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The Financial Situation

American psychology and American politics being what they are, it is not in the least surprising that argument has arisen over the question whether recent events in the international scene have given rise to a strengthening of what is known as "isolationism" in this country. For many years hence the terms "isolationism" and "isolationist" will be words like "reactionary," "tory" and the like, with which to condemn, even to villify, almost anyone or any doctrine not liked by the politician, or whom the politician would rob of all influence and, of course, all votes. This general state of affairs will doubtless successfully prevent the rise of any group or any "school of thought" to great power or influence which can by its enemies be successfully identified with any of these terms. It will not, of course—or at least it may not—prevent the rise and ultimately the attainment of great popularity of doctrines which are quite different from those now close to the hearts of those who like to prate so much about "one world."

"Isolationism"?

It would be well in discussions of our international policies to discard such terms as "isolationism" and the like, and at the same time to get out of the habit of measuring the success of this or that international conference or meeting by the amount or the elaborateness of the machinery it creates for controlling or governing the world from one point by some combination of powers. We should have learned by what we were permitted to know of Yalta and the other meetings of the so-called Big Three that World War II, as cataclysmic as it without question was, did not change human nature at all, or rob the various nations of the world of their long ingrained habit of looking after their interests, the practice usually spoken of as "imperialism" before the New Dealers undertook to rewrite the dictionary.

(Continued on page 1620)

From Washington Ahead of the News

By CARLISLE BARGERON

Our Leftist radio commentators and columnists have been mourning for some days that Jimmy Byrnes was going to return from London without an "accomplishment." It seems such a terrible thing, they say, that we who showed such might in war must show such weakness in peace. It is one of the tragedies of the human race.

One nationally known commentator whom we have in mind and who is not a Leftist, but lacking any ability of any kind, was taking his leave of us the other night. He bemoaned the lack of accomplishment on the part of the Ministers at London, placed the blame on Jimmy, told us again about the atomic bomb and said he wondered if mankind would much longer exist. In his state of uncertainty he was forsaking, as he put it, the comforts of Broadway and Washington, to return to the battle torn regions of Europe, where his broadcasts would be resumed a week hence.

Listening to the gentleman, you wondered what has brought about his forlornness. A mediocre cor-



Carlisle Bargeron

respondent, he happened to be in Berlin at the outbreak of war. It was the greatest event of his life. Through a tricky book he became an "authority" and lectured us throughout the war. He made enough money to carry him for the rest of his life. Just why that gentleman, and a lot of the rest of his crying fellows, should now be the prophets of doom with which our lives are being saturated, is difficult to understand. The war bailed them out of obscurity and into security, just as it did, of course, a lot of industrialists. The answer seems to be that they now fear their racket, not intended offensively, is gone, that they have nothing else to sell and must make way for others with different and newer ideas. Heretofore, old men have taken their retirement gracefully. Our war experts are not doing it. In their retreat they are making an awful parade of Calamity Janes.

On the question of Jimmy Byrnes, for example: If he returns without an "accomplishment" at London he should be (Continued on page 1622)

Democracy and Capitalism Can Work: O'Mahoney

Legislator, Asserting "World Is Trembling Between Communism and Democracy," Holds Our War Accomplishments Is Proof That Free Enterprise Can Cooperate With Government to Win Prosperity in Peace.

In the course of an address at a meeting of the National Petroleum Association at the Claridge Hotel in Atlantic City on Sept. 20,



Sen. J. C. O'Mahoney

Senator Joseph C. O'Mahoney, Democrat of Wyoming and Chairman of the Special Senate Committee on Petroleum, praised the cooperation of the Government and the petroleum industry during the war "as a pattern of what all industry and governments can do to win prosperity in the peace."

"All this was done efficiently, speedily and without internal conflict," Senator O'Mahoney said. "There was no struggle between the government and the industry nor was there any struggle between management and labor. All who were engaged in the petroleum industry gave an excellent example of the sort of cooperation among all factors that is necessary whenever any great job is to be performed."

"Now that the war is over," the Senator continued, "and we are no longer producing petroleum and petroleum products for sale to the government, government and the industry have another job to do. First, they must find a new market to take the place of the war market. That can be accomplished only through the organizing power of government, the function of which is to bring about those conditions under which industry can operate to the best advantage. Government owes a responsibility to the purchaser as well as to the producer, to the workers as well as to management, for government is the instrument of all and

not of any particular part of society."

Commenting on the part that capitalism and free enterprise is to play in reconversion, Senator O'Mahoney remarked:

"With a panic-stricken Europe tottering upon the brink of Communism, government and industry in America have the task of proving that capitalism and democracy are not outmoded. We have only to look abroad to know that everywhere in Europe people are losing faith in the democratic system. The forthcoming election in France may bring surprises equal to those of the recent British election. The calm consideration of this prospect makes it clear that here in America, if we wish to preserve our traditional political and economic system, we have no recourse except to make up our minds to prove that depressions and unemployment are not a necessary consequence of capitalistic democracy."

"Now that we have learned how to make a high-speed economy work, it would be folly to slip back into the low-gear economy we had before the war, when only a part of the people were able to support themselves. This is a job of leadership, leadership in business and leadership in government. It can be performed suc-

cessfully only by a recognition of the fact that leadership in industry and leadership in government owe a responsibility to the masses of the people. It is a mistake for any branch of industry to imagine that it can serve the best interests of the capitalist economy by labor policies which result in low wages and long hours. Whenever you cut wages you cut profits because you cut purchasing power. An individual economy depends upon the ability of the largest number of individuals to purchase and enjoy the goods and services that agriculture and industry produce. An industry that maintains a high living standard among its employees makes the most effective possible contribution toward improved business conditions for all. An industry which maintains a low standard of living for its employees works against the best interests of all.

"That is why the first objective of our government leadership and industrial leadership should be the improvement of living conditions for the masses. This country was able to out-produce the whole world during the war because it has had the world's highest standard living. Our armed forces were able to overcome the most powerful of enemies because here in America we had developed the world's greatest standard of living." (Continued on page 1624)

Understanding Needed

"If the labor-management conference is going to lay the groundwork to stop industrial tie-ups, the sooner it gets busy the better because all other agencies and Congress are apparently deferring any effort until the conference tries its hand. We cannot, therefore, wait to start to deal with the remedy until our whole economy is collapsing because of strikes."

"I believe that the public interest will be endangered if we delay this meeting. A good job has already been done in working out plans for the conference and there is no good reason why we cannot get under way promptly."

"It is wishful thinking to expect the conference to stop present strikes, but it can lay the long-range basis for correction of the causes. And, with everyone working thus for industrial peace, it could serve to prevent the further spread of strikes at this critical time. Then, too, if legislative action is needed, the sooner we find this out the better it will be for the country and all of its people."—Ira Mosher, President of NAM.

Unless labor, including both the rank and file and many of the current leaders, can be led to understand the true inwardness of our economic system, this conference will neither stop present strikes nor lay any "long-range basis" for anything constructive.



Ira Mosher

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*This item appeared in the "Chronicle" of Monday, Oct. 1, on page indicated.

The State of Trade

Industrial output last week continued to move slowly downward with all but one of the industrial barometers reflecting declines. The exception was steel ingot production which rose fractionally in the week.

Notwithstanding threatened strikes, consumer durable goods are being turned out in greater quantities. Reconversion too, is making greater headway than was at first thought possible, but the transition from war to peacetime production for many concerns is proving to be a slow process.

The elevator strike in New York hampered deliveries and buying in the dress trade to a considerable degree the past week, but in other centers business was good. It was reported that the garment industry alone suffered an estimated loss of \$15,000,000 in orders with the loss of workers in wages amounting to \$3,500,000. Lumber production in the week of Sept. 15, rose 16% over that of the previous week, but declined almost 20% from the previous year. Operations of paper mills advanced to 94% of capacity from 76% the week before; a similar increase was noted in the same period a year ago. The shoe industry on the other hand dropped production below last month's level.

Despite labor unrest in many parts of the country the New York stock market ended the third quarter of 1945 with prices strong, at their best levels for the movement, and with the widest monthly gains since April. For the month of September gains were reported almost as great as those for August.

Some comfort was afforded the taxpayers of the country on Monday of the present week by the proposed reduction in Federal taxes, in the amount of \$5,000,000,000 for individuals and business in 1946, by Secretary of the Treasury Vinson. The Secretary's recommendations called for the repeal of the 3% normal tax on individuals, effective Jan. 1; elimination of the 95% war-imposed excess profits tax on corporations; termination on July 1, 1946, of the high wartime excises on such things as fur coats, jewelry, cosmetics and transportation, and a temporary freeze of the social security tax at the present 1% rate against pay envelopes of employees and payrolls of employers, not permitting an automatic rise to 2.5% against each set for January—so as to give Congress an opportunity to review the whole social security program. The proposals of Secretary Vinson represent the first tax-cutting legislation to be placed before the Congress in 16 years.

Czechoslovakian Trade Relations and the U. S.—Businessmen's reports from Czechoslovakia belie gloomy diplomatic forecasts of a Soviet freezeout of all foreign business in eastern Europe, "Business Week" reports in a recent issue.

"While key heavy industries, mines and public utilities have been nationalized, small and medium-sized industries are left to private owners," the publication states. "And some of the first foreigners allowed in Prague are European and U. S. executives exploring the possibility of private investment either in small new industries or in the government's new plants where they seek technical contracts.

"First reports from Prague indicate Czechoslovakia is probably the most prosperous country in eastern Europe and the most ready to resume active trade relations with the U. S."

Steel Industry—Within the next week or so, states "The Iron Age," national metal working paper, under a Sept. 26 dateline, all alloy steel products, all stainless steel products, fine wire, pressure tubing, wire rope and tool steel are expected to be released from OPA price control. A partial reason for freeing these items from price restriction is that the

supply in most cases satisfies the demand and since most of these items also carry prices higher than ordinary steels they do not present a price control problem. Producers of these products can, when restrictions are eliminated, advance the prices, but such an action is held to be most unlikely in steel circles.

Present and probable future labor difficulties, the magazine points out, have not been reflected to any extent in cancellation of steel orders or setting back of delivery schedules since automotive buyers continue to stress early delivery. If labor troubles develop in the industry, steel received may be placed in storage to the limit of facilities.

Such a course "The Iron Age" says would have no immediate effect on the steel mill situation but eventually would be reflected in a request to delay shipment of future orders. Such a request to delay shipment would be welcomed by the mills to provide easing in the jammed-up requirement situation for the near term. Any prolonged tieup in the automotive industry would result in a request to delay shipment as soon as storage facilities were filled, thus giving mills a chance to fill the needs of other consumers.

From a market standpoint, the fundamental and far-reaching change in the steel pricing system involving the naming of new basing points at or near centers of production of individual steel products is expected to be well underway within the next 30 days. Producers most adversely hit by this change from the present basing point setup may lag in new basing point announcements. However, it is felt that competitive pressure and the unmistakable significance of the Corn Products decision will provide the necessary impetus for action.

Because of close scrutiny by the mills of their order books, causing elimination of some duplications, new order volume at some mills is at a level only slightly above cancellations, thus giving only a small increase in total new business. This small net excess, however, is maintaining mill backlogs at their present extended position with most mills reporting their average backlog at six months. Customers are hesitant to place orders for delivery beyond that period because of production uncertainties.

Reports from Spain indicate that the Belgian, Luxembourgian and French iron and steel industries have already met for the purpose of regulating export prices. The meeting, which took place in Paris recently, may possibly be a forerunner of the re-appearance of the steel cartel whose activities ceased in 1939. According to report from abroad, it is too early to judge if the cartel is now being revived, especially since France will not have any representative quantity of steel to offer for export in 1946.

The American Iron and Steel Institute on Oct. 1 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 79.7% of capacity for the week beginning Oct. 1, compared with 83.6% one week ago, 74.9% one month ago and 95.6% one year ago. This represents a decrease of 3.9 points or 4.7% from the preceding week.

This week's operating rate is equivalent to 1,459,800 tons of steel ingots and castings, compared to 1,531,200 tons one week

(Continued on page 1624)

Payments of Franchise Taxes by Federal Intermediate Banks

Advices from the Farm Credit Administration at Kansas City, Mo. state that with the payment to the United States Treasury of \$305,796 in franchise taxes for the fiscal year ended June 30, 1945, the 12 Federal Intermediate Credit Banks have paid into the Treasury franchise taxes totaling \$6,670,537.

During the year the Intermediate Credit Banks extended credit to approximately 600 cooperative associations and other financial institutions engaged in making short and intermediate-term loans to farmers and stockmen, according to George M. Brennan, Intermediate Credit Commissioner. This credit it is stated amounted to \$873,643,868. The advices also state:

To obtain loanable funds to finance their business the Intermediate Credit Banks during the year issued and sold consolidated collateral trust debentures in the amount of \$395,750,000. These securities, which are not guaranteed by the Government, are offered to the investing public monthly and met with ready acceptance by investors all through the year.

"Although there was a minor increase in the interest rate borne by debentures during the year," said Mr. Brennan, "no change was made in the interest and discount rate of the Federal Intermediate Credit Banks." This rate, he pointed out, afforded the credit banks an operating margin for expenses and earnings substantially lower than normal. "However, it enabled the local financing institutions that did the borrowing to finance farmer-stockmen at a rate of 4½%, and thereby assisted in the production during the war of needed foods and fiber."

The Federal Intermediate Credit Banks at the end of the fiscal year reported a Government owned paid-in capital of \$60,000,000 and earned surplus and reserves of \$31,197,264 representing accumulated earnings since organization. Mr. Brennan explained that he considers the net worth is ample support for the present volume of business carried on by the banks as well as for any normal increase in the volume of credit needed by the institutions using their facilities. "However, additional capital funds in the amount of \$40,000,000 are held in a revolving fund in the U. S. Treasury," he pointed out, "and are available to meet any abnormally increased credit needs which might develop in the post-war period."

The banks it is indicated closed the fiscal year with net earnings of \$1,367,390 after provisions for the payment of franchise taxes. These earnings increased earned surplus and reserves for contingencies to \$31,197,264. Mr. Brennan said that since organization of the Federal Intermediate Credit Banks in 1923, losses to June 30, 1945, including reserves carried on that date for estimated losses, amount to only 1/10 of 1% of the total amount of credit extended during that period.

Group Meetings of Ill. Bankers Association

Group 7 of the Illinois Bankers Association will hold its Autumn meeting at Mattoon, on Oct. 8. Other group meetings are scheduled as follows: Group 10, at Cairo Oct. 9; Group 5, Pere Marquette State Park Oct. 11; Group 8, Bloomington Oct. 12 and Group 1 (Chicago District) at the Stevens Hotel Chicago, Oct. 25. Earlier Group meetings were held, as follows: Group 2, at Pontiac Sept. 24; Group 6, Galesburg, Sept. 25; Group 4 at Moline, Sept. 26 and Group 3, at St. Andrews Country Club Sept. 27.

Exchange Offer for Called Belgian Bank Notes

Allan Sproul, President of the Federal Reserve Bank of New York, called attention on Sept. 24 of the banking institutions in the New York Reserve District to the receipt of the advices from the Treasury Department under date of Sept. 21, making known the receipt of the following announcement from the Belgian Embassy in Washington regarding the conversion of Belgian bank notes and declaration and deposit of Belgian

bearer securities:

I. Conversion of Belgian Bank Notes

Under a Belgian Decree-law dated Oct. 6, 1944, paper currency issued prior to Oct. 9, 1944 by the National Bank of Belgium in the denominations of 100, 500, 1,000 and 10,000 francs ceased to be legal tender and to be negotiable as of Oct. 9, 1944, and was withdrawn from circulation in Belgium.

Arrangements have been made whereby up to and including Oct. 22, 1945, all such called notes held in the continental United States and Hawaii shall be forwarded to the Belgian Consulates, accompanied by a declaration on a form obtainable from the Belgian Embassy or Consulates. Information required in the declaration pertains to the ownership and location of the currency and the date and manner in which it was acquired. In addition, the owner is required to establish that the banknotes were acquired without violating the laws and regulations of Belgium and that they do not belong to and were not received from nationals of any country at war with Belgium or her allies.

Residents in the United States shall also declare Belgian banknotes owned by them outside of the United States on Oct. 9, 1944, to which no third party had access.

If the Belgian authorities are satisfied that the notes are genuine and were legitimately acquired, the equivalent of the banknotes, in respect of which the owner has complied with the above requirement, will be credited to a blocked account in the name of the owner mentioned in the declaration with the "Office des Cheques et Virements Postaux" (Office of Postal Checks and Transfers), Brussels, Belgium.

After Oct. 22, 1945, no declaration and deposit will be accepted.

II. Declaration and Deposit of Belgian Bearer Securities

Pursuant to a decree of the Belgian Government of Oct. 6, 1944, holders of Belgian bearer securities expressed in Belgian francs are required, up to and including Nov. 22, 1945, to deposit their certificates with member banks of the Federal Reserve System and the Banque Belge pour l'Étranger (Overseas) Ltd., 67 Wall Street, New York 5, N. Y. Deposits must be accompanied by a declaration on a special form which is obtainable from and, upon execution, shall be forwarded to, the Banque Belge pour l'Étranger (Overseas) Ltd. by the banks receiving them. Necessary instructions will be supplied with the forms.

The securities may not be disposed of until it has been shown, to the satisfaction of the Belgian Ministry of Finance, that they have been continuously the property of Belgian, allied or neutral subjects since May 10, 1940.

Securities not declared and deposited within the required time will be cancelled and the value thereof will be forfeited to the Belgian State.

Securities which must be declared and deposited are as follows: All Belgian bearer securities of whatever denomination issued by authorities of Belgium or the Belgian Congo, by Belgian limited companies, Belgian trust companies, Belgian Congo limited companies, and the Kivu National Committee. Included also are preference shares of "Société Nationale des Chemins de Fer Belges" Dutch and Swiss series,

and Belgian securities issued abroad in Belgian francs.

The following securities need not be declared and deposited:

(a) Bearer bonds with a nominal value not exceeding 100 francs;

(b) Bearer bonds in default since prior to Jan. 1, 1930;

(c) Stocks of companies organized prior to Jan. 1, 1930, on which no dividend has been paid since that date and the value of which did not exceed 100 francs on Aug. 31, 1944;

(d) Stocks of companies in liquidation, the value of which did not exceed 100 francs on Aug. 31, 1944;

as well as all bonds expressed in currencies other than Belgian francs, or bonds expressed in Belgian francs and one or more foreign currencies.

The advices from the Reserve Bank state that:

In order to facilitate the conversion of Belgian franc currency in accordance with the program, the Treasury Department has issued a license to the Belgian Embassy authorizing all transactions incident to the conversion by such Embassy or its agents of Belgian franc currency. Such license also authorizes withdrawals of Belgian franc currency from blocked accounts for the purpose of complying with the procedure described above. In connection with the declaration and deposit of Belgian bearer securities, attention is drawn to Treasury Department General License Number 1A.

Resigns From NWLB

Chairman George W. Taylor of the National War Labor Board tendered his resignation following WLB's transfer to the Labor Department, and it has been accepted by President Truman with expressions of regret and "heartfelt gratitude for the efficiency and fidelity with which you discharged your duties," a special dispatch to the New York "Times" from Washington stated Sept. 20.

Dr. Taylor, on leave from his post as Professor of Economics at the University of Pennsylvania, is reported to have tried repeatedly to resign before this, but was asked "to remain with the Board until its work incident to the war program had been completed." He wrote to Mr. Truman, "This assignment has been carried out and I now tender you my resignation as chairman of the NWLB effective not later than Oct. 15, 1945, if that meets your convenience." The WLB, which was recently transferred to the jurisdiction of the Department of Labor recently, is scheduled for liquidation as soon as possible after the management-labor conference, which now is scheduled to open on Nov. 5.

House Group Urges Lifting Of Newsprint Limits

The House Newsprint Committee has recommended to the War Production Board that Government newsprint restrictions be lifted, as of Dec. 31, Chairman Boren (D.-Okla.) announced Sept. 20, according to Associated Press Washington advices. Mr. Boren stated that the recommendation, which his committee believes WPB will follow, concurred with one by the newspaper industry advisory committee. Newsprint is now allotted to publishers on a quota basis, by WPB, and Mr. Boren told reporters that his Committee favored a policy of not continuing controls any longer than necessary.

Plans Discussed for Farm Production Cuts

Anticipating peacetime demand for farm products to be on a reduced scale, Secretary of Agriculture Anderson on Sept. 24 told representatives of the American Farm Bureau Federation that the Government's 1946 farm program would base requirements on the smaller demand and cut over-all production accordingly, the Associated Press reported from Washington, on that date. Mr. Anderson, who on taking office in July promised to take steps to obtain "all out" production of food in 1946, stated at the conference which was headed by the Federation's President, Edward A. O'Neal, that he felt commodity production goals should reflect the consumptive demand rather than agriculture's maximum ability to produce.

The ending of the war has brought a reduction in military requirements, and prospective domestic and foreign needs are somewhat smaller, the Associated Press pointed out. Already the nation is said to have a surplus of potatoes, and eggs which so recently were scarce may soon be available in over-abundance.

