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The Financial Situation

Steps that have been taken to ameliorate the food, particularly the meat situation, may or may not save the OPA and the present personnel of that organization. Only time will settle that question. There can be no doubt of general dissatisfaction with the situation as it has developed in the food markets of the country. The prosperity of the American people is great to seek a scapegoat, or at the very least to permit itself to be appeased by the decapitation of some one or more individuals upon whom politicians decide to fix blame. It is possible, too, that arrest and severe punishment of a few black market operators may relieve public tension—and of course that a measure of relief will be provided by what has been done to alleviate the general situation.

What is certain is that no permanent solution of the food situation has been found and applied, and that none can be either found or applied under the existing system. What is fully as important is that many of the other "programs" of the day are subject to fundamental weaknesses identical with those which afflict the price control and rationing system. No hope of permanent success lies in any of these economic planning and control programs. The public will do well to make a full and accurate diagnosis of the food situation. Otherwise, important lessons to be learned therefrom will be wholly missed.

Black Markets

The man in the street is all too inclined when he finds, for example, that the so-called legitimate markets contain inadequate quantities of food items he wants to assume that plenty of these things can be had in some mysterious "black market." He is likewise apt to assume that by some sort of hook or crook someone, somewhere has obtained many more

(Continued on page 1976)

Why the League of Nations Failed

By HUGH R. WILSON*

Chief, Foreign Affairs Section, National Republican Committee
Former U. S. Minister to Switzerland

Mr. Wilson, Who Observed the League of Nations in Action, Asserts Its Efforts Failed Because It Had Both Spiritual and Mechanical Shortcomings. Says Simple Voting Procedure Is Not Essential When the Great Powers Are United on a Course of Action. Urges Use of Force to Back Up Decisions, but Points Out Need for a Definite Code of International Law. Calls for More Flexibility in the New International Organization and Holds That All Nations, Including Former Enemy States, Should Have Right to State Their Grievances.

For 10 years I was the American Minister to Switzerland. During this time I was American delegate on many conferences called by the League of Nations, and attended innumerable meetings of the Assembly and Council of the League in order to inform our Government of their proceedings. The spectacle was far more than that of a mere machine functioning, my vivid recollection is of the men involved.



Hugh R. Wilson

Of Briand, of France, with his great shaggy head, inevitable cigarette drooping from his lips, with his golden

*An address by Mr. Wilson over the Columbia Broadcasting Network, April 21, 1945.

voice and heaven born gift of oratory. Of Lord Robert Cecil and of Ramsay MacDonald, the former looking like a benevolent vulture, the latter renowned for the rolling periods of his speeches. Later Anthony Eden, handsome, able, reserved in speech, now at San Francisco. I think of Litvinoff, of the Soviet Union, with his strange guttural pronunciation of English, enjoying the consternation among other delegations he caused by his boldness. Good men they were, struggling wholeheartedly to bring about a better order among states, but struggling against formidable odds to forestall the disintegration of Europe and the world. With these and many others of the world's figures I worked and hoped. Thus I watched the activities of the League during its period of hope, its period of slowly waning confidence, and its period of utter disillusion. I endeavored con-

(Continued on page 1979)

President Truman Addresses San Francisco Conference

Says We Must Work and Live to Guarantee Justice for All, and That All Progress Begins With Differences of Opinion and Moves on as the Differences Are Adjusted Through Reason and Mutual Understanding. Asserts We Must Build a Better World and Prove That Right Has Might. Reiterates Statement That Large Nations Must Serve and Not Dominate.

President Harry S. Truman, at the opening of the first plenary session of the San Francisco Conference of the United Nations on April 25, delivered a radio address to the assembled delegates in which he stressed the principle of "justice for all" and urged the delegates, as "architects of a better world," to overcome differences of opinion and build "a permanent monument to those who gave their lives that this moment might come."



President Truman

The full text of the address follows:

The world has experienced a revival of an old faith in the everlasting moral force of justice. At no time in history has there been a more important Conference, nor a more necessary meeting, than this one in San Francisco, which you are opening today.

On behalf of the American people, I extend to you a most hearty welcome.

President Roosevelt appointed an able Delegation to represent the United States. I have complete confidence in its Chairman, Secretary of State Stettinius, and in his distinguished colleagues, former Secretary Cordell Hull, Senator Connally, Senator Vandenberg, Representative Bloom

and Representative Eaton, Governor Stassen and Dean Gildersleeve.

They have my confidence. They have my support.

In the name of a great humanitarian—one who surely is with us today in spirit—I earnestly appeal to each and every one of you to rise above personal interests, and adhere to those lofty principles, which benefit all mankind.

Roosevelt's Ideals

Franklin D. Roosevelt gave his life while trying to perpetuate these high ideals. This Conference owes its existence, in a large part, to the vision and foresight and determination of Franklin Roosevelt.

Each of you can remember other courageous champions, who also made the supreme sacrifice, serving under your flag. They gave their lives, so that others might live in security. They died to insure justice. We must work and live to guarantee justice—for all.

You members of this Conference are to be the architects of

the better world. In your hands rests our future. By your labors at this Conference, we shall know if suffering humanity is to achieve a just and lasting peace.

Let us labor to achieve a peace which is really worthy of their great sacrifice. We must make certain, by your work here, that another war will be impossible.

We, who have lived through the torture and the tragedy of two world conflicts, must realize the magnitude of the problem before us. We do not need far-sighted vision to understand the trend in recent history. Its significance is all too clear.

With ever-increasing brutality and destruction, modern warfare, if unchecked, would ultimately crush all civilization. We still have a choice between the alternatives: the continuation of international chaos—or the establishment of a world organization for the enforcement of peace.

Purpose of Conference

It is not the purpose of this Conference to draft a treaty of peace in the old sense of that term. It is not our assignment to

(Continued on page 1980)

A World Court Essential to Future Peace

By HON. THOMAS E. DEWEY*

Governor of the State of New York

Governor Dewey, Though Urging the Creation of an International Organization at San Francisco to Promote Peace, Holds That Unless a World Court, as "the Conscience of Mankind" Operating Under a Code of International Law Is Established and Maintained, International Disputes "Will Bring Down on Us Another Holocaust." Says a Court Represents Rule of Reason Over Force, and That a World Court to Be Effective Must Have an Established System of International Law. Stresses American Origin of Hague Tribunal.

It is a privilege to take part in paying tribute to the services rendered in this war by the Archbishop of New York. They are

services beyond measurement in words. At personal risk he has traveled over the earth, visiting the fronts where men were embattled and suffering. He distributed generous, practical help where it was most sorely needed, regardless of the creed, race or color of those who benefited. Above all, he brought spiritual comfort to millions of human beings.



Thomas E. Dewey

As Americans we are proud of our fellow citizen, proud to acknowledge him as one of the great living humanists, proud to join in tribute to a great New Yorker, Archbishop Francis J. Spellman.

During his pilgrimage of mercy the Archbishop had the opportunity of seeing at first hand the horrors of war. They give shocking demonstration of a lesson which is as old as the world, but which modern warfare has rendered more awful than ever. The deliberations now proceeding at San Francisco will answer the tre-

*An address by Governor Dewey at the 48th Annual Dinner of the American Irish Historical Society, Biltmore Hotel, New York City, April 28, 1945.

(Continued on page 1978)

GENERAL CONTENTS

<i>Editorial</i>	
Financial Situation.....	Page 1973
<i>Regular Features</i>	
From Washington Ahead of the News.....	1974
Moody's Bond Prices and Yields.....	1984
Items About Banks and Trust Cos.....	1988
Trading on New York Exchanges.....	1985
NYSE Odd-Lot Trading.....	1985
<i>State of Trade</i>	
General Review.....	1974
Commodity Prices, Domestic Index.....	1985
Weekly Carloadings.....	1987
Weekly Engineering Construction.....	1986
Paperboard Industry Statistics.....	1987
Weekly Lumber Movement.....	1987
Fertilizer Association Price Index.....	1987
Weekly Coal and Coke Output.....	1984
Weekly Steel Review.....	1983
Moody's Daily Commodity Index.....	1984
Weekly Crude Oil Production.....	1988
Non-Ferrous Metals Market.....	1988
Weekly Electric Output.....	1984
FDIC Reports on Insured Bank Deposits in 1944.....	*1926
Condition of National Banks at Dec. 30.....	*1927
Fairchild's Retail Price Index for March.....	*1927
Finished Steel Shipments in March.....	*1928
Cottonseed Receipts to March 31.....	*1928
Profits of N. Y. Reserve Banks in 1944.....	*1928

*These items appeared in the "Chronicle" of April 30, on pages indicated.

From Washington Ahead of the News

By CARLISLE BARGERON

An amazing calm, and a refreshing one, has come over Washington. The ascension of Mr. Truman to the Presidency rescinded a lot of plans of Washington correspondents to attend the San Francisco conference. The reader of the newspapers wouldn't likely think this to be the case, because there are so many newspapermen out there. But a large number of them have come from other fields, such as feature

writers, sob-sisters and the like. The fact is that a majority of the Washington journalists have remained at home. The idea of this was that, with a new President, there would be tremendous things cracking around him, and any number of editors who had planned to have these men on the San Francisco front, sent men from their home offices.

This keeping of men in Washington would not have been the case had Mr. Roosevelt been President. Although he had only planned to go out there and make a speech and return to Washington, perhaps after vacationing on the way, as we understand, he planned to do, his presence at the conference would have been overall and that was the place for ace news gatherers to be.

With Truman, he is neither out there in presence, nor is he out there in any dominating spirit. The conference is something he has delegated to the proper men, and anyone who sees him around here, can't escape the impression that he isn't the slightest worried about what the conference does. The most striking example of this was seen last Saturday night. A striking display of irresponsibility caused to be circulated all over the country that an end of hostilities in Germany had come. People were celebrating everywhere. In front of the White House hundreds were singing "God Bless America." Newspaper extras were on the street. Truman went into the House, after having been out all the afternoon, just as a family may have been spending the afternoon at a Country Club, and seeing the situation, decided he would call his neighbor and find out. This he did and finding the "gossip" had no foundation, he called in the newspapermen and told them that it did not, and, having some night work to do, went on doing it. There was nothing sensational or dramatic about the way he did this.

Similarly, there has been nothing sensational or dramatic for the Washington correspondents who stayed away from the San Francisco conference to cover by way of the tremendous changes which a new President might be expected to make. These gentlemen find it quite difficult to write about anything. There is nothing spectacular. A calm has settled down on the Potomac.

The explanation of Mr. Truman's aides is that he is deliberately backing off of anything that might take the spotlight off the conference. It seems to be his attitude that there it is out there, in all its pageantry, a pageantry for which he was not responsible, but something having been wished on him, and he has delegated whom he considers to be responsible men to take care of it. Those to whom he has delegated this responsibility are members, largely of the U. S. Senate and the U. S. House of Representatives. They were not of his choosing. But they seem to be a good body to him to do the job.

Whereupon, he has been quietly



Carlisle Bargeron

contemplating other things. The inescapable impression is that he is taking it quite easy, that he doesn't consider everybody of the some 135 million people in this country are waking up every morning looking to see what he intends to do, or say. He is taking on all callers. Strangely enough he seems to have plenty of time to do this. The Secret Service has, to some extent relaxed its vigil. For example, the other day, he was walking across the street to the Blair House where he is still living, and a "little, old woman" as she has been described in the newspapers, stepped up and said: "I want to shake your hands, I am from Missouri," or something to that effect. This would have been impossible around Roosevelt. Why the Secret Service men let her do this, we don't know, except that they figured here was a non-controversial man, and the strife was over.

We learn from Republican senators who have visited him that among the things he plans is a return to the two party system on the many commissions and agencies set-up around Washington which legislatively require that. Before Roosevelt it was the invariable rule that when an agency or commission was set up, or in the case of those already created, that they should have, in the case of five members, "not more than three of the majority party." This meant that there would always be a minority element to watch the conduct of these agencies. Mr. Roosevelt laughingly got around this by appointing New Deal Republicans to the minority jobs. Mr. Truman has assured the Republican senators that this will be cut out. So there will be changes all over the place as fast as vacancies occur on these agencies.

It would not be a complete round-up of the Washington picture, however, to overlook the apparently intimate visit with him of former Senator Schwellessbach of Washington, now a Federal judge. Schwellessbach is not an ideologist of any kind; Truman's appointment of him to an office would mean neither a swinging to the Left nor Right. But his visiting with the Washington judge has caused a lifting of Washington eyebrows as to Mr. Truman's friends. The wonder is what the President's tastes are.

Wallace Proposals for Small Business

Secretary of Commerce Henry A. Wallace has presented his program for post-war aid to small business in the May issue of the "Readers Digest," states the Associated Press at New York, April 23, which says that the four points which Mr. Wallace suggests are:

1. Government should break down "all arbitrary barriers" that prevent a small business man from entering a business of his choice.
2. See to it that new small businesses have a reasonable access to credit and the establishment of a Government agency to guarantee loans to small business.
3. Make Governmental research available to small business.
4. Repeal the excess profits tax as soon as possible after the war and lighten the income tax and reform other taxes to ease the burden on small business.

V-E Day Tax Relief Plan Under Study

President Truman evidenced his interest in the tax relief legislation now pending in the Congressional joint committee on internal revenue taxation for post-war taxation by his discussion of the subject with Chairman Robert L. Doughton (Dem.-N. C.) of the House Ways and Means Committee, when the latter called at the White House, according to advices from Washington to the New York "Herald Tribune" on April 24. The 81-year-old North Carolinian later told reporters, the Associated Press states from Washington on the same date, that the Treasury and the joint Congressional committee, of which he is also Chairman, "are working together in harmony" in trying to work out a basis of tax adjustments for corporations and individuals, and indicated that it might be possible to bring about some tax relief for the period between V-E Day and the end of the Pacific war.

The legislation under consideration is the result of recommendations made by Congressional and Treasury tax experts after a nine months' study, as reported by the Associated Press from Washington on April 12, and although the report has not been made public, the Associated Press again advised from Washington on April 24 that evidence indicates that the following are among the chief proposals:

Setting of a definite date for abolition of the corporate excess profits tax, giving industry assurance needed for peace-time production planning.

Refunding about \$1,500,000,000 excess profits taxes for 1942-43 in lump sums on a specified date, rather than by the present plan of paying in instalments. The taxes to be refunded represent 10% of the total paid in, against which bonds have been issued.

Giving credits, on current tax payment, for additional excess taxes paid since 1943 rather than issuing bonds for future redemption.

Permitting corporations to estimate losses in advance and deduct their credits from current taxes, rather than claiming refunds after occurrence of losses.

Encouragement to small businesses by increasing the excess profits exemption from \$10,000 to \$25,000.

Senator Robert A. Taft (Rep.-Ohio), who is the second ranking Republican on the tax-writing Senate Finance Committee, took exception to Representative Daughton's prediction of the possibility of cutting taxes upon the cessation of hostilities in Europe, according to the Associated Press in advices from Washington, April 25, which state that the Senator told reporters: "I don't see any possibility of any tax reductions except of the most minor nature as long as the war with Japan continues," and stated that he based his conclusion on estimates that the cost of government will be at least \$75,000,000,000 the first year after the end of the war with Germany and on the fact that the present tax system is yielding the Treasury about \$45,000,000,000 annually.

Phillips Stettinius Aide

The appointment of William Phillips, former Ambassador to Italy and political advisor of General Eisenhower to be special assistant to the Secretary of State was announced on April 23 by the Associated Press from Washington, which went on to say: He will assist in handling departmental matters while many of the top officials of the State Department are in San Francisco. Mr. Phillips was formerly Under-Secretary of State.

The State of Trade

The meeting on Wednesday of last week of President Truman and high ranking officials of the Army and Navy at the Army's Pentagon Building headquarters lent much support to increasing rumors that the war's end in Europe was only a matter of days, if not immediately imminent. The junction of the American and Soviet forces on Wednesday of the same week banished any ray of hope for the Germans that the

war could last for any great length of time. In fact, statements by officials within the Reich confirmed this belief. Scattered resistance in the German redoubt areas and in the small pockets of Holland and France and other parts of the front now only remain to be brought under control.

In the week the arrest and execution of Benito Mussolini and other fascist officials of Italy followed closely upon the approaching climax of the Italian campaign, which has reached a state of utter collapse with the demoralization of German and Fascist-Italian resistance. All in all, the picture for the United Nations has taken on a brighter aspect than ever before. With the European war out of the way, much of their efforts can now be concentrated on the war in the Pacific.

Reflecting the changed status of the war, Undersecretary of War Robert P. Patterson announced that reduced consumption of materiel in Europe has made possible a reduction of existing orders for certain important items within the next 30 to 60 days. Such items include artillery and mortar ammunition. In this connection Mr. Patterson did not name any of the other items on which orders would be cut. Howard Bruce, Director of Materiel of the Army Service Forces, however, did disclose that the Army is reviewing production on about 2,000 items, comprising about three-quarters of Army Service Forces procurement. This study, he said, should be completed by May 10, and that production of many of these items would be cut back in varying degrees. According to Mr. Bruce, these cutbacks would come out of the estimated 16% overall reduction in procurement which experts have estimated could be made after Germany is defeated, so that the abrupt cutback after VE-Day will be substantially less than 16%.

Appearing before a House post-war economics committee, Chairman J. A. Krug of the WPB stated that industry will need \$41,000,000 in new construction and \$60,000,000 in tools alone to get back to the minimum economic rate of production. The WPB Chairman emphasized the necessity of boosting production in textiles, lumber, forest products and similar items so important to our peace-time economy.

Following the collapse of Germany, Mr. Krug added, the country will have a "mixed economy"—the all-out production of war goods essential to the defeat of Japan and the making of essential civilian products. Outlining the board's policy, Mr. Krug set forth the steps to be taken toward its fulfillment:

1. Meet the military needs for the Japanese war on full schedule.
2. Help essential normal production such as railroad equipment, farm machinery, utilities and the oil industry.
3. Guide war production to offset local unemployment where possible.
4. Aid industrial reconversion.
5. Assist urgently needed non-war production plants.
6. See to it that there is a fair share of vital materials for small manufacturers.
7. Eliminate production controls as quickly as possible.

In stating the board's responsi-

bility "for making certain the small producer doesn't get squeezed out in reconversion," he concluded, "we will have to continue inventory controls to see that speculators don't seize the market to drive up prices or drive out competition."

Steel Industry—Cutbacks now occurring and yet to come, coupled with good war news, had little effect on steel activity the past week, and most steel companies reflected little or no change in the heavy volume of steel orders, "The Iron Age" reported in its current summary of the steel trade for the past week. The demand for steel plates, which is fast dwindling, was an exception to this trend, especially in view of the Maritime Commission cancellations reported to involve 100,000 tons of plates.

Order volume at Pittsburgh and Chicago the past week was still much ahead of actual shipments. No letup of consequence has been reported in pressure for shell steel, despite expectations that a considerable amount of tonnage on the books for future shipment will eventually be canceled. Restoration of some tonnage allotted railroad carbuilders for the second quarter, which had been severely cut, apparently has been made.

Unauthorized coal strikes in recent weeks, the magazine adds, have to some extent enlarged steel mill backlogs at those plants most severely affected. Carnegie-Illinois Steel Corp., at Pittsburgh, because of these stoppages, suffered an ingot loss of 83,000 tons and a loss in finished steel products of 82,000 tons. At Birmingham more than 40,000 tons of steel ingots and more than 58,000 tons of pig iron have already been lost.

It is a foregone conclusion, states "The Iron Age," that the steel industry will soon feel the impact of cutbacks and changes in military programs, even though present levels in order volume and steel output continue high. The Maritime Commission's cancellation of 30 tankers out of a program covering 106 may be advance notice of further trimming.

Reports from Washington say that WPB is preparing plans which will give essential civilian needs a high priority rating similar to that used for urgent war items. It is not expected that such action will materialize until the full effects of cutbacks already made and those contemplated are known.

Some sizable post-war inquiries have been received by steel companies both from the automotive and appliance field, the trade weekly points out. The State of Illinois has asked for bids on the first highway project involving more than 100 tons of structural steel in more than two and a half years. An avalanche of orders from the automotive industry is prevented only by the fact that allocations for materials for the resumption of passenger car output have not yet been made.

The end of June will see few wide strip mills carrying any important tonnage of steel plate, the trade magazine reports. Removal of canceled Maritime tonnage from schedules will, with some mills, jeopardize present near capacity operating rates. Because of the finishing bottlenecks, the plate reduction will not make possible a complete substitution of an equivalent sheet tonnage,

(Continued on page 1981)

WPB Announces Changes in Controls Affecting Civilian Production

Without waiting for a formal announcement of the end of the European war the War Production Board has announced important changes in its policy of controls affecting civilian production, according to advices from Washington to the New York "Times," on April 27, 28 and 29. Earlier in the week, J. A. Krug, War Production Chief, appearing before a House post-war economics committee said that, as his own "speculation," war procurement contracts might be expected to be cut back 15% in the next three or four months and that estimated war production would be down to 60% of its present level within a year or 15 months, the Associated Press reported from Washington, April 25. That report stated that Mr. Krug said that WPB is ready to wipe out controls as soon as possible and, at the same time, aid industry through its reconversion period with the allotment of essential supplies and materials.

First job, he said, will be to grant priority assistance on so-called "bottleneck items" to help the 72 industries which went into war production to convert to the minimum peacetime production essential to the country.

Industry will need \$41,000,000 in new construction and \$60,000,000 in tools alone to get back to the "minimum economic rate of production," he said.

After the collapse of Germany, he said, the country will have a "mixed economy" — the all-out production of war goods essential to the defeat of Japan and the making of essential civilian products. The Associated Press states that Mr. Krug outlined as WPB's policy:

1. Meet the military needs for the Japanese war on full schedule.
2. Help essential normal production such as railroad equipment, farm machinery, utilities and the oil industry.
3. Guide war production to offset local unemployment where possible.
4. Aid industrial reconversion.
5. Assist urgently needed non-war production plants.
6. See to it that there is a fair share of vital materials for small manufacturers.
7. Eliminate production controls as quickly as possible.

The Board's chief of operations, Hiland G. Batcheller, released an eight-page report, revealing some of the plans on the cutback and conversion program now under way, according to the "Journal of Commerce" from Washington, April 26, which gave the following excerpts from the report:

With the favorable production trend and the coming V-E Day program adjustments, a considerable revision, not only in the critical classification, but in the more inclusive national production urgency list, will be required. Studies along this line are now in progress. The national production urgency list serves primarily as a guide for labor referrals and includes a number of important "must" programs that are not among the critical programs singled out for special immediate action. Even if V-E Day is delayed, it is probable that such programs as dry cell batteries, field wire, and one or two others need no longer be classed as critical.

