we had another objective even more important than

the overall total of the drive—to raise \$5,000,000,000 through the purchase of bonds by individuals." "I am thrilled to be able to report to you this evening," said Mr. Morgenthau, "that on the basis of returns already in, it seems clear that this objective also will be fully achieved." In part, Secretary Morgenthau also stated:

"The final tally on the Sixth War Loan cannot be completed until the end of this month. This is because millions of workers who authorized their employers to deduct money for bonds out of their pay envelopes will not complete their payments until the last pay day in December and because it takes time to inscribe and report to the Treasury the bonds purchased in the thousands of sales outlets in rural communities and distant places.

"Among the distant places where bonds were sold in great numbers are the bases and battle lines of our armed forces overseas. Yes, our men in uniform are bond buyers, too. During the past 12 months they have bought just about \$1,000,000,000 worth of war bonds.

"These men in uniform will want to know something about the spirit in which this bond drive at home was carried through to its successful conclusion by the men and women in the mines and shops and mills and offices and farmhouses of America. They are entitled to know how well the

covered by a transfer of \$2,000,000 from undivided profits."

The board of directors of the Chicago Title & Trust Co. of Chicago, Ill., on Dec. 13 declared a dividend of \$2 a share, plus \$1 per share extra dividend out of the earnings of the company for the year 1944. The dividends are payable Jan. 2, 1945, to stockholders of record at the close of business Dec. 19, 1944.

Following a regular meeting of the board of directors of the First National Bank of Atlanta, Atlanta, Ga., on Dec. 12, it was announced the board had voted regular and extra dividends to stockholders totaling \$405,000.

Advices from the Atlanta "Constitution" on Dec. 13 said:

"The regular dividend totals \$270,000, half of which is payable Dec. 20, 1944, to shareholders of record Dec. 15.

"The \$135,000 extra dividend is payable Dec. 20 to shareholders of record Dec. 15. These payments bring total dividends of the bank, paid in 1944, to \$1.50 a share on its 540,000 shares of outstanding stock."

Stockholders of the South Texas Commercial National Bank, Houston, Tex., will meet on Dec. 22 to vote on a proposal to declare a 33 $\frac{1}{3}$ % stock dividend. The Dallas "Times Herald" of Dec. 10, reporting this, said:

"The plan is to increase the capital stock from \$1,500,000 to \$2,000,000 and issue a \$500,000 stock dividend. The stock is closely held and not actively traded. It is said that the last sale was at \$300 per share."

It was announced by J. C. Tension, President of the Dallas National Bank, Dallas, Tex., on Dec. 13 that the board of directors had voted payment of an extra dividend of 2% in addition to the regular quarterly dividend of the same amount, payable Dec. 29. The dividends will be paid to the stockholders of record Dec. 23.

home front is living up to its responsibilities.

"More than 50% of all E bonds—the bond which most individual investors buy—are sold to men and women at their places of employment. In these places more than 23,000,000 workers who buy bonds regularly month in and month out joined the Sixth War Loan campaign for the purchase of extra bonds. Drives were organized in more than 150,000 separate plants. And all over the country labor unions and employers worked together as a team to reach, and exceed, the quotas in their particular establishments.

"It wasn't altogether easy for the civilian public to reach the high goal we set in this Sixth War Loan. As I have already noted, this was the third special appeal this year. And it came, of course, on top of the regular bond buying done in accordance with pay roll deduction and monthly purchase plans. Virtually every person with income in the United States had to share in the program in order to raise the \$5,000,000,000 worth of individual subscriptions. The record, I think, is the best testimony that Americans at home could offer as to the devotion and spirit with which they are backing up the men on the battle fronts.

"It is testimony also to a magnificent unity and cooperation at home. The tremendous job of selling War Bonds was performed almost entirely by a great army of volunteer workers in every part of the country. They made it their business to talk personally with nearly every citizen, either at his home or at his place of work. They collected funds, issued bonds and did the hard work of accounting. That work is still going on and will have to be continued faithfully throughout this month in order to get all the reports of bond purchases filed with the Treasury by Dec. 31.