The Agriculture Secretary's conference with the Farm Bureau men followed a visit of the farm organization group at the White House where future farm problems, particularly price support promises of the Government, were discussed with President Truman. The Federation presented to the President a broad program of agricultural reconversion from war to peacetime production, according to a special dispatch from Washington to the New York "Times."

The following over-all proposal was intended to cover specific recommendations, the "Times" stated:

1. It is the responsibility of the Federal Government to give price support to all agricultural commodities where the Government asked for increased production, whether it was by proclamation or by official program planning.

2. There is a definite obligation of the Government to support prices to the end of the marketing season on all annual crops under production on Jan. 1 following the program announcing the termination of hostilities. Beyond that period the Government is obligated to the extent that farmers respond to requests for adjustment in production.

We believe the marketing agreements act should be revised to permit growers of any farm commodity to operate under marketing agreements, and also to permit the Secretary of Agriculture to approve a marketing agreement without waiting for the price of the commodity involved to fall below parity.

The Associated Press accounts Sept 24 said:

Both Mr. Truman and his Secretary of Agriculture assured the group that the Administration intended to carry out price support commitments enacted by Congress early in the war. In the case of most products the department is required to support prices at not less than 90% of parity for two years after official end of the war.

"The responsibility of carrying out price supports," Mr. Anderson said, "rests with both the Government and the farmer. The farmer must be willing to adjust his production to the goals."

"I agree with you," said Earl Smith, Vice President of the Bureau.

Mr. Anderson raised the possibility of invoking marketing quotas on peanuts, one of the oil-feed crops sharply expanded during the war to offset losses of vegetable oil imports from the Pacific, and of reducing the support price for soybeans, another source of vegetable oils, to levels that would discourage production at present volume.

Both the visitors and the Secretary said it also might become necessary to invoke marketing quotas on rice. The final decision will depend upon the character of production in the Southwest Pacific. Under quotas farmers who sell more than their allotted share must pay penalty taxes.

The farm organization asked for the continuance of marketing quotas on tobacco. It urged, however, that no quotas be established on corn, explaining that another good crop is needed to restore reserves. It said that at the present time it is impossible to say whether quotas on cotton will be necessary next year.

The Bureau also recommended establishment of a new formula for determining parity prices on livestock and livestock products. The present formula, it said, does not provide adequate prices for those commodities.

Lengthy Occupation Of Japan Forecast

General Douglas MacArthur expressed it as his view on Sept. 25, that Japan might be occupied "many years" although the conquering force would be small "under favorable conditions"—presumably if the fallen empire behaves. Associated Press advices from Tokyo on that date said that his denial of reports that occupation might end in six months came as Japan embarked on an economic transition that will erase her, at least for the present, as the world's greatest silk producer.

On Sept. 17 General MacArthur predicted, according to Associated Press advices from Tokyo, that it may be possible to reduce our occupation forces in Japan to not more than 200,000 within the next six months. Although the general admitted that the "initial landings" of our men were a tremendous "gamble" with ground forces outnumbered 1,000 to one by armed Japanese, "the stakes were worth it," he added, and the resultant penetration of the conquered nation a gratifying success. General MacArthur's estimate of 200,000 occupation troops, according to the Associated Press, was just half the number which Lieut.-Gen. Robert L. Eichelberger, commander of the United States Eighth Army, recently said would be necessary—and Eichelberger's figures were at that time considered low. At the start, some 800,000 men—including air forces—were scheduled to participate. The Associated Press further stated:

Gen. MacArthur's statement said that the unknown quantity at the outset of the occupation was whether a military government would have to be established. This would have involved several million troops, he said; but by working with the existing Japanese Government, purposes of the surrender terms can be accomplished with only a small fraction of the men, time and money originally projected.

Once Japan is disarmed, he emphasized, a force of 200,000 troops "will be sufficiently strong to insure our will."

Questions involved in the strength of occupation forces, the Supreme Commander explained, are entirely independent of the future Japanese politico-governmental structure. This problem, he explained, is waiting completion of the military phase of the surrender—and is one that unquestionably will be determined "upon the highest diplomatic level of the United Nations."

A previous reference to the views of Gen. MacArthur on the occupation forces and comment by Dean Acheson of the State Department appeared in our issue of Sept. 27, page 1492, bearing on the directive approved by President Truman defining Gen. MacArthur's authority in Japan.

Industrial Arbitration Course at N. Y. University

The Graduate School of Business Administration of New York University recently announced a new course for the September to February semester in "Industrial Arbitration." This course will provide factual information on the settlement of industrial disputes by arbitration. It will discuss various types of contractual arbitration clauses. It will deal with rules of procedure in a series of "workshop cases." It will provide training in the actual process of arbitration. The instructor in this course will be J. Noble Braden, Tribunal Vice-President of the American Arbitration Association. This course will meet for a two-hour period once each week on Wednesdays, from 7:25 to 9:10 p.m. in the University building at 90 Trinity Place. The first session of this course was held on Sept. 26.

Congressional Action on Bill Providing For Inducements for Enlistment

In the hope of reducing the need of the draft, or eliminating it entirely, the House on Sept. 18 passed a bill which would offer added inducements for voluntary service in the armed forces, the Associated Press reported in advices from Washington, which added that the measure also removes the present limit of 280,000 on the number of volunteers in the regular army. It is felt that if more men are encouraged to volunteer or re-enlist for Army or Navy duty, it will permit speedier discharge of those in service who wish to leave.

The following were among the inducements provided in the measure as passed by the House, according to the Associated Press:

1. Allowance for one-year enlistments. The previous Army minimum has been three years.

2. Reduction in the enlistment age from 18 to 17.

3. Continuation of the 20% extra pay allowed for overseas service.

4. An increase in the re-enlistment bonus for all grades of enlisted men to \$50 for each year of active duty since the last enlistment date. At present low-ranking men would get only \$25 for each year.

5. Allowance for 90-day furloughs when re-enlisting, with furlough travel paid.

6. For those re-enlisting, the option of obtaining their mustering out pay in a lump sum or in three installments (as at present).

7. Continuation of the free mailing privilege.

8. Insurance of benefits of the GI Bill of Rights for those re-enlisting.

9. Better retirement benefits.

The bill was passed on a roll call, with 341 in favor of its adoption and 90 not voting.

When the measure was sent on to the Senate, its Military Affairs Committee gave its approval, but with the elimination of one-year re-enlistments, for which was substituted a period of 18 months. The Senate Committee also proposed that a choice of two or three-year enlistments be offered new men, and that the measure set a two-year limit on service by future draftees and forbid drafting of men over 26, the "Wall Street Journal" reported on Sept. 22 in its review of the Senate group's action. On the floor of the Senate, however, the committee's proposal to fix at 18 months the enlistment period for soldiers with six months or more of service was rejected by a vote of 63 to 16, the New York "Times," in a special Washington dispatch of Sept. 26, reported, adding that the Senate passed the bill and returned it to the House after adopting the following amendments:

One by Senator Morse of Oregon extending to voluntary enlistments all present authorized monthly allowances for dependents of soldiers for six months after Congress declares the war ended and for any period of voluntary re-enlistment which any enlisted man agrees to prior to July 1, 1947.

Another by Senator Hayden of Arizona authorizing the War Department, with the approval of the Legislature of the Philippine Islands, to enlist in the Philippine Scouts, with pay and allowances authorized by existing law, 50,000 men for three years' service in the occupation of Japan.

A third by Senator Revercomb of West Virginia permitting the War Department to accept original enlistments and re-enlistments in the regular Army for periods as short as 18 months. This is an alternative to the one-year enlistment proposal and represents a moderation of the House provisions limiting such regular Army enlistments to "two or three years at the option of the persons so enlisted."

The "Times" gave the following in its further account of the Senate's action:

By a vote of 64 to 13, the Senate rejected a Morse amendment

to raise the base pay of all members of all armed services by \$25 a month, offered, he said, as an extra inducement to volunteer enlistments.

The Senate agreed to extend provisions of the GI Bill of Rights to volunteers and provide 30-day furloughs for draftee members of the Army of the United States enlisting in the Regular Army.

Senator Gurney of South Dakota protested against rejection of the recommendations of the committee and the War Department, holding that such action would hamper occupation efficiency and make high-point draftees stay in service longer.

Senator Tydings of Maryland said the bill ought to go back to committee "if we are going to give peacetime soldiers benefits which we voted with the idea that they would go solely to men who have served and suffered in war."

New York Savings and Loan Assets Increase 12.5%

The total assets of the 243 savings and loan associations in New York State reached an all-time high figure of \$669,392,000 as of Aug. 31, 1945, according to estimated figures released by Zebulon V. Woodard, Executive Vice-President of the New York State League of Savings and Loan Associations. In announcing this record volume of assets on Sept. 21, Mr. Woodard stated that it represented an increase of 12.5%, or \$65,224,939, for the first eight months of 1945. Mr. Woodard also stated that an increase of 1.5%, or \$8,809,160, in new share money was reported for August, while liquidity increased from 31.0% as of Jan. 1, 1945 to 34.1% on Aug. 31, 1945. From the further advices we quote:

Mortgage loans granted by all New York savings and loan associations during August, 1945, amounted to \$11,176,370, which represents an increase of 35%, or \$2,916,503, over August, 1944. Mortgage lending activities for August, 1945, also showed an increase of 4%, or \$439,490, over those recorded during the previous month of July. Of the \$11,176,370 mortgage loans placed by the associations in August, \$9,391,890 were for the purchase of homes while construction, repair, refinancing and other loans amounted to \$1,884,480.

New York State Trust Fund Rules Amended

Superintendent of Banks Elliott V. Bell has announced an amendment to the New York State Banking Board's regulations, doubling the amount which any one participant may have in common trust funds, the New York "Times" reported on Sept. 14.

Under the amendment larger amounts of trust funds can be accommodated under the common trust fund principle, thus permitting wide diversification of investment for the beneficiaries and somewhat greater economy of operation for both the beneficiaries and the trust companies, Mr. Bell said. The "Times" added:

The action was taken under the authority of an amendment to the Banking Law of 1943 if the board of governors of the Federal Reserve System should authorize such an increase with respect to common trust funds subject to its regulation. Effective Sept. 1, 1945, the governors amended the regulation to permit this increased participation.

HOLC Investments Reduced 72.2% From Peak

Reporting on Sept. 22 on its operations through the fiscal year ending last June 30, the Home Owners' Loan Corporation announced that it has reduced its investments in loans and properties to the extent of 72.2%, which is more than 12% ahead of its liquidation schedule. The steady reduction of the borrowers' debts and corresponding increase in their equity in their homes continued. Net earnings of the HOLC for the past fiscal year, after taking into account all operating expenses and losses from the sale of properties, reached a total of \$14,549,000—or \$3,149,000 in excess of the Corporation's earlier estimates, said the announcement.

According to John H. Fahey, Commissioner of the Federal Home Loan Bank Administration, "HOLC's total investment of \$3,489,000,000 in loans and advances has now been reduced to \$969,000,000. More than 197,000 of the 198,000 houses the Corporation was obliged to take over by foreclosure have been sold, representing a property liquidation of 99.6%. The Corporation owned but 710 properties at the end of the fiscal year and this number has since been further reduced. Even before the nation entered the wartime economy following Pearl Harbor, the Corporation had sold 149,700 or 79% of the properties it had acquired up to that time."

Of over a million loans made by HOLC, 471,152 had been paid off in full by June 30. The number of loan accounts outstanding

had been reduced to 532,495; of these 426,235 were being paid on schedule, while only 11,405 were delinquent more than 90 days, says the advices, from which we quote:

At the peak of the Corporation's activity 21,000 employees comprised its salaried personnel; by the end of the current fiscal year the number will be reduced to less than 1,600. Annual operating costs have dropped from the top figure of \$37,000,000 to an estimated \$5,660,000 for the present fiscal year.

The defaulted mortgages which HOLC took over averaged two years delinquency on principal and interest and three years on taxes. The Corporation has disbursed a total of \$484,000,000 for taxes and \$202,000,000 for repairs and reconditioning needed because of neglect during the depression. It also assumed the expense of examining applications and placing loans on its books, amounting to \$58,000,000, and paid out \$18,000,000 for delinquent fire insurance premiums.

The Financial Situation

(Continued from first page)

But those of us who for one reason or another did not draw such a lesson from those meetings must be reaching some such point of enlightenment now from the reports of the discussion of the Council of Foreign Ministers in London. It is clear enough that Russia, whether we like it or not—and there are, of course, a good many who admire her no less for doing so, whatever may be thought of her manners or the extremes to which she appears at times to be taking the policy—is not really impressed with the idea that a few of the larger powers, including nations with many conflicting interests as well as conflicting ideologies, can somehow get together and stay together in establishing a peace by force of arms. The Russians are realists in world politics. They know of course that much of the policy of destruction of industry of Germany and Japan can as easily be viewed as an effort to eliminate troublesome trade competition, as a determination to establish a peace among the nations which will last forever. They doubtless shrewdly suspect that no little of the support for such policies as these among the so-called democracies finds its origin in precisely this desire to eliminate this international competition.

What Stalin Thinks

Such a thought does not, of course, disturb Mr. Stalin a great deal. Indeed he probably is interested in it only in the degree that it will affect Russia's future. The fact that Great Britain, France, the United States, or any other power is pushing such a program would not be likely to be a cause of friction, so far as he is concerned, provided it did not affect his country. What is probably very hard for him to understand is why the others are impatient with him when he in perfect cold-bloodedness—and with refreshingly little of either hypocrisy or self-deception—pursues a similar type of policy. Our emotionalism and our idealism about a new world order must appear a strange phenomenon to him, quite beyond his comprehension.

What is developing or threatening to develop is not precisely what Hitler so often predicted, but is akin to it. There may be some element of the "ideological" in the line along which things in international affairs are crystallizing, but certainly nothing of the sort is the guiding or the major force in the transformations which appear to be taking place. In this respect, apparently, Hitler was quite amok. On the other hand, we can scarcely fail to

see the tendency of the major powers to break down into two blocs in the old fashioned imperialistic, balance of power style. This time it would be a balance of power—or may be—not in Europe alone, but more or less embracing the entire globe, and the lines of cleavage are as one with the Drang nach Osten, the Suez Canal controversies and intrigues and all the rest.

East vs. West?

The aggressiveness of Russia and the hugeness of that nation tend to place her on one side of the fence, with Great Britain, at least, with whose interests Russian ambitions often clash, on the other. The English have always been suave, smooth, not to say indirect, in their imperialistic ambitions. Whatever it is that they are now doing does not appear to galling the American public in nearly the same degree as might otherwise be the case. In any event, we still cling to our violent opposition to any sort of unilateral action on the part of any of the great powers. One result of this is that we appear to be more displeased with Russia than with any of the others.

Then, too, despite all our protestations about having no ambitions, we have been doing a great deal of talking about "bases" all over the world—so much so that the British have apparently become somewhat nettled about it. All this and more of the same general sort tends to cause a division of the world into two major blocs or groups—recently rather misleadingly spoken of as East vs. West. It would be difficult at this time to be certain where all this will lead—or perhaps where it all has already led. But it all certainly has a familiar tinge, at least to those who are familiar with the history of world politics. It certainly bears no resemblance to anything that the so-called internationalists have been preaching and proposing for years past.

Now in such a situation as this it is merely silly to prate about whether we should be "isolationist" or "internationalist"—even if the two terms were permitted to have and to retain some reasonable measure of realistic meaning. The state of affairs is obviously not so simple as that. To try to make it appear so can only result in confusion and misunderstanding. It should be clear enough that we must be very wary of any and all commitments which rest upon the idea of a single world government. Equally clear is it that we must protect our own shores in whatever way is necessary. It would be

Foreign Silver Price Raised to U. S. Rate

A new uniform maximum ceiling of 71.111 cents per fine ounce has been set by the Office of Price Administration for both foreign and domestic silver, it was announced by the OPA on Sept. 20. It was noted in the Associated Press advices from Washington that for the purpose of the order foreign silver is defined as all silver other than newly-mined domestic silver or silver sold by the Treasury under the Green Act. The new uniform price of 71.111 cents per fine ounce had been the existing price for domestic silver. The ceiling price for foreign silver previously was 45 cents per ounce. The action became effective Sept. 21. The OPA advices state:

Foreign silver is all silver other than newly-mined domestic silver or silver sold by the Treasury under the Green Act.

Use of the foreign or lower priced silver has been restricted to the most direct and essential war needs, OPA said, and users of silver for other purposes, such as the manufacture of silverware and jewelry, have been required to use the higher-priced domestic or Treasury silver.

War Production Board Order M-199, which limited and controlled the uses of silver, however, was revoked Aug. 20, 1945, and continuance of different maximum prices for foreign and domestic metal is no longer practicable.

The price agency added that the 45-cent foreign silver ceiling price is lower than market prices in other parts of the world, and might keep needed foreign supplies from the American market if continued in effect.

Savings Accounts Increase

Individuals' savings account balances in 37 insured savings associations, increased by \$3,553,506 for the month of August it was recently announced by the Council of Insured Savings Associations of New York State. This it is stated is 27.5% greater than the \$2,786,568 net increase in savings in these same associations for August a year ago. In issuing the report, Carl F. Distelhorst observed that the first few weeks of conversion unemployment have had no effect on the trend of savings in these institutions. Withdrawals remain at their wartime lows and new savings continue to flow in at peak levels. It is further stated:

From Pearl Harbor to V-J Day these 37 insured savings associations reported an increase of \$86,956,737 or 81.7% in individual savings accounts. As of Aug. 31 they had total resources of \$217,937,982 and 202,654 savings accounts. The average savings account balance was \$955.

Mortgage lending volume was at a record high during August when these 37 associations closed 727 home loans amounting to \$3,772,485. This was 36.4% more than was loaned on homes in August, 1944.

quite another matter, however, for us to suppose, for example, that we must, in order to protect ourselves or for any other purpose, place our own peace and good will in jeopardy by underwriting the interests, even in part, of other countries against Russian aggression—whether or not it may be with the highest of motives. Certainly we must not so align ourselves in this world situation that we shall presently find ourselves pulling the chestnuts of other peoples out of the fire—as we have upon occasions in the past.

Observances of Rights of N. Y. in St. Lawrence Seaway Legislation Pledged by Truman

Reassurances have been given by President Truman to Governor Thomas E. Dewey for the protection of rights of New York State to water power developed in the St. Lawrence seaway and power project, in advices to the Governor made public Sept. 27. A protest against any plan to ignore the State rights in any legislation proposed had been lodged with the President by the Governor, in a telegram in which the Governor said in part:

For the last five years I have advocated every constructive movement to make possible this great St. Lawrence development.

But rather than see the fundamental rights of the people of this State disregarded I should be compelled to oppose any measure which omits the agreement as to power development already made and approved by the executive branches of the Federal Government and this State. I am confident you will agree that the accord should not be omitted from any bill to be introduced and earnestly trust that I may count upon your support in this matter of such vital interest to the people of New York State.

In his reply to Gov. Dewey the President stated in part:

I am sure that you are aware of the fact that I have been and still am in favor of constructing both the seaway and the power projects; and was happy and proud to vote for them on Dec. 12, 1944, when I was Vice-President-elect but still a member of the United States Senate.

I continue to be enthusiastically in favor not only of the development of the St. Lawrence Waterway but also of the water power on the river. I also continue to believe very strongly that the necessary power facilities should be built by the Federal Government and turned over to the appropriate New York State agency in accordance with the agreement recommended by the Corps of Engineers of the United States Army and the Power Authority of the State of New York dated Feb. 7, 1933. This was the program of President Roosevelt, and I have always been in favor of it.

A group of Senators interested in these same objectives, composed of Republicans and Democrats, have been holding meetings to discuss the best means of obtaining these results.

Inasmuch as it is a legislative matter, I am inclined to follow their ultimate conclusions on the best means of avoiding continued fruitless discussion and of getting some early, definite action toward accomplishing both of these objectives. It is the early construction of the project—both power and seaway—which will benefit the people of New York and the Great Lakes area, and not the form of any particular bill.

As you know, I have always been, and still am, ready to cooperate in any way I can to have the Congress of the United States ratify as soon as possible the Canadian-American agreement of March 19, 1941 for the development of the Great Lakes-St. Lawrence Basin, and also take the appropriate steps to transfer to the State of New York the ownership and management of the St. Lawrence power facilities at the International Rapids.

I am not so much interested in the details of legislative procedure; nor do I feel that it is proper for me to interfere with the sponsors of the legislation as to the legislative procedure to be followed. I am, however, most interested in the ultimate objectives which I am sure you wish to attain just as I do.

In Associated Press advices from Albany Sept. 27 it was stated that Gov. Dewey had that day wired President Truman that he was gratified by the President's "reassurance concerning the rights" of New York in the proposed St. Lawrence power development, and expressed "earnest" hope that the "point of view on

which we are happily agreed will be reflected in legislation proposed to the Congress." Gov. Dewey added:

"It is my most earnest hope that the legislation will specifically respect and preserve by act of Congress the fundamental rights of the State of New York, in accordance with our joint desires."