After V-E Day, few of the currently critical programs will still deserve that designation. The nature of the production problems will have changed. Total munitions production will be dropping. When requirements for any special classes of military items increase sharply, there should be a certain amount of slack in the economy into which they can be lifted, even allowing for the expansion in non-military production. The primary task, therefore, will be to make sure that total munitions production does not slack off below continuing military needs. In addition, it is likely that battle experience and the resultant changes in strategic and tactical needs will dictate nu-

merous radical production readjustments.

Even in such products as textiles, where requirements do not decrease appreciably and may even increase in some categories on a one-front war basis, the problem will be eased to the extent that workers released from shipyards and other war plants are willing to go back to the textile mills.

The munitions programs never remain fixed for any length of time; every month sees extensive changes as procurement plans are adjusted to inventories, issue rates and plans of campaign. During the past fall and winter, beginning even before the battle of the Ardennes Bulge and continuing at an accelerated rate into February, the changes were mostly upward. Schedules for small arms ammunition, planes, medium artillery and mortar ammunition, tires, tanks, trucks, dry cell batteries, and other items were jumped sharply. To meet these stepped-up programs, new facilities for manufacture of components and for assembly operations were initiated in many cases.

With the changing course of the war in Europe, the trend is now the other way. The Army has adopted a policy of canceling plant expansions that will not be needed for a one-front war and that cannot be completed by Sept. 1, and it is adjusting its procurement schedules, accordingly. Planned peaks for small arms ammunition, medium artillery and mortar ammunition, and tanks have been considerably reduced. The air forces have gone even further, and have already put three types of aircraft on a one-front war schedule.

Present schedules call for production of some \$56,000,000,000 of munitions in the year beginning July 1, 1945—just about the same as in the calendar year 1943 and less than 10% below 1944. Should the shift to a one-front war be completed by July 1, the program will be reduced to about \$48,000,000,000, a reduction of about 14%.

Major changes in programs over the remainder of the year if the European theatre should become inactive in the next few months will be as follows:

Aircraft, scheduled to increase slightly from present levels, would decline slightly instead. **Ammunition** would show approximately the same type of change. **Combat and motor vehicles**, instead of holding on a horizontal plane, would slide off sharply. In other groups, except ships, the declines would be greater than now scheduled. The **ship program**, now scheduled to drop about 35% from the second to the fourth quarters, would not be changed.

Within these broad categories, of course, there would be much sharper changes in individual segments. For example, the critical field artillery items, consisting of certain spare cannon and recoil mechanisms now scheduled at \$54,000,000 for the fourth quarter, would be almost wiped out, with less than \$1,500,000 remaining in the schedules. The fourth quarter schedule for tanks, just curtailed this month from 9,107 to 6,191, would go down to 2,986. **Military dry cell batteries** would be more than cut in half, and so would field wire. On the other hand, requirements for light-heavy trucks, heavy-heavy trucks, cotton combed goods, insect screen cloth, insect repellants and some other products actually will be increased by the shift to a one-front war basis, with the re-

sultant increase in the number of troops in the Pacific theatre. The reductions in military programs will free a large amount of materials, manpower and plant facilities. Demands on these resources, both from our own population and from abroad, will, in the aggregate, be greater than the capacity released. And even though these demands cannot be made fully effective immediately, it will not be possible to turn the civilian economy completely loose. Controls can and will be considerably relaxed, but a sufficient measure of control must be maintained to assure satisfaction of continuing military needs and of any suddenly developed new requirements of the Pacific war, plus those civilian requirements which are closely related to the successful prosecution of the war (as, for example, transportation and other utilities).

With post-V-E Day schedules still highly fluid, no very great quantitative estimates of the released capacity can be made. In components and basis materials in general, however, the initial curtailment will be more than proportionate to the drop in the munitions programs, because of inventory absorption.

The degree of curtailment increases progressively down through the subcontracting chain, from end-product factory to new material producer. In many cases program cutbacks will leave manufacturers with more than enough inventory on hand to finish the remaining portion of their contracts, and procurement will stop. In many others procurement of components and materials will be cut sharply below the level of consumption until inventories are brought down into line with the lower production schedules. And to the extent that manufacturers anticipate further cutbacks and operate on narrower inventory margins than in the past, the effect will be magnified.

An announcement by J. A. Krug on April 27 revealed that complete operation of the Spot Authorization Plan, for approving civilian production through district and regional offices of WPB, had been restored. Civilian production under spot authorization procedure may now be authorized in Group I and II labor areas without the unanimous consent of the Production Urgency Committee for the particular locality, Mr. Krug advised, which policy places all areas throughout the country on the same footing as far as spot authorizations are concerned.

Krug indicated that a ready flow of civilian production in the near future was not to be expected. Controlled materials, copper, steel and aluminum, will not be available immediately for deferred allotments under the spot authorization procedure. However, under the procedure idle and excess stocks will be permitted to be used for authorized production of civilian type goods.

The spot authorization procedure, as advices to the New York "Times" from Washington, April 27, state, was intended by its originators last summer to be the principal bridge between all-out war production and complete reconversion to civilian goods. It was felt then that the regulation could help industry absorb the labor which would be released from war jobs as military programs were reduced and also use spare materials and facilities for the manufacture of civilian goods demanded by a starving market.

The WPB announcement emphasizes that the relaxation of controls will be very gradual in view of the urgent necessity of maintaining all military production needed to complete the victory in Europe on schedule and keeping pace with accelerated military operations in the Pacific. Because of these heavy demands the supply situation for textiles, leather, lumber, forest products,

rubber products, many chemicals and certain other strategic materials will continue extremely short, and this situation may continue throughout the Japanese war.

Meanwhile, according to New York "Times" advices from Washington, April 28, the WPB revoked 40 of its lesser controls covering products and commodities from sun glasses, through fire sprinkler parts, to water meters. The separate actions were taken, the WPB explained, "to eliminate restrictive controls on business as rapidly as war conditions permit."

Generally the controls which are terminated were for the type known as "L" orders, which limit or forbid the production of a particular civilian product which would otherwise compete with war production for critical materials. It was reported earlier, the "Times" states, that the WPB was now in a position to revoke as many as 65 of its controls restricting civilian production within a week or ten days. This relaxation will be augmented further by last night's announcement of the complete restoration of the "spot authorization procedure" permitting peacetime production on the basis of local supplies of materials and facilities.

The Board also announced personnel changes designed to enable it to cope with adjustments with greater facility, the New York "Times" Washington April 28 report stated, some of the more important being the appointment of J. A. Krug's executive officer, John D. Small, as WPB chief of staff, a position which has been vacant since the resignation early this year of Arthur Bunker. Mr. Small, who occupies an important post bearing on reconversion as director of the Program Readjustment Committee, joins Hiland G. Batcheller, chief of operations, and Mr. Krug as the three top-ranking WPB officials.

Other significant appointments were those by the Surplus Property Board naming Dr. J. R. Mahoney and Samuel Moment to make studies of economic and marketing problems relating to the disposal of Government-owned steel and aluminum plants. Additional steps toward resumption of civilian production were indicated with the WPB's announcement, according to New York "Times" advices from Washington, April 29, that WPB field offices were ready to aid applicants needing "bottleneck" machine tools or other capital equipment and minor construction projects.

Issuing Direction 5 to order L-41, covering construction projects for reconversion, WPB made known its preparedness to approve WPB-617 applications for the construction of, and to assign preference ratings for, any project not interfering with the war program which met the following conditions:

The construction was a necessary preliminary to starting civilian production and delay would result in "unduly" retarding resumption of manufacture when restrictions were removed.

The construction was a relatively minor addition to, or alteration of, the applicant's plant.

The project was no more than was needed for production "at the minimum economic rate."

It was not designed for replacement or improvement of existing facilities which were adequate though less efficient.

The product made by the applicant for new construction was generally one needed in the civilian economy.

Upon approval of the application the agency will assign to it a Controlled Materials Plan allotment symbol and an AA-3 preference rating, the treatment usu-

ally given to approved construction.

WPB also provided for the assignment of an AA-3 rating for the procurement of machine tools and other capital equipment through the issue of Direction 2 to Priorities Regulation 24, with the proviso, however, that the application satisfy similar criteria to those for construction requests.

The agency pointed out that if capital equipment acquired under FR-24 could be installed under Direction 2 to L-41 (generally speaking, if no new buildings or additions were required) no application under L-41 was necessary.

President Truman is said to be surveying the whole situation with regard to reconversion to peacetime production with the cessation of hostilities, beginning with the gradual steps which V-E Day will make possible, and toward this end has been holding a series of conferences with administration and Federal agency leaders, the New York "Sun" reports from Washington, April 27.

It is also announced that management and labor of the automotive industry, New York "Times" advices from Washington, April 28, mention, will meet with Henry P. Nelson and D. Alan Strachen in Detroit Monday. Mr. Nelson recently was appointed "Coordinator of Reconversion in the automotive industry" and Mr. Strachen is WPB Deputy Vice-Chairman for Labor Production. He will continue his discussions with representatives of the United Automobile Workers, CIO, and other unions in the automotive and auto body building industries.

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American Transit Assoc. Safety Awards for 1944

The American Transit Association, representing approximately 90% of the local transportation industry in the United States and Canada, on April 25 honored 20 winners in its 1944 Annual Safety Award Competition. Six silver plaques were presented to the top companies in five classes of competition and fourteen Certificates of Honorable Mention were given those who came close. Awards were in recognition of achievement in traffic and passenger safety among the transit companies of the United States and Canada.

Presentation of the 1944 awards was made at a dinner meeting at the Waldorf-Astoria. Charles Gordon, managing director of the American Transit Association, welcomed the assembled delegates and guests. In the course of his remarks, Mr. Gordon revealed that in 1943 the national transit industry safely carried 300,000,000 passengers for every passenger fatality, or operated in excess of half a billion passenger miles per passenger fatality, and looked to be even better for 1944.

Wallace J. Falvey, President of the American Museum of Safety, and chairman of the ATA Committee on Awards, made the individual presentations and gave a short history of the ATA awards, dating back to 1914 when Anthony N. Brady Memorial Medals were first offered. ATA's Committee on Accident Prevention took over sponsorship in 1941.

Ned H. Dearborn, President of the National Safety Council, closed the ceremonies with a brief address, "First Things First," in which he made the point that "The real problem now facing us is that of gaining nation-wide acceptance of safety as a part of the design of daily living. To gain such a degree of acceptance," Mr. Dearborn continued, "the most important people, the most influential organizations, and every safety agency, governmental and private in the country, must be enlisted behind the effort. So must business and industry, and the press, the motion pictures, the magazines and radio," he concluded.

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The Financial Situation

(Continued from first page)

points (counterfeit or otherwise) than he has. Having been convinced of such things as these it is but an easy step to the conclusion that the difficulty lies in poor or inequitable management on the part of those who do the controlling and that an adequate remedy lies in replacing individuals who have been found wanting in wisdom or executive ability—together, possibly, with alterations in the machinery of enforcement perhaps even in policy.

Such conclusions as these would be most unfortunate. Of course there is incompetency in control personnel and organization. There can be little doubt that substantial, perhaps even the larger, part of current supplies reach the consumers through "black markets" at one or the other stage of distribution—if one includes as "black markets" not only such markets as are specially organized and regularly operate for the purpose of profiting by avoidance, evasion, or violation of law, but also ordinary dealers and distributors who do not at all times comply with all orders issued by public authorities. In one degree or another this fact may quite warrantably be laid at the door of the regulators. We can scarcely doubt that with the ultimate in obtainable wisdom and understanding existing controls would be less onerous than they actually are.

More Basic Defects

Yet when due allowance is made for all this, the fact remains that human knowledge and human wisdom have not yet reached the point where man can exercise centralized control of production, price, and distribution, and still have the economic mechanism function in a way to meet the needs of the public half as well as is ordinarily the case when these factors are permitted to proceed "upon their own," as it were, subject only to so-called natural law. It may be conceded that in times of "total war" some measure of control of the ordinary processes of the economy are unavoidable—since the ultimate object of the economic system at such times is not that of meeting the economic wants of the public, but of winning the war—without in the least damaging the argument that in such times interference should never go beyond the absolute minimum, that such interference should be ended as soon as militarily feasible, and that while such minimum of interference continues the economic system can not be expected to function in a normal way.

Not Enough Production

Let it be carefully observed

that the testimony at the recent hearings on the meat situation, for example, confirmed the experience of every housewife that the difficulty was not merely lack of points, unlawful prices, inequitable distribution, but of a definite and continuing shortage of the total amount of meat available. It likewise appeared that the old saw about civilian consumption in this country being greater than ever before in history was abandoned. There simply is not enough meat to go around, and whatever defects there may be in control of distribution is at bottom largely a result of that simple fact. Yet it appears well established that there is no shortage of livestock on the farms. The trouble seems to be that animals are simply not being converted into first grade meat for the tables of civilians in amounts even nearly adequate. At some stage in the production process the mechanism simply does not function adequately. Now even in times of total war, production depends upon whether a profit can be made or at the very least, whether a loss can be avoided. In every production process a number of factors enter, the net result of them all being the determinant so far as the volume of production is concerned or even, for that matter, whether production occurs at all.

Complex Factors

In such a thing as beef—i.e., first class, well fattened beef—some of the items which may control production are the relation between the price of feed and that of "finished" beef animals; the difference between the price of range animals and that of "finished" beef animals, the difference between "finished" beef animals and the price of beef at wholesale; and a number of other items which have to do with labor costs and the like. In the distribution process there are other factors—such for example as the difference between wholesale and retail prices, inter-regional prices and varying transportation costs. All these various factors, and others which might be listed, must be in working relationship to one another or else the process of production and distribution of beef will not proceed smoothly and effectively. That is as true in times of war as in times of peace.

Now ordinarily, these matters readily adjust themselves when left to their own devices. The over-all regulator is price, or rather prices, for there are many prices involved. The end of product of these so-called automatic

ABA Enrolment Up in Past Six Months

The constantly expanding services provided for the smaller banks of the nation, through the country bank program of the American Bankers Association, are reflected in the enrolment of 336 new member banks since the opening of the fiscal year on Sept. 1, 1944, according to Robert L. Dominick, Chairman of the Association's Organization Committee. On March 31, 1945, active paid membership in the Association reached 15,561.

Mr. Dominick, who is also Vice-President of the Traders Gate City National Bank, Kansas City, Mo., in a report to the membership for the first six months said, "the percentage of members has now reached 95.6%—obviously the highest percentage in the history of the Association. This compares with 93% on March 31, 1944, and against 94.7% on Sept. 1, 1944. The addition of these new members reduces the non-member list 38% since Sept. 1. In the whole country there are now only 523 non-members, exclusive of branches." He added: "Under the presidency of W. Randolph Burgess, our regional and state vice-presidents have been able to present to both members and non-members a picture of their national Association functioning well in every department."

At the present time 100% of the banks in thirteen states and the District of Columbia are members of the American Bankers Association. The fourteenth member of the 100% group was registered after the completion of the report, when Wisconsin State Vice-President George D. Prentice wired headquarters that the single non-member bank in that State had been enrolled.

Congress Members to See German Atrocities

A group of American Senators and Representatives left Paris by plane on April 24 for Germany to investigate German prison camp atrocities it was stated in Associated Press advices from Paris on April 24, which added:

Members of the group, which arrived in France by plane on April 23, include Representative Dewey Short, Republican, of Missouri; Representative R. Ewing Thomason, Democrat, of Texas; Senator Walter F. George, Democrat, of Georgia; Senator Alben W. Barkley, Democrat, of Kentucky; Representative James W. Mott, Republican, of Oregon; Representative James P. Richards, Democrat, of South Carolina; Representative Edward V. Izac, Democrat, of California; Senator Elbert D. Thomas, Democrat, of Utah; Senator Leverett Saltonstall, Republican, of Massachusetts; Senator Kenneth S. Wherry, Republican, of Nebraska; Senator C. Wayland Brooks, Republican, of Illinois, and Representative John M. Vorys, Republican, of Ohio. General Dwight D. Eisenhower had urged that members of Congress make an inspection of German prison camps.

adjustments is normally that the rank and file get what they want badly enough to pay the cost of, and in amounts fixed by their willingness to buy at such prices. It is fashionable today to rebel at these automatic processes, but man has not yet learned to keep the economy in balance nearly as effectively as nature does.

That at bottom is the meat difficulty today, and there is wholesome food for post-war thought in the fact.

Trade Pact Extension Hearings

As the House Ways and Means Committee public hearings on legislation proposing to extend the Reciprocal Trade Act for three years (with an amendment granting the President broad new authority to lower duties) finally got under way, it became apparent that Congress was facing the biggest tariff battle in years, according to reports by the Associated Press from Washington, April 20. As the day-to-day proceedings continued, Republican opposition to giving additional duty-cutting authority grew more and more intense so that, according to the Journal of Commerce from Washington, on April 25, Rep. John Dingell (Dem., Mich.), bluntly accused the Republicans of "filibustering" the bill, which unless extended expires on June 12, and threatened a motion to curtail the protracted questioning of witnesses evident in the hearings to date.

Eighty requests or more for hearing are on the committee docket, the Journal of Commerce states, and after the first week questioning of only four witnesses had been completed, so that Committee Chairman Robert Doughton (Dem., N. C.) said that steps would have to be taken to speed up the hearings by imposing of limitations on questioning of witnesses or by holding night sessions.

Former Secretary of State Cordell Hull, whose name must always be thought of in connection with Reciprocal Trade Pacts, addressed a letter to the House Committee to convey his opinions which ailing health prevents him from expressing in person. The text of the letter, as given by the Associated Press from Washington, April 18, follows:

My Dear Mr. Doughton:

I very much regret that this year I cannot personally attend your committee hearings on the trade agreements act. I want you to know, however, that the program today is just as central to my thinking on international affairs as it has always been. Indeed, with the coming total destruction of the forces of aggression, the opportunity to realize the full benefits of reciprocal trade agreements and through them to further the cause of world peace is greater than ever before.

Back in 1917 and again in 1920 I pointed out in the House that the countries of the world were in danger of sinking into a chaos of unfair competition and economic warfare unless measures were taken to stop it, and I proposed that the Congress advise the President to call an international conference to work out ways of reducing old trade barriers and preventing new ones, and to agree on rules of fair competition in commerce among nations. Instead, we raised our tariffs in 1921 and 1922, and again in 1930; other countries began to try to fence out imports and the world started down the road of commercial conflict that helped bring on this war.

Agreements With 28 Countries

In 1934 the United States decided to go the other way, and to use its influence to persuade other countries to take the same new course. Under the trade agreements act we have succeeded in reaching agreements with twenty-eight countries to our advantage and theirs. But international relations had already deteriorated to such an extent that, against the setting of trade wars and depression, Hitler had come into power in Germany and the Japs were in Manchuria.

We shall soon have another chance to make a peace. This time we propose to make one that will last. We know that it cannot be lasting unless it embraces not only political and military affairs but also arrangements to provide the essential prerequisites to economic prosperity and to maintaining and improving standards of living in our own and in all countries. The trade agreements program is one of these essen-

tials. Its purpose has always been—and must continue to be—to bring about a reduction or elimination, on a reciprocal basis of mutual benefit, of excessive barriers to trade which impair the well-being of all countries and thus undermine peaceful and friendly relations among nations. The action of the Congress on your bill is therefore one of the decisive tests of whether the United States is prepared to assume its share of the responsibility for creating the basic conditions upon which enduring peace depends.

As President Roosevelt pointed out in his message to Congress on March 26, 1945, we cannot, in the difficult period immediately ahead, have an effective trade agreements program unless the act is strengthened and brought up to date as your bill proposes. In the agreements which the United States has already made, we have used up a major part of the authority under the original law and have obtained in exchange valuable relaxations of barriers to our exports, which will give us renewed benefits in the post-war years. But we must now go further. In the conditions which confront us now and will confront us after the war, we must have the additional authority which your amendment provides in order to make the act an adequate instrument for expanding our foreign commerce and world trade in general.

Praises House Bill

Neither the original act nor your bill contemplates any indiscriminate slashing of tariffs. When your bill has been adopted the act will still contain all the provisions that it always has contained for full consultations, before action, among the departments of the government that know the most about commercial questions, and for public hearings at which any citizen may submit facts and arguments. The administrators of the act will still be required, under your bill, to give due consideration to all interests. I have complete confidence that the act will continue to be carried out wholly in the best national interest and in the same careful and scientific manner in which it has been carried out for the last eleven years.

Although I shall not be with you this time during the Congressional consideration of the trade agreements program, I shall follow the discussions in the Congress with absorbing interest and with high hope that, in this crucial decision, we shall again let the world know that we will not fail to play our full part in bringing about the conditions necessary for prosperity and a lasting peace.

Sincerely yours,

CORDELL HULL.

During the course of the hearings Rep. Bertrand Gearhart (Rep. Cal.) assailed the most favored nation principle as a means by which the United States granted a concession to one nation and then permitted it to benefit all nations indiscriminately, except Germany, Italy, Russia and Japan, for which he said this country got nothing in return, the Journal of Commerce reported from Washington, April 25, to which Rep. Jere Cooper (Dem.-Tenn.) replied by pointing out that the principle of "Most Favored Nation" was first applied by Charles Evans Hughes as Secretary of State under Harding. The Republicans on the committee, the Journal of Commerce states, were told by their Democratic colleagues that their attitude was not

shared by the Republican party as a whole.

One of the early witnesses was William L. Clayton, Assistant Secretary of State, who, according to the Associated Press from Washington, on April 18, told the committee that failure to continue the reciprocal tariff policy might easily lead to a third world war.

Many nations will be unable to repay the United States for goods immediately after the war, Clayton said, and, unless steps are taken now to permit eventual repayment through exports to this country, there will be a two-fold consequence:

1. We'll lose the money extended as credits to other nations "as happened after the first world war."

2. We'll set up "irritations and bitterness" among other nations which will say "you welched on us and made it impossible for us to repay our debts."

On the third day of his testimony, the Herald Tribune Bureau reports from Washington, April 21, Mr. Clayton promised the committee that as director of the reciprocal trade program, he would never sell American industry short for diplomatic advantage.

Another important witness was Claude Wickard, Secretary of Agriculture, some of whose remarks are given here as stated by the Journal of Commerce from Washington, April 24:

Trade agreements are in force with twenty-six countries. Of these, fifteen have granted duty reductions or larger quotas on pork and pork products and three others have agreed not to increase their duties. Dairy products have received concessions from eleven countries, leaf tobacco from eleven, fresh, dried and canned fruit from twenty-six, vegetables and preparations thereof from twenty, wheat flour from twelve, rice and rice flour from ten. If all the concessions on farm products now in effect had been in effect in 1937, they would have applied to 48% of the total value of our exports of agricultural products in that year. These do not include the concessions on industrial products which use farm products as raw material. . . .

American agriculture is efficient enough to face reasonable direct competition from abroad. We fear only destructive or unfair competition. . . .

I do not mean to say that I would advocate removing all tariff protection from farm products, or even reducing all duties to the fullest extent permitted under the Trade Agreements Act. Some farm products could not be produced without protection, at least in anything like their present volume. Even so, I am satisfied that these facts are known to the trade agreements organization in which the Department of Agriculture is represented, and that every proposed concession will be carefully considered in the light of these facts.