"I think it is a fact worth noting that the promotion cost to the Federal Government for every thousand dollars raised in the war bond program amounts to 18 cents. This is because the sales force is composed almost entirely of volunteers and because the tremendous promotion effort carried on in connection with the bond program was contributed freely by advertisers and advertising agencies, by newspapers and radio stations, by theatres, stores, banks, clubs, labor unions, chambers of commerce, and all the various civic associations that make up the vast mosaic of bond activity. They have given more than money to this drive. They have given imagination and energy and devotion.

"The whole drive has been a magnificent demonstration of home-front solidarity—of real determination on the part of American civilians to carry out in full measure their responsibilities in the war effort. It should carry to the men overseas a ringing declaration of unlimited confidence and unstinted support."

At the dinner at the Waldorf-Astoria on Nov. 20, opening the Sixth War Loan, Secretary of the Treasury Henry Morgenthau, Jr., pointed out that the Loan "offers to every American an opportunity to play his part in the great offensive now being launched against the enemy." He recited the needs of the men on the firing lines, and said, "the nearer we come to victory, the greater these needs will be. And the more quickly we meet them, the more

quickly can victory be achieved." "I know," he added, "that Americans need no appeal to meet these needs beyond a simple knowledge of the facts. The way for each of us here at home to meet them is through unceasing devotion to his job and through the purchase of War Bonds to the limit of his individual ability." Mr. Morgenthau continued:

"There have been many demands made of you in the three long years that we have been at war. You have met all of them faithfully and generously. If you are tired now or feel that you have done your utmost, then think for a moment of the men in battle. Think of the men who come out of the foxholes drained of their last physical resources, cold and grimed and hungry, their nerves pulled taut to the breaking point by the incessant whine of bullets and the shattering roar of unseen high-explosive shells. And think of their response when they are asked to go into the firing line again—to find inside themselves new sources of courage and of strength and of endurance.

"One indispensable source of spirit to these men is the knowledge that we at home are backing them up with all we have—with nothing less than the fullest consecration of our wealth and strength. This is our endurance test as well as theirs. Our response to the Sixth War Loan drive will be the vindication to these men of their faith in us."

In his address, Secretary Morgenthau also had the following to say in part:

"What I am going to tell you about the current needs of our armed forces is not based on any amateur or armchair strategy. It comes directly from General Marshall himself. He has authorized me to report it to you.

"There has been a fundamental change in the nature of the war, both in Europe and in the Pacific. A year or two ago we were attacking the enemy on the periphery of his farthestmost advance. Each time we attacked, we had a single, limited objective. Today, in the east and in the west, we are closing in on the enemy's homeland. There is no limited objective now. The objective is total victory.

"In Europe, we have embarked upon the final push. It demands a concentration of materials and of effort immeasurably greater than any we have yet brought to bear. The nearer we drive toward the enemy's heart, the costlier the war becomes. It requires, in its present phase, guns and tanks, trucks and bridges and pipelines and railroads in quantities far beyond anything called for in past offensives. The last barrage, that fearful tornado of high explosives which will knock, first Germany, and then Japan, out of the war, will make our previous expenditure of ammunition seem trivial.

"We have moved into position for our final thrusts through a series of short, sharp blows. The last drive in Tunisia, for example, took only 18 days. Tarawa was captured in 10 days, Kwajalein in eight, Guam in three weeks, the Island of Sicily in a little over a month.

"But the war has now settled down to a sustained, continuous attack. And sustained, continuous attack is costly in supplies. For we must now blast the enemy out of heavily fortified positions to which he clings with the tenaciousness of despair.

Pullman Traffic Up 143%

Pullman cars carried 26,976,908 passengers in the first nine months of this year, an increase of 143% over the 11,087,565 transported in 1940, and 15.8% over the record of 23,305,265 carried in 1943, E. P. Burke, Passenger Traffic Manager, Pullman Company, recently announced.