It was reported that Gov. Dewey was prompted to address President Truman because of reports that a group in Washington was considering a proposal to split legislation for the development into one bill for expansion of the seaway and another for the construction of hydro-electric power plants, and the Governor did not wish to see a project similar to the Tennessee Valley Authority created to the detriment of New York and other states. Advices to the New York "Times" Sept. 21 stated:

The State has appropriated \$1,500,000 over the years for its power authority, which has been working on plans for development of St. Lawrence power. It is felt that this investment by the State would be lost if the Federal Government took over.

Exchange Offering of Treasury Certificates

An offering on Sept. 24 through the Federal Reserve banks of 7½% Treasury certificates of indebtedness of series H-1946, open on an exchange basis, par for par, to holders of Treasury certificates of indebtedness of series G-1945, maturing Oct. 1, 1945, was announced by Secretary of the Treasury Vinson. Cash subscriptions were not received. It was announced that the subscription books would close at the close of business on Sept. 26, except for the receipt of subscriptions from holders of \$100,000 or less of the maturing certificates, while subscription books for the receipt of subscriptions of the latter class were scheduled to close at the close of business on Sept. 29. It was added that:

"Subscriptions addressed to a Federal Reserve bank or branch or to the Treasury Department, and placed in the mail before midnight of the respective closing days will be considered as having been entered before the close of the subscription books."

The certificates just offered will be dated Oct. 1, 1945, and will bear interest from that date at the rate of 7½% of 1% per annum, payable semi-annually on April 1 and Oct. 1, 1946. They will mature Oct. 1, 1946. They will be issued in bearer form only, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The Treasury announcement also said:

"Pursuant to the provisions of the Public Debt Act of 1941, interest upon the certificates now offered shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted. The full provisions relating to taxability are set forth in the official circular released today."

Subscriptions will be received at the Federal Reserve banks and branches, and at the Treasury Department, Washington, and should be accompanied by a like face amount of the maturing certificates. Subject to the usual reservations, all subscriptions will be allotted in full.

"There are now outstanding \$3,491,572,000 of the series G-1945 certificates."

State Department to Handle Wartime Surpluses

The Senate War Investigating Committee learned from John W. Snyder, Director of War Mobilization and Reconversion, that President Truman intends to place the State Department in control of the problem of disposing of the nation's wartime surpluses throughout the world, Associated Press Washington advices stated on Sept. 24. In outlining the administration's plans, Mr. Snyder disclosed that in Europe alone there are some 6,000,000 tons of surplus materials worth about \$1,000 a ton. He was unable to guess at the quantity or cost of surplus war goods in the Pacific. He said "the President has made a decision to unify all these activities in the State Department."

"In practical terms," he said, "this involves transferring to the department the disposal functions of the Army-Navy Liquidation Commission, and the lend-lease functions of the Foreign Economic Administration."

The reconversion chief said that detailed plans for streamlining the surplus disposal program were being perfected and that the "transfer itself will take place at the earliest practicable date."

Disposal of surplus war property in this country is handled by the Surplus Property Administration, the Associated Press pointed out. President Truman's nomination of W. Stuart Symington to replace the present three-man board as sole administrator of such disposals is awaiting confirmation by the Senate.

The Associated Press continued in part:

Mr. Snyder said that the surpluses abroad would go to those nations most in need but added that the question of payment, by foreign nations was extremely difficult. "We can't expect dollars," he said.

He explained that "local currencies" were available in some nations but that the United States must accept other things, such as:

- 1 Commercial good will.
- 2 Traveling fellowships or foundations for scientific and cultural research.
- 3 Additional facilities for our diplomatic representatives.

This nation also is willing to trade surplus goods for "commercial and military rights," he said.

The witness cited present negotiations with the British as an example of the problems. He said talks with the British were "about general commercial arrangements, about general financial arrangements, and about the disposal of surplus property in the United Kingdom."

Mr. Snyder said that the British-United States financial talks were complex but were being "handled in an orderly and fully co-ordinated fashion."

Assistant Secretary of State Will Clayton is directing State Department policy for the numerous Federal agencies involved in these negotiations, Mr. Snyder said.

The witness said a large part of the European surplus "possibly half, consists of items that have no possible peacetime utility—tanks, guns and fighter planes for instance. Some of these will be retained by our armed forces and used by the army of occupation or brought home; a great deal will be scrapped; some, I suppose, may well be transferred to our Allies in connection with their assumption of full occupation duties."

Crowley Resigns—FEA Is Dissolved

Accepting the resignation of Leo T. Crowley as Chairman of the Federal Deposit Insurance Corporation and as administrator of the Foreign Economic Administration, as of Oct. 15, President Truman, on Sept. 27, according to a special Washington dispatch to the New York "Times," at the same time issued an executive order abolishing the FEA and dividing its functions among four agencies.

The most important FEA functions are to go to the State Department and the Reconstruction Finance Corporation, the "Times" added. It also noted that those to the State Department include the staff and the activities of the Lend-Lease Administration, the United Nations Relief and Rehabilitation Administration, as well as the job of liquidating surplus United States properties abroad. Those functions transferred to the RFC are the Rubber Development Corporation, the Petroleum Reserves Corporation, and the U. S. Commercial Company, including its capital stock, assets and liabilities excepting the foreign food programs, which are transferred to the Agriculture Department.

Jurisdiction over export controls and facilitation of foreign trade go to the Commerce Department under the President's order.

Unable in this instance to persuade Mr. Crowley not to quit public life yet, as he had succeeded in doing on two previous occasions, the "Times" drew attention to the fact that the President said in his letter of acceptance that he had no alternative but to accept Mr. Crowley's decision. The Chief Executive told reporters only yesterday that he still hoped to talk Mr. Crowley out of his decision to return to private life. The "Times" likewise stated:

Mr. Crowley said after announcement of the President's acceptance that he had no plans for the immediate future except to take a rest and to return to active duty as Chairman of the Standard Gas and Electric Company.

The order stipulated in connection with the Commercial Company, purchasing agent of the Government under lend-lease, and other wartime Federal programs, that the RFC might reconstitute the board of directors. The provision was applied to the other corporations switched to RFC.

In turning over to the State Department the job of liquidating surplus American property abroad, the President's order made an exception of "certain vessels" which had previously been brought under the jurisdiction of a separate Government board, and to this same end the order abolished the office of Army-Navy Liquidation Commissioner.

It was provided in the order that while the State Department had sole responsibility for the job of liquidation, it could call on the personnel of the Army and Navy to do the work and these Departments were specifically directed to store, handle and deliver and keep fiscal and other accounts of the properties declared to be surplus.

structure planning to prevent depressions rather than setting up relief plans for meeting them. It should be of great help to private enterprise."

Senator Radcliffe, the sole Democrat voting in opposition, expressed his objection as being the "lopsided" nature of the declaration of principles that every American was entitled to a job, holding that this excluded farmers.

Approve Acheson as Under Secretary of State

On Sept. 24 the U. S. Senate confirmed by a vote of 69 to 1 the nomination of Dean G. Acheson as Under Secretary of State to succeed Joseph C. Grew, resigned. Prior to the vote confirming the nomination, the Senate on Sept. 24 overruled a one-man revolt against approval, turning down by a vote of 66 to 12 after three hours of debate, the request of Senator Kenneth S. Wherry (Neb.), Republican Whip, that the nomination be returned to Committee for further consideration. Senator Wherry, who according to the Associated Press admitted that he was fighting for a lost cause, voted against confirmation. The press advices added that his only support on the floor for reconsideration of the nomination came from a Republican colleague, Sen. Clyde M. Reed, of Kansas.

Under date of Sept. 20 it was stated in Washington Associated Press advices that two Senators that night delayed action on Mr. Acheson's nomination on the ground that he had "insulted" Gen. Douglas MacArthur. The Associated Press added:

Senators Wherry, and Chandler, Democrat, of Kentucky, acted as the result of disagreement between General MacArthur and the State Department over occupation policies in Japan.

Recently General MacArthur forecast that the occupation forces could be cut down to 200,000 men in six months. Mr. Acheson came back with a statement that occupation policy was being made in Washington, not in the field.

Senator Wherry told the Senate that Mr. Acheson, at present Acting Secretary of State, had "blighted the name" of General MacArthur.

During the debate Democratic Leader Barkley went to the defense of Mr. Acheson. He said that it was "ridiculous" to say that the Acting Secretary had "blackened the name" of General MacArthur.

But Senator Wherry insisted

that action on the nomination go over until next week. Senator Chandler backed him up.

With regard to the Senate action on Sept. 24, when the nomination of Mr. Acheson was confirmed, the Associated Press stated:

As the debate warmed up, the White House made public, without comment, another clarification of MacArthur's authority. Sent him on Sept. 6, this advised that in applying the terms of the Potsdam agreement the general's authority was supreme. He was instructed that the authority of the Japanese emperor and government were at all times subordinate to his. He was not to confer with the Japanese on the scope of this authority, since their surrender does "not rest on a contractual basis, but on unconditional surrender." He may take any direct action he deems necessary in the control of Japan as exercised by its government and may enforce his orders by any means, including force. Finally the Potsdam agreement for the treatment of Japan shall "be respected and given effect."

Mr. Acheson, who had formerly been Assistant Secretary of State in charge of relations with Congress and of international conferences, took oath as Undersecretary of State on Aug. 27. Mr. Acheson's appointment to his new post was referred to in our issue of Aug. 23, page 859. It was indicated on Aug. 27 that Mr. Acheson would serve ad interim until Congress returned and his nomination could be sent to the Senate.

Senate Committee OKs Full-Employment Bill

The Senate Banking and Currency Committee, on Sept. 20, according to special advices to the New York "Times" from Washington, backed up the stand of its sub-committee which on Sept. 3 reported favorably the so-called "full employment" bill, the full committee voting Sept. 20, 13, to 7, to report the measure in essentially the form offered by its sponsor, Senator Murray (D.-Mont.). Senator Wagner (D.-N. Y.), Chairman of the Committee and one of the co-sponsors of the measure, said he hoped to get it before the Senate shortly.

The bill, the Associated Press reported on Sept. 3 in its Washington advices, states near its outset that: "All Americans able to work and desiring to work have the right and opportunity for useful, remunerative, regular and full-time employment."

The subcommittee draft of Sept. 3 asserted further according to the Associated Press:

"The Federal Government has the responsibility to assure continuing full employment, that is, the existence at all times of sufficient employment opportunities for all Americans able to work and desiring to work." Continuing, the Associated Press said:

To that end, the Government would pursue "a consistent and carefully planned economic program" which, "to the extent that continuing full employment cannot otherwise be achieved," would provide "such volume of Federal investment expenditure as may be needed to assure continuing full employment."

Such expenditure, the bill points out would be in addition to investment and expenditures by private enterprises, consumers and State and local governments.

In advices from Washington Sept. 20 the Associated Press stated:

Without making any direct authorizations for funds—that would be up to Congress later—the bill pledges that "to assure continuing full employment," the Government will make whatever expenditures are necessary.

Asked if he interpreted this as pledging the full resources of the U. S. Treasury, if necessary, to prevent unemployment, Senator

Wagner answered without hesitation: "Yes."

Chairman Wagner told reporters after the vote:

"Our view is that this bill is to prevent depressions."

Senator Robert A. Taft (R., Ohio), fought vainly to modify the Government spending doctrine which is the core of the bill.

Supporters of the bill among the full committee, some voting in absentia, included, according to the "Times," the Chairman, Mr. Wagner; Messrs. Glass of Virginia, Barkley of Kentucky, Bankhead of Alabama, Downey of California, Murdock of Utah, McFarland of Arizona, Taylor of Idaho, Fullbright of Arkansas, Mitchell of Washington, Carville of Nevada, Democrats, and Tobey of New Hampshire and Butler of Ohio, Republicans.

Committee members voting against the report were, the "Times" continued:

Senators Taft of Ohio, Thomas of Idaho, Capper of Kansas, Buck of Delaware, Millikin of Colorado and Hickenlooper of Iowa, Republicans, and Radcliffe of Maryland, Democrat.

Senator Taft said that he and the five other Republicans opposing the measure in the form approved generally took this position:

"The bill as drafted authorized the Henry A. Wallace 'Compensatory Spending' theory as a means of meeting depressions, and we felt this would do more to create depressions than to prevent them."

Senator Tobey, one of the two Republicans who went along with the Administration, challenged this view.

"I voted for it," he said, "as a forward-looking piece of legislation. I figure it as requiring con-

President Fights to Revive Jobless Pay Bill

President Truman evidences the intention of making every effort at his command to push through to a successful conclusion his plans for unemployment compensation legislation (the so-called Jobless Pay Bill). After the House Ways and Means Committee, in a retaliation move against the wave of enforced unemployment through strikes throughout the nation, voted on Sept. 25, 14 to 10, to postpone "indefinitely" further consideration of the measure so strongly recommended by the President, Mr. Truman invited Democratic members of the committee to the White House for a conference. When the committee members met with the President on Sept. 27, according to the Associated Press in its Washington advices, he told them in no uncertain terms that he looked to them to support his plans for unemployment compensation legislation and not let him down as he stated the Senate had done.

Mr. Truman's reference, said the Associated Press, was to the Senate's action on Sept. 20, when it passed the unemployment pay bill considerably altered from the original bill introduced by Senator Kilgore (D.-W. Va.). Under the bill as adopted by the Senate, jobless pay benefits in every State would be extended to a top duration of 26 weeks, even if the State Governments turned down the money. An amendment adopted 61 to 16 would, the Associated Press, noted:

1. Remove a requirement that for a State to accept Federal aid to prolong payments, the Governor would have to send a written request to Washington.

2. Provide that if a State did not accept the Federal funds, the Government would pay the extra

weeks to the workers direct, at State rates.

The House Ways and Means Committee's shelving of the measure was attributed to Representative Knutson of Minnesota, the Committee's ranking Republican, directly to the nation-wide prevalence of strikes, the Associated Press stated; and added that the committee vote came on a resolution "that further consideration of S1274 (the Jobless Bill passed by the Senate) and related House bills be indefinitely postponed, so that the committee can receive more concrete information as to what the unemployment situation is to be during the reconversion period." Mr. Knutson told news reporters that members who supported the resolution considered that, with thousands of workers on strike, it was impossible to determine the real strike situation. "We must wait until the strikers get back to work and the hundreds of thousands of jobs crying for workers have been filled," Mr. Knutson said, according to the Associated Press.

However, at his conference with committee members on Sept. 27, Mr. Truman, according to his press secretary, Charles G. Ross, who was quoted by the Associated Press, made this statement:

"The President spoke vigorously. He stood pat on 26 weeks and \$25 for unemployment compensation. He said the Senate let him down and he expected the House not to do so. He said his views were fully outlined in his message to Congress and he stood by them."

Leaving the conference, Ways and Means Chairman Doughton (Dem.-N.C.), the press advices added, told newspapermen he would recognize any member who wants to make a motion for reconsideration of the jobless aid bills, but he would make no prediction as to the fate of such a maneuver.

Items About Banks, Trust Companies

The National City Bank of New York reported as of Sept. 30, 1945, total deposits of \$4,298,139,026 and total assets of \$4,591,142,033, compared, respectively, with \$4,205,072,012 and \$4,469,686,465 on Dec. 31, 1944. Capital and surplus were unchanged at \$77,500,000 and \$122,500,000, respectively, and undivided profits were \$38,192,505 against \$28,610,465 at the end of December.

The City Bank Farmers Trust Co., the stock of which is owned beneficially by the shareholders of the bank, reported as of Sept. 30, 1945, deposits of \$174,380,543 and total resources of \$205,782,936, compared with \$159,973,276 and \$189,490,753, respectively, on Dec. 31, 1944. Capital and surplus were unchanged at \$10,000,000 each, and undivided profits were \$7,142,322, as compared with \$6,332,966 at the end of 1944. The total of deposits for the bank and the trust company, together, as of Sept. 30, 1945, amounted to \$4,472,549,569, and the total of assets to \$4,796,924,969, as compared with a corresponding total at the end of 1944 of \$4,365,045,238 and \$4,659,177,218, respectively.

The earnings of The National City Bank of New York and the City Bank Farmers Trust Co., combined, for the first nine months of 1945 and for the same period in 1944 are as follows:

| | Jan.-Sept., 1945 | | Jan.-Sept., 1944 | |
|--------------------------------------|---------------------|---------------|---------------------|---------------|
| | Amount | Per Share | Amount | Per Share |
| Net current operating earnings | \$12,937,347 | \$2.09 | \$11,956,628 | \$1.93 |
| Net profits from sales of securities | 4,528,769 | .73 | 6,787,565 | 1.09 |
| Total | \$17,466,116 | \$2.82 | \$18,744,193 | \$3.02 |

Recoveries of the bank and securities profits and recoveries of the trust company were transferred directly to reserves.

Holdings of U. S. Government obligations reported by the bank at Sept. 30, 1945, were \$2,323,563,991, compared with \$2,409,240,200 at the end of 1944, and loans, discounts and bankers' acceptances were \$1,016,817,136 and \$901,404,243 at the same dates. The trust company reported U. S. Government obligations of \$131,542,913 and loans and advances of \$981,690 at Sept. 30, 1945, compared, respectively, with \$147,038,694 and \$1,666,980 at Dec. 31, 1944.

In its statement of condition as of Sept. 30, 1945, J. P. Morgan & Co., New York, report total assets at \$793,153,927 and total deposits to be \$727,235,954, compared, respectively with \$831,380,819 and \$768,961,546 as of June 30. Cash on hand and due from banks stood on Sept. 30, at \$134,985,701, against \$127,917,605 three months ago; U. S. Government securities, \$499,822,781, compared with \$527,826,102. Loans and bills purchased decreased from \$136,088,621 in June to \$112,748,065 on Sept. 30, while capital and surplus remained unchanged at \$20,000,000 each, and undivided profits increased to \$5,818,923 from \$5,323,363 in the last report.

The Chemical Bank & Trust Company of New York reported as of Sept. 30, 1945, deposits of \$1,335,736,929 and total assets of \$1,443,399,183, compared respectively with \$1,486,490,940, and \$1,592,331,714 on June 30, 1945. Cash on hand and due from banks amounted to \$223,166,187, compared with \$234,328,714; holdings of United States Government securities to \$735,656,315, against \$800,144,800; bankers' acceptances and call loans to \$153,349,498, against \$152,707,930, and loans and discounts to \$179,750,143, against

\$233,373,035. Net operating earnings for the nine months amounted to \$5,305,385, as compared to \$5,291,718 for the same period a year ago. Net profits and recoveries on securities amounted to \$3,294,637, against \$3,473,373 for the same period of 1944. Capital and surplus were unchanged at \$20,000,000 and \$60,000,000, respectively, and undivided profits were \$13,313,646, against \$12,343,548 as of June 30th. The indicated net earnings on the bank's 2,000,000 shares (par \$10) amount to \$0.93 per share for the third quarter of 1945, as compared with \$0.85 per share a year ago.

The Central Hanover Bank and Trust Co. of New York in its statement of condition as of Sept. 30, 1945 reported total assets of \$1,832,932,010 and total deposits of \$1,703,152,933; this compares with the figures as of June 30 of \$2,022,744,833 and \$1,896,736,598, respectively. United States Government securities amounted to \$1,011,856,443 at the end of the third quarter of 1945, compared with \$1,167,208,930 three months ago. Loans and bills purchased on Sept. 30 are shown to be \$417,875,585, against \$466,803,621 in June. Capital and surplus remained unchanged at \$21,000,000 and \$60,000,000, respectively, while undivided profits have risen from \$30,261,955 at the end of June to \$30,787,164 in the latest report.

The Continental Bank & Trust Company of New York reported as of Sept. 30, 1945, total deposits of \$174,703,391 and total assets of \$187,835,125, compared respectively with \$188,156,812 and \$201,029,292 on June 30, 1945. Cash on hand and due from banks amounted to \$34,196,440, against \$36,566,059; holdings of U. S. Government obligations to \$67,598,759, against \$69,042,973; loans and discounts to \$65,243,949, against \$74,696,322. Capital was unchanged at \$4,000,000, and surplus remained at \$5,000,000. Undivided profits were \$1,167,259, against \$1,030,888. General reserves were \$1,490,582, compared with \$1,322,988 at the end of the second quarter.

Percy H. Johnston, Chairman of the Chemical Bank & Trust Co. of New York, announced on Sept. 27 the promotion of Lt.-Col. Reginald H. Brayley, Manager of the Madison Avenue at 46th Street office, to Assistant Vice-President and Manager. He has been with the bank since 1914. Lt.-Col. Brayley was a Reserve Officer in the United States Army, serving with the National Guard. He was called into active service in December, 1940, with the rank of Major. In April, 1941, he was promoted to Lieutenant-Colonel, at which time he was executive officer of the 101st Cavalry (Mechanized), and was discharged from active service in March, 1942.