Farm Prices

Provision has been made by Congress for the maintenance of farm prices, particularly in the years of transition from a war to a peacetime economy. Far from being in conflict with such legislation the trade agreements program will supplement price supports by expanding foreign markets. If foreign markets should be restricted by increased trade barriers, the problem of maintaining domestic prices would be far more serious. Imports of agricultural products can never seriously endanger the domestic market for our own farm products. Even in those years in which we had the greatest imports of farm products counted as competitive, such imports never supplied more than 10 or 11% of the domestic market. These were years of prosperity for the farmer. In the years of the depression the share of imports fell to 7%. Of course, the

farmer was much better off in the year of prosperity when he had 90% of a \$12,000,000,000 market than he was in the depression years when he had 93% of a \$6,000,000,000 market.

I wish to express my approval of the proposal to extend the authority granted under the Trade Agreements Act to possible reductions up to 50% of duties now in force. This does not mean that all duties will be reduced to this extent. Some duties may safely be reduced to 25% of the 1930 rate, but others should not be reduced at all, and the trade agreements organization has in many cases refused to make any reduction. I am satisfied that the trade agreements procedure assures careful consideration to every proposed concession. I believe the record shows that no serious injury has been done in any agricultural product.

Secretary of Commerce Henry A. Wallace urged the continuation of the nation's trade policies, with new powers to cut tariffs, according to the Associated Press, from Washington, April 23, which stated that he declared:

"I believe the trade agreements program can make a substantial contribution to the attainment of our principal post-war objective—full productive employment or about 60,000,000 jobs."

Wallace's Reasons

He said that if exports can be maintained at \$10,000,000,000 or more annually "they may well provide work for about 5,000,000 American persons." He gave these reasons for urging approval of the proposed new tariff trimming authority:

"1. The reciprocal trade agreements act is of vital importance to the country, especially at this time, as a tool for creating post-war jobs through the expansion of foreign trade.

"2. The lowering of trade barriers so as to permit a maximum of freedom in private trading is the surest way to discourage greater government participation in foreign trade, and to combat isolationist tendencies which lead to increased Government intervention in domestic economies because of the shortages, surpluses and other dislocations which follow.

"3. Trade agreements with their provisions for the elimination of discrimination and the expansion of reciprocal trade, reduce international economic friction and create an atmosphere of good will conducive to the maintenance of friendly relations."

The legislation which is under consideration, proposed by the late President Roosevelt and endorsed by President Truman, would, say Associated Press advices from Washington, April 23, continue the reciprocal trade act for three years beyond June 12, with added authority to cut duties 50% under the rates prevailing Jan. 1, 1945. The present act empowers cuts up to 50% of the rates prescribed in the 1930 Hawley-Smoot act.

Nelson A. Rockefeller, Assistant Secretary of State, who is in charge of Latin-American affairs, urged passage of the legislation in testifying before the committee. The Associated Press reported from Washington, April 19, and stated that improved economies in other nations would result in larger markets for American goods and not in destructive competition.

Despite Republican claims to the contrary, supporters of the legislation, according to Associated Press advices from Washington, April 19, expressed confidence that the appeal of Cordell Hull and the stand taken by President Truman had rallied sufficient strength to assure the new President a victory in his first congressional battle.

Truman Confers With Congressional Leaders

President Truman received a delegation of eight Republican Senators at the White House on April 18, according to Associated Press advices from Washington as of that date, thus giving indication of the hope he is said to entertain that accord can be had in working out the country's problems with understanding and foresighted provision. The delegation, consisting of Senators Taft of Ohio; White of Maine, the minority leader; Wherry of Nebraska, the Republican whip; Austin, Vermont; Bridges, New Hampshire; Bushfield, South Dakota; Millikin, Colorado, and Brooks, Illinois, told the President that they were willing to consult with him "at any time where prospects of differences over legislation appear," the Associated Press report continued.

The following day, according to special advices to the New York "Times" from Washington, April 19, the President conferred with the big four Democratic leaders in Congress, Senator Kenneth McKellar, President of the Senate; Speaker Sam Rayburn and Senator Alben W. Barkley and Representative John W. McCormack, Senate and House majority leaders, respectively.

President Truman made it known, the "Times" report states, that he would support energetically the program outlined by President Roosevelt, including pending legislation.

Later that day, according to an Associated Press report from Washington, April 19, Senator Barkley, the majority leader, called a conference of Democratic Senators which unanimously adopted the following resolution:

"Resolved, that the conference of the majority of the U. S. Senate shares with the people of the nation and the world the profound sorrow caused by the death of President Franklin Delano Roosevelt, who had for 12 years been the acknowledged leader of this nation, and who through that leadership had become a symbol of democracy and freedom throughout the world;

"Resolved further, that this conference tenders to the family of the late President its deep and abiding sympathy in this hour of their great bereavement;

"Resolved further, that this conference expresses its confidence in the new President, Harry S. Truman, who has assumed the great responsibilities of the office to which he has been called, and pledges to him its genuine and sympathetic cooperation in bringing the present war to a prompt and victorious conclusion, in establishing a just, honorable and permanent peace, and in so readjusting the economic processes incident to the post-war period as to bring to our nation and to the world the greatest possible happiness and prosperity.

"Resolved further, that a copy of these resolutions be transmitted to the family of the late President Roosevelt and to President Harry S. Truman."

FIG Banks Place Debs.

A successful offering of two issues of debentures for the Federal Intermediate Credit Banks was concluded April 18 by Charles R. Dunn, New York, fiscal agent for the banks. The financing consisted of \$22,260,000 0.80% consolidated debentures dated May 1, 1945, due Nov. 1, 1945 and \$29,900,000 0.87 1/2% consolidated debentures dated May 1, 1945, due Feb. 1, 1946. Both issues were placed at par. Of the proceeds \$46,140,000 were used to retire a like amount of debentures due May 1, 1945 and \$6,020,000 was for new money. As of May 1, 1945, the total amount of debentures outstanding was \$287,080,000.

Pax ex Machina

"We are at present in one of those crucial periods in the history of mankind. I am profoundly convinced that a free, secret ballot taken all over the world would reveal the earth's population voting eagerly and overwhelmingly for a world security organization. The visible evidences of suffering and devastation are before us with awful intensity. The mood of the world today is its one hope of being saved from a repetition of this holocaust. The time to take action is now.

"We have seen how easy it is for men of ill will to make capital out of the misfortunes of nations. We have seen them foment the conflict of rival nationalisms. We have seen how false ideologies, sown in hatred and fertilized by promises of revenge, lull entire peoples into mistaken beliefs. The death of National Socialism as a world power is no guaranty that other forms of the Fascist creed will not spring up with new poisons, new promises to struggling people that the millennium will be theirs if only they will hate their neighbors. . . .

"We know these things today. The problem is to make sure that we continue to bear them in mind clearly after war. . . .

"In my opinion the court [Permanent Court of International Justice] of which we hear so little, is the heart and soul of all our efforts. It represents, in truth, the ultimate ideal. The other matters are essential. They will be essential for many years. But if we do not lift our eyes and our hopes to the higher level of settlement of disputes by legal process, we have made little progress away from international rule by force alone."—Thomas E. Dewey.

It seems to us a matter of regret that the titular leader of "the opposition" so often fails to be realistic and constructive, and never seems to have a mind of his own free of bondage to popular conceptions—or should we say misconceptions.

How constructive he might have been had he in this instance employed his vast influence to lead his followers to understand the shortcomings, not to say the dangers, of the current mechanistic approach to future world problems!

Leaders Warn of Grave Army Spending Slash Seen After V-E Day

Commodity Shortages
A warning has been sounded by the Combined (American, British and Canadian) Production and Resources Board in a report of world-wide shortages of textiles, coal and trucks so acute as to possibly jeopardize the peace, Associated Press advices from Washington state, April 25, and continue:

The Board mentioned the general food scarcity as another cause for alarm, but it did not explore that problem.

It said, however, the overall pinch is so severe and widespread "as to affect the building of the kind of economic conditions upon which a secure peace can be founded."

The report was signed by J. A. Krug, War Production Board Chairman; Oliver Lyttleton, British Minister of Production, and C. D. Howe, Canadian Munitions Minister.

Krug said there is no "quick or easy solution" of the shortage problem in sight and added:

"It is only fair that we give this warning and point up its implications to everyone."

Among other things the report: Predicted a world shortage of cotton textiles alone amounting to 1,250,000,000 yards a year.

Said only one-third of Europe's pre-war trucks are available to handle the tremendous supply problem resulting from disruption of rail transportation.

Termed liberated areas desperately short of coal, with stockpiles both in this country and in the United Kingdom down to less than one month's supply at the end of March.

A reduction of billions of dollars in War Department appropriations may result from early victory in Europe, according to Representative Snyder (D., Pa.), Chairman of a House subcommittee in charge of Army appropriations, it was stated in an Associated Press report from Washington, April 25.

"We are awaiting a final determination," he said, "as to how much the Army will seek as a result of the bright picture on the western front. If there should be a sudden victory in Europe the indications are that the reductions under last year may run into many billions."

It was also reported by the Associated Press that coincidental with Mr. Snyder's statement came an announcement from Under-Secretary of War Patterson that a "substantial" cut in Army supply orders would be made during the next 30 to 60 days, the curtailment to result from reduced consumption of certain items for the European theater and revised requirement estimates. However, Mr. Patterson said that the reduction "will not affect the continuing provision of ample support for further efforts in Europe and in the Pacific until all-out victory is assured."

The Army previously had announced suspension of construction of munitions and tank plants which could not be completed and put into operation by fall, the Associated Press report continued. The Army Air Forces also have announced a reduction in aircraft output.

A World Court Essential to Future Peace

(Continued from first page)

mendous question whether we have really learned that lesson.

Pope Pius XII in his Christmas message of last December warned mankind that: "There lies on all States and peoples the duty of doing everything to ban wars of aggression, once and for all time, as legitimate solutions of international disputes and as a means of realizing national aspirations. That duty brooks no delay, no procrastination, no hesitation, no subterfuge." The Pontiff said further: "If ever a generation has had to appreciate in the depths of its conscience the call to 'war on war' it is certainly the present generation. It has passed through an ocean of blood and tears wider and deeper than mankind has ever before encountered. It has lived through indescribable atrocities so intensely that the recollection of their horrors must remain stamped in its memory as the picture of a hell against which any one who cherishes a sense of humanity desires more than anything else to close the door forever."

In such words Pope Pius voiced the aspirations of all men of good will and welcomed the proposal of an organization for the maintenance of peace, one vested by common consent with supreme authority and with power to smother any threat of isolated or collective aggression. With humility and earnestness we pray that the men and women at San Francisco may achieve real progress toward an effective instrument to preserve the peace of the world.

We are at present in one of those crucial periods in the history of mankind. I am profoundly convinced that a free, secret ballot taken all over the world would reveal the earth's population voting eagerly and overwhelmingly for a world security organization. The visible evidences of suffering and devastation are before us with awful intensity. The mood of the world today is its one hope of being saved from a repetition of this holocaust. The time to take action is now.

Dangers of Fascism

We have seen how easy it is for men of ill will to make capital out of the misfortunes of nations. We have seen them foment the conflict of rival nationalisms. We have seen how false ideologies, sown in hatred and fertilized by promises of revenge, lull entire peoples into mistaken beliefs. The death of National Socialism as a world power is no guaranty that other forms of the Fascist creed will not spring up with new poisons, new promises to struggling people that the millennium will be theirs if only they will hate their neighbors.

The inevitable result of false ideologies is a teaching that leads nations to put material values above spiritual values to place the power of the State above the dignity of the individual, of the family or the community—of God Himself. The result is a nation of aggressors which as surely as night follows day means military aggression will come and a world again plunged into war.

We know these things today. The problem is to make sure that we continue to bear them in mind clearly after the war. We need above all things to bear constantly in mind that the State exists for the individual, to secure his welfare, his freedom and his opportunity.

A Time for Historic Decisions

Just now we all inhabit, as it were, a small island in time, a breathless period of confusion and historic decisions. Widely differing views are current about the status of nations, about economic

and social concepts. We differ even about the extent to which the international organization shall be subject to concepts of basic justice. Some people doubt—wrongly, I believe—the capacity of such an organization even to make revisions aimed at an ever improving world order.

We are in this confused island of time because the pace of world events just now is so great as to make constructive thinking most difficult. Yet we need right now, more than ever before, a clear picture of exactly where we are going and of the ultimate ideal we seek to achieve.

The World Court All Important

The work of the San Francisco conference will be divided into four main steps. The first will deal with the preamble and statement of principles, the second with the assembly and its powers, the third with the Council and the fourth with the Permanent Court of International Justice.

The newspapers and radio have been filled with debates over the statements of principles. We have heard much of the problems of voting in the assembly, of the membership and veto powers of members of the Council. We have heard endless debates about procedure, the use of sanctions and the ultimate employment of armies, navies and air forces to keep the peace. But in all this discussion we have heard practically nothing about the Permanent Court of International Justice.

In my opinion the Court, of which we hear so little, is the heart and soul of all our efforts. It represents, in truth, the ultimate ideal. The other matters are essential. They will be essential for many years. But if we do not lift our eyes and our hopes to the higher level of settlement of disputes by legal process, we have made little progress away from international rule by force alone.

Let us look tonight at this problem of peaceful settlement, under law, of international disputes.

The problem of peace between men is age-old. In primitive society, when arguments arose, there was no higher court than the tooth and claw. But by the time of earliest recorded history there was already an organized attempt to put the moral teachings of religion and forces of law above the physical force of the individual. The opinion of the majority of the community was brought to bear and, however crudely, some kind of court administered some kind of justice.

As society became more highly developed, so did the legal rights of individuals, and disputes were taken as a matter of course to the established law courts of the community.

Of course we need a policeman in our own community and most certainly we need a policeman with all adequate force to prevent war in the world. But above the policeman there must be a court of justice.

It is for this reason that I believe that the fourth major part of the San Francisco conference, of which we have heard so little, is the part which will finally determine whether we have succeeded in starting down the true road to the final abolition of war. For the World Court is the conscience of mankind, determining, under principles of justice, the disputes which otherwise would bring down on us another holocaust. It represents the rule of reason over rule by force. This will not be achieved today, not fully, perhaps, for decades, but only if we work toward the concept of judicial settlement of all

disputes, will we ever reach the goal.

Preponderance of a Few Nations

It would be folly to overlook the fact that a few nations hold an overwhelming preponderance of power in this world. But the rights of nations must not forever depend upon their natural resources in steel or oil or magnesium, or their ability to build navies or robot bombs. All statements of high principles or mechanics of debate and procedure will be worthless unless mankind comes some day to recognize that all peoples, great or small, have rights—Costa Rica as well as the United States, Panama as well as Russia, Belgium as well as Great Britain. The hope of the world today is to get on a staircase which leads to a higher level of international morality. The large and powerful nations must acknowledge the principle that as all individuals are equal before the law of their State, all nations are equal before the law of nations.

This international court will in no sense be a substitute for the world organization now being drawn together at San Francisco. Rather, it will be an integral part of it just as the judicial system is a part of our national government. What we hope for first is the fusing of mankind's aspirations into an international charter, defining principles of conduct as basic to the world organization as our Constitution and the Ten Commandments are basic to American life. Then, as the years pass, a body of international law will develop around that charter. The Assembly and the Security Council of the world organization will arrive at decisions in conference which will establish patterns of procedure and juristic justice which will develop the field of operation of the course within the framework of the international charter. There will then emerge a body of international law based on fundamental principles of morality and the Court will deal, not only as in the past with disputes on marginal matters, important as they may be, but with problems basic to the integrity of world order.

A System of International Law

It is conceivable that eventually the Assembly and Council will lay down laws with which the Court will deal in building the ideal of international justice. Then at last we shall have a system of law implementing the fundamental principles, defining how nations shall conduct themselves in their relations with each other. Included in that system of international law will be a code of morality, protecting minorities, safeguarding small nations, and emphatically outlawing the horrors against civilians which have recently been revealed as our armies marched through Germany.

Law cannot be established in a day. It cannot be perfected by a stroke of the pen or the enactment of a statute. Law is, of necessity, a slow growth if it is to endure. It requires constant correction of first mistakes, constant amendment and revision to meet changing conditions and progress of civilization. Our domestic laws are, in intent and purpose, nothing but constantly moving attempt at a code of fair dealing among individuals. International law strives for fair dealing among nations.

The first Permanent Court of International Justice still exists, although it has not functioned for seven years. To begin with, it was an adaptation of the basic idea of our own Federal system. It was the realization of a dream of centuries of great minds. Its origin is back in the history of ancient Rome when the Praetorian Court settled disputes between foreigners according to their own customs.

U. S. and An International Court

The last attempt to bring about American participation in the World Court was defeated in 1935 by a small but exceedingly vocal minority. The opposition seems strange in the light of history. For the Government of the United States has been on record in favor of the peaceful settlement of international disputes since the earliest days of the republic.

In more recent times a President of the United States instructed his Secretary of State, John Hay, to draft plans for a court to decide questions of agreement among all nations "excepting such as may relate to or involve their political independence or territorial integrity." That President was William McKinley, acting in 1899.

Out of that effort grew the Permanent Court of Arbitration at The Hague, which, as ex-Chief Justice Hughes has pointed out, was not a court at all but a panel. It was a register of persons from which nations wishing to arbitrate could pick arbiters of their choice. Because of this defeat President Theodore Roosevelt in 1907 instructed the delegates to the second Hague conference to propose: "a permanent court composed of judges who are judicial officers and nothing else, who are paid adequate salaries and who will devote their entire time to the trial and decision of international causes by judicial methods and under a sense of judicial responsibility."

The Hague Court of American Origin

The Permanent Court of International Justice was established in 1922, according to plans drafted by a commission of which Elihu Root was a member. Substantially it was the embodiment of Theodore Roosevelt's original idea. In December, 1925, Senator Irvine Lenroot, of Wisconsin, pointed out correctly on the floor of the Senate that "this court is American in its origin."

In 1929 Elihu Root entered the picture again. The opposition had succeeded in preventing any participation by the United States. Mr. Root submitted a plan for revising the statute of the court. With some modification it was adopted. President Hoover and Secretary Stimson signed the protocol but the Senate, as we know, never ratified.

In spite of this, the Permanent Court of International Justice decided many important cases. It is of fundamental importance that we realize today, that despite its weakness, this court handed down decisions which were the means of averting two wars: one, between Greece and Bulgaria in 1925; another, between France and Turkey in 1927.

It laid down important principles which established valuable precedents. It rendered service in defining the obligations of nations under treaties. The court's decisions have been codified by legal scholars and the volumes containing the result form an already substantial body of sound international law.

All arguments for and against our participation in the international court have been strictly non-partisan. For years the platforms of both major political parties have been unequivocally in favor of it. In 1935 a distinct majority of Senators wanted to ratify—the vote was 52 to 36. But the affirmative votes were less than the required two-thirds.

One principal argument of the opposition was that taking part in the Court would sacrifice our sovereignty. Now I don't know any one in this country who wants to scuttle the sovereignty of the United States of America.

Sovereignty, in the light of modern history, is the right to use inherent power to achieve the greatest good for the greatest number. It should be, and we hope it eventually will be effec-

tively exercised so that no one nation can start a war against another over a dispute which a court of competent judges can adjudicate by the principles of ordinary justice. This would be the highest use to which sovereignty can be put. Certainly in our own country, the settlement of any dispute by force is not regarded by Americans as any settlement at all. In the long run there can and will be no other attitude by the peoples of the world. Force is necessary in order to back up law. But law must be supreme and the ultimate success of our efforts to achieve peace will depend upon the degree of acceptance we achieve for the fourth part of our San Francisco agenda—the establishment of a permanent court of international justice. Men everywhere, in overwhelming majorities in every nation, seek the peaceable settlement of all disputes. It is time we gave the expression of the conscience of mankind its proper place in the establishment of the international court. By all means we must settle, in the best possible way, all of the matters of procedure and use of power. But all these must ultimately be subordinate to peaceable settlement under international law or the aspirations of mankind will once again have been defeated.

This means that we must be prepared to subscribe to an international court which is not a panel of arbiters but a court of judges. As they build on the present substantial body of international law, there can and there must be increasing acceptance of the court's interpretation of international justice. We can, because we must, in order to preserve civilization, learn to accept the decisions of this court in all disputes between peoples and countries.

Only by pinning our ideals and our purposes to this, the highest of all aspirations, can we achieve a lasting peace, inspired by God in the reason of men.

Truman Confers on Plans for Economies

President Truman has been having a lengthy series of discussions with Senate and House finance leaders with a view to closer cooperation in the accomplishing of broad economies, a report to the New York "Sun" from Washington, April 25, stated. The report went on to say that Mr. Truman created the impression of having considerable detailed information concerning public expenditures at his command and of having very fixed ideas about the possibility of accomplishing large economies without any interference with the war program.

Mr. Truman discussed with Senators Bankhead and McKellar the question of whether to continue the Rural Electrification Administration in the Agriculture Department, or set it up as an independent agency, the New York "Sun" report continues. The Senators said they had not expressed their opinions, but had sought to get the President's view on the matter, and Mr. Bankhead added that the President had not yet made up his mind and needed more time to consider the problem.

Long a sore spot in the Government for its conduct in the sponsoring of what was termed in a recent Congressional investigation "adagio dancers hired to run our planned economy and amuse frightened citizens in raid shelters, hiring ex-convicts to discover perpetual motion" and spending millions on run-down electric plants to furnish light for a few handfuls of villagers, the REA is due for a real trimming.

Why the League of Nations Failed

(Continued from first page)

scientifically to find the causes of this deterioration. On the eve of the meeting at San Francisco called to build the framework of a new international organization it is well to take stock of the errors and failures of the first attempt in the hope that they can be avoided in the second.

The efforts of the League on political objectives failed through causes both spiritual and mechanical. It is not always possible to divorce the two; indeed, the best of mechanisms will fail without good will and honest effort to make it go. The worst of mechanisms may succeed if those two factors are present. I wrote some years ago that the League failed because human beings failed, and that maybe when you got a different kind of human being you could make a League function. Now I am convinced, however, that we have a different kind of human being to deal with. The lessons of this war are deeply learned. Certainly if the United States is any criterion, our people are far more realistic, far more understanding, and far more resolute in our determination to cooperate in an international undertaking for the maintenance of peace. We are far surer that such is the only hope of peace and that if this effort is allowed to fail again, this will be a grim world indeed for our children. By the same token, we are far readier to pay the price, if indeed it be a price, that we have to pay for such cooperation. One more word before I leave this phase of the subject. A mechanism is a dead thing. It has reality only when it is kept alive by enthusiasm, faith, and a determination to make it work. Whatever document issues from the San Francisco meeting is far less important than the state of mind of the peoples of the United Nations, and the duration of that state of mind. A document, whether Covenant, Agreement or Organization is but the first step. Peace can be maintained only at the cost of effort; painful and persistent, year by year, month by month, day by day.

I am not going to talk of phraseology and texts. We have a competent group of jurists and draftsmen in the American delegation. We need, therefore, to concentrate on the things we want to bring about rather than on the mere writing of those things into binding obligations. There has been vociferous discussion on the number of votes that delegations may have. The same discussion arose in the Senate in 1919 during the debate on the ratification of the Treaty of Versailles. And yet in the entire history of the League of Nations procedure following the Senate debate through 20 years, I am not aware of a single instance where a case was solved by simple voting procedure. I am speaking now of matters of international importance, not of procedural affairs. In international life it is a question rather of who votes how than of how many votes are cast. When the great powers were united on a course of action, that course nearly always prevailed, when the great powers were divided, that course was abandoned.

Defects of League of Nations

Now for the structural or mechanical deficiencies of the old Covenant of the League. The most widely discussed deficiency, and that most generally accepted, was the lack of force at its disposal to back up its decisions. Certainly that was a weakness. There can, I believe, be no body of law that will prevail without the ultimate sanction of force. Municipal law has that force behind it and civilian populations find it natural to bow to the law and to accept the

use of force in its application when such becomes essential. The Dumbarton Oaks program recognizes this deficiency and makes provision for the eventual use of force if necessary. There may be divergencies of opinion as to the scope and exercise of force, there can be none as to the fact that the potentiality of force is essential in the application of law.

And yet here lies a profound difficulty. When we draw the analogy of the use of force in international life to its use in internal affairs, we have to admit that the analogy is not complete. Our internal life is governed by a body of law, and the individual knows what he may or may not do, within what limits he may act. Not so in international affairs, there is no generally accepted body of international law. To replace this lack, and starting from scratch, so to speak, we will have to regard as international law the *ad hoc* or spot decisions of the Organization when they are promulgated. The Organization will suffer in its earlier years through the lack of a codified and generally accepted body of law and precedent. One of the most urgent tasks of the new Organization will be such codification and assembly of precedent so that states will have, as individuals have, a behavior pattern duly prescribed. States must know as rapidly as possible the limits upon their hitherto untrammelled activities. They must know what are exactly the new obligations they are undertaking.

Force Overemphasized

But I don't want to overemphasize the factor of force. Indeed, I feel that it has been already overemphasized in our public discussion and perhaps as well in our private negotiation. It would be employed in the last event in any case. Force must be there potentially, but its use would mean that to a considerable measure the machine had failed, and had failed in what to me is its primary function. That function is conciliation. As I watched the proceedings in the League of Nations I was struck by the fact that the attempt at conciliation nearly always took place when a dispute had reached the proportion of a threat to the peace. In other words, when firm positions had been taken by the parties to the dispute, and when tempers and public opinion had become already inflamed. In the case of Manchuria the Japanese fell upon the Chinese in the Autumn of 1931. And yet every foreign office interested in the area had known for years before this date that the situation in that area was tense, that there was lively dissatisfaction on both sides with the existing conditions. In all this period no state brought this matter to the attention of the League, nor did any state call for that consultation provided under the Washington treaties to which we in the United States were a party. The dispute between Italy and Ethiopia as well was not brought to the attention of the League until blood had been shed and until Mussolini was far advanced on his plans for conquest.

Disputes are far easier to settle in their earlier stages. If you are a sensible man, you don't wait for a disease to reach a point where an operation is necessary before you consult a doctor. You go to him at the first symptoms of illness. In the same way a dispute with a neighbor can be better treated before the symptoms have become aggravated, and before the illness has festered. Thus in my opinion, every encouragement should be given at San Francisco for the raising of grievances no matter what their origin. The great states, the small states, the neutral states, yes even the former enemy states

should have access to the Organization for the statement of grievances and for an endeavor on the part of the Member States to bring about conciliation. I profoundly hope that the Delegates to San Francisco will regard this function as the primary purpose of the United Nations Organization, and will see to it that this function is duly incorporated in the document.

The League's Rigidity

Another weakness of the League machine lay in its rigidity. The possibility of amendment was remote. Under Article 26 amendments had to be accepted by a majority of the assembly, but by all members of the Council. There was practical impossibility that an appeal for revision of existing treaties would ever be heard. It is true that Article 19 made specific provision for reconsideration of treaties, but this possibility was nullified by the unanimity rule for all decisions of the Assembly and Council not expressly excepted. This rigidity made the Covenant the bulwark for the maintenance of the status quo. At least it was the legal bulwark but no mere legal bulwark could prevent the explosion. Any framework for the maintenance of peace must recognize the possibility of change, whether that change lies in the relation between states, or in the framework of the Organization itself. Life is an evolution, international relationships are in continuous flux. If our machine shall endure it must be so constituted that it can adapt itself to these shifting relationships and to this evolution. To this end the simpler the form, the more flexible the design, the greater the hope that our new structure shall serve its purpose and shall endure.

The American delegation to San Francisco carries with it the hope and prayers of the American people. We wish it well, we pray for its success. We believe in an international body organized for the preservation of the peace and for the well being of the world. This is what our boys have been fighting for, and the meeting at San Francisco will bring about, God willing, the practical realization of that ideal.

Would Rid France of Mines With Germans

Assignment of 50,000 German prisoners of war to locate and remove hidden mines and boobytraps in France was recommended by a French Army expert, according to Associated Press dispatch from Paris on April 24, which added in part:

He estimated the job would cost 30,000 lives, and said he hoped "the majority of them will be the same Germans who sowed this deadly crop."

He pointed to headlines, becoming commonplace in the Paris and provincial newspapers, reporting such tragedies as "Five Children Blown to Pieces While Playing in Woods," "Farmer Killed When Plow Hits Mine" and "Seven Killed, Twenty Injured as Old Ammunition Cache Explodes."

He said many mines were placed "for sheer viciousness" and not for military considerations, and that it would be a five-year task to remove the last of them. He said they are hidden in fields, along beaches and besides quiet country roads.

In addition to the more than 100,000,000 mines the expert said are known to have been planted (a team of two men can neutralize 20 mines in a day in ordinary cases), he estimated there are 250,000 unexploded but potentially dangerous shells beneath the soil, and 110,000 unexploded heavy aerial bombs—a total of about 800,000 tons.

Subsidies Extension Urged in Hearing

Legislation requiring the continued payment of subsidies until June 30, 1946, for the production of high-cost copper, lead and zinc, regardless of whether the higher priced production be needed for the war effort, has been passed by the Senate and sent to the House, according to advices in the "Journal of Commerce," Washington, April 22, which stated that the bill, sponsored by Senator Ernest W. McFarland (Dem., Ariz.), was opposed by State Department representatives.

The requirement that the metals subsidies be paid for another fiscal year is part of a Senate bill which authorizes the continued payment of subsidies from July 1, 1945 to June 30, 1943, by the Reconstruction Finance Corporation and its subsidiaries, the "Journal of Commerce" states. In the case of the other commodities affected, such as meat, butter, flour, rubber, petroleum and others, the bill is merely permissive and authorizes the payment of over-all sums of money for each of these commodities in the next fiscal year.

However, concerning high cost production of the three metals, which are subsidized through a "Premium Price Plan," the bill provides that "all classes of premiums shall be non-cancellable."

During hearings before the House Banking and Currency Committee, the "Journal of Commerce" states from Washington on April 25, Undersecretary of War Robert P. Patterson said that the Government subsidies now being paid would have to be continued until after Japan had been defeated. The following account of a part of the hearings was given by the "Journal of Commerce":

Not only is the War Department a large purchaser of subsidized products, but any elimination of subsidies on cost of living items which had the effect of raising wages would add tremendously to the cost of war contracts, Judge Patterson said. Prompt extension of the flour subsidy program, which already has passed the House but which has been delayed in the Senate, was also urged by the Undersecretary.

R. R. Sayers, director of the Bureau of Mines, then told the committee that the nation's easily accessible ore reserves were being depleted at such a rapid rate that "we will have to adjust our industry on account of it. I believe there will be considerable changes in costs of goods made from metals after the war because we are losing our easily mined ore," he added. In the not too distant future the country will feel the pinch of short supplies of coking coal, he said, because of iron ore depletion.

William C. Keeley, War Production Board official, and John D. Goodloe, general counsel for Reconstruction Finance Corp., each told the committee that they did not believe the non-cancellable provisions of the bill affecting copper, lead and zinc were necessary, but neither actively opposed this section of the bill. As passed by the Senate, the bill would require the continued payment of subsidies until June 30, 1946, the producers of copper, lead and zinc regardless of whether the higher priced production was needed for the war effort.

Mr. Keeley said that elimination of the non-cancellable provisions from the bill would not discourage production of copper, lead and zinc, and that in all probability maximum output will be required until the end of the war with Japan. Expressing his personal opinion, he said that he opposed subsidies for high cost mines after the final victory.

Touching on the subject of meat subsidies, Mr. Goodloe said that

Chandler Elected to ANPA Presidency

William G. Chandler, Executive of the Scripps-Howard newspapers, on April 26 was elected President of the American Newspaper Publishers Association, succeeding Linwood I. Noyes of the Ironwood (Mich.) "Globe," who has retired. David W. Howe of Burlington (Vt.) "Free Press" was elected Vice-President.

The New York "Sun," in reporting this, added:

They were elected unanimously for one-year terms at a brief annual meeting of the organization, held in its headquarters, 370 Lexington Ave., New York. The usual convention was omitted because of wartime travel restrictions.

Norman Chandler of the Los Angeles "Times" was re-elected Secretary and Edwin S. Friendly, Vice-President and General Manager of the New York "Sun," was re-elected Treasurer.

Elected to fill the expiring term of directors were E. M. Antrim, Business Manager of the Chicago "Tribune"; J. S. Gray, publisher of the Monroe, Mich., "News"; F. I. Ker, publisher of the Hamilton, Ont., "Spectator," and William F. Schmick, Business Manager of the Baltimore "Sun."

Elected to succeed directors who resigned were Charles P. Manship of the Baton Rouge, La., "State-Times" and "Advocate," succeeding George C. Biggers of the Atlanta "Journal," and B. N. Honea of the Fort Worth, Tex., "Star-Telegram," to succeed Ted Dealey of the Dallas, Tex., "News." Both were elected for one year.

Koop for Censor Post

Announcement has been made by Director of Censorship Byron Price of the appointment of Theodore F. Koop as Assistant Director in charge of the Press Division, effective May 1, to succeed Jack H. Lockhart, who is returning to active newspaper work, according to Associated Press advices from Washington, April 25, which went on to state:

Lockhart, who was Managing Editor of the Memphis "Commercial Appeal" when he joined censorship more than three years ago, will be directly associated with John H. Sorrells, Executive Editor of the Scripps-Howard Newspapers, with headquarters in New York.

Koop served with the Associated Press in various parts of the country and with the National Geographic Magazine. He joined censorship three weeks after Pearl Harbor, and had served since then as special assistant to the director in charge of administrative, liaison and other activities. He was in uniform until recently as a Naval Reserve Officer.

Patton and Hodges Made Four Star Generals

The nominations of George S. Patton, Jr., and Courtney H. Hodges for promotion to the rank of full general from that of Lieutenant-General were confirmed by the Senate, according to United Press report from Washington, April 25, which also stated that the following had been confirmed as Lieut.-Generals: Joseph L. Collins, Oscar W. Griswold, Lucius D. Clay, Geoffrey Keyes, Edmund D. Gregory, Walton H. Walker, Levin H. Campbell, Jr., Wade H. Haislip and Eugene Reybold.

The \$560,000,000 provided for this purpose in the Senate bill would probably have to be revised upward as a result of the Office of Price Administration's enlarged meat subsidy program. The amount of the increase would be revealed by OPA witnesses, who are scheduled to appear at later sessions, he said.

President Truman Addresses San Francisco Conference

(Continued from first page)

settle specific questions of territories, boundaries, citizenship and reparations.

This Conference will devote its energies and its labors exclusively to the single problem of setting up the essential organization to keep the peace. You are to write the fundamental charter.

Our sole objective, at this decisive gathering, is to create the structure. We must provide the machinery, which will make future peace, not only possible, but certain.

The construction of this delicate machine is far more complicated than drawing boundary lines on a map, or estimating fair reparations, or placing reasonable limits upon armaments. Your task must be completed first.

We represent the overwhelming majority of all mankind. We speak for people, who have endured the most savage and devastating war ever inflicted upon innocent men, women and children.

We hold a powerful mandate from our people. They believe we will fulfill this obligation. We must prevent, if human mind, heart and hope can prevent it, the repetition of the disaster from which the entire world will suffer for years to come.

If we should pay merely lip service to inspiring ideals, and later do violence to simple justice, we would draw down upon us the bitter wrath of generations yet unborn.

We must not continue to sacrifice the flower of our youth merely to check madmen, those who in every age plan world domination. The sacrifices of our youth today must lead, through your efforts, to the building for tomorrow of a mighty combination of nations founded upon justice for peace.

Justice remains the greatest power on earth.

To that tremendous power alone, will we submit.

Cooperation Essential

Nine days ago, I told the Congress of the United States, and I now repeat it to you:

"Nothing is more essential to the future peace of the world, than continued cooperation of the nations, which had to muster the force necessary to defeat the conspiracy of the Axis powers to dominate the world.

"While these great States have a special responsibility to enforce the peace, their responsibility is based upon the obligations resting upon all states, large and small, not to use force in international relation, except in the defense of law. The responsibility of the great states is to serve, and not dominate the peoples of the world."

None of us doubt that with Divine guidance, friendly cooperation and hard work, we shall find an adequate answer to the problem history has put before us.

Realizing the scope of our task and the imperative need for success, we proceed with humility and determination.

By harmonious cooperation, the United Nations repelled the onslaught of the greatest aggregation of military force that was ever assembled in the long history of aggression. Every nation now fighting for freedom is giving according to its ability and opportunity.

We fully realize today that victory in war requires a mighty united effort. Certainly, victory in peace calls for, and must receive, an equal effort.

Man has learned long ago, that it is impossible to live unto himself. This same basic principle applies today to nations. We were

not isolated during the war. We dare not become isolated in peace.

All will concede that in order to have good neighbors, we must also be good neighbors. That applies in every field of human endeavor.

For lasting security, men of good-will must unite and organize. Moreover, if our friendly policies should ever be considered by belligerent leaders, as merely evidence of weakness, the organization we establish must be adequately prepared to meet any challenge.

Mutual Understanding

Differences between men, and between nations, will always remain. In fact, if held within reasonable limits, such disagreements are actually wholesome. All progress begins with differences of opinion and moves onward as the differences are adjusted through reason and mutual understanding.

In recent years, our enemies have clearly demonstrated the disaster which follows when freedom of thought is no longer tolerated. Honest minds cannot long be regimented without protest.

The essence of our problem here is to provide sensible machinery for the settlement of disputes among nations. Without this, peace cannot exist. We can no longer permit any nation, or group of nations, to attempt to settle their arguments with bombs and bayonets.

If we continue to abide by such decisions, we will be forced to accept the fundamental philosophy of our enemies, namely, that "might makes right." To deny this promise, and we must certainly do, we are obliged to provide the necessary means to refute it. Words are not enough.

We must once and for all, reverse the order, and prove by our acts conclusively, that right has might.

If we do not want to die together in war, we must learn to live together in peace.

With firm faith in our hearts, to sustain us along the hard road to victory, we will find our way to a secure peace, for the ultimate benefit of all humanity.

We must build a new world—a far better world—one in which the eternal dignity of man is respected.

As we are about to undertake our heavy duties, we beseech Almighty God to guide us in building a permanent monument to those who gave their lives that this moment might come.

May He lead our steps in His own righteous path of peace.

British War Costs

Britain has spent \$109,600,000,000 during the war, paying roughly 50% of the expenses year by year. Sir John Anderson, Chancellor of the Exchequer, told Commons on April 24, according to advices from the Associated Press in London which went on to say:

Through taxation and savings, he said, at least 42% of the entire personal income in Britain has been marshalled to meet Government expenses, which in the 1944-45 fiscal year exceeded \$24,000,000,000 for the first time in history.

The income tax alone brought in \$5,268,000,000 during the year—\$68,000,000 more than the previous year—Sir John said, lauding the pay-as-you-earn plan as a "great boon to the employee."

A treaty has been signed with the United States, he disclosed, with the view of providing relief from double taxation in cases where both countries have tax claims.

Pope Asks Prayers For Equitable Peace

In a letter from Vatican City, dated April 15, addressed to Roman Catholic bishops throughout the world, Pope Pius XII urged fervent prayers for an early ending of the war and for Divine guidance for the men to whom will be entrusted the making of a just and wise peace. Associated Press reports from Rome stated on April 18.

The Pontiff appealed for prayers on the part of all peoples everywhere, the reports continue, that when the terms of peace are being determined consideration be given to the need for wiping out cause for future discord and rivalry.

The Pope drew attention to the appropriateness of addressing supplications to the Virgin Mother during the month of May, a time consecrated to her, the Associated Press statement says. The following is an excerpt from the text of the letter as given:

"For this reason we sincerely desire that all elevate to God fervent and intense prayers and that children particularly during the month of May implore the Mother of Divine Wisdom to bestow supernatural assistance to those upon whose decisions rests the cause of all peoples. Let these men consider and attentively ponder before God that anything which might surpass the limits of justice and impartiality would certainly sooner or later be most harmful both to victors and vanquished, since therein would be hidden the seeds of new wars.

"We further desire that all those who willingly respond to our exhortation not to forget the sad condition of those who either as refugees or exiles for a long time anxiously have been waiting to see once again their homes, or those who as prisoners in concentration camps expect to see the establishment of a just liberty after the war, and finally those who lie sick in hospitals. To these unhappy ones and to all those others for whom the present conflict has been a source of suffering, may the most benevolent Mother of God concede celestial consolations and grant the strength of that Christian patience whereby the acutest sufferings become tolerable and make one worthy of eternal happiness.

"We charge you, venerable brothers, with the task of communicating these paternal exhortations and wishes to the faithful entrusted to your care. To them, and especially to you all and individually, we convey with the hope of celestial gifts and as a pledge of our benevolence, our Apostolic benediction.

"In Rome, Saint Peter's, on the fifteenth day of April, Sunday of Good Shepherd 1945, seventh year of our pontificate. Signed Pope Pius Twelfth."

New Stamp Commemorates San Francisco Conference

A new 5-cent postage stamp commemorating the United Nations Conference at San Francisco has been issued, states an Associated Press report from that city on April 25, and the first issue was bought by Secretary of State Stettinius for the stamp collection of the late President Roosevelt. The sheets of blue stamps with a quotation by Mr. Roosevelt, "Toward the United Nations, April 25, 1945," will be sent to the President's widow to be added to the famous collection at Hyde Park.

At Washington, according to United Press report from there, April 25, President Truman bought from Postmaster General Walker a block of the new stamp issue, which represented the first sale there.

Freeing Philippines Discussed by Senators

Senator Millard Tydings (D-Md.), Chairman of the Senate Committee on Territories and Insular Affairs, stated that he had had a 45-minute discussion with President Truman of the matter of expediting Philippine independence and found that the President had already given considerable study to the question, according to an Associated Press report from Washington, April 25, which quoted Senator Tydings as saying: "We are working on some matters which ought to help improve the economic position of the Philippines as fast as the military situation will permit. I found the President is anxious to carry out the law already enacted calling for independence not later than July 4, 1946, and sooner than that when conditions will warrant it, which I am sure will be before that ultimate date. We talked over how we could best accomplish a successful independence."

"The ruin, devastation, lack of trade, lack of tax revenues, lack of shipping and the restoration of civilian government are all matters which will have to be dealt with to make independence a sure success."

As co-author of the Philippines Independence Act, Senator Tydings was reported by the Associated Press to be leaving for Manila within two weeks to study the islands' economic condition.

Results Of Treasury Bill Offering

The Secretary of the Treasury announced on April 30 that the tenders of \$1,300,000,000 or thereabout of 91-day Treasury bills to be dated May 3 and to mature Aug. 2, 1945, which were offered on April 27, were opened at the Federal Reserve Banks on April 30.

The details of this issue are as follows:

Total applied for, \$2,048,660,000.
Total accepted, \$1,314,334,000 (includes \$49,536,000 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.

(61% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on May 3 in the amount of \$1,315,758,000.

German Atrocities Denounced by Grew

German atrocities were denounced in no uncertain terms by Acting Secretary of State Joseph C. Grew when he announced that a special State Department mission was to go to Germany on an investigation of the treatment there of United States internees and prisoners of war, a report states to the New York "Times," April 27. Mr. Grew said that the State Department had been kept fully informed of the atrocities but that a special inquiry was warranted. The foreign services officers who are to visit the camps where internees and prisoners have been held by the Germans are Edwin A. Plitt and E. Tomlin Bailey, who will obtain first-hand information of the entire situation.

Wall Street Brokers 7th War Loan Goal

At a luncheon given by Fletcher L. Gill, Director of the Banking and Investment Division of the War Finance Committee, 470 Wall Street brokers and dealers boosted their self-imposed quota from \$600,000,000 to \$1,000,000,000 for the Seventh War Loan Drive.

The New York "Journal of Commerce" in reporting this, said: Progress of the investment banking campaign will be depicted in a giant billboard, to be erected at the Sub-Treasury, which will show the "Tokyo Armada" of American planes approaching nearer and nearer to the Japanese capital as War Bond sales climb toward the \$1,000,000,000 mark.

F. Kenneth Stephenson of Goldman, Sachs & Co., is Chairman of the Broker-Dealer Syndicate Committee directing the investment banking end of the drive; while other members of this committee include F. Malbone Blodgett, of Spencer Trask & Co.; Laurence M. Marks, of Laurence M. Marks & Co.; Ronald H. Macdonald, of Dominick & Dominick; John R. Montgomery, of Blair & Co., Inc.; and Mason B. Starring, of Graham, Parsons & Co.

In addition to Mr. Gill, personnel of the Banking and Investment Division of the WFC includes F. Russell Esty, Deputy Manager; C. MacCoy, Director of Publicity, and Harry J. Miller, Statistician.

President at Pentagon

Breaking into a day filled with the usual heavy demands on his time, President Truman paid a surprise visit to the Pentagon Building, where he conferred at Army headquarters with Chiefs of Staff of the armed services and other ranking officials, thereby creating an atmosphere of excitement and anticipation throughout the capital, a report from Washington to the New York "Times" stated on April 25. With the President, according to the report, were Secretary Stimson, Joseph C. Grew, Acting Secretary of State; Gen. George C. Marshall, Chief of Staff; Fleet Admiral Ernest J. King and Fleet Admiral William D. Leahy. They were together an hour and 35 minutes.

In spite of general conjecture, no official statement of the purpose of the conference was made.