Bank of the Manhattan Company of New York reported as of Sept. 30, 1945, total deposits of \$1,076,784,705 and total assets of \$1,144,220,751, compared, respectively, with \$1,147,896,675 and \$1,213,922,069 as of June 30, 1945. Cash on hand and due from banks amounted to \$209,890,912, against \$208,389,681; holdings of U. S. Government obligations, \$513,962,468 against \$53,899,187. Loans and discounts amounted to \$356,888,553, compared with \$394,740,326. Capital and surplus remained at \$20,000,000 and \$30,000,000, respectively. Undivided profits after reserve of \$500,000 for quarterly dividend increased to \$9,692,443 at the end of September.

The statement of condition of Guaranty Trust Co. of New York as of Sept. 30, 1945, issued Oct. 2, shows total resources of \$3,595, (Continued on page 1632)

Allen Resigns as Head Of Disbursement Unit

The retirement of Guy Fletcher Allen, whose name appears on millions of checks issued by the United States Government each year, was announced on Sept. 25 by Treasury Secretary Vinson.

Secretary Vinson also announced the appointment of Emmet J. Brennan to the position of Chief Disbursing Officer to head the Division of Disbursement, succeeding Mr. Allen.

Mr. Allen, head of the Division of Disbursement, began his Government career 44 years ago—on July 1, 1901, when he was appointed to the position of money separator in the Office of the Treasurer of the U. S. His ability was early recognized, he rose rapidly through the ranks to his present position. During World War I he served as Special Representative of the Treasury Department to assist with the installation of a new plan for Army payments in Europe. In Jan. 1920 he was appointed Assistant Treasurer of the United States by President Wilson, and for several months during 1921 served as Acting Treasurer of the United States, assuming responsibility for Government funds and securities amounting to \$13,883,819,826. The Treasury Department's advices also state:

In 1921 Mr. Allen resigned from the Government to enter private business, but in April 1922 he returned to the Treasury and transferred to the newly-established Bureau of the Budget, and soon became Executive Assistant to the Director. During his 11 years in this position Mr. Allen was connected with the establishment of economy programs throughout the country. As Chairman of the Personnel Classification Board in 1925, he became chief arbiter of the salary classifications of the many Government workers. In recognition of his distinguished record in Federal fiscal matters, he was appointed in 1928 a Colonel in the Finance Section, Officers' Reserve Corps.

When the Division of Disbursement was established in 1933 for the purpose of consolidating the disbursing activities of the Government, Guy F. Allen was chosen to organize and head the division. Under his leadership there were organized a central office in Washington, D. C., 20 regional offices in the United States, and 5 regional offices in Alaska, Puerto Rico, Hawaii, the Virgin Islands and Panama. In addition, during the recent war period, disbursing functions have been maintained in 25 foreign countries. From these offices under Mr. Allen's supervision, there were issued during the past fiscal year a total of over 60 million checks, each of which bears his facsimile signature.

Mr. Brennan, who succeeds Mr. Allen, began his Government career in 1917 as Principal Telephone Operator of the United States National Museum. After 9 years' service in that agency, he transferred to the War Department, and throughout World War I, and the critical post-war period, he remained in that Department. It is added:

Soon after the inception of the Division of Disbursement in 1933, Mr. Brennan, who previously had wide experience in disbursing activities of the War Department, was transferred to the newly-established organization to become Administrative Assistant to the Chief Disbursing Officer. After holding several key positions in the Division, he was appointed in 1939 to the position of Assistant Chief Disbursing Officer, the position he was holding at the time of his new appointment.

From Washington Ahead of the News

(Continued from first page)

given a parade of some kind. It means simply that he refused, for the sake of the acclaim of this crowd, to sell us down the river. It will be something unusual, indeed, for one of our representatives. Roosevelt always returned with an "accomplishment" and we are beginning to learn what those "accomplishments" were. In the light of them it is refreshing that one of our diplomats should return without one.

The predominant propaganda of our country has put us in a truly amazing state. It is no longer a question of whether our representative represented American interests. It was whether he got along with Soviet Russia. Our propagandists are telling us daily, and at all hours of the day, that that is utterly essential, more so than getting along with Britain, because Russia has become a great power, and also because the atomic bomb has been developed. It so happens that we are the ones that developed the atomic bomb, and we are the ones that "shrank" the world. But having done this, we are told, it will not be long before Russia can shrink the world and before it can develop the atomic bomb. Therefore, being the cowardly cusses that we are, we should immediately give this bomb secret to the Russians, and on account of their forthcoming, or rather, proven world shrinkage ability, we must get along with them at any expense.

To write this way, is not to be suggesting unfriendliness with Russia, but simply to suggest that there be an analysis of the propaganda that is sweeping our country and seemingly weakening us. We proved ourselves to be the mightiest nation in all the world. In spite of this, we are the most frightened people in the world today. No other nationals are having a job done on them every day by propagandists, on the score of the atomic bomb or the utter necessity of all nations getting along together.

There is a combination of foreign and domestic forces that is doing this to us. The military establishment, dreading demobilization, is part and parcel of the propaganda emphasizing Russia's military might. Our domestic Communists are certainly whooping it up, while they do everything they can to stall our reversion program.

The plain fact is that subordinate military intelligence officers, or even higher ones, talking privately, have never taken the Russians seriously. A statement that General George Marshall is supposed to have made in

1941 when Hitler turned on Stalin, that the Germans would be successful within three weeks, will go down as one of the most asinine statements in history. And Hitler having not accomplished that, our military must have underestimated the Russian prowess, subsequently exhibited and now a menace and a reason why we should keep up a tremendous armed force and do anything in the world to get along with them. They, themselves, and their propagandists in this country, took this as their cue to sell that Russia saved "democracy," a fine commentary on something, if true.

It so happens that in 1941, not to have taken the view that Hitler would gobble up Russia, would have been an awful blow to the interventionists, and certainly our military establishment is not pacifist. To state now publicly one's real estimate of Russia's military prowess is certainly not to be expected of the military. In the meantime, the Russian myth rolls on to our disadvantage.

What our high officials now privately think is really going to happen in Russia is this: Stalin, either as ill as he is expected to be or not, can't live forever. When he gives up, there will be another long struggle for power in this dictator ridden nation, and all sorts of blood purges, and factionalism.

If you were to hand the atomic bomb to them on a silver platter they would not know what to do with it. They are a pathetic people. Our correspondents from Germany and returning soldiers tell about how they buy Swiss watches for \$5 and sell them to the Russians for \$300, because the latter, having plenty of money in Germany but not being able to take any back to Russia with them, want a watch to trade for a cow when they return home. They also tell of how these fellows dread to go back to Russia. But when they put up a three story house over there, the Moscow and American propagandists for Russia, have a way of selling it as an international accomplishment. It is amazing how we are being propagandized to death, and it is time the American people looked into the propagandists. There are many who believe that instead of Russia being a military power, the Germans and the Poles, left alone, would run them out of their countries in less time than it takes to tell. The rank and file of the Russians are a lovable people, but there is the shrewdest propaganda on behalf of their leader's that the world has ever known.

House Committee Approves Truman Program for Revamp of Govt. Agencies

The House Expenditures Committee on Sept. 19 approved a bill authorizing the President to streamline the government. The bill, if passed, would authorize the President to revamp more than 100 Federal agencies, leaving only four units completely untouched, the Associated Press stated in its report from Washington, pointing out that 21 agencies were exempted when President Roosevelt's reorganization plan of 1939 was adopted. The House group's action was taken as a vote of confidence for President Truman, who has requested power to make sweeping changes in the governmental structure. Another tribute to Mr. Truman was seen in the language defining the duration of the power, which is only for his term, to end July 1, 1948. From the Associated Press we also quote:

Committee members said this date was hit upon for two reasons—first, it is a fiscal year-end; second it means that any reor-

ganization plan cannot be placed before Congress during presidential campaign months and thus become a political issue.

Mr. Truman had asked for sweeping authority without any exemptions. The Committee first decided on the half-a-loaf principle, considering the same peacetime bill that had been given to Mr. Roosevelt six years ago. But Comptroller General Lindsay Warren urged that exemptions either be left out or cut down to a minimum "for real economy."

In the final form, therefore, the Committee ruled that the Interstate Commerce Commission, the Federal Trade Commission and the Securities and Exchange Commission be completely exempted. This was done, it was explained, because they are quasi-judicial.

There was one more complete exemption. It provides that the civil functions of the Engineer Corps of the War Department may not be moved to any other agency. These are such activities as power projects and river and harbor control, in which the army engineers participate with local government.

Truman Reports on Demobilization Progress

President Truman made a statement on Sept. 19 regarding the degree of progress in army demobilization operations, a special Washington dispatch to the New York "Times" reported. Denying that the speed of demobilization was governed by our future needs in this respect, the "Times" continued, Mr. Truman said that no one could yet accurately forecast what those needs would be. Estimates were being constantly revised, he explained, pointing to Gen. Douglas MacArthur and his scaling down of his estimated requirements from 500,000 men a month ago to 200,000 now. The "Times" added:

"The President praised the Army and Navy for the way they were meeting the problem of demobilization and said they intended to do 'the task set before them with the minimum number of men.' The Army's present discharge rate of 15,200 a day, he added, was a speed-up of 375% in a month and the rate would go up to more than 25,000 a day by January.

"There will be no padding in our armed forces," he promised. America would keep the men needed for our national commitments, he said, but the rest "are coming back home and coming as fast as the services can get them out."

The following is from the text of the President's statement as given in the "Times":

The day Japan surrendered the Army had to scrap all its plans for an all-out assault and do a right-about face.

That was Aug. 14. In less than one month since then the number of men discharged from the Army each day has risen from 4,200 to more than 15,200. Our soldiers are now being returned to civilian life at a rate in excess of 650 per hour, 24 hours per day. This represents a speed-up of better than 375% in 30 days. Such a performance justifies full confidence.

The Army's plans call for the return to their homes of more than 2,000,000 soldiers between V-J Day and Christmas 1945. Between now and Christmas the discharge rate will steadily rise from the present daily figure of 15,200 to not less than 22,000 per day, and by January, 1946, to more than 25,000 per day.

The Army and Navy mean to do the task set for them with the minimum number of men. There will be no padding in our armed forces. America is going to keep the full strength she needs for her national commitments. But the rest of the men are coming back home, and coming as fast as the services can get them out.

Gala Navy Day Program - Truman to Participate

In a statement on Sept. 27 acclaiming Navy Day Oct. 27, President Truman told the nation, according to United Press advices from Washington that:

"Navy Day, 1945, is a day on which the whole country can honor the 4,000,000 young Americans who fought in the Navy, Marine Corps and Coast Guard.

"To them we owe our victory in the greatest naval war in history—a victory which destroyed two enemy fleets and placed our forces on the beachheads of final triumph. For all the sacrifice and toil which went into these achievements, the Navy now has an opportunity to say, 'Well done.'

"Navy Day this year also will let the American people see for the first time units of the great fleet which their work and money built. I hope it will be possible not only for vessels and planes to be assigned as many cities as possible, but also for those vessels and planes to be visited by the people, to whom they belong.

"I hope that some cities may see the Marine Corps veterans who, from Guadalcanal to Japan itself, were in the van of our advance. The Coast Guard, too, which has contributed so importantly to our amphibious operations, should also receive our accolade.

"In some ports, I understand, there will be new vessels with new crews, training to relieve ships and men who have served long tours of duty.

"That fact is also appropriate because it symbolizes not only our determination to release quickly the combat veterans of this war, but also the continued importance of the Navy's mission: Control of our sea approaches and of the skies above them."

The President's own plans for the occasion include a first official visit to New York City where he will take part in the city's celebration, the New York "Sun" reported, Sept. 26, and gave the following description of the celebration procedure:

The President will lead the salute of the nation to a large part of the fleet returning in victory from the Pacific. He will commission the great new carrier Franklin D. Roosevelt at the New York Navy Yard, in Brooklyn, speaking briefly from its flight deck.

The "Sun" added, from the Navy Yard the President will go to the Battery on a small Navy craft if the weather is good, or by automobile if the weather is unfavorable. From the Battery the President will ride in an automobile parade to Central Park, by a route still to be decided, and in the park will make the principal address of his busy day, a twenty-minute speech, which will be broadcast.

Immediately after the Central Park ceremonies the President and his party will go by motor cars to a Hudson River pier and in a small naval craft to luncheon on the battleship Missouri, the ship, named for the President's home State, on which the surrender of Japan took place.

The luncheon on the Missouri is scheduled to begin at 2 P. M. and the presidential review of the fleet at 3:30. The great line of Navy vessels, including the battleship New York in addition to the Missouri and the carriers Enterprise, Monterey and Croatan, will extend for approximately six and one-half miles in the Hudson River from West 48th Street to George Washington Bridge.

President Truman will follow the practice established in 1938 in San Francisco Bay when President Roosevelt cruised around the units of the fleet instead of having the fleet pass in review. The two hours of the President's cruise of inspection will be roaring ones. The big ships will blast away with twenty-one gun salutes and bands will play the National Anthem as the Commander in Chief passes. The navy, exact in the observance of its customs, always has declined to yield to presidential requests that the saluting from each separate ship be discontinued.

The inspection cruise will be followed by a return of the President and his party to a Hudson River pier, for a drive to Pennsylvania Station, where the President is scheduled to board his special train at about 6 o'clock for the return to Washington. His train is expected to arrive in New York City at about 7 A. M. on Oct. 27 for the Navy Day observance.

Rear Admiral Frederick C. Sherman, credited with more combat duty than any other flag officer in this war, will be one of the city's leading heroes in the day of celebration. Admiral Sherman is commanding the mighty fighting ships which started yesterday from Pearl Harbor for New York and other ports of the United States.

The Franklin D. Roosevelt, a \$100,000,000 vessel of 45,000 tons,

Resources of Members Of Savs.-Loan League

The nation had the largest savings and loan association and co-operative bank system by the beginning of 1945 that it has had in 13 years, the United States Savings and Loan League said on Sept. 29. Estimated resources of \$7,425,985,000 as of Dec. 31, 1944, were pointed to by H. F. Cellarius, Cincinnati, Ohio, League Secretary-Treasurer, as the current size of this thrift and home financing business.

"With this total in assets, the institutions which specialize in home ownership, in lending the savings of private persons of both small and average means, start on the period of reconstruction after World War II with more than four times the home financing resources they had after the last war," said Mr. Cellarius, who was serving as League secretary in 1918 as well as now. "While there has been a vast expansion of our economy in dollar volume of goods owned and circulated between the two wars, the expansion of the savings and loan institutions has been much greater in proportion," he stated. He added:

"Obviously home ownership needs of the nation are such, after three and a half years of abnormal conditions in wartime, that every available dollar in the savings and loan institutions should be able to be put to work in loans over the period of the next few years. The leadership taken by these associations in making veterans' loans the first year the G. I. program has been in effect will give increasing impetus to the demand for home ownership loans in the coming months."

3-Cent Navy Stamp

Postmaster Albert Goldman announced on Sept. 27 that the 3-cent denomination Navy Stamp of the Armed Forces Series will be placed on first-day sale at Annapolis, Md., Post Office on Navy Day, Saturday, Oct. 27. The advised state:

The stamp will be Navy blue in color, of special delivery size, arranged horizontally. The central design is an informal group of seamen in summer uniforms. The stamp carries a single line frame. In a narrow dark panel at the bottom center is the lettering, "United States Postage" in white architectural Roman. On the left of this panel is a heavy outline frame counter with the denomination "3c" in dark architectural Roman on a shady background. On the right is a similar counter with the lettering "U. S. Navy" in dark Gothic.

Stamp collectors desiring first-day cancellations of the 3-cent Navy stamp may send not in excess of 10 addressed envelopes, accompanied with remittance for the stamps to be affixed, to the Postmaster, Annapolis, Md., in time for servicing before Oct. 27th.

For the benefit of collectors desiring stamps of selected quality for philatelic use, the Navy stamp will be available at the Philatelic Agency, Post Office Department, Washington, D. C., on and after Oct. 27. The Philatelic Agency does not service first-day covers.

with her sister ship, the Midway, will be one of the two biggest warships in the world. Mrs. Franklin D. Roosevelt has accepted an invitation to attend the commissioning. Cabinet officials and other dignitaries are expected to be present for the day. Plans for an aerial display are under consideration. Charles G. Ross, White House press secretary, said that all arrangements were being made by Rear Admiral Monroe Kelly for the Navy and by Grover Whalen for Mayor LaGuardia's committee. Approximately thirty vessels of the fleet will be anchored here for the celebration, Mr. Ross said.

All-Time Peak in Deposits of Insured Commercial Banks on June 30 Reported

An all-time peak in deposits of all insured commercial banks was reached on June 30, 1945; at \$134,282,000,000 deposits were 7%, or \$8,530,000,000 above the Dec. 30, 1944, mark, Chairman Leo T. Crowley, of the Federal Deposit Insurance Corp., announced on Oct. 1. He indicated that "almost all of the gain during the first half of 1945 occurred in the two items deposits of individuals, partnerships, and corporations, which increased

\$4,359,000,000 to \$91,871,000,000, and U. S. Government deposits; which increased \$3,722,000,000 to \$23,589,000,000. Most of the increase in Government deposits, however," he said, "was in war loan accounts which were sharply expanded as the Seventh War Loan drive neared its close." He also stated that "the bulk of the increase in deposits of individuals, partnerships and corporations was accounted for by time deposits; during the first half of 1945 they increased 13%, or \$3,000,000,000, compared to a 2%, or \$1,359,000,000 gain for demand deposits."

Mr. Crowley in his Oct. 1 advices further said: "The lowest rate of increase in total assets of all insured commercial banks for any half-year period during the past three years occurred during the first half of 1945." The Chairman pointed out that the slackened rate of increase in bank assets was associated with a tapering off in commercial bank purchases of U. S. Government obligations. He added:

"The 13,282 insured commercial banks reported total assets on June 30, 1945, amounting to \$143,457,000,000, an increase of \$8,844,000,000 over the Dec. 30, 1944, total. This 7% rise reported for the first half of 1945 compares with 9% and 10% rises in the first and second halves of 1944, respectively.

"A record \$82,422,000,000 high in holdings of U. S. Government obligations by insured commercial banks was reported on June 30, 1945. However, the \$6,526,000,000

increase over the Dec. 30, 1944, level was well below the \$8,792,000,000 increase reported for the last half of 1944 and was the smallest increase since the first half of 1942.

"Loans and discounts again showed an increase; on June 30, 1945, at \$23,379,000,000, they were 9% above the end of 1944. The expansion was in loans to brokers and dealers in securities and other loans for the purpose of purchasing and carrying securities, largely reflecting bank borrowing by individuals and businesses for the purpose of purchasing U. S. Government obligations offered in the Seventh War Loan. Commercial and industrial loans declined slightly accompanying the completion and cancellation of numerous war contracts. With reconversion proceeding at a rapid pace these loans may be expected to show gains.

"For the first time in recent years the rate of increase in total capital accounts during the first half of 1945 was almost the same as that for all assets. The ratio of total capital accounts to total assets showed little change—5.8% on June 30, 1945, compared with 5.9% on Dec. 30, 1944. Capital stock showed a net increase of \$36,000,000 during the first half of 1945, and \$285,000,000 was added to other capital accounts, bringing the total of capital accounts on June 30, 1945, to \$8,341,000,000."

The Dec. 30, 1944, figures were referred to in our issue of April 30, page 1926.

Army-Navy Merger Proposals Postponed

It is now expected that plans for consolidating the Army and Navy will not be considered by Congress, at any rate the House, for some time to come in view of the opposition to the idea expressed by Chairman May (D.-Ky.) of the House Military and Vinson (D.-Ga.) of the House Naval Affairs Committees, as reported in Associated Press Washington advices of Sept. 27. The Associated Press on that date stated:

"There won't be any merger," Mr. Vinson said as he called his committee to start writing legislation for a post-war Navy.

"There is no chance of taking up the Army and the Navy merger now," he added. "I hope it's off forever. The two services should remain separate and distinct."

"I am against merging the Army and the Navy," Mr. May told a reporter. "I don't think you can merge them."

On the same day Mr. Vinson's committee adopted a resolution, the Associated Press reported, calling for a Navy of 1,079 combat ships, including 116 carriers, of which the Navy had seven on Dec. 7, 1941, the time of the Pearl Harbor attack.

Thus, the press advices pointed out, the emphasis for postwar defense would be on carrier task forces, just as the United States offensive in the Pacific was built around that arm of attack under Admirals Nimitz, Halsey, Mitscher and McCain.

The Committee's findings were in accord with the testimony of Secretary Forrestal when hearings on the full postwar fleet opened.

The committee suggested the proposed giant peace-time force be divided three ways. One-third would be fully manned, ready to

go anywhere. Another third would be tied up but painted, oiled and set for an emergency; the remaining third would be decommissioned.

Such a fleet would be the greatest peace-time aggregation in history. It would be only 220 fewer in combat vessels than the present mighty armada. Besides that, all the big punch ships would be of the newest type.

It was added that the Committee's resolution, which of course is not binding, indicates, however, the sentiment of that group.