The President conferred with Secretary Stimson in the White House this noon for an hour, the "Times" report also mentioned, but whether this meeting was connected with his subsequent visit to the Pentagon was not disclosed.

On the same day President Truman signed his first appropriation bill, one providing \$1,342,958,105 for the Treasury and Postoffice Departments for the fiscal year 1946, according to the New York "Times"; also a \$2,373,837,128 deficiency bill for operating expenses of the Government for the fiscal year ending June 30.

Nazi Prisoner Labor Value

Major-Gen. A. L. Lerch, Army Provost-Marshal General, said in an article made public on April 24 that German prisoner of war labor has grown into a business which nets the Government \$100,000,000 annually.

Associated Press advices from New York reported:

Major-Gen. Lerch said that private contractors paid the Government more than \$22,000,000 last year for the use of German prisoners in this country, while the War Department realized a saving of over \$80,000,000 in work done by the prisoners at Army installations.

Prisoner work for contractors totaled 10,181,273 man days of work for contract employers and 19,569,719 man days for the Army, the General added.

The State of Trade

(Continued from page 1974)

despite the overwhelming sheet steel backlog.

The need for price relief was of prime interest in the steel industry this week, as producers rose up in arms at OPA's delay in fulfilling its long overdue promise to adjust steel prices. The Iron and Steel Advisory Committee, it is known, has been told by OPA that the whole problem will be settled by upward price adjustments on or about May 1. Whether this promise holds good remains to be seen, but an actual commitment to this effect has put OPA on record. The industry claims to be losing money on 70% of its carbon steel products.

The American Iron and Steel Institute announced last Tuesday that the operating rate of steel companies (including 94% of the industry) will be 95.8% of capacity for the week beginning April 30, compared with 93.2% one week ago. This week's operating rate represents an increase of 2.6 points from last week's rate, and is equivalent to 1,754,700 net tons of steel ingots and castings, compared to 1,707,100 net tons last week and 1,782,300 tons one year ago.

Railroad Freight Loading—Carloadings of revenue freight for the week ended April 21, 1945, totaled 864,033 cars, the Association of American Railroads announced. This was an increase of 17,672 cars, or 2.1% above the preceding week this year and an increase of 25,326 cars, or 3.0% above the corresponding week of 1944. Compared with a similar period of 1943, an increase of 69,900 cars, or 8.8%, is shown.

Electric Production—The Edison Electric Institute reports that the output of electricity increased to approximately 4,411,325,000 kwh. in the week ended April 21, 1945, from 4,332,400,000 kwh. in the preceding week. Output for the week ended April 21, 1945, was 1.5% above that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 168,400,000 kwh. in the week ended April 22, 1945, comparing with 197,000,000 kwh. for the corresponding week of 1944, or a decrease of 14.5%.

Local distribution of electricity amounted to 163,800,000 kwh., compared with 196,500,000 kwh. for the corresponding week of last year, a decrease of 16.6%.

Coal, Coke and Crude Oil Production—For weekly coal and coke production statistics and daily average crude oil production figures for the week ended April 21, 1945, see subsequent pages of this section.

Lumber Shipments—The National Lumber Manufacturers Association reports that lumber shipments of 471 reporting mills were 4.2% above production for the week ended April 21, 1945, while new orders for these mills were 10.1% more than production. Unfilled order files amounted to 115% of stocks.

For the year-to-date shipments of reporting identical mills exceeded production by 8.4% and orders ran 15.2% above output.

Compared to the average corresponding week of 1935-39, production of reporting mills was 5.5% greater, shipments 2.7% greater, and orders 11.1% greater.

Paper Production—Paper production for the week ended April 21 was 90.7% of capacity, as against 87.4% of capacity for the preceding week, the American Paper and Pulp Association's index of mill activity disclosed. As for paperboard, production for the same period was reported at 98% of capacity, or an increase of one point over the previous week.

Silver—The London market for silver was unchanged at 25½d. The New York Official for foreign silver continued at 44¼c and 70½c. for domestic silver.

Business Failures Drop in Week—Commercial and industrial failures turned down in the week ending April 26, Dun & Bradstreet, Inc., reports, with 20 failures as compared with 24 last week and 41 in the corresponding week a year ago. For every two concerns failing in the comparable week of 1944, there was only one concern failing this year.

Large failures involving liabilities of \$5,000 or more remained at 11, unchanged from a week ago, and were approximately half the 25 in the same week of last year. While small failures with liabilities under \$5,000 dipped below last week's number, they also amounted to about half those a year ago.

Manufacturing, wholesaling and retailing all showed a decline in failures from the previous week and were between 25% and 50% lower than in the comparable week of 1944. In the construction field there were four failures in the week, as compared with one a week ago. Concerns failing in commercial service numbered two, the same as last week and a year ago. There were no Canadian failures against three in the previous week and one in the corresponding week of 1944.

Wholesale Commodity Price Index—The daily price index of wholesale commodities, compiled by Dun & Bradstreet, Inc., showed a mixed trend the past week. The index registered 176.67 on April 24, compared with 176.63 a week earlier and 172.28 at this time last year.

Food Price Index Unchanged—A drop of one cent put the Dun & Bradstreet wholesale food index for April 24 back to \$4.10, the position it occupied for eight straight weeks prior to the rise in the week of April 17. The current figure contrasts with \$4.02 for the same 1944 date, or a gain of 2.0%. Only potatoes advanced during the week, while sheep and lambs declined.

The index represents the sum total of the price per pound of 31 foods in general use.

Retail volume in almost every line for the country as a whole last week pointed up. Although women's wearing apparel continued to set the pace, men's wear and shoes were in favorable demand. Seasonal items, including plants, garden implements, and household equipment, were purchased in large numbers. Food volume was aided by the slightly improved selection of fresh vegetables. Movement was especially uneven in those lines where limited assortments prevailed.

Women's ready-to-wear and accessories sold very well, with suits and pastel toppers in chief demand. Brisk sales were also noted in basement departments. Dark sheers for every occasion and cotton dresses of all descriptions were good sellers. Play shoes as well as dressy ones were bought heavily. All types of millinery—small white hats, large brimmed black, and flower hats—were popular. Fur scarfs were not selling as favorably as a year ago. While volume in men's clothing and furnishing stores declined sharply below the previous week, it was above a year ago.

Piece goods continued to sell heavily as home sewing gained more popularity. Ribbon departments also reported increased sales volume. Retail furniture stores had more demand for staple merchandise, but dealers could offer little selectivity due to poor deliveries. Hardware, household items, and furnishings marked up a good volume. Summer floor

coverings and selected gadgets, such as plant stands, flower pots, and ceramic figurines, were purchased in good quantities.

Food distribution remained steady with a year ago and was slightly above the previous week. Some canned items were still scarce but the rate of turnover has increased. No improvement was noted in meat and poultry supplies.

Retail volume for the country was estimated 7% to 11% above a year ago. Regional percentage increases were: New England, 3 to 7; East, 10 to 14; Middle West, 6 to 10; Northwest, 4 to 8; South, 9 to 13; Southwest, 5 to 10; Pacific Coast, 7 to 11.

A degree of conservatism continued to characterize wholesale trading in the week past. It was interesting to note that despite shortages this year of a number of medium-priced and staple goods, wholesalers' sales closely approximated those of last April. Relatively heavy demands on the part of small retailers boosted the number of orders and volume. Orders are being filled only partially for dry goods and men's and women's furnishings, and delivery delays, coupled with low inventories, remain a pressing problem to most retailers.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, were 18% ahead of that of a year ago for the week ended April 21, 1945. This compared with a gain of 3% in the preceding week. For the four weeks ended April 21, 1945, sales increased by 3%, and for the year to date by 14%.

Here in New York retail trade last week reflected a good volume of business. A slight increase in wholesale grocery volume was noted as dealers began marketing some of their surplus stocks. Some letup in retail furniture volume was apparent in the past week, though buyers actively sought goods through fear of possible cuts in allotment quotas by manufacturers due to growing lumber shortages. In the apparel trades the greater part of the week was given over to preparations for the effective date of M-388 on Tuesday past. A few apparel manufacturers, it was understood, planned to display fall lines from "free goods" from May 15 to June 1.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to April 21, 1945, increased by 19% above the same period of last year. This compared with a gain of 6% in the preceding week. For the four weeks ended April 21, 1945, sales rose by 6%, and for the year to date by 15%.

Mertens Appointed to Banking Department

Elliott V. Bell, Superintendent of Banks, announced on May 1 the appointment of William Mertens, Jr., as Deputy Superintendent and Counsel of the New York State Banking Department. Mr. Mertens succeeds John Frank Wood, who is now on military leave.

Mr. Mertens has been law secretary to Justice Isidor Wasser- vogel of the Supreme Court here since January, 1942. Prior to that Mr. Mertens was a Deputy Assistant District Attorney, attached to the Rackets Bureau, when Governor Thomas E. Dewey was District Attorney of New York County. From August, 1934, to January, 1938, Mr. Mertens was associated with McLaughlin & Stickles of New York City.

Mr. Mertens was born in New York City on May 20, 1910. He was graduated from Wesleyan University, Middletown, Connecticut, in 1931, and from Harvard Law School in 1934.

Up Mail Weight Limit For Greece

Postmaster Albert Goldman announced on April 21 information has been received from Washington that, effective at once, the maximum weight limit for letters as well as for articles of printed matter mailed to Greece (including Crete) is increased to 4 pounds 6 ounces. Registration is permitted.

Letters and packages prepaid at the letter rate of postage (5¢ for the first ounce, 3¢ for each additional ounce) may not contain merchandise of any kind.

The service for printed matter (rate of postage, 1½¢ for each 2 ounces or fraction) is restricted to:

(a) Periodicals and newspapers mailed directly by a publisher or agent in this country to a publisher, agent or subscriber in Greece.

(b) Other articles conforming to the conditions applicable to printed matter, mailed directly by a publisher or commercial firm.

Forwarding or remailing any article of printed matter for Greece is prohibited. Publications containing technical data must comply with the licensing requirements of the Foreign Economic Administration.

Allied Armies Meet

A great moment in history took place with the meeting of the Anglo-American armies under the command of General Eisenhower with the forces of Soviet Russia on the banks of the Elbe River, and the Allied leaders of the world gave voice to the deep significance of this moment. All over the Soviet Union mass meetings were held, as reported to the New York "Times" from Moscow, April 28, and the greatness of the event to these people was expressed in the words of their General Blagonaroff, who said: "Torgau is a sacred bivouac on the last march to victory."

From Washington came a statement from President Truman, according to the Associated Press report from there on April 27, who said, among other things: "The union of our arms in the heart of Germany has a meaning for the world which the world will not miss. . . . Nothing can divide or weaken the common purpose of our veteran armies to pursue their victorious purpose to its final Allied triumph in Germany."

Prime Minister Churchill, in a message to President Truman and Marshal Stalin, said the United Press reported from London, April 27: "We meet in true and victorious comradeship and with an inflexible resolve to fulfill our purpose and our duty. Let all march forward upon the foe."

In his order of the day, as reported by the Federal Communications Commission, Marshal Stalin broadcast from Moscow, April 27: "Long live the victory of the freedom-loving nations over Germany!"

General Bradley, to our own troops said, according to the Associated Press from Germany, April 27: "The people of America, who armed you, have had great faith in you. You have justified that faith, as you will in the battles that follow."

Offices Appropriation

Congress has sent to the White House a \$3,000,000,000 independent offices appropriation bill, according to Associated Press advices from Washington, April 25, which added that the sum included \$17,500,000 to help States, counties and cities draw up plans for job-giving post-war public works.

English Gold and Silver Markets

We reprint below the quarterly bullion letter of Samuel Montagu & Co., London, written under date of April 3.

Gold

The amount of gold held in the Issue Department of the Bank of England was unaltered at £241,718.

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

The gold output of the Transvaal for the months of January and February 1945 is given below, together with the figures for the corresponding months of 1944 for the purpose of comparison:

	1945	1944
	fine ounces	fine ounces
January	1,029,384	1,029,398
February	965,569	969,017

Silver

The new method of quoting silver in the London market announced at the end of 1944, came into effect on Jan. 2, 1945, when the official price was fixed at 25½d per ounce .999 fine for both cash and two months' delivery, this showed a slight advance as compared with the old price of 23½d per ounce standard (.925 fine), which is equal to 25.38d per ounce .999 fine.

Throughout the first three months of the year the price remained unaltered at the new figure and there was no change in market conditions. Supplies continued to be made available at the official price by the authorities and small offerings were forthcoming from production sources, the silver from both quarters still being strictly reserved for the requirements of essential war industries.

In Bombay, prices showed a fairly wide variation, but both the highest and lowest for three months under review were recorded in January, the highest was Rs. 133.20 and the lowest Rs. 119.12.0 per 100 tolas, giving sterling equivalents of about 64d and 57½d per ounce .999 fine respectively. Sales of silver continued to be made in the market by the Reserve Bank of India, otherwise the main feature appears to have been the periodic reactions to the war news from the various fronts.

Senate Extends Draft Law for One Year

The Senate on April 24, by a voice vote, passed a bill to extend the Selective Service Act to one year beyond the expiration date of May 15, after adopting an amendment, by a roll call vote of 50 to 25, that 18-year-olds must have six months of training before combat. The proposal to end the drafting of men over 31 after May 1 was rejected.

The measure now goes back to the House, which had previously passed the bill in its present form without the amendment.

The Senate also voted down on April 23 an amendment requiring a year's training for boys under 20, after Gen. George C. Marshall in a letter to Senator Thomas (Dem.-Utah), Chairman of the Senate Military Affairs Committee, strongly opposed any Senate action that would compel the Army to train all draftees under 20 for at least one year in this country.

However, General Marshall did say that as soon as military conditions permit, the Army will adopt a policy of sending overseas no soldiers younger than 19.

President Truman had indirectly expressed his desire to have the bill extended for another year in its present form.

NY State Chamber Warns Against Use of Anti-Trust Laws to Control Railroad Rates

Warning that use of the anti-trust laws to control railroad rates could destroy the regulatory powers of the Interstate Commerce Commission, a report made public by the Chamber of Commerce of the State of New York on May 1 urged Congress to enact legislation which would exempt Commission-approved rate making agreements and the railroads making them from the application of the anti-trust statutes.

"Recently the Department of Justice has attacked the railroads for violating the anti-trust laws," the report said. "A suit filed in Nebraska during August, 1944, charged that 47 railroads, and 90 railroad and banking officials, were in a conspiracy to restrain and monopolize transportation in Western United States. This action was followed on March 26, 1945, by the United States Supreme Court agreeing to consider the State of Georgia's complaint that the railroads have violated the anti-trust laws by conspiring to establish and maintain rates which discriminated against Georgia and its citizens. The anti-trust laws had already been used to undermine state regulation of railroad rates, although such regulation is made by an experienced Federal administrative agency which was created and has long functioned for that purpose."

Defending the necessity of cooperative action among the railroads to establish reasonable and non-discriminatory rates, the report, which will be presented by Arthur M. Reis, Chairman of the Committee on Internal Trade and Improvements, at the meeting of the Chamber on May 3, continued:

"It has always been considered that the principal objections to cooperative price fixing aimed at by the anti-trust laws, i.e., unreasonable and discriminatory prices when competition is not present, are avoided and the public is protected by the power of the Interstate Commerce Commission to rule upon the rates, prohibit excessive or discriminatory charges, and prescribe rates which are just and reasonable. The decision therefore that the courts may entertain an action alleging violation of the anti-trust laws in the concerted fixing of freight rates, and apparently may consider whether discrimination results from rates so established, appears to foreshadow a use of the anti-trust laws to control railroad rates and a destruction of the regulatory authority of the Commission."

The report approved the bill introduced by Representative Bulwinkle (HR 2536) which would give the railroads the desired exemption from the anti-trust laws.

A second report of Mr. Reis's committee opposed the efforts of the Southern Governors Conference "to secure more favorable freight rates through legislation or political maneuvers when a long established and judicial method is available through the Interstate Commerce Commission."

Phone Output Quotas End

Orders have been revoked by the War Production Board fixing quotas for production of telephone instruments and limiting installations of new telegraph and teletypewriter service, according to advices by the Associated Press from Washington, April 27, which goes on to say that installation of new telegraph and teletype service had been limited by Order U-6 to specified essential users since June, 1943.

The WPB's Office of War Utilities said the revocation means that as materials are available telegraph operators will be free to install new facilities to meet all requests for service, according to the Associated Press.

Cancellation of telephone instrument production quota order was explained by Edward Falck,

OWU director, as a "step toward meeting the present unsatisfied demand for telephone service." He said that with an estimated total of 2,720,000 applications for service, current production schedules will supply only 1,220,000 instruments this year. Elimination of quota restrictions will put manufacturers in a position to increase their output to the limit of available manpower and materials, he said.

Senate Passes Cut in Gold Reserve Ratio

Senate on April 26 passed legislation which cut the gold reserve ratio in the Federal Reserve Banks 25% of their deposits and notes in circulation.

The Associated Press reported from Washington:

Under present law, the banks must maintain gold reserves equal to 40% of notes in circulation and 35% of deposits.

The legislation also:

1. Extends indefinitely the authority of Federal Reserve Banks to pledge Federal securities against Federal Reserve notes issued by the Federal Reserve agents.

2. Repeals the 1933 authorization for issuance of Federal Reserve bank notes which require no gold backing. About \$600 million of such notes have been issued.

3. Repeals the 1933 authorization for issuance of up to \$3 billion in U. S. "greenback" notes. This authority was never used.

Inv. Bankers Finish Plans for N. Y. Fund

Fifteen banking executives, serving with the Investment Bankers Division in the 1945 appeal of the Greater New York Fund, met at the Pine Street offices of George J. Leness, partner in the firm of Merrill, Lynch, Pierce, Fenner and Beane, Division Chairman, to complete plans for their participation in the appeal.

J. Stewart Baker, Chairman of the Board of the Bank of the Manhattan Company, New York, general campaign Chairman and Harry M. Addinsell, Chairman of the executive committee of the First Boston Corp., who is serving as Chairman of the Fund's Finance Section, addressed the group.

The Division, which topped its quota in the 1944 appeal, already has completed organization for this year's campaign, which begins May 2 with a dinner at the Hotel Astor, at which Governor Thomas E. Dewey will be the principal speaker.

The 408 voluntary hospitals, health and welfare agencies which the Fund helps support, serving 2,500,000 persons annually, must obtain \$22,500,000 this year through voluntary contributions. In its appeal to business concerns and employee groups, the Fund asks for a minimum of \$4,500,000 as business's share.

Franking Privilege for Mrs. Roosevelt

The Senate-approved bill giving Mrs. Franklin D. Roosevelt the franking privilege for free use of the mails, a traditional Congressional courtesy to Presidents' widows, was passed by the House, according to Associated Press advices from Washington, April 25,

Congressional Group Approves Reserve Cut

The House Banking Committee has approved legislation to reduce reserve requirements of Federal Reserve Banks, according to an Associated Press report from Washington, April 23. Under the measure reserves would be lowered from their present level of 40% in gold certificates against Federal Reserve notes in circulation and 35% in gold certificates or lawful money against deposits, to a uniform minimum of 25% in gold certificates against combined note and deposit liabilities.

The legislation also removes the authority of the banks to issue Federal Reserve Bank notes and make permanent their authority to issue ordinary Federal Reserve notes against the deposit of Government bonds, the Associated Press report states. Similar legislation was reported by the Associated Press from Washington, as approved by the Senate Banking Committee on March 14.

Emphasize War Role of American Shipping

The importance to victory of adequate shipping facilities was stressed by Frank J. Taylor, President of the American Merchant Marine Institute, in a statement at New London, April 25, which appeared in the "Journal of Commerce." Pointing out that the "strategy of our high command has been dependent upon available merchant shipping," Mr. Taylor stated that America has been able to maintain a successful offensive because of our gigantic shipping effort.

"Only recently Fleet Admiral Ernest J. King declared that 'lack of ships was one of our pre-war weaknesses,' retarding the impact of our armed services overseas and on the seas; and that only when this was corrected were our military objectives attained and eventually brought near," Mr. Taylor stated, according to the "Journal of Commerce" report, which continued that he had pointed out that the American Merchant Marine already contains "a large proportion of fast, post-war type vessels which will be operated when peace comes." It is to the C-type vessels, new Victory ships and the large fleet of specially designed troop transports that American operators "are looking for post-war operation on our various trade routes," he said. "As soon as conditions permit they will be supplemented with fleets of brightly painted new liners."

Appointments to Small Business Committee

The appointment of ten new members to the Department of Commerce Small Business Advisory Committee by Secretary Henry A. Wallace was announced on April 18 from Washington by the Associated Press, which further said:

The new members are: Ivan Allen, Sr., wholesale office supplier, Atlanta; Vincent L. Browner, retail grocer, Des Moines, Ia.; W. E. Harbor, banker, Shawnee, Okla.; Lou E. Holland, head of an engraving company, Kansas City; E. H. Lane, furniture, Altavista, Va.; A. W. Lutz, wholesale grocer, Wilmington, Calif.; John R. Pinkett, insurance, Washington, D. C.; Walter Ringer, garment manufacturer, Minneapolis; Morris S. Rosenthal, importer, New York City, and George Ruple, milk processor, Shawano, Wis.

The total number of members of the Committee which Mr. Wallace established on March 2 is now 16.

Commerce Chamber Urges Congressional Financial Control of Govt. Corporations

Financial control by Congress of the huge network of Government-owned corporations, many of which operate over a wide range of business activity involving the expenditure of billions of dollars, is urged in a report of the Executive Committee of the Chamber of Commerce of the State of New York which will be acted upon at the annual meeting on May 3.

The report pointed out that these corporations, into which the Government has put about \$37,000,000,000 of public funds since their inception, pay no taxes and largely are immune from Government restraint.

There were at least 42 such corporations, with outstanding loans of nearly \$7,000,000,000 and a net deficit in excess of \$14,000,000,000 as of Sept. 30 last, the report said. The extent to which these Government agencies compete with private enterprise is shown by the fact that "this sum loaned was approximately 28% of the outstanding loans of all of the 14,533 banks in the United States as of June 30, 1944."

"Clearly an investigation of the growth in number, scope and extent of this type of Government agency is timely if not overdue, particularly in view of the recent suggestions of the National Resources Planning Board that the Federal Government establish a hybrid type of Government-private enterprise corporation to carry out post-war plans."

The report approved Senator Byrd's bill to regulate Government-owned corporations and said in conclusion:

"While there may be justification for Government corporations during an emergency, such as a war, the use of this device with any exemptions from accounting laws and budgetary requirements is unnecessary and fraught with danger. No agency should be permitted to account only to itself for the use of public money. Without adequate supervision and control its objectives may depart widely from Congressional intent. Legislation should be enacted to remedy this situation."

ABA Machinery for Elections in Absence of Conventions

Acting to assure ABA members in the 49 states of the continuation of their opportunity to elect representatives to the councils of the American Bankers Association in spite of the wartime ban on meetings, the Administrative Committee of the Association in session in New York adopted an arrangement for election of members of the ABA Executive Council and of its nomination committee, and of a vice-president from each state for each of its four divisions. These are the National Bank Division, the State Bank Division, the Savings Division, and the Trust Division.

The Executive Council is the governing body of the Association, consisting of 124 bankers, 97 of whom are elected by member institutions, 12 of whom are appointed by the president and 25 of whom are ex-officio members. Twenty-seven members from 24 states are to be elected to the council this year.

Mussolini Executed

Benito Mussolini met his end by execution by Italian Partisans who shot him, his mistress, and a dozen other members of the Fascist party, a report to the New York "Times" from Milan, April 29, stated. The body of the former dictator was dumped with the others onto a public square at Milan and left there to be reviled and disfigured by the people who had been brought to ruin by his lust for power.

Dr. Leslie to Direct Fair Trade Council

The directors of American Fair Trade Council announced the appointment of Dr. Gary Leslie as Executive Vice-President in general charge of the activities of the organization. Dr. Leslie is an attorney and a recognized authority on industrial economics. For ten years, prior to 1943, he was economist for the American Petroleum Institute's Industries Committee. In accepting this appointment, he said:

"Although Fair Trade laws are on the statute books of 45 states American business still has much to learn about the advantages of standardized resale prices on trade-marked products. These laws have a stabilizing effect on our whole commercial system. Their value will become increasingly evident as we turn from a seller's to a buyer's market after the war. It is a privilege to devote my full time to helping the manufacturers of branded, advertised goods to operate more effectively under these statutes and to creating a better consumer understanding of the principles of Fair Trade."

Congress Must Set Prisoner Treatment

Brigadier General R. W. Berry, an aide to General George C. Marshall, placed squarely up to Congress the question whether atrocities against United States prisoners of war in Germany should bring lower standards for German prisoners in this country.

General Berry, Deputy Assistant Chief of Staff, on April 26 told the House Military Affairs Committee inquiring into alleged "coddling" of German prisoners that the Army is legally bound to treat German prisoners in accordance with the Geneva Convention. If there is to be a change, it must be made by Congress, not by the Army, reported the United Press from Washington on April 26.

Meat Situation Critical

The meat situation in the United States threatened to become a major issue, and Chairman Elmer Thomas (Dem.-Okla.) of the Senate Food Investigating Committee said that the Senate will take steps to try to amend the price-control extension bill if the Office of Price Administration does not provide immediate relief to meat packers from present regulations, the United Press reported from Washington, April 28.

The Administration's new 10-point program has been criticized to the committee as being inadequate to bring relief, the Associated Press said from Washington, April 27.

No Combat for 18-Yr. Olds

Legislation extending the draft law and including a Senate restriction on the combat use of 18-year-old inductees until they have had at least six months' training, which the House approved by a unanimous voice vote, has been completed and sent to the White House, according to an Associated Press report from Washington, April 27.

Steel Output Again Increased—Producers Await Pattern of Cutbacks in War Needs

"Last minute developments in the steel picture early this week gave evidence that the characteristics of the heavy steel order volume for war materials would be changed substantially in the near future," states "The Iron Age" in its issue today (May 3), which further says: "The steel industry as a whole early this week had accepted VE-Day as a foregone conclusion.

"While the drop in order volume is expected to be only temporary during the period in which cutbacks are implemented, the whole pattern of finished steel production and shipments will be somewhat different than it was when heavy war production predominated. Obviously, first call on the nation's steel supplies will go to requirements needed to finish the Pacific War. It is in that segment of steel supplies over and above those needed for the Japanese War where the greatest change in production patterns will materialize.

"Actual reconversion in the steel mills presents no difficult problem. The major stumbling block, which will be temporary, centers on the unbalance of steel product schedules because of order suspensions and cancellations. The Armed Forces will move slowly at first in sharply reducing their needs, but within the next three months a secondary wave of military cutbacks is expected by many authoritative quarters.

"Probably dashing cold water on any hopes for immediate large-scale production by manufacturers of ordinary civilian items made from steel is the almost certainty that more than half of the steel to be released by military cutbacks will go to the railroads, farm implement industry and other essential civilian manufacturers. It is estimated that these consumers will be given about 1,500,000 tons of the steel to be released during the three-months period after VE-Day. The balance amounting to more than 1,200,000 tons of steel may be available for other than essential needs, but this tonnage does not give rise to any hopes of large scale civilian activity in the near future.

"While the automobile industry is reported to have already placed orders on an if-as-and-when basis for approximately 300,000 tons of sheets, there is little indication in the trade as to how soon such tonnage can be produced. Sheet backlogs and current sheet demand for war purposes are so heavy as to pose a serious problem, if automobile sheets are to be produced in any quantity in the near future.

"The steel price situation this week was slowly moving toward the point of actual announcement by OPA of permissible increases. OPA has approved a hike in many steel prices but its decision must be cleared with "higher ups" in the Government. An announcement is expected by about May 15."

The American Iron and Steel Institute on April 30, announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 95.8% of capacity for the week beginning April 30, 1945, compared with 93.2% one week ago, 96.9% one month ago and 99.5% one year ago. The operating rate for the week beginning April 30 is equivalent to 1,754,700 tons of steel ingots and castings, compared to 1,707,100 tons one week ago, 1,774,960 tons one month ago, and 1,782,300 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on April 30, stated in part as follows:

"Steel producers await with keen interest development of the pattern of cutbacks in war programs, following official prediction of a 15% curtailment within

the first three months after V-E Day.

"Reduction in requirements for ships and tanks and the more recent cuts in aircraft are fairly well established and particularly with regard to ship construction steel producers believe they can cage future prospects with reasonable assurance. Other programs of less importance also seem to be on the wane, but much room still is left for uncertainty especially with regard to heavy shell work, which now dominates the entire steel program.

"A recent cutback in certain types of shells, of about 10%, indicated a leveling of needs, but leaves a tremendously heavy schedule, which, as long as it is maintained, not only will consume large quantities of steel but will have special bearing on certain types of steel products, including bars, seamless tubing, shapes and rails. Definite programs for the future are difficult because of changes in the war situation but it is believed that certain further broad details will be revealed soon. Latest information indicates substantial reduction in pressure for M-4 tanks, some types of artillery and mortar shells.

"Evidence is increasing that railroad equipment, agricultural machinery, oil and utilities will benefit first from any appreciable easing in war requirements, with special attention also directed to providing machinery for resumption of at least limited civilian automobile production soon after the end of the European war.

"Steel deliveries show little change and in some products are available only late in the year or early next year. Plates can be had in July and August but sheets are sold well toward the end of the year and in some cases as late as January. Bars are also sold into next year by some producers. Shapes are holding up unexpectedly well in absence of general construction and can be obtained in August and September.

Barkley Assuming Leadership in Congress

President Truman has adopted the system of working through Senate Majority Leader Barkley (Dem., Ky.), who also holds the respect of his Republican colleagues, with respect to the introduction of major legislation, according to an Associated Press report from Washington, April 19, which states also that in the House a similar method will be employed through Speaker Rayburn (Tex.) and Majority Leader McCormack (Mass.). It is anticipated that where practicable, Mr. Truman, who has had ample opportunity to learn the value of compromise, may be expected to yield to their appraisal of Capitol Hill sentiment.

The three men have received unofficial assurance, the Associated Press states, that a full opportunity will be afforded them for discussing in advance major legislation, in the hope that thus a maximum of cooperation between the executive and legislative branches of the Government may be achieved.

Senator Barkley summoned Democratic Senators to a conference designed to bring support to the new President, the Associated Press account stated.

German Radio Reports Adolf Hitler Dead

The Hamburg radio announced on May 1 that Adolf Hitler died this afternoon and Grand Admiral Karl Doenitz proclaimed himself the new Fuehrer by Hitler's appointment and said that the war would continue.

The text of the order of the day issued on May 1 by Doenitz to the German armed forces, broadcast by the north German radio network and reported by the Federal Communications Commission was given in the New York Times on May 2, as follows:

German armed forces, my comrades:

The Fuehrer has fallen. Faithful to his great ideal to save the nations of Europe from bolshevism, he has given his life and has met a hero's death. In him one of the greatest heroes of German history has departed. With proud respect and grief we lower our standards.

The Fuehrer has designated me to be the head of the state and supreme commander of the armed forces. I take over the supreme command of all branches of the German armed forces, resolved to continue the struggle against the Bolsheviks until the fighting men, until the hundreds of thousands of families of the German east are saved from bondage and extermination.

Against the British and Americans I am bound to continue to fight as far and as long as they impede me in the continuation of the struggle against the Bolsheviks. The situation demands that you, who have already achieved such great historic deeds and who are now longing for the end of the war, persevere in your unconditional readiness for action.

I demand discipline and obedience. Only by unquestioning compliance with my orders will chaos and downfall be avoided. Whoever evades his duty at this hour is a coward and a traitor, for he brings down death or enslavement on German women and children.

For every single one of you the oath of loyalty to the Fuehrer is transferred straight to my person as the Fuehrer's appointed successor.

German soldiers! Do your duty! The existence of our people is at stake.

NY Chamber Nominates Lincoln President

Leroy A. Lincoln, President of the Metropolitan Life Insurance Co., has been renominated for President of the Chamber of Commerce of the State of New York for a second term of one year, it was announced on April 29 by Roy E. Tomlinson, Chairman of the Nominating Committee, in making public the slate for the 1945-1946 fiscal year. The elections are being held at the 177th annual meeting on May 3.

John D. Rockefeller, Jr. headed a list of three new Vice-Presidents nominated for four-year terms. Named with him were George W. Bacon, Chairman of Ford, Bacon & Davis, and James G. Blaine, President of the Marine Midland Trust Co., New York.

William J. Graham, Vice-President of the Equitable Life Assurance Society of the United States, and William B. Scarborough were renominated for Treasurer and Assistant Treasurer, respectively, and B. Colwell Davis, Jr. for Executive Secretary.

Peter Grimm, President of William A. White & Sons, was named for Chairman of the Executive Committee to succeed Robert F. Loree who was nominated for one of three members-at-large of the committee; Leon O. Head and J. Barstow Smull were renominated.

Truman Asks Wallace To Study Patents

An investigation directed by Secretary of Commerce Henry Wallace on the misuse of patents to support unlawful monopolies was started on April 26 by the request of President Truman to Mr. Wallace.

Associated Press advices from Washington announced:

The White House made public a letter in which the President asked Mr. Wallace to study patent uses in cooperation with the Attorney-General, Stabilization Director Davis, the Office of Scientific Research and Development, and the Chairman of the National Patent Planning Commission.

The letter to the former Vice-President follows:

"My dear Mr. Secretary:

"Much has lately been said and written to suggest that the patent statutes do not in all respects serve the constitutional purpose to promote the progress of science and useful arts, and that patents have been misused to support unlawful monopolies in contravention of the purposes of the anti-trust laws.

"I believe the Congress would welcome such assistance as the executive branch of the Government might be able to give in presenting the results of a full and objective study of the operation and effectiveness of the patent laws and their relation to the purposes of the anti-trust laws and to the post-war economy, together with specific proposals for such legislation as may seem to be appropriate. Thus far the several departments of the Government have made no concerted effort to formulate a policy upon this subject.

"Will you please undertake such study and submit to me your report and recommendations respecting the legislative proposals you think I should lay before the Congress. In so doing will you please consult with the Attorney-General, the director of Economic Stabilization, the director of the Office of Scientific Research and Development and the Chairman of the National Planning Commission."

Policy Surrender Value Down in Feb.

Life insurance policy cash surrender values paid out country-wide during February amounted to only \$16,828,000, the lowest monthly total since the '20s, although aggregate policy cash values available have doubled in the intervening years, it was reported on April 26 by the Institute of Life Insurance.

The February total of surrender values paid out by the nation's life companies was about 1/2 the total for the corresponding month in pre-war 1941.

Total payments to policyholders and beneficiaries during February were \$210,979,000, an increase of \$5,661,000 over February, 1944, due in large part to the increased death benefits paid under war claims. The month's death benefits amounted to \$106,100,000, more than 7% over the previous February and one of the largest months on record.

Payments for the first two months of the year were \$452,136,000 in the aggregate, of which \$221,196,000 were death benefits, \$34,876,000 were surrender value payments and \$196,064,000 were direct payments to living policyholders for maturing endowments, disability, annuity payments and policy dividends. Both endowment maturities and annuity payments were up about 10% above the corresponding period of last year, policy dividends were up about 7% and disability payments up about 3%.

Fred M. Vinson Urges Broader Trade Policy

Fred M. Vinson, Director of War Mobilization and Reconversion, appeared before the House Ways and Means Committee in support of legislation extending and broadening the reciprocal trade act, according to Associated Press advices from Washington, April 25, which stated that Mr. Vinson told Congress that an expanding economy for the United States depends largely upon our foreign economic policies. He said that what Congress does about the measure "will constitute a revealing guide to people throughout the world as to what kind of leadership to expect from the United States."

"This country is committed to the system of free enterprise," Mr. Vinson said. "It is our intention, just as soon as it is feasible to do so, to relax and remove wartime restrictions and controls.

"This country is also committed to the goal of an expanding economy. It is committed to take every step necessary to insure that after the war there will be productive jobs for every one who is able and willing to work.

"Because of these commitments, and because of our tremendously expanded wartime productive capacity, the measures pertaining to broad economic foreign policy now before Congress are of great importance."

Mr. Vinson envisioned post-war exports double any pre-war figures, saying "our post-war objective of a high level of prosperity and full employment will necessitate exports of at least \$10,000,000,000," the Associated Press reports.

Moreover, he said, "imports of the magnitude of \$6,000,000,000 to \$8,000,000,000 will be necessary to support the level of post-war prosperity that we all want."

Netherlands Lend-Lease Pact Extended

A \$242,000,000 lend-lease agreement with The Netherlands which extends existing arrangements whereby the kingdom supplies reverse lend-lease, was announced by the government on April 30, according to an Associated Press dispatch on the same day from Washington which also had the following to say about the announcement:

The announcement noted that The Netherlands East Indies, still largely held by the Japanese, "are destined to be battlegrounds." After liberation they will be available as bases and supply sources in fighting Japan, it added.

The announcement was made by Joseph C. Grew, Acting Secretary of State; Henry Morgenthau, Jr., Secretary of the Treasury, and Leo T. Crowley, Foreign Economic Administrator.

The statement said arms and munitions will continue to be supplied by the United States as straight lend-lease under previous terms. Supplies listed under the new agreement include raw materials for war use and essential civilian supplies.

The statement said the agreement covers only supplies needed by the Dutch in prosecution of the war, and none has been included for post-war relief. In addition to previous reverse lend-lease arrangements, The Netherlands government will supply strategic war materials from The Netherlands East Indies such as oil and rubber.

Supreme Court to End Current Term May 28

The Supreme Court announced on April 30 that it planned to end its current term on Monday, May 28, when it would adjourn for the summer.

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)									
1945— Daily Averages	U. S. Govt. Bonds	U. S. Corp. Rate*	Corporate by Ratings*				Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
May 1	122.36	115.24	120.84	118.40	115.24	107.09	112.19	114.27	119.41
Apr. 30	122.38	115.24	120.84	118.40	115.24	107.09	112.19	114.27	119.20
28	122.38	115.04	120.84	118.40	115.04	106.92	112.19	114.27	119.20
27	122.38	115.04	120.84	118.40	115.04	106.92	112.19	114.27	119.20
26	122.34	115.04	120.84	118.40	115.04	106.92	112.00	114.27	119.20
25	122.25	115.04	120.84	118.40	115.24	106.74	112.00	114.27	119.20
24	122.25	115.04	120.84	118.40	115.24	106.74	112.00	114.27	119.41
23	122.38	115.04	120.84	118.60	115.04	106.56	111.81	114.27	119.41
22	122.44	115.04	120.84	118.60	115.04	106.56	111.81	114.27	119.20
21	122.44	115.04	120.84	118.40	115.04	106.56	111.81	114.27	119.20
20	122.50	115.04	120.84	118.40	115.04	106.74	111.81	114.27	119.20
19	122.53	115.04	120.84	118.60	115.24	106.56	111.81	114.27	119.20
18	122.53	115.04	120.84	118.60	115.04	106.56	111.81	114.46	119.20
17	122.51	115.04	120.84	118.60	115.04	106.56	111.81	114.27	119.41
16	122.59	115.04	120.84	118.60	115.04	106.56	111.81	114.46	119.20
15	122.59	115.04	120.84	118.40	115.04	106.56	111.81	114.46	119.20
14	122.45	115.04	120.84	118.40	115.24	106.56	111.62	114.46	119.20
13	122.59	115.04	120.84	118.40	115.04	106.56	111.62	114.46	119.20
12	122.36	115.04	120.84	118.40	115.04	106.39	111.44	114.46	119.20
11	122.21	115.04	120.84	118.40	115.04	106.39	111.44	114.46	119.20
10	122.20	115.04	120.84	118.40	115.04	106.39	111.44	114.46	119.20
9	122.19	115.04	121.04	118.40	115.04	106.39	111.44	114.46	119.20
8	122.04	114.85	121.04	118.40	114.85	106.04	111.25	114.27	119.20
7	122.00	114.85	120.84	118.40	114.85	106.04	111.25	114.27	119.20
6	122.01	114.85	121.04	118.40	114.85	106.04	111.25	114.27	119.20
5	122.19	115.04	121.04	118.60	114.85	106.21	111.44	114.27	119.41
4	122.25	115.04	120.84	118.80	114.66	106.39	111.07	114.46	119.41
3	122.47	114.85	120.63	118.60	114.66	106.21	110.88	114.46	119.41
2	122.05	114.66	120.43	118.40	114.46	106.21	110.70	114.27	119.61
1	121.92	114.66	120.02	118.60	114.46	106.04	110.52	114.08	119.41
31	121.97	114.46	120.02	118.60	114.27	105.69	110.15	114.08	119.41
30	121.58	114.27	119.82	118.40	114.08	105.69	109.97	114.08	119.20
29	121.33	114.08	119.82	118.00	113.89	105.34	109.60	114.08	118.80
28	121.33	114.08	119.82	118.00	113.89	105.34	109.60	114.08	118.80
27	120.88	113.89	119.41	118.00	113.70	105.17	109.24	113.89	118.60
26	121.09	113.70	119.20	118.00	113.70	105.00	108.88	113.70	118.60
25	121.25	113.70	119.00	118.00	113.50	104.83	109.06	113.70	118.40
24	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
23	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
22	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
21	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
20	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
19	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
18	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
17	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
16	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
15	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
14	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
13	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
12	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
11	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
10	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
9	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
8	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
7	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
6	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
5	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
4	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
3	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
2	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
1	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
31	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
30	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
29	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
28	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
27	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
26	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
25	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
24	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
23	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
22	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
21	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
20	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
19	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
18	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
17	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
16	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
15	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
14	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
13	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
12	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
11	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
10	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
9	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
8	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
7	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
6	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
5	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
4	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
3	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
2	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
1	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
31	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
30	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
29	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
28	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
27	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
26	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
25	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
24	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
23	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
22	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
21	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
20	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
19	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
18	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
17	120.66	113.50	119.00	117.80	113.50	104.66	108.70	113.89	118.20
16	120.66	113.50	119.00	117.80	113.50				

Trading on New York Exchanges

The Securities and Exchange Commission made public on April 25 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 April 7, 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 April 7 in round-lot transactions totaled 1,202,050 shares, which amount was 15.91% of the total transactions on the Exchange of 3,776,330 shares. This compares with member trading during the week ended March 31 of 1,395,912 shares, or 15.41% of the total trading of 4,528,270 shares. On the New York Curb Exchange, member trading during the week ended April 7 amounted to 318,535 shares, or 14.10% of the total volume on that exchange of 1,129,115 shares. During the March 31 week trading for the account of Curb members of 421,760 shares was 18.12% of the total trading of 1,163,970.

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

WEEK ENDED APRIL 7, 1945		Total for week	%
A. Total Round-Lot Sales:			
Short sales	119,860		
†Other sales	3,656,470		
Total sales	3,776,330		
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases	351,060		
Short sales	50,530		
†Other sales	297,110		
Total sales	347,640	9.25	
2. Other transactions initiated on the floor—			
Total purchases	139,540		
Short sales	8,900		
†Other sales	109,210		
Total sales	118,110	3.41	
3. Other transactions initiated off the floor—			
Total purchases	106,060		
Short sales	17,200		
†Other sales	122,440		
Total sales	139,640	3.25	
4. Total—			
Total purchases	596,660		
Short sales	76,630		
†Other sales	528,760		
Total sales	605,390	15.91	

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

WEEK ENDED APRIL 7, 1945		Total for week	%
A. Total Round-Lot Sales:			
Short sales	11,825		
†Other sales	1,117,290		
Total sales	1,129,115		
B. Round-Lot Transaction for Account of Members:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases	92,205		
Short sales	3,775		
†Other sales	86,575		
Total sales	90,350	8.08	
2. Other transactions initiated on the floor—			
Total purchases	26,275		
Short sales	3,200		
†Other sales	31,475		
Total sales	34,675	2.70	
3. Other transactions initiated off the floor—			
Total purchases	31,165		
Short sales	3,200		
†Other sales	40,665		
Total sales	43,865	3.32	
4. Total—			
Total purchases	149,645		
Short sales	10,175		
†Other sales	158,715		
Total sales	168,890	14.10	
C. Odd-Lot Transactions for Account of Specialists—			
Customers' short sales	0		
†Customers' other sales	48,354		
Total purchases	48,354		
Total sales	35,141		

*The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners.

†In calculating these percentages the total of members' purchases and sales is compared with twice the total round-lot volume on the Exchange for the reason that the Exchange volume includes only sales.

‡Round-lot short sales which are exempted from restriction by the Commission's rules are included with "other sales."

§Sales marked "short exempt" are included with "other sales."

National Fertilizer Association Commodity Price Average Remains at Same High Level

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on April 30, remained at the same high level of 140.3 for the week ending April 28, 1945, that it has held for the two preceding weeks. A month ago the index stood at 140.0, and a year ago at 137.0, based on the 1935-1939 average as 100. The Association's report continued as follows:

The farm products group reached a new all-time peak in the latest week and is now 7.4% higher than it was a year ago, but only 0.7% higher than it was at the beginning of this calendar year. The advance during the week was small. The cotton index advanced slightly and it too reached a new high point; the livestock subgroup showed a small rise with higher quotations for cattle more than offsetting lower prices for lambs. The prices for grains were also mixed. Declines in corn and wheat and a slight advance in rye prices resulted in the grains index declining slightly. There was a small decline in the index for foods with lower quotations for oranges more than offsetting higher quotations for potatoes. The textiles group

advanced fractionally. All other groups of the index remained unchanged.