Fire Prevention Week

In response to the proclamation by President Truman of Fire Prevention Week to be observed Oct. 7 to 13, Commissioner Raymond M. Foley of the Federal Housing Administration has instructed all FHA State and district directors to further the campaign with all the means at their command. Mr. Foley said:

"The FHA has a direct and vital interest in fire prevention and has always joined wholeheartedly in any movement to reduce the staggering loss of property and the tragic loss of life caused by fire each year in America. As the insurer of mortgages on millions of homes, it has a direct financial stake in fire prevention. Also, encouragement of sound home construction is one of the principal purposes of the FHA.

"Further than that, statistics indicate that about half the losses from fire in American homes can be traced to faulty construction which can be corrected by proper modernization. Such home modernization can be financed under the FHA's Title I program by qualified private lending institutions located in practically every community of the country.

"For these reasons, the FHA will follow President Truman's suggestion in his proclamation and participate to the fullest extent in Fire Prevention Week."

The State of Trade

(Continued from page 1618)

ago, 1,371,900 tons one month ago and 1,719,600 tons one year ago.

Railroad Freight Loading—Carloadings of revenue freight for the week ended Sept. 22, 1945, total 837,293 cars, the Association of American Railroads announced. This was a decrease of 18,812 cars, or 2.2% below the preceding week this year, but 60,590 cars, or 6.7% below the corresponding week of 1944. Compared with a similar period of 1943, a decrease of 70,018 cars, or 7.7%, is shown.

Electric Production—The Edison Electric Institute reports that the output of electricity increased to approximately 4,018,913,000 kwh. in the week ended Sept. 22, 1945, from 4,106,187,000 kwh. in the preceding week. Output for the week ended Sept. 22, 1945, was 8.2% below that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 168,600,000 kwh. in the week ended Sept. 23, 1945, comparing with 171,100,000 kwh. for the corresponding week of 1944, or a decrease of 1.4%.

Local distribution of electricity amounted to 167,300,000 kwh. compared with 161,900,000 kwh. for the corresponding week of last year, an increase of 3.4%.

Paper and Paperboard Production—Paper production in the United States for the week ending Sept. 22, was 94.3% of mill capacity, against 94.0% in the preceding week and 91.9% in the like 1944 week, according to the American Paper & Pulp Association. Paperboard output for the current week was 93%, compared with 96% in the preceding week and 6% in the like 1944 week.

Business Failures Decline—Commercial and industrial failures turned down in the week ending Sept. 27, falling to less than half the number in the previous week. Dun & Bradstreet, Inc., reports 10 concerns failing as compared with 23 a week ago and 15 in the corresponding week of 1944.

Most of the week's decline occurred in large failures. Concerns failing with liabilities of \$5,000 or more numbered only 6, less than half the 16 in the prior week—there were 11 in the same week of last year. On the other hand, 4 small failures occurred this week, the same as a year ago, and only three less than last week.

Manufacturing failures fell off sharply, dropping from 8 a week ago to only 2 in the week just ended. Failures in both manufacturing and retailing were at about a third their level in the comparable week of 1944. Construction failures remained at 2, the same as in last week and a year ago. In fact, commercial service was the only trade or industry group to show an increase from the number of failures in the same week of last year—4 as compared with none.

One Canadian failure occurred, as compared with 4 in the previous week and 2 in the corresponding week of last year.

Wholesale Commodity Price Index—In irregular daily movements, the Dun & Bradstreet daily wholesale commodity price index advanced rather sharply in the past week, closing at 176.94 on Sept. 25, as against 175.44 a week earlier. Last year at this time the index registered 172.35.

Strength in the grains persisted last week, stimulated largely by reports of enormous European food requirements and prospects of huge foreign shipment. Wheat and rye futures were active; prices touched new high ground for the season. Cash wheat also reached new seasonal peaks. Corn prices were steady as the crop advanced toward maturity under reports of rains and freezing temperatures in some parts of the belt. Demand for flour was quiet with

volume of sales away below capacity. Mill offerings were restricted in anticipation of an increase in subsidy rates for October. A strengthening of coffee prices was noted in primary markets, reflecting the belief that this commodity will be one of the first important food items to pass from OPA price control. Hogs were in demand at ceilings; market receipts continued at a low level. This is reflected in greatly curtailed production of lard and pork products, with no improvement looked for until late this year.

In comparatively quiet trading cotton prices fluctuated within a narrow range last week. With few new developments in the cotton situation, the underlying tone was generally quite steady although the period closed with slight net declines following three weeks of slowly rising values. Mill buying was moderate and some local and commission house demand appeared, stimulated by reports of unfavorable weather conditions over the cotton belt. Announcement of higher ceilings for sheeting yarn fabrics resulted in a fair volume of business but other gray goods items were dormant pending expected price adjustments.

Scattered small sales of half-blood, three-eights-blood and quarter-blood domestic shown fleeces, mainly for sampling purposes, were noted last week. Some interest developed in pulled domestic wools. Aside from this, trading in domestic wools in the Boston market continued at a very slow pace, as mills and dealers awaited Government action in prices. Continued slowness in deliveries of wool fabrics is said to be hampering production of woolen and worsted apparel for Fall.

Wholesale Food Price Index Unchanged—The wholesale food price index, compiled by Dun & Bradstreet, Inc., again registered \$4.04, unchanged for the fourth straight week. This represents a gain of 1.0% over last year's \$4.00, although still slightly below the \$4.05 for the corresponding date two years ago. Flour, wheat, rye, oats and lambs moved upward during the week. Declines occurred in barley, potatoes and sheep.

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

Retail and Wholesale Trade—Rain hindered consumer buying in some areas the past week and unemployment continued to grow; nevertheless, retail trade increased moderately over the previous week and the corresponding week a year ago, according to Dun & Bradstreet, Inc. Cooler weather in most parts of the country spurred Fall buying and in general purchasing followed the usual pattern for the season. Inventories were lower than many retailers preferred but scarce goods continue to trickle in.

Women's Fall apparel and accessories sold in larger volume this week than in the warm weeks earlier in September. Suits were a traditional favorite. Blouses, hats, shoes, bags and gloves moved well; fabric bags were unexpectedly popular. Warm negligees, winter underwear, jackets and rainwear were frequently reported in heavy demand. From several centers came reports that mark-down sales were necessary to move furs, but that response was not very gratifying. Demand for men's clothing and furnishings was high with sales to returning veterans reported as a significant factor.

Housefurnishing and furniture continued in demand; bedding departments noted an upswing in business. Electrical appliance volume edged upward; shoppers were very interested in samples of washing machines. This continued to be a good season for

jewelry despite declines in luxury purchasing in some areas.

Food volume was estimated at about 5% above a year ago as supplies of meat, poultry, cheese and new packs of canned foods increased. Seasonal produce continued in large quantity. Chains and super markets reported better gains than many neighborhood stores.

Retail volume for the country was estimated at from 1 to 5% over a year ago. Regional percentage increases were: New England and Northwest 3 to 7, East and Pacific Coast 2 to 6, Middle West —1 to +3, South and Southwest 0 to 4.

Wholesale trade picked up this week and volume was greater than last week and a year ago. Deliveries continued poor and continued a big problem. Apparel buyers arrived in the markets in large numbers. Generally inventories remained lower than last year; supplies of consumer hard goods and food products improved slightly.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended Sept. 22, 1945, increased by 14% above the same period of last year. This compared with an increase of 9% (revised figure) in the preceding week. For the four weeks ended Sept. 22, 1945, sales increased by 6% and for the year to date showed an increase of 11%.

Here in New York the service workers' strike had a bad effect upon retail and wholesale trade. Production and deliveries of garments were halted by the strike and in wholesale markets it was regarded as somewhat of a calamity, coming at what should be the peak of the fall-winter production period, according to the New York "Times." Unseasonable weather also was held to be retarding expansion of demand for fall merchandise.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Sept. 22, 1945, increased by 14% above the same period of last year. This compared with an increase of 11% in the preceding week. For the four weeks ended Sept. 22, 1945, sales rose by 8% and for the year to date increased by 13%.

Francis Bartow Dies

Francis Dwight Bartow, a former partner in J. P. Morgan & Co., died on Sept. 24, a few hours after having been stricken at his plantation in Yemassee, near Charleston, S. C. He would have been 64 years old on Nov. 13. Mr. Bartow also maintained residences in New York City and Woods Hole, Mass. Mr. Bartow, who had been engaged in banking in New York for 41 years until he retired in 1943, was born at Annapolis, Md., and was graduated from the Rectory School at New Milford, Conn. He began his career in New York in 1902 as an employee of the First National Bank, of which he was made an Assistant Cashier in 1911, a Vice-President in 1915. As to his further connections the New York "Times" of Sept. 25 said:

Joining the staff of J. P. Morgan & Co., in the late autumn of 1924, Mr. Bartow became a partner two years later. When the firm changed its status to that of a State-chartered trust company in April, 1940, he became a Vice-President and a director of the new corporation. He resigned the former office in 1941, and in Jan. 1943, relinquished his post on the board of directors.

Mr. Bartow had been a Vice-President and a member of the finance committee of the United Hospital Fund; a trustee of Roosevelt Hospital, a member of the executive committee of the Greater New York Fund, a director of the Corn Exchange Bank, John-Manville Corporation, and the American Radiator Corporation.

Senate Group Opens Hearings on Minimum Wage Increase

With the opening in Washington on Sept. 25 of hearings before a Senate Labor Subcommittee on legislation to raise the hourly minimum wage for workers from the 40-cent level established in 1938 under the Fair Labor Standards Act, Secretary of Labor Schwollenbach supported a 65-cent minimum pay for workers covered by the Federal wage-hour law. "A minimum standard of living supported by a guaranteed wage at the suggested level will strengthen our economy by maintaining national purchasing power," he said.

From the Associated Press accounts from Washington, Sept. 25, we also quote:

The bill, sponsored by Senator Pepper (Fla.) and nine other Democrats, calls for a step-up to 70 cents the second year the legislation becomes effective, and 75 cents an hour in the third year. Mr. Schwollenbach did not comment on the proposed increases above 65 cents.

He said that many workers have never received enough money to maintain an American standard of living. The rising cost of living, he said, has cancelled part of the benefits of the 40-cent minimum, and "a substantial part of the proposed increase is required merely to re-establish the congressional objective of 1938."

"The remainder of the increase," he said, "represents what I have described as an advance toward the goal of a minimum American standard of living."

"The committee will probably receive detailed testimony on the question of the money amount required for a minimum budget. I doubt whether any of that testimony will show that 65 cents an hour, representing \$26 for a standard work-week, and \$1,300 for a year of work, will be sufficient to meet the minimum budget of the average working man."

In special advices, Sept. 25, to the New York "Times," Joseph A. Loftus said, in part:

Secretary Schwollenbach, and later A. F. Hinrichs, Acting Commissioner of Labor Statistics, dueled for more than an hour with Senator Ellender (of Louisiana), who questioned industry's ability to pay a 65-cent minimum universally and the effect it would have on the cost of living.

The Senator said the proposal would mean a statutory advance of 62½%. Mr. Schwollenbach countered by saying that he did not agree it would mean an actual increase of 62½%, because a large percentage of the workers were now receiving more than the statutory minimum.

"You know," said Mr. Schwollenbach, who was a Senator when the original wage and hour law was passed, "what they said would happen when the 40-cent minimum was under consideration?"

"I know what happened in New Orleans clothing," the Louisianian retorted.

He said that out of four clothing factories there, three of them closed.

Senator Ellender wanted to know about the inflationary possibilities, and Mr. Schwollenbach said he did not believe the proposed increase in the income brackets under consideration would cause inflation.

"Do you believe it is possible to maintain the present cost of living and at the same time raise the wages as proposed?" the Senator asked.

"Yes," replied Mr. Schwollenbach.

"How?"

"Because every time you find you get higher productivity. You don't just translate higher wages

Democracy and Capitalism Can Work: O'Mahoney

(Continued from first page) education and intelligence for all the people. We have had here a degree of cooperation between industry and government that has enabled us to make this record. We must not fail to develop an even more effective degree of cooperation.

"Concentrated power, whether in business or in government, eventually results in limiting opportunity for the individual. When the people are subject to the control of managers, whether they be economic managers or government managers, they lose the freedom which is the essential basis of all progress. This may be illustrated by the experience of the petroleum industry which gained its greatest impetus a generation and a half ago when by a decision of the United States Supreme Court the old Standard Oil Company was broken up. The parts of that company became greater than the old whole.

"Now, in the political sphere, as a result of this war, we have destroyed concentrated government authority in Germany and Japan, but the world is now trembling in the balance between Communism and Democracy. We know that Democracy creates the greatest opportunity for the greatest number and if we are to win the fruits of the war it must be our determination in this period of reconversion to demonstrate that democracy and capitalism can work—and that can be achieved by making capitalism thoroughly democratic. The people are the source of all authority in government. They are also the source of all economic authority. You cannot have a nation politically free but economically dependent."

Payments Received by RFC From Britain

The Reconstruction Finance Corporation announced on Sept. 21 that through Aug. 31, 1945, the RFC had received payments aggregating \$170,232,238 from the collateral securing the Corporation's loan to the United Kingdom of Great Britain and Northern Ireland. Of this amount, \$152,642,409 consists of interest, dividends and other income from the collateral held to secure the loan and \$17,589,829 represents the proceeds of the sale by the United Kingdom of a small amount of the collateral. The RFC announcement further says:

Of the total collected, \$118,348,582 has been applied as principal, \$36,883,001 as interest and \$15,000,655 is held in reserve accounts.

This loan was authorized in the amount of \$425,000,000 in July, 1941, and \$390,000,000 has been disbursed. The security for the loan consists of listed and unlisted securities of United States corporations, the capital stock of 41 British-owned United States insurance companies and assignment of the earnings of the United States branches of 41 British insurance companies. Payments are applied first to current interest and the balance to reducing the principal of the loan.

The proceeds of the loan were used by Great Britain to pay for war supplies in this country contracted for prior to the enactment of the Lend-Lease Bills.

into higher costs. Industry always finds a way."

President Truman in his message to Congress on Sept. 6, calling 40 cents an hour "obsolete," recommended a minimum wage increase.

Wallace Says Government Alone Must Assume Responsibility For Full Employment

Holds Free Enterprise Cannot Function Smoothly "Without Depression and Without Speculative Booms" and Without Government Aid. Urges Passage of Wagner Full Employment Bill.

In a letter to Senator Robert F. Wagner, Chairman of the Senate Committee on Banking and Currency, released at the Department of Commerce, Secretary of Commerce Henry A. Wallace endorsed the essential provisions of the Full Employment Bill.

Mr. Wallace emphasized that this bill does not attempt to guarantee full employment, but rather to provide opportunity for full employment in a free society. He also stated that full employment in the post-war period is just as necessary for business and industry as it is for labor because profits and business opportunity are dependent upon the active markets that are the result of full employment.

For example, it "would call forth total annual business sales of close to 200 billion dollars at present prices. Such a level of aggregate sales has important implications for every business and industry. It might mean expenditures of something like 15 billion dollars for clothing and accessories, 30 billion for food, 7 billion for automobiles and parts, 7.5 billion for furniture, and 9.5 billion for housing and housing repair—all greatly larger than ever before. It would provide the American businessman with opportunity for exercising his ingenuity and his genius for production within the framework of a free market economy."

Referring to small businessmen in particular, Mr. Wallace said, "During the whole period of the great depression and the partial recovery before the war, there was general recognition of the difficulties under which the small businessman was trying to operate. Partial cures have been attempted without too great a measure of success. The fact is that the continuing expansion of markets is essential to an environment in which new small business can prosper."

Mr. Wallace said that the Full Employment Bill raises only two fundamental issues. "The first is whether or not the Government is going to assume responsibility for maintaining full employment. We know through the long historical experience of the free enterprise system that it has been subject to alternating cycles of booms and depressions.

"Private enterprise does not and cannot assume final responsibility for smooth functioning of the economy. Therefore, the Government is the one agency through which it is possible in a free enterprise system for business and labor to expand production on a sound basis without depression and without speculative booms.

"We cannot allow this issue to be confused or to be distorted by irresponsible charges of State socialism, planned economy and similar red herrings. Those of us who believe that the Government must assume responsibility for full employment and production, urge this course precisely because we want to maintain freedom of enterprise and the democratic way of life. These institutions will not survive repeated depressions and mass unemployment.

"As we debate the issues of the Full Employment Bill, we must recognize that almost all of us agree upon our basic institutions and basic objectives and that we are only debating questions of techniques and methods.

"The second main issue which is raised by S. 380 is whether the financial resources of the nation are going to be mobilized when needed for the purpose of maintaining full use of our economic powers. We have lived through an entire decade during which our economy was subjected to the strangling grip of deflation. From our experience during the war,

we know now that, at any time during that decade, the Government could have assured full production and employment through the vigorous use of its financial resources in supplementing the insufficient private demand in the market place. Yet all during the 1930's, we did not take the requisite action—mainly because we did not fully understand the role of Government fiscal policy under modern economic conditions.

"I am not urging that Government expenditure programs, designed to alleviate depression by directly putting orders on the books of business, should be continuous. Whenever private demand is sufficient to provide full employment then such Government programs will not be necessary. But I am urging that when a business depression gets underway or threatens, we do not complacently permit mass unemployment and business bankruptcy, when we have the financial resources to prevent these developments and when we have vast needs for public improvements."

Mr. Wallace stated that the Department of Commerce can make a real contribution to post-war full employment by utilizing its facilities to help business help itself. "In a free enterprise economy it is axiomatic that production and employment depend mainly upon the operations of private business. By collecting and consolidating practical and effective information necessary for the solution of all types of business problems, the Department of Commerce can help business make its maximum contribution to continuing full employment," he said.

He pledged the full resources of the Department of Commerce in aiding business in both foreign and domestic markets, in technological and scientific problems as well as business management problems.

20th Anniversary of Cocoa Exchange

Although Oct. 1 marked the 20th anniversary of the opening of trading on the N. Y. Cocoa Exchange, the occasion will be formally observed on Nov. 14th with a dinner at the Waldorf-Astoria which is announced as "the most important affair of its kind in Exchange history." Isaac Witkin, President, has appointed a 20th Anniversary Dinner Committee which consists of George W. Smith, Chairman; Charles H. Butcher, Samuel Y. Coyne, Alwyn N. Fischel, Eliot S. Golde and George C. Shutte. The list of speakers and honor guests is expected to include heads of other Exchanges, Government, State and municipal officials and diplomatic representatives from cocoa producing countries.

Although the Cocoa Exchange has been open for business continually during the war years, the last recorded transaction at the ceiling price was on June 5, 1944. Exchange memberships sold as low as \$400 on July 13, 1942, but have been rising ever since. On Sept. 28, 1945, a membership changed hands at \$2,500, which is the current bid price.

In a statement reviewing the Exchange's history, Mr. Witkin, who was one of the founders and served a year as the first President, recalled that the necessity for a Cocoa Exchange was forcefully exhibited to the industry during the post-war commodity boom and collapse that followed

World War I. He pointed out that "World War I had been followed by a general commodity boom, including cocoa beans, which advanced to over 25c per lb. in 1919. The crash started in 1920 when the world realized that there was an abundance of most commodities in the offing. Cocoa dropped to 8 cents a lb. in December, 1921. The violent fluctuations caused great confusion in the cocoa industry, he said. He added:

"Leading merchants, importers and brokers in the cocoa trade had an opportunity to note that commodities such as cotton and grains, which had organized futures markets, were functioning on a broad and continuous basis throughout these exciting times. Cocoa beans had no futures market and during the period of declining prices there were instances where sellers of cocoa were forced to accept bids of as much as 2 cents per pound under the last previous quotation. Those in the cocoa trade decided that an organized futures market was essential so that these conditions might never be repeated. The organizers of the Exchange were all active in the industry and hundreds of meetings and discussions preceded the actual opening of the Exchange for trading on Oct. 1, 1925."

Financial Laws of Enemy & Axis-Invaded Countries Analyzed

Detailed confidential studies of the financial laws and institutions of most of the European enemy countries and Allied countries occupied by the Axis in the course of the war were prepared by the Office of the General Counsel of the Treasury, and were made available to the Army and interested civilian agencies for use in making plans for and carrying on necessary military government activities, it was revealed by the Treasury Department on Sept. 15, the advices state.

In the preparation of these studies, most of the financial laws promulgated by the German occupying authorities in occupied countries were translated and set forth in full English text for the first time.

Translations were also prepared of many of the basic pre-war financial laws of the occupied countries. The German study comprised five volumes, while single volumes deal with France, Belgium, Norway, Denmark, the Netherlands, Italy, Yugoslavia, Greece, Hungary, Austria and Rumania. These volumes include many original translations from source material issued in enemy territory during the war, and the information was thus made available for the first time. The subjects covered typically include currency, banking, exchange control, foreign property control, taxation, discriminatory laws, foreign trade control, insurance and price control.

Because of the speed with which these studies were prepared, it was impossible to check them with the scholarly care which would have been desirable. Accordingly, all the studies were denominated "Preliminary." They were designed for an immediate emergency need, and are not offered as polished works.