During the week 5 price series in the index advanced and 4 declined; in the preceding week there were 5 advances and 4 declines; in the second preceding week there were 5 advances and 6 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 Week		Month Ago	Year Ago
		Apr. 21, 1945	Apr. 21, 1944		
25.3	Food	141.6	141.9	141.6	138.6
	Fats and Oils	145.3	145.3	145.3	146.5
	Cottonseed Oil	163.1	163.1	163.1	159.6
23.0	Farm Products	167.0	166.5	165.6	155.5
	Cotton	212.8	211.4	206.4	200.5
	Grains	163.1	163.5	162.9	164.8
	Livestock	160.8	160.1	159.9	145.0
17.3	Fuels	130.4	130.4	130.4	130.1
10.8	Miscellaneous Commodities	133.7	133.7	133.7	132.2
8.2	Textiles	156.8	156.6	156.0	152.2
7.1	Metals	104.7	104.7	104.7	104.4
6.1	Building Materials	154.4	154.4	154.2	152.4
1.3	Chemicals and Drugs	125.4	125.4	125.4	127.7
.3	Fertilizer Materials	118.3	118.3	118.3	117.7
.3	Fertilizers	119.9	119.9	119.9	119.7
.3	Farm Machinery	104.8	104.8	104.8	104.3
100.0	All groups combined	140.3	140.3	140.0	137.0

*Indexes on 1926-1928 base were: April 28, 1945, 109.3; April 21, 1945, 109.3, and April 29, 1944, 103.7.

Wholesale Prices Up 0.1% for Week Ended April 21, Labor Dept. Reports

The Bureau of Labor Statistics' index of commodity prices at the primary market level advanced 0.1% during the week ended April 21, the U. S. Department of Labor said in its weekly announcement issued April 26, which went on to say: "Higher prices for cotton and grains, for onions and for calves largely accounted for the rise. The index now stands at 105.6% of the 1926 average. It was 0.5% above four weeks ago and nearly 2% higher than at this time last year. Except for a substantial decline in prices for natural gasoline in the Oklahoma field there were no important changes reported in industrial commodity markets."

The report continued:

"Farm Products and Foods—Average market prices for farm products rose 0.5% during the week mainly because of higher quotations for wheat, rye and corn, for calves and cotton, for apples and potatoes in eastern markets, and for onions. Seasonally lower prices were reported for eggs and oranges. Prices for potatoes were lower in the Chicago market and quotations for sheep went down. In the past four weeks prices for farm products have advanced 2% and were approximately 5.5% above the level of a year ago.

"Led by the increases in quotations for fruits and vegetables and higher prices for rye flour and for wheat flour in the Buffalo market, average food prices in primary markets increased 0.2% during the week. In addition to the lower prices for eggs and certain fruits, lower quotations were reported for wheat flour in the Kansas City market. Since the third week of March the general level of food prices has risen slightly more than 1% and was 1.2% above this time last year.

"Industrial Commodities—Few changes were reported in prices of industrial commodities during the week. In addition to the substantial decrease for natural gasoline, lower prices were reported for quicksilver and second grade maple flooring. Minor increases occurred in prices for cement in certain local areas and for pea size anthracite coal."

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. The indexes must be considered as preliminary and subject to such adjustment and revision as required by later and more complete reports.

The following tables show (1) indexes for the principal groups of commodities for the past three weeks, for March 24, 1945 and April 22, 1944, and the percentage changes in subgroup indexes from April 14, 1945 to April 21, 1945.

WHOLESALE PRICES FOR WEEK ENDED APRIL 21, 1945
(1926=100)

Commodity Groups—	4-21 1945				4-14 1945				Percentage change to April 21, 1945 from—			
	4-21 1945	4-14 1945	4-7 1945	3-24 1945	4-22 1944	4-14 1944	3-24 1944	4-22 1944	4-21 1945	4-14 1945	3-24 1945	4-22 1945
All commodities	105.6	105.5	105.1	105.1	103.6	+0.1	+0.5	+1.9				
Farm products	129.5	128.9	127.2	127.0	122.9	+0.5	+2.0	+5.4				
Foods	105.7	105.5	104.9	104.5	104.4	+0.2	+1.1	+1.2				
Hides and leather products	118.3	118.3	118.2	117.6	117.6	0	+0.1	+0.6				
Textile products	99.1	99.1	99.2	99.2	97.3	0	+0.1	+1.8				
Fuel and lighting materials	83.9	84.0	84.0	83.9	82.7	-0.1	0	+0.2				
Metals and metal products	104.3	104.3	104.3	104.3	103.8	0	0	+0.5				
Building materials	117.0	117.0	117.0	116.9	114.6	0	+0.1	+2.1				
Chemicals and allied products	94.9	94.9	94.9	94.9	95.5	0	0	+0.6				
Housefurnishing goods	106.2	106.2	106.2	106.2	106.0	0	0	+0.2				
Miscellaneous commodities	94.6	94.6	94.6	94.4	93.3	0	+0.2	+1.4				
Raw materials	117.7	117.3	116.1	116.0	113.0	+0.3	+1.5	+4.2				
Semimanufactured articles	94.8	94.8	94.9	94.9	93.5	0	-0.1	+1.4				
Manufactured products	101.9	102.0	101.9	101.8	100.9	-0.1	+0.1	+1.0				
All commodities other than farm products	100.3	100.4	100.3	100.3	99.4	-0.1	0	+0.9				
All commodities other than farm products and foods	99.5	99.5	99.5	99.4	98.5	0	+0.1	+1.0				

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM APRIL 14, 1945 TO APRIL 21, 1945

Increases		Decrease	
Fruits and vegetables	1.0	Livestock and poultry	0.2
Other farm products	0.7	Anthracite	0.1
Grains	0.4	Cement	0.1
Decrease		Petroleum and products	
			0.2

Post-War Construction Demand Seen by Dodge

Mounting evidence of post-war construction demand is seen in statistics on post-war projects released today by F. W. Dodge Corp. Up to March 31, 90,700 specific projects contemplated for post-war execution had been reported by the corporation's field staff, the estimated total cost of the projects being \$14,813,613,000. These projects were reported for the territory east of the Rocky Mountains, and consequently do not fully measure the potential post-war volume for the whole country.

Of more immediate significance is the fact that 30,217 of these projects, amounting to \$7,231,295,000, have progressed to the design stage, representing more nearly the volume of work likely to be ready for bids within a reasonable time after wartime restrictions are lifted. This volume of post-war planned work is measurably greater than the total volume of contracted work in the 37 eastern states for any previous peacetime year.

Commenting on these figures, Thomas S. Holden, President of F. W. Dodge Corp., said: "Any delays in post-war construction revival will definitely be due to temporary material and manpower shortages rather than to any lack of demand or to dearth of planned projects. Our recorded figures include no deferred repair, maintenance and modernization projects, demand for which will be very heavy. They include only moderate amounts of such small new private building projects as are not usually planned much in advance of actual work. While our tabulation is definitely overweighted with public projects which may take sometime for adequate financing, the \$2,379,518,000 of new private projects in the design stage is considerably greater than the actual volume of private work in the 37 states contracted for in any of the prewar years, 1937, 1938 or 1939."

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 25 a summary for the week ended April 14 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 April 14, 1945		Total
Odd-lot Sales by Dealers (Customers' purchases)	Number of orders	For Week
Number of orders	566,155	19,052
Number of shares	566,155	19,052
Dollar value	\$25,095,391	19,052
Odd-Lot Purchases by Dealers (Customers' sales)		
Number of Orders:		
Customers' short sales	143	143
*Customers' other sales	19,852	19,852
Customers' total sales	19,995	19,995
Number of Shares:		
Customers' short sales	4,727	4,727
*Customers' other sales	515,767	515,767
Customers' total sales	520,494	520,494
Dollar value	\$20,280,109	\$20,280,109
Round-Lot Sales by Dealers		
Number of Shares:		
Short sales	140	140
†Other sales	128,500	128,500
Total sales	128,640	128,640
Round-Lot Purchases by Dealers:		
Number of shares	181,460	181,460
*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."		

Daily Average Crude Oil Production for Week Ended April 21, 1945, Decreased 13,150 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended April 21, 1945, was 4,797,915 barrels, or 13,150 barrels per day less than produced during the week ended April 14, 1945, and 29,885 barrels less than the daily average figure recommended by the Petroleum Administration for War for the month of April, 1945. The current figure, however, was 370,565 barrels per day in excess of the production in the week ended April 22, 1944. Daily output for the four weeks ended April 21, 1945, averaged 4,793,650 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 4,676,000 barrels of crude oil daily and produced 14,677,000 barrels of gasoline, 1,494,000 barrels of kerosine, 4,576,000 barrels of distillate fuel and 9,303,000 barrels of residual fuel oil during the week ended April 21, 1945, and had in storage at the end of that week 51,617,000 barrels of civilian grade gasoline, 43,487,000 barrels of military and other gasoline, 7,688,000 barrels of kerosine, 28,219,000 barrels of distillate fuel and 40,492,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*P. A. W. Recommendations April	*State Allowables Begin April 1	Actual Production Week Ended Apr. 21, 1945	Change from Previous Week	4 Weeks Ended Apr. 21, 1945	Week Ended Apr. 22, 1944
Oklahoma	367,500	367,500	1,347,350	-30,950	368,300	335,550
Kansas	274,000	269,400	1,273,150	+ 5,000	268,150	263,800
Nebraska	1,000	-----	1,900	-----	50	1,200
Panhandle Texas	-----	-----	90,000	-----	89,500	91,100
North Texas	-----	-----	150,000	-----	149,800	143,850
West Texas	-----	-----	489,500	-----	486,500	374,000
East Central Texas	-----	-----	145,550	-----	145,850	127,250
East Texas	-----	-----	378,100	-----	378,800	362,300
Southwest Texas	-----	-----	352,150	-----	352,150	293,050
Coastal Texas	-----	-----	565,250	-----	565,050	518,800
Total Texas	2,170,000	2,170,278	2,170,550	-----	2,167,650	1,910,350
North Louisiana	-----	-----	71,050	-----	70,900	76,150
Coastal Louisiana	-----	-----	295,000	-----	295,150	282,500
Total Louisiana	360,000	400,800	366,050	-----	366,050	358,650
Arkansas	80,000	80,317	79,900	- 650	80,400	79,550
Mississippi	53,000	-----	52,400	+ 200	52,100	42,850
Alabama	300	-----	300	-----	300	100
Florida	-----	-----	15	-----	-----	50
Illinois	205,000	-----	206,850	+ 19,600	195,300	201,700
Indiana	12,500	-----	11,400	- 300	11,300	13,850
Eastern— (Not Incl. Ill., Ind., Ky.)	68,200	-----	64,150	- 1,500	65,350	72,500
Kentucky	32,000	-----	25,750	+ 2,800	20,450	24,350
Michigan	47,000	-----	43,300	-10,100	47,700	48,500
Wyoming	100,000	-----	106,050	-----	106,000	98,700
Montana	23,000	-----	19,800	+ 50	19,800	21,500
Colorado	10,500	-----	9,050	- 500	9,400	8,200
New Mexico	105,000	105,000	104,750	- 50	104,600	112,050
Total East of Calif	3,909,000	-----	3,881,715	-16,750	3,883,800	3,593,450
California	918,800	918,800	916,200	+ 3,600	909,750	833,900
Total United States	4,827,800	-----	4,797,915	-13,150	4,793,650	4,427,350

*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. April 19, 1945. ‡This is the net basic allowable as of April 1 calculated on a 30-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 2 to 14 days, the entire state was ordered shut down for 8 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 6 days shutdown time during the calendar month. §Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED APRIL 21, 1945

(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	% Refining Capacity	Daily Average	Crude Runs to Stills	% Operating	Production of Gasoline	Production of Gas Oil	Production of Distillate Fuel Oil	Production of Residual Fuel Oil	Stocks of Gasoline	Stocks of Gas Oil	Stocks of Distillate Fuel Oil	Stocks of Residual Fuel Oil
East Coast	99.5	730	92.3	1,962	5,650	6,038	6,766	7,490				
Appalachian												
District No. 1	76.8	105	71.9	307	375	188	1,114	1,187				
District No. 2	81.2	57	114.0	175	113	160	580	863				
Ind., Ill., Ky.	87.2	741	86.5	2,845	3,621	1,834	6,504	16,684				
Okla., Kans., Mo.	78.3	372	79.3	1,377	1,779	1,157	1,775	7,508				
Inland Texas	59.8	248	75.2	1,008	311	756	1,237	1,688				
Texas Gulf Coast	89.3	1,139	92.1	3,601	6,128	5,648	10,023	5,553				
Louisiana Gulf Coast	96.8	193	74.2	536	1,609	1,489	2,498	2,320				
No. La. & Arkansas	55.9	86	68.3	220	720	236	943	1,940				
Rocky Mountain												
District No. 3	17.1	12	92.3	38	11	37	20	54				
District No. 4	72.1	99	62.3	309	315	612	459	2,061				
California	85.5	894	89.9	2,299	7,587	22,337	11,568	4,271				
Total U. S. B. of M. basis April 21, 1945	85.5	4,676	86.1	14,677	28,219	40,492	43,487	51,617				
Total U. S. B. of M. basis April 14, 1945	85.5	4,770	87.8	14,270	27,886	41,538	44,925	52,485				
U. S. Bur. of Mines basis April 22, 1944		4,443		13,636	30,156	51,599	36,808	51,334				

*Includes aviation and military grades, finished and unfinished, title to which still remains in the name of the producing company; solvents, naphthas, blending stocks currently indeterminate as to ultimate use, and 11,795,000 barrels unfinished gasoline this week, compared with 11,949,000 barrels a year ago. These figures do not include any gasoline on which title has already passed, or which the military forces may actually have in custody in their own or leased storage. †Stocks at refineries, at bulk terminals, in transit and in pipe lines. ‡Not including 1,494,000 barrels of kerosine, 4,576,000 barrels of gas oil and distillate fuel oil and 9,303,000 barrels of residual fuel oil produced during the week ended April 21, 1945, which compares with 1,442,000 barrels, 5,008,000 barrels and 9,137,000 barrels, respectively, in the previous week and 1,519,000 barrels, 4,560,000 barrels and 8,622,000 barrels respectively, in the week ended April 22, 1944.

Note—Stocks of kerosine at April 21, 1945, amounted to 7,688,000 barrels, as against 7,562,000 barrels a week earlier and 6,802,000 barrels a year before.

Civil Engineering Construction Volume \$32,332,000 for Week

Civil engineering construction volume in continental United States totals \$32,332,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 46% above the total for the preceding week, 21% above the corresponding 1944 week's volume, but 8% below the previous four-week moving average as reported to "Engineering News-Record." The report issued on April 26, continued as follows:

Public construction tops a week ago by 69%, and is 46% higher than in the week last year. Private construction is 14 and 36% lower, respectively, than last week and last year.

The current week's construction brings 1945 volume to the \$520,586,000 for the seventeen weeks, a decrease of 12% from the \$595,162,000 for the period in 1944. Private work, \$157,643,000, is up 25% compared with a year ago, but public construction, \$362,943,000, is down 23% as a result of the 27% drop in federal volume. State and municipal construction exceeds its seventeen-week 1944 total by 15%.

Civil engineering construction volumes for the 1944 week, last week, and the current week are:

	Apr. 27, 1944	Apr. 19, 1945	Apr. 26, 1945
Total U. S. Construction	\$26,737,000	\$22,181,000	\$32,332,000
Private Construction	8,169,000	6,131,000	5,240,000
Public Construction	18,568,000	16,050,000	27,092,000
State and Municipal	8,492,000	3,040,000	4,568,000
Federal	10,076,000	13,010,000	22,524,000

In the classified construction groups, gains over the preceding week are in sewerage, commercial and public buildings, earthwork and drainage, streets and roads, and unclassified construction. Increases over the 1944 week are in waterworks, sewerage, public buildings, earthwork and drainage, and unclassified work. Subtotals for the week in each class of construction are: Waterworks, \$493,000; sewerage, \$864,000; industrial buildings, \$2,244,000; commercial building and private mass housing, \$385,000; public buildings, \$13,441,000; earthwork and drainage, \$669,000; streets and roads, \$4,414,000; and unclassified construction, \$9,822,000.

New capital for construction purposes for the week totals \$6,444,000. It is made up of \$1,674,000 in State and municipal bond sales, and \$4,770,000 in corporate security issues. New construction financing for the year to date, \$278,693,000, is 24% below the \$365,635,000 reported for the corresponding seventeen weeks of 1944.

Non-Ferrous Metals—Substantial Tonnage of Foreign Lead Allocated—Spanish Mercury Up

"E. & M. J. Metal and Mineral Markets," in its issue of April 26, stated: "With importations of lead increasing, WPB officials were fairly liberal last week in allocating foreign metal for May delivery to consumers. Between 22,000 and 23,000 tons of lead will be released, or virtually as much as in recent months. Copper and zinc were quiet, compared with the rate of activity that obtained earlier in the year, reflecting falling production."

Production of copper communication wire in March increased 22% to a record of 267,000 miles, WPB officials informed members of the industry. Production was divided into 185,000 miles of field wire; 64,000 miles of assault wire, and 18,000 miles of heavy wire. Stocks of tin in concentrates, excluding working stocks at the smelter and in the hands of consumers, have dropped to less than 70,000 tons. Spanish quicksilver was raised from \$152 per flask to \$155, May shipments. No reason was given for the move." The publication further went on to say in part:

Copper
Demand for copper has moderated, owing to reduced war requirements. Inventories are being reduced by fabricators, which tends to accentuate the drop in new business. Rhodesian copper is arriving in this country and imports from other major producing areas are being maintained. From present indications, unless civilian consumption of copper is stepped up, the stockpile will grow at the rate of 30,000 tons or more a month for some time to come. However, the reserve supply has been reduced since the first of the year and a gain in stocks in the hands of the Government may be desirable.

Fabricators consumed 171,558 tons of copper during March, against 165,387 tons in February and 143,739 tons in March last year. The tonnage consumed in March established a new high, but was well below the quantity received in that month from producers and the Metals Reserve.

Consumption of refined copper, based on the fabricators' statistics, and deliveries to consumers, as reported by Copper Institute, during the first three months of the current year, in tons:

	Consumed by Fabricators	Delivered to Fabricators
January	153,904	145,904
February	165,387	172,585
March	171,558	218,488
Totals	490,849	536,977

Stock of refined copper in the hands of fabricators at the end of March amounted to 380,197 tons.

839 pounds in January last year, the Dominion Bureau of Statistics reports.

Zinc
In view of a declining rate of activity at brass mills, and inability to obtain larger tonnages of steel to expand on galvanizing, the market for zinc presented a calm appearance throughout last week. Allocation certificates were released by WPB for May shipment metal, permitting consumers to absorb fully 80,000 tons next month, or virtually all that they asked for. Producers doubt whether consumers will call for the full quantity allocated, owing to cutbacks that have occurred in recent weeks. Consumers engaged in war work are reducing their inventories. Reduced buying is expected to center largely in high grade. Galvanizers would like to expand production, but find it difficult to obtain additional tonnages of steel at this time.

Tin
Exports of tin concentrates from Bolivia have increased slightly this year, contrasted with 1944. Shipments during March contained 3,032 metric tons of tin, against 2,230 tons in February and 3,154 tons in March last year. Shipments in the first quarter of 1945 contained 9,354 tons of tin, against 8,692 tons in the same period last year. The higher price now being paid for Bolivian tin concentrates was necessary to maintain production, mine operators claim. Authorities here hope that the higher settling basis will lead to increased production and larger exports to this country.

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

	April	May	June
April 19	52.00	52.00	52.00
April 20	52.00	52.00	52.00
April 21	52.00	52.00	52.00
April 22	52.00	52.00	52.00
April 23	52.00	52.00	52.00
April 24	52.00	52.00	52.00
April 25	52.00	52.00	52.00

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

Quicksilver
Except that the undertone of the market for quicksilver was viewed by most operators as steady, based on prospects for continued expansion in consumption, the market passed through a quiet period last week. Spot metal was available at prices ranging from \$156 to \$159 per flask, depending on quantity. Nearby quicksilver was offered at \$155.

The Pacific Coast market was unchanged, with most producers sold up so far as April and May business was concerned. June shipment metal was quotable at \$151, f.o.b. Coast, with producers not inclined to force sales. Producers look for heavy consumption of quicksilver this summer.

Spanish metal was advanced to \$155 per flask, duty paid, New York, May shipment from abroad. Importers believe that the second consignment from Spain, scheduled to leave that country on April 20, consists of between 4,000 and 5,000 flasks.

Silver
The London silver market was quiet and unchanged at 25½d. The New York Official for foreign silver continued at 44¢c., with domestic metal at 70¢c.

Extend SWPC Through 1946

Legislation to extend the life of the Smaller War Plants Corp. until Dec. 31, 1946, and make it an independent Federal agency, has been completed by Congress and sent to the White House, the Associated Press reported from Washington, April 19. Included is an amendment, the report states, providing that the President, instead of the WPB Chairman as formerly, shall name SWPC's five-member board of directors.

Revenue Freight Car Loadings During Week Ended April 21, 1945, Increased 17,672 Cars

Loading of revenue freight for the week ended April 21, 1945, totaled 864,063 cars, the Association of American Railroads announced on April 26. This was an increase above the corresponding week of 1944 of 25,326 cars, or 3.0%, and an increase above the same week in 1943 of 69,900 cars, or 8.8%.

Loading of revenue freight for the week of April 21 increased 17,672 cars, or 2.1% above the preceding week.

Miscellaneous freight loading totaled 400,408 cars, an increase of 788 cars above the preceding week and an increase of 14,538 cars above the corresponding week in 1944.

Loading of merchandise less than carload lot freight totaled 113,662 cars, a decrease of 940 cars below the preceding week but an increase of 6,607 cars above the corresponding week in 1944.

Coal loading amounted to 165,134 cars, an increase of 10,883 cars above the preceding week but a decrease of 8,788 cars below the corresponding week in 1944.

Grain and grain products loading totaled 51,309 cars, an increase of 1,550 cars above the preceding week and an increase of 13,333 cars above the corresponding week in 1944. In the Western Districts alone grain and grain products loading for the week of April 21 totaled 33,830 cars, an increase of 584 cars above the preceding week and an increase of 10,028 cars above the corresponding week in 1944.

Livestock loading amounted to 15,401 cars, a decrease of 21 cars below the preceding week and a decrease of 143 cars below the corresponding week in 1944. In the Western Districts alone loading of livestock for the week of April 21 totaled 11,662 cars, a decrease of 416 cars below the preceding week, and a decrease of 114 cars below the corresponding week in 1944.

Forest products loading totaled 42,544 cars, an increase of 1,176 cars above the preceding week but a decrease of 951 cars below the corresponding week in 1944.

Ore loading amounted to 61,147 cars an increase of 2,313 cars above the preceding week and an increase of 1,016 cars above the corresponding week in 1944.

Coke loading amounted to 14,458 cars an increase of 1,923 cars above the preceding week, but a decrease of 286 cars below the corresponding week in 1944.