To maintain their confidential character during the war, only a limited number of copies of each study was prepared and it is therefore impossible to provide any copies at this time. However, copies of the studies in mimeographed form have been deposited in the Library of Congress and the New York Public Library, and are now available for examination by the public at these places.

Earnings, Hours Rise in June While Payrolls Continue to Decline

Average hourly earnings of production and related workers in the 25 manufacturing industries surveyed each month by the National Industrial Conference Board, after a slight decline last month, rose to a new peak level in June, as the length of the work week was increased. Employment, man hours and payrolls continued to decline. Actual and "real" weekly earnings also showed an increase. Production workers were granted wage-rate increases which, although slightly larger than for some time past, averaged only 0.11% for all workers.

The Conference Board's monthly report issued Sept. 1, also said: "Real" weekly earnings are dollar earnings adjusted for changes in living costs and indicate the workers' actual purchasing power.

Hourly earnings in June rose 1.0% to \$1.111. They were 3.9% higher than in June of last year and 46.4% higher than in January, 1941, the base date of the Little Steel Formula.

Weekly earnings of \$50.37 were 1.5% higher than in May. They have risen 2.2% since June, 1944, and 64.6% since January, 1941.

"Real" weekly earnings rose 0.9% in June to a level only slightly lower than that of a year ago and 32.5% above that of January, 1941.

Hours per week were 0.3 hours, or 0.7% longer in June than in May. The average work week of 45.3 hours was 1.3% shorter than that of June, 1944; and 12.7% longer than that of January, 1941.

Employment fell 2.1% in June, a decrease of 10.7% since June, 1944; but a rise of 14.5% above the January, 1941, level.

Man hours dropped 1.4% from the May level and 11.9% from June, 1944. They have risen 29.1% since January, 1941.

Payrolls declined 0.6% in June. Since June, 1944, they have fallen 8.8% and have increased 88.4% since January, 1941.

To Aid Veterans in Paying Delinquent Taxes

All Collectors of Internal Revenue were instructed on Sept. 27 by Joseph D. Nunan, Jr., Commissioner of Internal Revenue, to give veterans every consideration permitted by law in clearing up any back taxes which some of them owe. The Commissioner wrote to each field office as follows:

"If a discharged veteran is unable to pay income taxes within the period of deferment provided by Section 513 of the Soldiers and Sailors Civil Relief Act (six months after discharge), or is unable to pay promptly any other Federal tax liability incurred prior to or during his term of service, Collectors should deal with the matter of collection in a cooperative and sympathetic manner. Partial payments, geared to the financial resources of the service man or woman, may be accepted in such cases."

The Bureau further says:

"Many, if not most, of the men and women of the armed forces owe no past taxes. Usually, where a veteran has some unpaid taxes, they were incurred before entrance into the armed forces or they resulted from civilian income received in addition to service pay. Tax was incurred on service pay only when it exceeded \$2,000 per year (\$500 personal exemption plus special \$1,500 exclusion of service pay).

"Veterans and returning service personnel in general who have any Federal tax problems are invited to consult the local offices of the Collectors of Internal Revenue for information, help in preparing returns, and other assistance."

Join United Nations Standards Body

Europe will be well represented at the coming Oct. 8th meeting of the United Nations Standards Coordinating Committee, according to an announcement made on Sept. 12 by Herbert J. Wollner, Secretary-in-Charge of its New York office. The National Standardizing Body of the Netherlands has officially joined the Committee. This body known as the Hoofcommissie Voor de Normalisatie in Nederland is now in receipt of a cabled invitation to send a delegation to the forthcoming international meetings on standardization to be held in New York Oct. 8th to 10th.

The announcement from Mr. Wollner's office further says:

Holland like most of the industrialized countries of Europe organized a national standards body after the last war and was also active in the affairs of the old International Standards Association. Recognizing the nature and weight of the meetings to be held in New York she has hastened to arrange for participation in the new international standards body which five weeks from now will tackle the problem of (1) setting up a permanent international standards organization and (2) studying the ways in which coordination of the standards of different countries can help in the resumption of normal world trade.

This will be the first international meeting to be held since the United Nations Standards Coordinating Committee was formed in 1944 by the national standardizing bodies of the United States, Great Britain, and Canada to "promote the maximum possible coordination and unification of standards necessary for the war effort and the immediate post-war period."

It is understood that S. T. Shang will represent the Chinese Standards Committee at the forthcoming conferences and that P. Salmon of the Association Francaise de Normalisation will head a French delegation.

Word has also been received by wire from the national standardizing bodies of Denmark and Norway that these two countries have joined the United Nations Standards Coordinating Committee. A cable from the Secretary of the Norges Standardiserings Forbund, indicated that the Norwegian organization would be represented at the forthcoming meetings in New York if traveling conditions permit.

Newspaper Week Message

In observance of National Newspaper Week, Oct. 1 to 8, President Truman on Sept. 27 addressed a message to "the newspapers of the nation," in which he urged, the New York "Times" reported, that the nation continue "to make a free press the true torch of world peace." The President's statement continued, according to the "Times":

"National Newspaper Week has a deeper significance in this year of victory than through the war years now happily ended," Mr. Truman said. "In this hour of exultation we should dedicate ourselves anew to the perpetuation of one of our cherished heritages—freedom of the press.

"It is with a sense of genuine pride that I can emphasize to all American editors and publishers and bring to the attention of Americans everywhere one singular triumph of our war experience. That is that the American free press through the stress of the most horrible of all wars withstood subservice and open attack and operated under a voluntary code of censorship.

"Ours then is the plain duty, as we face the grave days ahead, to work without ceasing to make a free press the true torch of world peace."

Industry Employment Sinks to Lowest Level Since May, 1941

Employers in 25 manufacturing industries of the nation during July anticipated the end of the war by dropping 3.4% of their production workers from payrolls, the National Industrial Conference Board reported on Sept. 28 in its regular monthly survey of industrial employment, and which also said:

The July decrease in employment was the largest monthly decline since January, 1938, and sent the number of workers in the 25 industries to the lowest level since May, 1941, six months before United States entry into the war, the Conference Board said.

Payrolls during July recorded a decrease of 5% for the largest decline since January, 1938. Payrolls are now smaller than at any time since September, 1942.

The average work week showed a decrease of 1.3% in July, dropping to 44.6 hours after having been maintained at more than 45 hours from May, 1943, through June, this year.

Total man hours worked in the 25 manufacturing industries during July, the Conference Board reported, declined 4.7% from the June figure, sinking to the lowest level since December, 1941. The total was 14.9% below June, last year.

Average hourly earnings of workers were well sustained, showing a drop of only 0.1% in July from the peak figure established in the preceding month. These earnings remained high partly because of premium pay received for work on the July 4th holiday. Another factor was continued increase of the proportion of male workers with their higher rates of pay. The ratio of female workers has been declining since late last year.

Average weekly earnings of workers in the 25 industries, according to the Conference Board, dropped 1.7% in July to the lowest level since November, 1944. The July average of \$49.49 was \$1.50 or 2.9% below the peak established in March this year. Average weekly earnings, however, were still slightly higher than a year previous.

The average weekly earnings of female workers showed a rise of 4.9% between July, 1944, and July, this year, while the earnings of male workers recorded an increase of only 0.1%. Average weekly earnings of skilled males actually showed a loss on the year-to-year basis, declining 0.4% from July, 1944, to July, 1945, but earnings of unskilled males climbed 1.5% in the same period.

The Conference Board's calculations of average "real" weekly earnings—the amount of goods and services that could be purchased with the dollar earnings—dropped 1.6% in July to the lowest level since April, 1944.

McConnell New President Of Controllers Institute

Edwin E. McConnell, Controller of the Norton Co., Worcester, Mass., was elected President of the Controllers Institute of America at that group's annual meeting, held on Sept. 24 in the Stevens Hotel, Chicago. Mr. McConnell succeeds Edwin W. Burbott, Controller and Assistant Secretary of the A. B. Dick Co., Chicago. The new president of the Institute has been active in its affairs since 1936, and served as President of the group's Boston Control for the fiscal year 1943-44. A year ago he was elected to the national Board of Directors of the Institute, and was chosen a Vice-President. For the past two years he has been one of the two representatives of the Institute on the Advisory Committee on Government Questionnaires. Mr. McConnell

was appointed Assistant Controller of the Norton Company in 1935, and became controller in Jan., 1941.

Three new Vice-Presidents were elected at the meeting—Walter L. Eggert, Assistant to the General Manager of Moore Business Forms, Inc., Emeryville, Cal.; Christian E. Jarchow, Vice-President and Comptroller of the International Harvester Co., Chicago, and Daniel H. Schultz, Secretary-Treasurer of the Leeds & Northrup Co., Philadelphia. Daniel M. Sheehan, Comptroller of the Monsanto Chemical Co., St. Louis, was reelected a Vice-President, as was Kelly Y. Siddall, Controller of The Procter & Gamble Co., Cincinnati. O. W. Brewer, Secretary of the American Gas Association, New York, was reelected Treasurer, and L. W. Jaeger, Controller of Clark-Babbitt Industries, Inc., that city, was named Assistant Treasurer. Arthur R. Tucker was reelected managing director and Secretary-Controller. Eight new directors were elected, as follows: George I. Bridgen, Secretary-Comptroller of the St. Joseph Lead Co., New York; Herbert P. Buetow, Controller and Assistant Secretary-Treasurer of the Minnesota Mining and Manufacturing Co., St. Paul; Archer Edward Church, Controller of Weekly Publications, Inc. New York; Allen U. Hunt, Controller of the Jewel Tea Co., Inc., Barrington, Ill.; Noel E. Keeler, Controller of Sylvania Electric Products, Inc., New York; Norman R. Olley, Secretary and Chief Accountant of the R. T. French Co., Rochester, N. Y.; Thomas J. Tobin, Controller of the Erie RR Co., Cleveland, and Ottmar A. Waldow, Controller of the National Bank of Detroit, Detroit.

Business at the annual meeting this year was confined to election of officers and informal discussion, without outside speakers.

Legislation Proposed To Expedite Labor Mediation Powers

A bill to strengthen and expand the conciliation and arbitration powers of the Federal Government in expediting voluntary settlement of labor-management disputes was introduced on Sept. 20 by Senator Brien McMahon (D. Conn.), together with three other Democrats in the Senate, Messrs. Hayden of Arizona, Thomas of Utah, and Tunnell of Delaware, according to reports from Washington to the New York "Times," which continued:

Mr. McMahon asserted that if the measure were in effect now "the Detroit strike situation would not have its present serious potentialities."

The bill is far less sweeping than the Ball-Burton-Hatch Bill, contains none of its compulsory features, and does not hedge the rights of labor or management.

The first step proposed is the creation of a Division of Mediation and Conciliation in the Department of Labor to which labor relations experts in the War Labor Board Disputes Division would be transferred.

The second step provides for establishing a Board of Arbitration as an independent agency for voluntary resort to deal with issues not resolved by mediation.

The Board of Arbitration of three members appointed by the President and confirmed by the Senate, would establish a roster of arbitrators from which disputants could choose their men familiar with their local industrial problems.

The bill also would empower the President to appoint boards of inquiry to hold hearings on disputes affecting the public interest.

Jenkins Heads Nat'l Ass'n of Bank Auditors

The National Association of Bank Auditors and Comptrollers held a one-day meeting at the Drake Hotel, Chicago, on Sept. 10 and elected Ben N. Jenkins to the Presidency of the Association. He was first elected to the official family in 1941 when he became Treasurer. Each year since, he has been elected to the next successive office. Mr. Jenkins is Assistant Vice-President of the First National Bank and Trust Co., Oklahoma City, Okla. He entered the banking business in 1919 as bookkeeper, teller and general utility man for the American National Bank of Oklahoma City. Two years later he was made auditor of the bank and when the American National Bank merged with the First National Bank in 1927, he continued in that position, and in 1944 was named Assistant Vice-President. He has been active in the National Association of Bank Auditors and Comptrollers for a number of years and became aggressively interested when as a charter member, he assisted in the organizing of the Oklahoma Conference of the NABAC, and was their second President. The Oklahoma Conference is State-wide and one of the largest conferences within the organization. During the past year, as First Vice-President, he directed the organization committee work, and at this meeting reported a larger increase in membership than of any one previous year.

This annual meeting had been arranged for some time and only included members of the Organization Committees. The end of the war and relaxation of government regulations did not come soon enough to permit a change in plans so as to have a larger attendance. It is contemplated that in 1946 it will be possible to hold a full-scale convention. No city was designated. Plans were also announced for the resumption of regional district meetings which were discontinued during the war. An invitation to hold the Ninth Mid-Continent Regional Conference in Milwaukee, Wis., was accepted.

The entire day was devoted to business sessions. At the noon luncheon of the organization committee, George McSweeney, President, DeLuxe Check Printers, Inc., Chicago, addressed the group on "Your Organization." The guest speaker at the annual dinner in the evening was Clifford S. Young, President of the Federal Reserve Bank of Chicago, whose subject was: "The Auditor as a Vital Factor in a Bank."

Members of the Chicago Conference of Bank Auditors were present. Frank Rathje, Vice-President of the American Bankers Association, was a guest, as were a number of Chicago's bank presidents, and also the officers of the Illinois Bankers Association.

Other officers elected to office in the NABAC on Sept. 10 were: First Vice-President, Arthur R. Burbett, Comptroller of the First National Bank, Baltimore; Second Vice-President, Mills B. Lane, Jr., First Vice-President Citizens and Southern National Bank, Atlanta; Secretary, Paul D. Williams, Comptroller of the Corn Exchange National Bank and Trust Co., Philadelphia, and Edward F. Lyle, Comptroller of the City National Bank and Trust Co., of Kansas City, Mo., is the newly elected Treasurer. Retiring President John C. Shea, Assistant Vice-President of the Whitney National Bank, New Orleans, becomes a member of the advisory board. Darrell R. Cochard, Assistant Secretary and Managing Editor, is manager of the headquarters office in Chicago. Alvin J. Vogel is Secretary to the Research Committee and located in the Chicago office.

New directors were elected for

Campaign for Smith Memorial Wing

James A. Farley, General Chairman of the National \$3,000,000 Campaign for a 16-story Alfred E. Smith Memorial Wing at St. Vincent's General Hospital, 11th St. & 7th Ave., New York City, announced on Sept. 30 that Monroe Goldwater, lawyer and welfare leader, has accepted the Chairmanship of the Commerce and Industry Committee for the campaign and will start immediately the organization of business and professional groups under divisional chairmen. Archbishop Francis J. Spellman of New York is Honorary Chairman of the campaign, which opens nationally today (Oct. 4), the first anniversary of Mr. Smith's death. Groups under Mr. Goldwater have accepted a quota of \$750,000 for the campaign, which will continue into December. Serving with Mr. Goldwater as Vice-Chairman of the General Commerce & Industry Committee, Mr. Farley announced, are John T. Madden, President of the Emigrant Industrial Savings Bank; George J. Schaefer, War Activities Committee, Motion Picture Industry, 1501 Broadway; Emil Schram, Jr., President of the New York Stock Exchange, and Charles H. Silver, of the American Woolen Company.

Hopkins & Bruce Get DSM

In a ceremony which took place in the White House rose garden on Sept. 5, President Truman awarded the Distinguished Service Medal to Harry L. Hopkins, confidant and adviser of President Roosevelt, and to Howard Bruce, Maryland banker and industrialist, according to Associated Press advices from Washington on that date. Mr. Hopkins's award was for "exceptional ability" in welding "our Allies to the common purpose of victory over aggression"; Mr. Bruce's, for his services to the War Department, particularly as director of material of the Army Service Forces.

This brought to a total of four the civilians who have received the DSM, viz.:

A medal previously was awarded to Stephen T. Early, former Presidential Press Secretary, and James F. Byrnes, now Secretary of State, for their contribution to the victory as advisers of President Roosevelt.

White House attaches said the medal would not be awarded in the future to any other civilians. Future awards will be restricted to the Medal of Merit, developed for that purpose, they added.

Later the same day, the Associated Press reported, President Truman announced his appointment of Mr. Hopkins as Chairman of a five-member subcommittee of the Executive Committee of the Roosevelt Memorial Association. The subcommittee will make recommendations for a suitable memorial to the late President. The group, consisting of, in addition to Mr. Hopkins, Miss Frances Perkins, former Secretary of Labor; Henry Morgenthau Jr., former Secretary of the Treasury; Frank C. Walker, former Postmaster General, and Admiral Leahy, also will nominate officers for the Association, and recommend additions to the Executive Committee.

two-year terms as follows: Ray G. Marx, Comptroller of the Riggs National Bank, Washington, D. C.; Al Miller, Cashier of the Federal Reserve Bank of Minneapolis, and Graham S. Boston, Assistant Vice-President of the First National Bank, Wichita, Kas., was appointed to fill the unexpired term of Mr. Lyle.

Japs in Korea to Administer Under U. S.

Koreans were affronted by the fact that American forces did not immediately remove all Japanese administrators from the American zone of occupation—the southern half of Korea—the Associated Press reported from Keijo, Korea, Sept. 9. However, Lieutenant General John R. Hodge, Commander of the American 24th Army Corps, assured the Koreans that the Japanese officials merely would be allowed to remain to carry out his directives. He added that it was likely the Japanese would be replaced by Americans "as soon as I am through with them." General Hodge, the Associated Press reported, had accepted the formal surrender of Japanese forces in the area at a ceremony in the red-rugged throne room of the Governor's palace, from which the Japanese Governor General had directed activities of Koreans since early in this century.

General Hodge and Admiral Thomas C. Kinkaid, Commander of the 7th Fleet, signed the surrender document for the United States. Lieutenant General Yoshio Suzuki signed for Japan.

Brigadier General Crump Garvin, Chief of Staff of 24th Corps, had said that the Army had decided to keep Japanese officials until it could take over, "for maybe a day, maybe a year."

General Hodge said that Korea's desire for immediate independence could not be granted. It is necessary, he said, to maintain the Japanese administrative officials from Governor-General Gen. Nobuyuki Abe on down, to prevent the chaos that probably would result if they summarily were ousted.

In later advices from Tokio (Sept. 14) the Associated Press said:

A dispatch sent today from Seoul, Korea, by Philip Potter, of the Baltimore "Sun" papers, reported that Lieut.-Gen. John R. Hodge of the American Occupation Army there has dismissed two Japanese officials, Nobuyuki Abe, Governor-General, and Tadao Nishihiro, Director of the Police Bureau of the Governor-General.

Mr. Potter said General Hodge made known his action at a conference of about 1,000 Korean delegates, many of whom had criticized sharply the use of Japanese functionaries.

FDR Memorial Plaque

A memorial plaque of President Roosevelt was unveiled on Sept. 24 in the Recorder of Deeds Building, Washington, and speaking extemporaneously at the ceremony President Truman told his audience that the late President had risked his whole reputation on the development of one weapon—the breaking of the atom. "Now that that has been accomplished, we must accomplish the other things for which he stood," Mr. Truman continued in his words of tribute, as reported in Washington advices to the New York "Times." "He stood for the brotherhood of man and the four freedoms," said Mr. Truman, "a program which, if carried out will make the world a mighty fine place to live in. If we don't carry it out, we will walk straight to destruction, physically, mentally and morally. Let's don't just talk about the ideals for which Roosevelt stood; let's start living them." The "Times" advices added:

The Roosevelt plaque, the work of Selma Burke, Negro sculptress of New York City, was accepted for the District of Columbia by Commissioner J. Russell Young. Representative William M. Dawson, Republican, of Illinois, made the presentation of the plaque and introduced Senator Guffey, Democratic, of Pennsylvania, who in turn introduced Mr. Truman.

Weekly Coal and Coke Production Statistics

The total production of bituminous coal and lignite in the week ended Sept. 22, 1945, as estimated by the United States Bureau of Mines, was 11,600,000 net tons, a decrease of 575,000 tons from the preceding week and 366,000 tons less than in the corresponding week of 1944.

Production of Pennsylvania anthracite for the week ended Sept. 22, 1945 as estimated by the Bureau of Mines, was 1,142,000 tons, an increase of 5,000 tons (0.4%) over the preceding week.

The Bureau also reported that the estimated production of beehive coke in the United States for the week ended Sept. 22, 1945, showed a decrease of 9,900 tons when compared with the output for the week ended Sept. 15, 1945; and was 54,700 tons less than for the corresponding week of 1944.

ESTIMATED UNITED STATES PRODUCTION OF BITUMINOUS COAL AND LIGNITE (In Net Tons) - Table with columns for Week Ended and Calendar Year to Date.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE (In Net Tons) - Table with columns for Week Ended and Calendar Year to Date.

ESTIMATED WEEKLY PRODUCTION OF BITUMINOUS COAL AND LIGNITE, BY STATES, IN NET TONS

Table listing production in net tons for various states including Alabama, Arkansas, Colorado, etc., with columns for Sept. 15, 1945, Sept. 8, 1944, and Sept. 16, 1944.

Total bituminous and lignite 12,175,000... Total anthracite 1,142,000...

United States Foreign Trade in June, 1945

The Bureau of Census announced Aug. 2 that June, 1945 exports of merchandise, valued at \$881 million, were 23% less than in May.

Commercial or non-Lend-Lease exports meanwhile represented 40% of the value of total exports in June as compared with 31% in May and a 1944 monthly average of 21%.

The value of imports into the United States fell off slightly in June, with general imports valued at \$357 million, 4% less than May.

The export figures do not include shipments to United States armed forces abroad, nor have they been adjusted for price level.

TABLE I—VALUE OF UNITED STATES EXPORTS OF MERCHANDISE JANUARY 1944-JUNE 1945

Table showing monthly export values for 1944 and 1945, categorized by Total, Lend-Lease, and Non-Lend-Lease.

TABLE 2—VALUE OF UNITED STATES IMPORTS OF MERCHANDISE JANUARY 1944-JUNE 1945

Table showing monthly import values for 1944 and 1945, categorized by General Imports and Value of Imports for Consumption.

Note—Totals represent sum of unrounded figures, hence may differ slightly from sum of rounded amounts.

Congress Votes for Pearl Harbor Inquiry

A resolution offered by Senator Barkley (D.-Ky.) for a joint Congressional inquiry into the Pearl Harbor disaster won unanimous approval of the Senate on Sept. 6 and of the House on Sept. 11.

Under the resolution, according to the Associated Press in reporting the Senate action from Washington, the inquiry would be made by five members of the House named by the Speaker and five Senators appointed by Senator McKellar (D.-Tenn.).

Mr. Barkley told the Senate the investigation should be made "so complete and so fair that no person could doubt the good faith of the report and the findings or those who make them."

Most of his listeners thought the Democratic leader thus spoke indirectly to critics who have sought to blame the late President Roosevelt for the disaster.

"I may say that I offer this resolution with the full knowledge and approval of the President of the United States, and I express my earnest hope, which he shares, that the two Houses may promptly agree to it."

"This inquiry should be of such dignity and authenticity as to convince the Congress, the country, and the world that no effort has been made to shield any person who may have been directly or indirectly responsible for the disaster, or to condemn unfairly or unjustly any person who was in authority, military or naval or civilian."

House Republicans on Sept. 11 lost, by a straight party vote of 168 to 136, their fight for equal representation on the Committee.

Electric Output for Week Ended Sept. 29, 1945 7.5% Below That for Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Sept. 29, 1945, was approximately 4,038,542,000 kwh., which compares with 4,365,907,000 kwh. in the corresponding week a year ago, and 4,018,913,000 kwh. in the week ended Sept. 22, 1945.

PERCENTAGE DECREASE UNDER SAME WEEK LAST YEAR - Table with columns for Sept. 29, Sept. 22, and Sept. 8.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Table showing kilowatt-hour production for weeks ending from May 5 to Sept. 29, with columns for 1945, 1944, and 1943.

State Dept. Aides Named

The following nominations have been sent to the Senate by President Truman, according to advices from the Associated Press, Washington, on Sept. 5:

"As Assistant Secretaries of State: Donald S. Russell of Spartanburg, S. C., and William Benton of Southport, Conn.

"Counselor of the State Department, Benjamin V. Cohen, attorney long associated with the White House and said to be the author of much early New Deal legislation."

Mr. Russell, a former law associate of Secretary of State Byrnes at Spartanburg, succeeds Dean Acheson, recently promoted to Under-Secretary of State.

The selection of Messrs. Benton and Russell as Assistant Secretaries fills the last two of six positions of that rank in the Department.

White House Press Secretary Charles G. Ross said, according to the Associated Press, that because of the additional responsibilities placed on the State Department in the wake of the war, the President had decided to fill the place.

Mr. Byrnes's other choices since he took office two months ago, succeeding Edward R. Stettinius Jr., included the promotion of Dean Acheson to Under-Secretary of State; the appointments of Frank McCarthy and Spruille Braden as Assistant Secretaries and the retention of James C. Dunn and Will Clayton in similar capacities.

Byron Price Honored; Retiring Censorship Head

At a reception at the Nat'l Press Club in Washington given on Sept. 6 by 300 Washington newspapermen radio reporters, photographers, etc., in honor of Byron Price, retiring censorship director, President Truman paid tribute to Mr. Price as a "good public servant," and presented him with a scroll on behalf of the news and picture men.

Acknowledging the tribute, Mr. Price attributed his success to the cooperation not only of the Washington press corps but of the newspapers and their personnel throughout the country, who he said, met all the tests of patriotism.

Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES (Based on Average Yields)

Table with columns for dates (1945-1943), U.S. Govt. Bonds, Corporate by Ratings (Aaa, Aa, A, Baa), and Corporate by Groups (R.R., P.U., Indus.).

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

Table with columns for dates (1945-1943), U.S. Govt. Bonds, Corporate by Ratings (Aaa, Aa, A, Baa), and Corporate by Groups (R.R., P.U., Indus.).

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

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

National Fertilizer Association Commodity Price Index Remains Steady

The weekly wholesale commodity price index compiled by the National Fertilizer Association and made public on Oct. 1, remained unchanged at 139.9 for the week ended Sept. 29, 1945, the same as for the preceding week.

Four of the composite groups of the index advanced and only one declined during the latest week. The foods group declined with lower prices for oranges and potatoes more than offsetting higher

prices for bread and cottonseed oil. The farm products group advanced only fractionally, with the cotton and livestock subgroups declining and the grains index advancing. However, most of the prices moved in a narrow range.

During the week 13 price series in the index advanced and 6 declined; in the preceding week 10 advanced and 7 declined; in the second preceding week 7 advanced and 5 declined.

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

Table showing Weekly Wholesale Commodity Price Index with columns for Group, Latest Preceding Week (Sept. 29, 1945), and Month Year Ago (Sept. 1, 1945).

Steel Production Threatened by Strikes—Producers Fall Behind in Delivery Schedules

"Exceptional difficulty in obtaining steel may be experienced by nonintegrated steel producers before the end of the year," states "The Iron Age" in its issue of today (Oct. 4), which further adds: "Non-integrated producers are those firms who purchase semi-finished steel from basic producers for conversion into finished steel products."

In addition to procurement difficulties it was predicted that the same firms will be harassed by an upward trend in prices.

"According to last minute reports chances are only fair for consumers to obtain electrical appliances for Christmas gifts this year. Despite the start which most manufacturers made on peacetime production after reconversion, special problems coupled with heavy demand indicates that distribution by mid-December will still fall far short of retailer's desires."

"Because the domestic stockpile of refrigerators has been reduced to precariously low levels and because of the possibility of labor troubles slowing down manufacturing, there is a growing feeling that refrigerator inventory must be enlarged before distribution of all production is undertaken. Authoritative sources figure that unfilled market demand for refrigerators stands upwards of 4,000,000 units which would provide about 18 months of capacity operation for the industry."

The highest production ever reached in prewar years approximated 3,400,000 units. The obsolescence rate in the industry is said to be figured at 10% per year, but efforts are being made to increase this by the introduction of new combined refrigerator fast freezer boxes.

"During the war the War Production Board had issued directives upon larger steel companies to furnish stipulated tonnages to the nonintegrated steel producers. These further conversion directives are being abolished effective in the fourth quarter with the result that the smaller steel makers are scouring the woods for sources of semi-finished steel supplies."

"Primary steel producers hard put to produce sufficient semi-finished steel for their own needs are turning a deaf ear towards orders for this profitless group of products. Over the long term the situation promises to deteriorate further as present contracts for semi-finished steel written several years ago on a low price basis expire. Nonintegrated mills will have difficulty in renewing contracts and there is immediate prospect that finished steel production by the nonintegrated mills which are not covered with orders for semi-finished steel in the fourth quarter may decline. "Steel-rolling mill schedules on the mills of many producers are

oil industry carry a further threat to steelmaking, already causing shutdown of open hearths dependent on that fuel. This is evident in the Youngstown district and at Cleveland. The shortage of stocks is causing apprehension in the Chicago district. Conversion to tar as a substitute fuel is hampered by the shortage of coking coal for by-product ovens.

"Ending of allocation controls as of Sept. 30 finds steel producers pressed to meet heavy demand but confident that under peacetime conditions the change is for the better. Steel leaders generally agree the plan was effective in war conditions, however. Remaining controls include those on inventories and such priorities as the AAA, MM and CC ratings, which can be called on if necessary to break choke points during the immediate transition period. Few such ratings have been issued up to this time and the disposition at Washington is to have producers meet these emergency problems direct, without priority assistance."

"Notwithstanding labor troubles among steel users, demand for steel is heavy, and orders are not being cancelled or deferred from that cause."

"Inquiry for sheets still dominates the market, with deliveries on higher grades falling in second quarter, with some other grades available in late fourth quarter. Bar demand has increased until deliveries now are quoted generally for February and March, and shape deliveries have been pushed further forward, some producers quoting nothing earlier than January."

"Scrap scarcity continues except on the Pacific Coast and in the South, where there is an excess. War Production Board terminated all scrap allocations Sept. 30 and melters are now dependent on ability to obtain material by their own efforts."

Scores OPA Efforts to Set New Home Price Ceilings

The Board of Directors of the United States Chamber of Commerce urged on Sept. 16 that Office of Price Administration efforts to fix ceiling prices on new homes be dropped. The Board, acting on recommendations of the Chamber's Construction and Civic Development Department Committee, composed of representatives of all the major business and professional interests concerned with construction, also called for an immediate investigation by the Senate Small Business Committee of OPA's present controls and proposed controls in the field of construction. OPA's pricing proposal was described as "unworkable and unnecessary," the Committee asserting that it "would prevent new needed homes being made available when labor and materials will be available in quantity."

"The proposed OPA plan, if put into full operation," the Committee said, "will prevent reemployment of servicemen when discharged from the armed forces and will prevent the nation's builders from furnishing needed employment to labor when available in quantity."

Moody's Daily Commodity Index

Table showing Moody's Daily Commodity Index with columns for dates (Tuesday Sept. 25, 1945 to Low, Jan. 24, 1945) and values (259.4 to 252.1).

*Revised; also the following revisions were made: Sept. 21, 258.7; Sept. 22, 258.7, and Sept. 24, 259.0.

Engineering Construction Highest Since Mid-July 1943

Civil engineering construction volume reached \$88,817,000 for the week, the highest weekly total reported to "Engineering News-Record" since July 15, 1943. The sharp increase in private work is the principal factor behind the rise. The week's total is 61% greater than in the preceding week, up 188% compared with a year ago, and 51% higher than the previous four-week moving average. The report issued on Sept. 27, went on to say:

Private construction climbed 72% over last week and 1,196% above last year in reaching the highest private total recorded since Oct. 31, 1940. The stepped-up activity in industrial building is responsible for the private gain. Public construction tops a week ago by 31%, but is 23% below a year ago. State and municipal construction is 83 and 126% higher, respectively, than a week ago and a year ago. Federal construction, on the other hand, is 25% below last week and 72% under the 1944 week.

The current week's construction brings 1945 volume to \$1,496,254,000 for the 39 weeks, an 8% increase over the \$1,379,561,000 reported for the 144 period. Private construction, \$561,764,000, is 93% higher than last year, but public work, \$934,490,000, is 14% lower as a result of the 25% drop in federal volume. State and municipal construction, \$258,582,000, gains 35% over a year ago.

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

| | Sept. 27, 1945 | Sept. 20, 1945 | Sept. 28, 1944 |
|--------------------------|----------------|----------------|----------------|
| Total U. S. Construction | \$88,817,000 | \$55,188,000 | \$30,845,000 |
| Private Construction | 69,218,000 | 40,220,000 | 5,338,000 |
| Public Construction | 19,599,000 | 14,968,000 | 25,507,000 |
| State and Municipal | 14,247,000 | 7,797,000 | 6,306,000 |
| Federal | 5,352,000 | 7,171,000 | 19,201,000 |

Industrial building volume climbed to the highest weekly total recorded since the week of Oct. 17, 1940 primarily as a result of a \$30,000,000 contract for construction of coke ovens in Ohio. All other classes of construction work, except unclassified, exceed their respective totals for a week ago. Increases over the corresponding 1944 week are in waterworks, sewerage, bridges, industrial and commercial buildings, streets and roads, and unclassified construction. Subtotals for the week in each class of construction are: waterworks, \$991,000; sewerage, \$1,041,000; bridges, \$2,188,000; industrial buildings, \$53,892,000; commercial building and large-scale private housing, \$10,616,000; public buildings, \$3,058,000; earthwork and drainage, \$1,293,000; streets and roads, \$8,566,000; and unclassified construction, \$7,172,000.

New capital for construction purposes for the week totals \$22,403,000. It is made up of \$18,789,000 in corporate security issues, and \$3,614,000 in state and municipal bond sales. The week's new financing brings 1945 volume to \$1,649,236,000, a total 2% above the \$1,612,620,000 reported for the 39-week period a year ago.

Proposed Engineering Construction Backlog Totals \$23.6 Billions

The proposed construction backlog of identified and recorded engineering projects totals \$23,615,712,000 for the period from Jan. 1, 1943 through Sept. 13, 1945 according to reports to "Engineering News-Record." Of this future construction backlog, \$11,069,204,000 worth of projects, or 47% of the proposed reserve, have plans under way or completed, and on projects valued at \$2,004,420,000 all financing arrangements have been completed.

Wholesale Prices Increased 0.2% in Week Ended Sept. 22 Labor Depart. Reports

"Higher prices for both agricultural and industrial commodities raised the primary market price index of the Department of Labor's Bureau of Labor Statistics 0.2% during the week ended Sept. 22," it was made known on Sept. 27 by the U. S. Department of Labor which stated that "at 104.9% of the 1926 average the index was 0.6% below late August, 1945 and 1.2% above the corresponding week of last year." The Department's further reported:

"Farm Products and Foods"—Average prices for farm products advanced 0.7% during the week, in a reaction to the declines of earlier weeks, and on continued demand for a number of products. Oats and wheat rose more than seasonally and rye increased fractionally on strong demand for these grains. Corn quotations were down. Livestock prices were generally higher after earlier declines. Supplies of animals reaching terminal markets have not approached earlier forecasts and higher prices were reported for calves, steers and sheep. Live poultry prices were lower on reduced demand. Quotations for eggs and apples were higher and white potato prices increased following removal of OPA ceilings. Quotations for oranges, onions and sweetpotatoes were down. The group index for farm products was 1.7% below a month ago and 1.4% above late September, 1944.

"Primary market prices for foods rose 0.5% during the week as the result of higher prices for fresh fruits and vegetables. In addition, quotations for wheat and rye flour were higher on large government purchases for export. Average food prices were 1.4% below late August, 1945 and 0.8% above the corresponding week of 1944.

"Other Commodities"—Average prices for textile products increased 0.2% with higher prices for denims and sheeting following OPA ceiling adjustments under the Bankhead Amendment to the Stabilization Extension Act of 1944. Pennsylvania gasoline prices rose reflecting the increase in octane ratings, and farm machinery continued to advance under ceiling adjustments permitted individual manufacturers. The decline in mercury prices continued. Portland cement prices advanced fractionally and quotations for lavatories were higher as additional manufacturers moved to ceiling levels. Quotations for silver nitrate jumped 45% following higher prices for foreign silver permitted by OPA.

The Labor Department also 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 past three weeks,

for Aug. 25, 1945 and Sept. 23, 1944 and (2) percentage changes in subgroup indexes from Sept. 15, 1945 to Sept. 22, 1945.

WHOLESALE PRICES FOR WEEK ENDING SEPT. 22, 1945
(1926=100)

| Commodity Groups— | 1945 | | 1945 | | 1944 | | 1945 | | 1945 | | 1944 | |
|--|-------|-------|-------|-------|-------|------|------|------|------|------|------|------|
| | 9-22 | 9-15 | 9-8 | 8-25 | 9-22 | 9-15 | 8-25 | 9-22 | 9-15 | 8-25 | 9-22 | 9-15 |
| All commodities | 104.9 | 104.7 | 105.0 | 105.5 | 103.7 | +0.2 | -0.6 | +1.2 | | | | |
| Farm products | 124.5 | 123.6 | 124.3 | 126.7 | 122.8 | +0.7 | -1.7 | +1.4 | | | | |
| Foods | 105.1 | 104.6 | 105.1 | 106.6 | 104.3 | +0.5 | -1.4 | +0.8 | | | | |
| Hides and leather products | 118.6 | 118.6 | 118.6 | 118.5 | 116.5 | 0 | +0.1 | +1.8 | | | | |
| Textile products | 99.6 | 99.4 | 99.4 | 99.1 | 98.3 | +0.2 | +0.5 | +1.3 | | | | |
| Fuel and lighting materials | 84.5 | 84.4 | 85.3 | 85.3 | 83.7 | +0.1 | -0.9 | +1.0 | | | | |
| Metals and metal products | 104.8 | 104.8 | 104.8 | 104.8 | 103.9 | 0 | 0 | +0.9 | | | | |
| Building materials | 117.7 | 117.7 | 117.6 | 117.8 | 115.9 | 0 | -0.1 | +1.6 | | | | |
| Chemicals and allied products | 95.3 | 95.3 | 95.3 | 95.3 | 94.9 | 0 | 0 | +0.4 | | | | |
| Housefurnishing goods | 106.3 | 106.3 | 106.3 | 106.2 | 106.1 | 0 | +0.1 | +0.2 | | | | |
| Miscellaneous commodities | 94.6 | 94.6 | 94.6 | 94.6 | 93.3 | 0 | 0 | +1.4 | | | | |
| Raw materials | 115.5 | 115.0 | 115.3 | 116.9 | 113.3 | -0.4 | -1.2 | +1.9 | | | | |
| Semimanufactured articles | 95.7 | 95.7 | 95.7 | 95.4 | 94.1 | 0 | +0.3 | +1.7 | | | | |
| Manufactured products | 101.8 | 101.8 | 102.0 | 102.1 | 101.1 | 0 | -0.3 | +0.7 | | | | |
| All commodities other than farm products | 100.6 | 100.6 | 100.8 | 100.8 | 99.6 | 0 | -0.2 | +1.0 | | | | |
| All commodities other than farm products and foods | 99.9 | 99.8 | 100.1 | 100.1 | 98.8 | +0.1 | -0.2 | +1.1 | | | | |

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM SEPT. 15, 1945 TO SEPT. 22, 1945

| Increases | | Decrease | |
|------------------------|-----|------------------------|-----|
| Fruits and vegetables | 2.6 | Cement | 0.3 |
| Grains | 1.3 | Cereal products | 0.3 |
| Other farm products | 1.0 | Other foods | 0.3 |
| Cotton goods | 0.8 | Petroleum and products | 0.3 |
| Plumbing and heating | 0.7 | Chemicals | 0.2 |
| Agricultural implement | | | 0.1 |
| Lumber | | | 0.1 |

Non-Ferrous Metals — Sharp Gain in Foreign Silver—Lead Allotments Up—Mercury Steady

"E. & M. J. Metal and Mineral Markets," in its issue of Sept. 27, stated: "Price disparity between foreign and domestic silver prices was eliminated when OPA raised the ceiling price of foreign metal to the basis of 71.11c. an ounce. A higher price was expected ever since WPB revoked its controls on silver late in August. The New York Official price of foreign silver advanced to 70 $\frac{1}{2}$ c. Sept. 21. WPB announced that fourth-quarter allotments of lead will be increased, with larger tonnages going into white lead. Requests for copper from European countries are increasing, but conditions in that area remain far from encouraging. Quicksilver steadied in price as a moderate amount of business came into the market early in the week." The publication further went on to say, in part, as follows:

Copper

There was widespread interest in a report that Italy is negotiating for 45,000 tons of copper, about equally divided between blister and refined. Like other transactions of this kind, the deal will be treated as special business in which the governments involved will arrange for payments and other details. Foreign metal will be shipped.

In the absence of final word on the Government's purchase program, the foreign situation remains uncertain. Chilean authorities are expected to press for an extension of the program.

Fabricators in the United States consumed 98,171 tons of copper in August against 79,739 tons in July.

Shipments of ingot brass and bronze during August by producers representing 95% of the industry's capacity amounted to 25,372 tons, against 27,885 tons in July and 32,613 tons in June.

Lead

WPB has approved a 9,500-ton increase in lead consumption for the fourth quarter, which would make 265,500 tons of primary and secondary metal available in that period. New supply is estimated at 244,000 tons, of which 125,000 tons consist of domestic primary, 46,000 tons foreign primary, and 73,000 tons secondary. These figures would indicate that WPB intends to dip into the stockpile to the extent of 21,500 tons in the Oct.-Dec. period.

Most of the increase in consumption will occur in the pigments division. Use of lead in production of white lead is expected to average 6,000 tons a month in the last quarter of the year.

Shipments of lead by domestic refineries in August amounted to 33,517 tons, against 36,597 tons in July. Stocks at refineries at the end of August totaled 40,310 tons,

against 41,145 tons a month previous.

Sales of lead for the last week amounted to 4,822 tons. Requests from consumers for foreign lead for October amounted to about 23,000 tons.