All districts reported increases compared with the corresponding week in 1944 except the Pocahontas and Southwestern. All districts reported increases compared with corresponding week in 1943 except the Pocahontas.

	1945	1944	1943
4 Weeks of January	3,001,544	3,158,700	2,910,638
4 Weeks of February	3,049,697	3,154,116	3,055,725
5 Weeks of March	4,018,627	3,916,037	3,845,547
Week of April 7	764,763	787,985	789,019
Week of April 14	846,391	798,683	780,908
Week of April 21	864,063	838,737	794,163
Total	12,545,085	12,654,258	12,176,000

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended April 21, 1945. During the period 79 roads showed increases when compared with the corresponding week as year ago.

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1945	1944	1943	1945	1944
Eastern District—					
Ann Arbor	252	263	311	1,575	1,458
Bangor & Aroostook	2,203	2,018	1,252	850	343
Boston & Maine	7,252	6,913	5,900	15,817	15,281
Chicago, Indianapolis & Louisville	1,129	1,292	1,697	2,073	2,320
Central Indiana	28	38	43	30	45
Central Vermont	1,177	1,018	1,053	2,299	2,390
Delaware & Hudson	5,095	4,780	6,502	13,794	12,724
Delaware, Lackawanna & Western	7,823	7,663	7,255	12,472	10,891
Detroit & Mackinac	232	260	246	117	112
Detroit, Toledo & Ironton	1,700	1,736	1,729	1,387	1,292
Detroit & Toledo Shore Line	447	350	344	3,464	3,003
Erie	13,573	13,343	11,954	17,624	17,756
Grand Trunk Western	4,245	4,136	3,684	9,140	8,757
Lehigh & Hudson River	156	187	239	3,315	3,364
Lehigh & New England	2,096	2,148	1,591	1,556	1,725
Lehigh Valley	8,487	9,025	6,707	12,397	17,101
Maine Central	2,442	2,263	2,091	4,407	3,447
Monongahela	5,867	6,397	6,445	294	362
Montour	2,608	2,662	2,480	30	21
New York Central Lines	52,017	49,921	52,137	53,255	56,043
N. Y., N. H. & Hartford	11,052	10,860	9,744	18,872	19,853
New York, Ontario & Western	981	1,089	1,015	3,554	3,401
New York, Chicago & St. Louis	6,605	6,574	6,522	15,417	15,922
N. Y., Susquehanna & Western	391	436	511	2,482	2,133
Pittsburgh & Lake Erie	8,389	7,982	7,777	8,972	7,856
Pere Marquette	5,355	5,022	4,696	8,767	7,647
Pittsburgh & Shawmut	619	647	739	14	15
Pittsburgh, Shawmut & North	248	314	332	225	244
Pittsburgh & West Virginia	1,062	1,295	1,005	3,414	2,771
Reading Co.	375	482	336	1,126	1,026
Wabash	6,873	5,414	5,453	11,879	12,177
Wheeling & Lake Erie	6,283	5,697	4,435	4,990	4,109
Total	167,226	162,525	156,426	235,608	235,589
Allegheny District—					
Akron, Canton & Youngstown	781	744	826	1,215	1,145
Baltimore & Ohio	46,227	44,999	40,338	28,618	28,805
Bessemer & Lake Erie	6,174	6,658	6,558	1,378	2,148
Buffalo Creek & Gauley	1	1	307	15	6
Cambria & Indiana	1,672	1,653	1,843	15	8
Central R. R. of New Jersey	6,775	7,497	6,856	22,369	20,283
Cornwall	489	19	637	56	35
Cumberland & Pennsylvania	166	222	247	11	10
Ligonier Valley	96	128	122	49	36
Long Island	1,451	1,256	1,225	4,962	3,538
Long-Reading Seashore Lines	2,001	1,787	1,662	2,606	2,645
Pennsylvania System	90,031	84,330	77,483	64,057	68,652
Reading Co.	16,069	15,816	14,426	30,740	29,572
Union (Pittsburgh)	16,701	20,375	20,880	7,099	7,174
Western Maryland	3,975	4,356	4,008	14,625	13,019
Total	192,608	189,840	173,518	177,800	177,071
Pocahontas District—					
Chesapeake & Ohio	28,624	28,956	28,580	15,702	13,948
Norfolk & Western	21,238	21,695	22,363	9,061	7,587
Virginian	4,377	4,270	4,750	3,261	1,895
Total	54,239	54,921	55,693	28,024	23,430

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1945	1944	1943	1945	1944
Southern District—					
Alabama, Tennessee & Northern	441	265	268	341	530
Atl. & W. P.—W. R. R. of Ala.	825	741	738	2,656	2,508
Atlanta, Birmingham & Coast	1,263	775	711	1,579	1,633
Atlantic Coast Line	13,693	13,348	14,652	11,412	11,588
Central of Georgia	3,939	3,602	4,345	5,615	4,773
Charleston & Western Carolina	496	418	392	1,460	1,913
Cinchfield	1,775	1,607	1,545	2,642	3,232
Columbus & Greenville	242	245	310	260	241
Durham & Southern	130	128	128	761	703
Florida East Coast	2,538	4,327	2,684	1,381	1,929
Gainesville Midland	58	39	40	175	171
Georgia & Florida	1,248	1,245	1,334	2,363	2,587
Gulf, Mobile & Ohio	438	361	358	730	710
Illinois Central System	29,784	27,882	26,428	20,467	18,276
Louisville & Nashville	25,509	24,808	24,242	12,065	12,183
Macon, Dublin & Savannah	225	158	210	1,032	1,264
Mississippi Central	402	278	218	470	574
Nashville, Chattanooga & St. L.	3,733	3,302	3,095	4,874	4,574
Norfolk Southern	1,103	1,166	1,101	1,624	1,934
Piedmont Northern	410	403	351	1,202	1,235
Richmond, Fred. & Potomac	531	483	406	12,284	12,703
Seaboard Air Line	11,783	11,131	11,083	8,928	9,407
Southern System	25,708	23,313	21,694	27,264	24,511
Tennessee Central	761	680	463	772	963
Winston-Salem Southbound	154	154	116	1,299	1,024
Total	132,129	124,904	120,771	127,950	123,955
Northwestern District—					
Chicago & North Western	19,037	18,161	18,337	14,085	13,471
Chicago Great Western	2,978	2,374	2,490	3,167	3,200
Chicago, Milw., St. P. & Pac.	20,167	19,949	20,002	10,130	10,206
Chicago, St. Paul, Minn. & Omaha	3,463	3,217	3,116	3,640	3,894
Duluth, Missabe & Iron Range	19,201	20,227	12,055	182	202
Duluth, South Shore & Atlantic	800	560	481	878	598
Elgin, Joliet & Eastern	9,225	8,572	8,285	11,139	11,287
Ft. Dodge, Des Moines & South	434	394	471	96	91
Great Northern	18,702	20,027	12,445	6,575	6,182
Lake Superior & Ishpeming	427	502	442	898	891
Minnesota & St. Louis	2,403	1,325	422	50	59
Minn., St. Paul & S. S. M.	2,073	1,864	2,105	2,402	2,577
Northern Pacific	6,532	6,091	5,214	2,990	4,245
Spokane International	9,686	10,199	9,122	5,598	5,612
Spokane, Portland & Seattle	235	157	93	803	795
Western Pacific	2,497	2,641	2,160	3,464	3,208
Total	117,860	116,260	97,240	65,797	66,518
Central Western District—					
Atch., Top. & Santa Fe System	24,238	21,475	22,796	15,698	13,957
Alton	3,950	3,058	2,779	3,949	4,169
Bingham & Garfield	426	495	467	57	66
Chicago, Burlington & Quincy	19,439	17,745	17,544	12,069	12,004
Chicago & Illinois Midland	3,223	3,138	2,496	1,075	1,029
Chicago, Rock Island & Pacific	12,551	10,854	12,595	14,749	13,299
Chicago & Eastern Illinois	2,908	2,547	2,967	5,166	7,086
Colorado & Southern	789	708	700	2,413	2,145
Denver & Rio Grande Western	3,242	3,173	3,117	6,329	6,121
Denver & Salt Lake	481	758	619	22	35
Fort Worth & Denver City	905	783	945	1,653	1,373
Illinois Terminal	2,472	1,937	1,865	2,242	2,119
Missouri-Illinois	926	1,017	1,061	421	541
Nevada Northern	1,372	2,036	2,094	118	104
North Western Pacific	743	785	1,041	788	692
Peoria & Pekin Union	19	3	7	0	0
Southern Pacific (Pacific)	31,090	29,436	29,105	15,425	15,424
Toledo, Peoria & Western	301	305	387	2,317	2,033
Union Pacific System	15,978	13,314	13,277	18,538	15,355
Utah	543	516	601	2	5
Western Pacific	1,875	2,011	1,943	4,699	3,928
Total	127,471	116,094	118,406	107,730	101,485
Southwestern District—					
Burlington-Rock Island	414	256	863	400	456
Gulf Coast Lines	7,064	7,306	7,488	2,794	2,365
International-Great Northern	3,131	2,676	2,437	4,378	4,654
Kansas, Oklahoma & Gulf	154	284	351	274	1,087
Kansas City Southern	5,297	6,093	5,742	2,306	2,796
Louisiana & Arkansas	3,668	3,318	2,840	2,830	2,652
Litchfield & Madison	300	375	309	1,447	1,054
Midland Valley	485	695	657	393	495
Missouri & Arkansas	89	187	153	208	405
Missouri-Kansas-Texas Lines	6,301	6,227	6,385	5,129	4,599
Missouri Pacific	16,329	16,493	16,919	22,520	21,722
Quanaah Acme & Pacific	84	123	89	376	263
St. Louis-San Francisco	8,506	8,100	8,379	12,123	9,859
St. Louis Southwestern	3,712	3,193	3,589	8,237	7,196
Texas & New Orleans	11,287	12,645	11,620	5,486	5,415
Texas & Pacific	5,607	6,107	4,187	8,914	8,287
Wichita Falls & Southern	68	101	81	42	127
Weatherford M. W. & N. W.	34	14	20	24	32
Total	72,530	<			

Items About Banks, Trust Companies

John T. Madden, President of the Emigrant Industrial Savings Bank, New York, announced on April 30 that three hours twice weekly would soon be added to the banking day in force at the main office, 51 Chambers Street. This will mean that instead of closing at 3 o'clock p. m., the main office will be open until 6 p. m. on Mondays and Fridays.

This decision was reached as the result of a 10 weeks' survey during which the habits of the bank's customers were closely studied.

"The added hours will be a convenience to our depositors and neighbors," Mr. Madden said, "a great many of whom now work unusual hours owing to the demands of war-time. Our survey revealed that like every other concern serving the public, the bank has its 'rush hours,' and these were most noticeable between noon and 1 o'clock, and during the last hour before closing. Furthermore, we discovered that the busiest days of the week were Mondays and Fridays.

"The new hours will go into effect on Monday, May 14, by which time all arrangements will have been completed."

At a meeting of the Board of Directors of Bankers Trust Company of N. Y. City, on May 1, Raymond B. Gahs was elected an Assistant Vice-President. Mr. Gahs has been associated with Bankers Trust Company since 1917, coming with the bank at the time of its merger with Astor Trust Company with which bank Mr. Gahs had been employed since 1910.

Mr. Gahs has been associated with the Fifth Avenue office of Bankers Trust Company throughout his entire length of service. He was elected Assistant Treasurer in February, 1938, and has had charge of the War Bond Drives at the Fifth Avenue office.

The Board of Trustees of Central Hanover Bank and Trust Company, New York City, elected the following men Vice-Presidents at a meeting held on May 1: George K. Boday, John J. Collins, Jerome A. Thirsk, Harry A. Trautmann, Peter Van Brunt and Russell Welles.

Jerome A. Thirsk, formerly a vice-president of Sterling National Bank, will be located at the 34th Street and Madison Avenue office.

Peter Van Brunt, recently released from a special assignment in the U. S. Navy, will return to the Main Office on June 4.

George K. Boday is in charge of the Church Street Office and Messrs. Collins, Trautmann and Welles will continue at the Main Office, 70 Broadway.

Following a meeting of the board of directors of the Bank of the Manhattan Co., New York, on April 26, F. Abbot Goodhue, President, announced the appointment of Byron L. Harrison as Assistant Treasurer.

Mr. Harrison is attached to the personal credit division of the bank and is located at the 41st Street and Madison Avenue office.

Arthur S. Kleeman, President of the Colonial Trust Co. of New York, announces that a clearance department has been inaugurated at the 57 William Street office of the institution, to supply facilities to brokers and dealers, and that Mathew T. Ryan has been elected Assistant Secretary and Assistant Treasurer, in charge of the department.

Arthur S. Kleeman, President of the Colonial Trust Co. of New York, has announced the appointment of John C. Jester of Dallas as Assistant to the President. Mr. Jester will be stationed in Dallas,

and will look after the New York institution's business with Texas banks.

Mr. Jester has had many years of experience, both in country and city banks and as a bank examiner; for 11 years he was an officer of the Dallas National Bank, Dallas, Tex.

In announcing Mr. Jester's appointment as his Texas assistant, Mr. Kleeman stated: "Colonial Trust Co.'s relations with Texas banks have been steadily growing closer, and we wish, through Mr. Jester, to develop still further our association with the financial institutions of the State.

"Mr. Jester will seek Texas business for Colonial Trust Co. from banks only, for in the opinion of our management it is inconsistent with the principles for which this bank stands to seek commercial deposits or loans in the territories of those out-of-New York banks which keep accounts with us, unless such correspondents wish to have us participate with them."

Alexis C. Foster, a senior executive of the New York banking firm of Calvin Bullock, One Wall Street.

Mr. Foster held the positions of Vice-President of the United States National Bank, Denver, Colo., and President of the Bankers Trust Co. of that same city. He was connected with the Calvin Bullock firm since 1930.

The election of R. G. Wills and W. A. Bostwick as directors of the Bronxville Trust Co., Bronxville, N. Y., was announced on April 27 by the New York "Herald Tribune." Mr. Wills is Vice-President and Treasurer of the bank and Mr. Bostwick is Vice-President and Trust Officer. The "Tribune" also said:

"Miss Florence Geoghegan was made Assistant Vice-President, David R. Hutton, Assistant Secretary, Miss Camille B. Rispole, Assistant Trust Officer, and Mrs. Renee D'A. Spears, Assistant Treasurer."

Provisions for the immediate reemployment of every former employee on his demobilization from the armed services in "a position and with a salary comparable to what he might have attained had he remained in our employ" were announced today by Land Title Bank & Trust Co., Philadelphia, Pa.

In making the announcement Percy C. Madeira Jr., President of Land Title Bank, said that immediately on reengaging the returning veteran the bank will offer him the first month as a leave with full pay "to accustom himself to civilian life." Should he decline the month's leave the bank will give him double pay for the first month's work. In addition he will receive the usual vacation.

Mr. Madeira said that the bank also will immediately reinstate the veteran in its group insurance plan and mark his personnel records as to reflect continuous employment during his stay in the armed forces.

Land Title has 97 employees in the services, all of whom have been notified of the above arrangements.

The Corn Exchange National Bank & Trust Co. of Philadelphia, Pa., has set up a direct correspondent relationship with the Bank for Foreign Trade in Moscow, making service possible not only throughout the Soviet Union, but also in the liberated portions of Finland, Estonia, Latvia, Lithuania and Poland, David E. Williams, President of the institution, announced, accord-

ing to the New York "Journal of Commerce," which also said:

"The Corn Exchange is apparently the only bank in Philadelphia which has established a correspondent relationship with a Soviet banking institution.

"However, several leading New York commercial banks have correspondent relationships with Russian banks.

"The Chase National Bank, American Express Co., Manufacturers Trust Co., Guaranty Trust Co. and the Amalgamated Bank have correspondent relationships with the Bank for Foreign Trade, Moscow, while the Federal Reserve Bank of New York, Chase National Bank, Guaranty Trust Co. and the National City Bank have similar relations with the State Bank of the U. S. S. R."

James B. Davis' has recently been elected Vice-President of the First National Bank, Pittsburgh, Pa., it was reported by the Pittsburgh "Post Gazette," which added:

"He served a year with Goldman, Sachs & Co. in New York, and 12 years with the Chemical Bank & Trust Co. of New York."

Appointment of Waldo E. Pierson, President of the First National Bank of Cincinnati, Ohio, to the board of directors of the Cincinnati branch of the Federal Reserve Bank of Cleveland was announced on April 27 by President Ray M. Gidney of the Federal Reserve Bank.

Mr. Pierson was chosen by the directors of the Cleveland Federal Reserve to fill the unexpired term of the late John G. Gutting, President of the Second National Bank of Cincinnati, who was re-appointed last Jan. 1 for a two-year term on the Cincinnati board.

Mr. Pierson was previously President of the Midland Acceptance Corp., which was acquired by the Commercial Investment Trust of New York in 1934. He became a director of the First National Bank in 1931, was made Vice-President of the bank in 1934, and President in 1944.

D. F. Valley, Vice-President of the National Bank of Detroit, Detroit, Mich., has been elected a director of the Reserve City Bankers Association of Detroit.

W. L. Hemingway, President of Mercantile-Commerce Bank & Trust Co., St. Louis, Mo., has announced the following promotions among the bank's officers and staff:

Joseph A. McCarthy, Trust Officer, was elected Vice-President; John P. Butler, formerly Associate Trust Officer, was made Trust Officer; George F. Torrey, formerly Assistant Trust Officer, was made Associate Trust Officer; Charles E. Ellison Jr., Manager of the coupon department, was made Assistant Cashier.

Milton W. Rice, Assistant Vice-President of the United States National Bank, Portland, Ore., was recently named War Loan Chairman of the American Bankers Association in Oregon. This will be the third consecutive war loan drive during which Mr. Rice has held this position. The appointment was made on April 24 by W. Randolph Burgess, President of the A. B. A.

Robert M. Alton, after three years in the Army Air Corps, has returned to his position as Vice-President and Trust Officer of the United States National Bank in Portland, Ore.

While in the Air Corps he was assigned to special duty as chief of the Air Corp's contract retraining and settlement division. In that capacity he conducted schools for business men on contract termination procedure.

Industrial Activity in March Reported by Federal Reserve Board

Summary of general business and financial conditions in the United States, based upon statistics for March and the first half of April, issued on April 25 by the Board of Governors of the Federal Reserve System. Industrial activity was maintained at a high level in March. Value of retail sales was at a record for this season of the year.

The Board's report also said:

Industrial Production

"Output at factories and mines was maintained in March at the level of the preceding month, which was 236% of the 1935-39 average, according to the Board's seasonally adjusted index.

"At iron and steel mills production continued to rise and was at about the same level as a year ago. Production of most non-ferrous metals also continued to increase in March in response to military needs; zinc shipments rose to a new record level. Lumber production, however, was 12% smaller in March than in the same month last year. Output of stone, clay, and glass products was maintained at the February level. In the machinery industries activity showed little change in March. Output of transportation equipment continued to decline owing to further curtailment of operations at shipyards. Aircraft production was maintained at the February rate.

"In most nondurable goods industries output showed little change from February to March and was at about the same level as in March, 1944. Owing to increased military purchases in recent months, however, supplies available for civilians of such goods as food, textile, leather, and paper products were at the lowest level for the war period. The shortage of carbon black has continued to limit production of essential military and civilian tires and rubber products, but manufacturing facilities are being expanded for output of this critical material. In the chemical industry, production of explosives and small arms ammunition showed less increase than in recent months and output at other chemical plants was maintained at about the February level.

"Production of bituminous coal was at a slightly lower rate in March and declined further in the first week of April when wage contract negotiations interrupted mine operations. Output of anthracite increased in March and the early part of April and crude petroleum production was maintained in record volume.

Distribution

"Department store sales in March showed a further sharp increase and the Board's seasonally adjusted index rose to 224% of the 1935-39 average as compared with 212 in February and 200 in January. In the first half of April sales continued large, after allowance for the usual post-Easter decline.

"Freight carloadings continued to rise in March and the early part of April, reflecting increased shipments of most groups of commodities except coal. In recent weeks, as a result of special efforts to move last year's record wheat crop to market before the 1945 harvest, grain loadings have been in much larger volume than in the same period a year ago. Shipments of ore have also been much greater due to an early opening of the Lake shipping season.

Commodity Prices

"Prices of cotton, livestock, and some other farm products were higher in the third week of April than during March. Wholesale prices of industrial commodities, as a group, have continued to show slight increases in recent weeks.

Bank Credit

"Banking developments during the latter half of March and early April, while following the usual

interdrive pattern, were considerably influenced by the large volume of Treasury receipts associated with the March 15 tax date. Adjusted demand deposits at banks in leading cities and currency in circulation both decreased in the latter part of March but resumed their growth in April. The slackened rate of expansion in both deposits and currency was due primarily to tax payments by businesses and individuals.

"Required reserves of member banks increased by around 300 million dollars during the five-week period ending April 18. Excess reserves, which were at a temporarily high level in mid-March largely as a result of the reduction of Treasury deposits at the Reserve Banks in anticipation of tax collections, subsequently declined again to less than a billion dollars. An increase in Treasury and other deposits at Federal Reserve Banks in the latter part of March and early April and resumption of the currency outflow caused a drain on reserve funds which was offset by a further increase of nearly 600 million dollars in Reserve Bank holdings of Government securities.

"At banks in 101 leading cities, Government security holdings declined during the five weeks ended April 18 by 660 million dollars. Bill holdings were reduced sharply, reflecting to a considerable extent declines in the holdings of Chicago banks associated with the Illinois tax date. Certificate holdings declined generally while bond holdings continued to rise. Loans to others than dealers for purchasing and carrying Government securities were reduced by 180 million dollars and commercial loans declined by 230 million dollars.

Congress Hears Plans To Aid Small Business

Small Business Committee hearings in both the Senate and House are continuing, according to Associated Press advices from Washington, which state, April 17, that Secretary of Commerce Wallace told the Senate committee that "an export trade of well over \$10,000,000,000 is a possible post-war goal for the United States and one that can be achieved if proper measures are taken," conceding, however, that small business had a lot to overcome if it was to get a significant share of foreign trade.

The House committee, according to an Associated Press report from Chicago, April 27, was told by Leslie J. Oester, farm machinery dealer and Mayor of Mendota, Ill., who testified as a spokesman for the National Tax Equality Association, that more than 30,000 cooperatives were competing "virtually tax free" with heavy tax-paying small businesses. Mr. Oester asserted, the report states, that freedom from payment of Federal income taxes "has made it possible for cooperatives to expand at an annual rate of 33% during the war years, while 1,350,000 independent, tax-paying small businesses have had to close their doors forever."

"The list of businesses in which these tax-free cooperatives are now engaged, or plan to enter after the war, is the list of all the enterprises in which tax-paying little business men have made their livings," Mr. Oester said.