Consumption of lead in the United Kingdom during 1944 amounted to 230,031 tons, which compares with 220,699 tons in 1943 and 256,997 tons in 1942. In the first half of 1945, the United Kingdom consumed 119,596 tons of lead. The figures have been issued by the British Ministry of Supply.

Lead imports of the United States during 1944 and 1943, in tons, according to the American Bureau of Metal Statistics:

| | 1944 | 1943 |
|-------------------|--------|--------|
| In ore and matte: | | |
| Canada | 10,414 | 6,828 |
| Newfoundland | 32,273 | 13,473 |
| Mexico | 3,684 | 2,931 |
| Bolivia | 1,093 | 7,012 |
| Chile | 4,247 | |
| Ecuador | 448 | 168 |
| Peru | 11,295 | 3,426 |
| Africa | 3,459 | 16,438 |
| Australia | 27,129 | 19,743 |
| Other countries | 23 | 4 |
| | 94,065 | 70,023 |

| | 1944 | 1943 |
|------------------|------|-------|
| In base bullion: | | |
| Canada | 11 | 639 |
| Mexico | 47 | 94 |
| Peru | — | 3,846 |
| Australia | 58 | 4,583 |

| | 1944 | 1943 |
|-------------------|---------|---------|
| Figs, bars, etc.: | | |
| Canada | 8 | 1,505 |
| Mexico | 167,704 | 213,724 |
| Peru | 54,486 | 20,158 |
| Australia | 560 | 8,994 |
| Other countries | — | 129 |
| | 222,758 | 244,510 |

(a) The large imports of ore and matte under the head of "Africa" in 1943 were divided as follows: Union of South Africa and Southwest Africa, 10,177; French Equatorial Africa, 5,715; Southern Rhodesia, 107, and Algeria, 439 tons.

Zinc

Demand for zinc was described as fair, centering largely in Special High Grade and Prime Western. Consumers, in some instances, were more inclined to place forward business for part of their requirements, but on an average price basis.

The Bureau of Mines reports that consumption of slab zinc in the United States during July amounted to 58,799 tons, which compares with 70,812 tons in June. Stocks in the hands of consumers at the end of July totaled 91,056 tons, against 88,631 tons at the end of June.

Tin

Until definite word reaches this

country on the availability of new supplies of tin from the Far East, WPB intends to maintain tight control on consumption. In the event that WPB is dissolved later in the year, the State Department is expected to take over control. An international committee is being set up under the direction of the State Department to study the supply situation.

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

| | Sept. 20 | Sept. 21 | Sept. 22 | Sept. 24 | Sept. 25 | Sept. 26 |
|---|----------|----------|----------|----------|----------|----------|
| Chinese, or 99% tin, continued at 51.125c. per pound. | 52.000 | 52.000 | 52.000 | 52.000 | 52.000 | 52.000 |

Quicksilver

The price of quicksilver declined to \$90 per flask last Sept. 20 as competition for business that suddenly appeared in the market offered an opportunity to test quotations. Before the end of Sept. 21 more than 200 flasks changed hands, and the undertone steadied. By Sept. 24, the quotation advanced to \$93, with some sellers asking \$95 and upward on small lots. With surplus metal that was tied to Government contracts almost certain to move into the stockpile, holders of quicksilver were less anxious to force sales. The recent weakness, observers believe, resulted in part from increased selling pressure from domestic sources and Mexico. The sharp rise in foreign silver inspired Mexican sellers to take a firmer stand on quicksilver, even though the two metals have nothing in common.

A San Francisco dispatch on Sept. 25 stated that producers quote \$88 per flask, prompt shipment from the Coast, against \$85 minimum a week ago.

Silver

Effective Sept. 21, OPA raised the ceiling price of foreign silver to the basis of 71.11c. an ounce, establishing the ceiling at the identical level fixed by the Treasury for domestic silver in 1939. On the same day, Handy & Harman advanced its New York Official price for foreign silver to 70 $\frac{1}{2}$ c. an ounce. The London quotation advanced to 44d. an ounce on Sept. 24. Wartime controls on silver in Great Britain have not yet been removed.

Demand for silver was fairly active last week, and, with supplies still more or less limited, the new ceiling price on foreign metal was easily maintained. In fact, sellers viewed the price situation as firm under prevailing conditions. To what extent imports are likely to increase is a question that will have an important bearing on price developments in foreign metal.

Lifting of the ceiling by OPA has opened up tax and currency problems in Mexico and elsewhere. Mexico abolished its production and subsidy taxes on silver on Sept. 25 preparatory to enacting new legislation to increase revenues and share in the profit resulting from the higher price of silver.

Redeem Argentine Bonds

Holder of Argentine Republic Ten Year Sinking Fund External Loan 4 $\frac{1}{2}$ % Bonds, due Nov. 1, 1948 are being notified that \$1,578,000 principal amount of the bonds have been drawn for redemption on Nov. 1, 1945 out of moneys in the sinking fund. Upon presentation and surrender on the redemption date at the office of J. P. Morgan & Co., Inc., New York, or at the principal office of The National City Bank of New York, or at the principal office of The First National Bank of Boston, payment will be made of the principal amount of the bonds. Interest on the drawn bonds will cease on the redemption date. On Sept. 24, 1945, \$351,500 principal amount of the bonds previously called for redemption had not been presented for payment.

Items About Banks, Trust Companies

(Continued from page 1622)

403,411, compared with \$3,902,835,683 at the time of the last published statement, June 30, 1945, and with \$3,299,332,642 on Sept. 30, 1944. Deposits are now \$3,218,772,564, compared with \$3,490,934,055 on June 30 and with \$2,943,058,147 a year ago. Holdings of U. S. Government obligations at the latest date are \$2,006,523,381, compared with \$2,143,853,240 on June 30 and with \$2,074,783,453 a year ago. Capital and surplus remain unchanged at \$90,000,000 and \$170,000,000, respectively, and undivided profits are \$50,313,122, compared with \$47,374,455 shown in the last published statement and with \$38,432,083 a year ago.

The statement of condition of Manufacturers Trust Co. of New York as of Sept. 30, 1945, shows deposits of \$2,055,637,528, which include U. S. Government war loan deposits of \$225,113,354. Resources are \$2,185,548,677. These figures compare with deposits of \$2,145,420,789 and resources of \$2,261,550,127 shown on June 30, 1945. On Sept. 30, 1944, the respective figures were \$1,715,110,691 and \$1,818,834,029. U. S. Government war loan deposits on June 30, 1945, were \$398,135,001, and on Sept. 30, 1944, they were \$180,895,164. Cash and due from banks is listed on Sept. 30, 1945, at \$393,840,495 as against \$381,982,154 shown on June 30, and \$350,131,858 shown a year ago. U. S. Government securities stand at \$1,294,612,871; three months ago they were \$1,319,364,692, and one year ago they were \$1,055,287,529. Loans, bills purchased and bankers' acceptances are now \$395,050,989, which compare with \$484,681,046 on June 30 and \$325,786,933 on Sept. 30 last year. On June 30, 1945, preferred stock was shown as \$7,709,700, common as \$33,000,000, surplus as \$33,000,000, and undivided profits as \$22,103,272. On Aug. 1, 1945, there were retired all of the outstanding preferred shares at \$50 plus accrued dividend, and there were issued on that date 412,500 new common shares at \$58 per share. After giving effect to these transactions, capital funds as of Sept. 30, 1945, are shown as: capital, \$41,250,000; surplus, \$41,250,000, and undivided profits, \$29,007,450. Net operating earnings for the nine months ending Sept. 30, 1945, after amortization, taxes, etc., as well as dividends on preferred stock for the period for which outstanding were \$7,240,032, or \$4.16 a share, based on average number of shares outstanding, which compares with \$3.59 a share for the nine months ending Sept. 30, 1944. Of this amount \$2,887,456 was paid in dividends on capital stock and \$4,352,576 was credited to undivided profits.

The Corn Exchange Bank Trust Co. of New York, in its statement of condition as of the close of business Sept. 29, 1945, shows total assets of \$785,224,675, as compared with \$787,579,723 on June 30, 1945, and \$666,739,528 on Sept. 30, 1944. The bank reports deposits and other liabilities of \$745,373,589 and capital, surplus and undivided profits of \$39,851,085. On June 30, 1945, deposits and other liabilities were \$709,434,334, and capital, surplus and undivided profits were \$39,072,694, while a year ago these figures were \$628,900,159 and \$37,839,368, respectively. Cash in vaults and due from banks amounted on Sept. 29 to \$161,459,608, as against \$162,993,725 on June 30, last, and \$148,548,511 a year ago. Holdings of U. S. Government securities, now at \$543,730,633, compare with \$549,112,236 on June 30, 1945, and \$450,497,322 on Sept. 30, 1944, while holdings of other securities, Sept. 29, at \$15,133,824 compare with \$10,943,137 on June 30 and \$15,514,008 on Sept. 30, 1944. Loans and dis-

counts now amount to \$45,515,429 as against \$44,691,524 three months ago and \$31,546,175 a year ago.

The Public National Bank & Trust Co. of New York reported as of Sept. 30, 1945, total deposits of \$482,384,177 and total assets of \$510,129,509, compared, respectively, with \$481,407,544 and \$508,338,625 on June 30, 1945. Cash on hand and due from banks on Sept. 30 amounted to \$90,635,279, against \$84,656,121; holdings of United States Government securities are now \$294,522,687 against \$287,828,458, and loans and discounts are now \$110,899,306, against \$123,828,754. Capital and surplus remain unchanged at \$7,700,000 and \$9,000,000, respectively, and undivided profits on Sept. 30 were \$4,861,008, after allowing for \$165,000 dividend payable Oct. 1, 1945, against undivided profits of \$4,476,251 at the end of June.

The Commercial National Bank & Trust Co. of New York reported as of Sept. 30, 1945, total deposits of \$245,021,941 and total assets of \$269,562,502, compared, respectively, with \$283,766,171 and \$306,997,627 on June 30, 1945. The bank held cash on hand and due from banks Sept. 30 of \$43,624,836, compared with \$45,075,719 on June 30, 1945; investments in U. S. Government securities of \$183,405,186 compared with \$208,459,135 on June 30, 1945. Loans and discounts, now shown as \$37,018,162, compare with \$50,078,181 on June 30, 1945. The bank's capital account is unchanged at \$7,000,000, and its surplus and undivided profits account has increased to \$11,917,163 from \$11,624,465 at June 30, 1945, after payment of the regular dividend. Net earnings per share for the quarter were \$1.24 and for the nine months of this year \$3.40.

Fulton Trust Co. of New York reports total deposits of \$35,989,711 and total assets of \$41,535,936 in its statement of Sept. 30, 1945. On June 30, 1945 these figures were \$43,820,930 and \$49,336,951, respectively. As of Sept. 30, 1944, the bank's total deposits were \$30,019,005 and total assets were \$35,382,141. Cash, U. S. Government securities and demand loans secured by collateral amounted on Sept. 30 to \$38,012,986, as compared with \$45,845,805 on June 30, last, and \$31,467,897 a year ago. Capital and surplus showed no change in total at \$4,000,000. Undivided profits increased to \$1,217,919, after dividend payable Oct. 1, 1945, as against \$1,183,248 shown on June 30, 1945, and \$1,092,384 on Sept. 30, 1944.

The Federation Bank & Trust Co. of New York reported as of Sept. 29, 1945, deposits of \$32,212,518 and total resources of \$36,051,891, against \$32,280,988 and \$35,704,761, respectively, as of June 30, 1945. Cash on hand and due from banks amounted on Sept. 30 to \$6,431,511, against \$7,041,294. Holdings of U. S. Government securities totaled \$13,745,490 at the end of September, against \$13,958,731 on June 30. Loans and discounts are now \$11,146,472, against \$10,949,298. Capital is unchanged at \$1,000,000. Surplus has been increased from \$1,200,000 to \$1,300,000, and undivided profits have been increased from \$481,702 to \$545,491.

The statement of condition of the Clinton Trust Co. of New York as of Sept. 29, 1945, shows total assets of \$23,843,947, compared with \$24,919,036 on June 30, 1945, and \$19,482,569 on Sept. 30 a year ago. Surplus and undivided profits on Sept. 29, 1945, totaled \$600,936, compared with \$592,476 on June 30, and \$505,000 a year ago. Deposits amounted to \$22,373,878 on Sept. 29, last com-

pared with \$23,433,780 on June 30, and \$18,232,170 on Sept. 30, 1944. Loans and discounts of \$3,043,704 were reported as of Sept. 29, 1945, compared with \$3,998,216 three months earlier and \$2,958,299 on Sept. 30 of last year. U. S. Government and municipal bonds totaled \$13,335,331 on Sept. 29, compared with \$13,469,352 on June 30 and \$9,860,767 a year ago. Cash on hand and due from banks amounted at the latest date to \$5,163,830, compared with \$5,232,917 three months earlier and \$4,179,435 on Sept. 30, 1944.

In a statement released Oct. 2, Andrew Wilson Jr., President of The County Trust Co. of White Plains, N. Y., reported a gain in the deposits of individuals and corporations of more than \$2,500,000 during the third quarter. "Deposits at the end of the quarter were \$10,500,000 ahead of the figure a year ago, an increase of more than 27%," Mr. Wilson said. He commented on a marked increase in the number of individual borrowers and indicated that the institution is preparing for greater activity in all departments. Net earnings for the third quarter were encouraging, according to the statement.

The First National Bank of Boston, Mass., having assumed the deposit liabilities of Winthrop Trust Co. of Winthrop, Mass., opened on Oct. 1 an office in the quarters formerly occupied by the Winthrop bank. In indicating this the "Boston News Bureau" of Oct. 1 added:

"The new office will be known as the Winthrop office and will bring the total of First National Bank offices to 23. The office will be in charge of Edward A. Barclay, manager, and Francis T. Lithgow, assistant manager, both having formerly served the Winthrop bank in official capacities as Treasurer and Assistant Treasurer, respectively. "Organized in 1918, Winthrop Trust Co. as of June 30, 1945, had deposits of \$6,592,490. Almon E. Whittemore, who has been President of the Winthrop bank ever since its founding, 27 years ago, will remain with the office, acting in an advisory capacity."

The statement of The Philadelphia National Bank of Philadelphia, Pa., for the period ended Sept. 29, 1945, shows deposits on that date of \$733,795,439, consisting of \$88,172,699 of U. S. Treasury deposits and \$645,622,740 representing all other deposits. This compares with deposits of \$768,970,525—\$146,757,910 U. S. Treasury deposits and \$322,212,614 covering all other deposits—reported on June 30, 1945. Total resources amounted to \$792,868,585, compared with \$827,012,146 at the end of June; cash and due from banks aggregated \$184,365,762, compared with \$182,616,905; U. S. Government securities, \$465,948,637, compared with \$505,133,753; State, county and municipal securities were \$14,620,392, against \$14,220,392; other securities, \$36,118,022, against \$36,192,706; loans and discounts, \$88,705,277, compared with \$85,951,669. The capital stock of the bank and the surplus at the end of September both remained unchanged at \$14,000,000 and \$28,000,000, respectively. Undivided profits were \$11,796,862, compared with \$11,006,924 at the end of June.

Deposits of the Corn Exchange National Bank and Trust Company of Philadelphia, other than U. S. Government deposits, as of Sept. 29, 1945 were \$240,180,492, compared to \$221,704,776 as of June 30, 1945. Total deposits at the end of the third quarter were \$273,912,204, including \$33,731,711 in U. S. Government deposits. Total resources of \$299,929,414 included \$59,840,177 cash and due from banks, and \$174,557,642 in U. S. Government securities. Capital as of Sept. 29, 1945 was \$5,687,

500; surplus, \$10,000,000 and undivided profits, \$2,139,289, or total capital funds of \$17,826,789.

J. Luther Cleveland, President of Guaranty Trust Co. of New York, announced on Sept. 28 the appointment of Jay E. Bottomley as a Vice-President of the company. With his new appointment Mr. Bottomley continues to be identified with the Banking Department district that embraces the company's business in the States of Ohio, Pennsylvania and West Virginia. Mr. Bottomley joined the National Bank of Commerce in New York in March, 1919, following earlier banking experience in the States of Nebraska, Washington, Wisconsin and California. After a brief period with the credit department, he took over special duties in connection with that bank's Southern business and was assigned to the district covering Ohio, Pennsylvania and West Virginia. He was made an Assistant Cashier in 1927 and Second Vice-President in January, 1929. When the National Bank of Commerce was merged with the Guaranty Trust Co. in May, 1929, Mr. Bottomley continued with the latter institution's banking department as a Second Vice-President.

Treacy Farley has been elected a Vice-President of Excelsior Savings Bank of New York. Mr. Farley has been manager of the mortgage department of the bank for the past 12 years.

The Chartered Bank of India, Australia & China, at 65 Broadway, New York, announces that its branch at Singapore, Straits Settlements, reopened for business on Oct. 1.

At a meeting of the Board of Directors of Bankers Trust Company of New York on Oct. 2, R. P. Foote, formerly Assistant Vice-President, was elected Vice-President effective Nov. 1st. Mr. Foote has been in Government service since 1942 with the Army Air Force and has just been relieved of active duty with the rank of Colonel.

Percy H. Johnston, Chairman of the Chemical Bank & Trust Company of New York, announces that Col. Robert V. Lee, who since February, 1941, has been on leave, serving with the United States Army, returned on Oct. 2 to his official duties with the bank. For the past two years Col. Lee has served overseas in England, France, Belgium, Luxembourg, and Germany. He landed in Normandy on D-Day, June 6, 1944 and served through the Normandy, Northern France, Ardennes and Rhineland campaigns. For his services both in the United States and overseas, Col. Lee was awarded the Legion of Merit with two Oak Leaf Clusters, the Bronze Star Medal, the Legion of Honor (French), and the Croix de Guerre with Palm (French).

James D. Fleming, Executive Vice-President of Grinnell Corp., was elected a director of Industrial Trust Co. of Providence, R. I., at a meeting of the directors held on Sept. 25, it was stated in the Providence "Journal," which said that he fills a vacancy on the board that has existed for some time.

The "Journal" also said that since his graduation in civil engineering from Stanford University in 1918 he has been associated with the Grinnell organization except for a short period of 1918-19 when he served in the naval service of the country.

Shareholders of the Providence National and Blackstone Canal National banks of Providence, R. I., at separate special meetings on Sept. 26 ratified the plan for the consolidation of the two

banking institutions, the oldest National banks in the city. The Providence "Journal" of Sept. 27 further reported:

"Also confirmed were terms and conditions of the merger agreed upon by a majority of the boards of directors of both banks Aug. 20 following several weeks of discussion.

"At that time Rupert C. Thompson Jr., President of the Providence National Bank, and Albert R. Plant, President of the Blackstone Canal National Bank, in a joint statement, announced that the consolidated bank would have as its only office the present quarters of the Providence National Bank, these quarters to be expanded on land now owned which extends from the rear of the present building at 100 Westminster Street to Weybosset Street. It has been agreed the merged bank shall be known as The Providence National Bank.

"The combined institution will have total resources in excess of \$67,000,000, of which the Blackstone Bank will contribute about \$17,000,000, based on June 30 figures. Mr. Plant will serve as Chairman of the board of directors of the consolidated bank and Mr. Thompson will be President. Charles B. McGowan, Vice-President and Trust Officer of the Blackstone bank, will hold the same office in the merged bank and, with few exceptions, the proposal stated, other officers of the two banks will hold the same posts they now fill.

"With the approval of the Comptroller of the Currency the banks will consolidate as of Monday morning, Oct. 15."

A special meeting of the stockholders of The Union & New Haven Trust Co. of New Haven, Conn., has been called for Oct. 8, to act on a proposal to issue 413 shares of the company's capital stock, previously authorized but never issued, and thereby bring the bank's capital stock account to a round \$1,500,000, consisting of 15,000 shares of \$100 par value. The New Haven "Register" of Sept. 22, from which the foregoing is quoted, added:

"Under the terms of the proposal as outlined by Edward M. Gaillard, President, present stockholders of the bank will have the right to subscribe to the additional stock at \$100 per share in the proportion of one new share of stock for each 35 shares of outstanding stock now held by them."

Appointment of Carl K. Giesse to head the foreign banking and travel department of the First National Bank of Cincinnati, Ohio, was announced on Sept. 28 by Waldo E. Pierson, President, it is learned from the Cincinnati "Enquirer" of Sept. 29, from which we also quote, in part, as follows:

"Mr. Giesse, who recently resigned a similar position with the Central Trust Co., will assume his new duties Oct. 1. He previously managed the department for First National from 1924 to 1932.

"In all, Mr. Giesse has been in his field for the last 21 years. The only interruption to this service came earlier in the war when he was for a time principal commercial specialist in the licensing division of the Foreign Funds Control, U. S. Treasury Department, Washington."

Ivan M. Pollard, member of the staff of the trust department of the Portland Trust & Savings Bank of Portland, Ore., was advanced to the position of Assistant Trust Officer on Sept. 14, it was stated in the Portland "Oregonian" of Sept. 15, which notes that he has been connected with the trust department of the Portland Trust & Savings Bank since November, 1933.