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The Financial Situation

There are many sections of the masterly report of General Marshall issued last week which the American people could and doubtless will read with great interest. are certain sections which thoughtful citizens must not fail to study with great care. The full meaning and significance of some of these will be grasped only when read in conjunction with what appears to be most surprisingly widespread, if novel, notions about our due part, even our inevitable part, in world affairs from this time forward.

From one of these latter we quote:

In another national emergency the existence of a substantial In another national emergency the existence of a substantial portion of the Nation's young manpower already trained or in orocess of training, would make it possible to fill out immediately the peacetime ranks of the Navy, the Regular Army, the National Guard, and the organized reserve. As a result our Armed Forces would be ready for almost immediate deployment to counter initial hostile moves, ready to prevent an enemy from gaining footholds from which moves, ready to prevent an enemy from gaining footholds from which he could launch destructive attacks against our industries and our homes. By this method we would establish, for the generations to come, a national military policy: (1) which is entirely within the financial capabilities of our peacetime economy and is absolutely democratic in its nature, and (2) which places the military world and therefore the political world on notice that this vast power, linked to our tremendous resources, wealth, and production, is immediately available. There can be no question that all the nations of the world will respect our views accordingly, creating at least a probability of peace on earth and of good will among men rather than disaster upon disaster in a tormented world where the very processes of civilization itself are constantly threatened.

The timing of our decision on the question of universal military training is urgent. The officials of the State Department have been strongly of the opinion that a decision in this matter prior to the final peace negotiations would greatly strengthen the hand of the United States in securing acceptance of a genuine organization to handle international differences.

The fact that this report appeared so shortly after the failure of the meeting of the Council of Foreign Ministers in (Continued on page 1868)

Krug Foresees Civilian Production At Double the Prewar Volume

WPB Chairman Tells of War Times Achievements and Says Government and Industry Working Together Are Doing a Fine Job, and Much Is Due to Their Joint Planning Before V-J Day

The War Production Board, scheduled to go out of existence Nov. 3, held its 100th and final meeting on Oct. 9, at which its Chairman, Mr. J. A. Krug, presented a complete review.

Ington report to the "Wall Street Journal," Mr. Krug deployed the unsettled conditions according to the second of th

plete review, entitled "Wartime Achieve-ments and the Reconversion Outlook," of the vast effort which resulted in making this country the "arsenal of democracy" with the huge production necessary to bringing World War II to a successful conclusion.



J. A. Krug

The report it is noted brought to light much information here-tofore held confidential of the natofore held confidential of the nation's war production activities and included a statement of the board's effort to bring industry through the transition from war to peacetime manufacturing.

Estimating that monthly production for civilian use could reach more than \$1,253,857,000 by part lune according to a Wash-

next June, according to a

ington report to the "Wall Street Journal," Mr. Krug deplored the unsettled conditions existing between labor and management and

tween labor and management and warned that if continued they could result in a breakdown in the otherwise excellent prospects for high production.

The following are the highlights of Mr. Krug's report concerning the nation's munitions record for five years, as reported by the Associated Press from Washington:

The grand total of war materials produced from July, 1940, through July, 1945, was valued at \$186,000,000,000. This included:

A fleet of 297,000 military air-planes, of which 97,000 were

bombers.
76 485 ships—including 64.500 landing craft. 6,500 other Navy ships and 5,425 cargo vessels.
17,400,000 rifles, carbines and

sidearms; 315,000 pieces of field artillery and mortars; 165,525 naval guns.
41,400,000,000 rounds of small

arms ammunition; 4,200,000 tons of artillery shells.

(Continued on page 1874)

Here and There

By A. WILFRED MAY

The growing degree of inflation in government borrowing is exemplified in the Treasury Department's War Finance Commit-tee results. This is seen in both current and anticipated bond sales to individuals—the anticurrent and anticipated bond sales to individuals—the antiinflationary type of financing. Sales of the Series E issue—"the people's bond"—during the last half of September (the most recent tabulated period) fell to 60% of recent volumes. Moreover, the Treasury does not regard this situation as temporary, as for the forthcoming Eighth Loan Drive it has set the national quota at only \$2 billion, which is but one-half the quota in the last Loan, and lower than in any previous Loan. Similarly, the quota for sales of all issues to individual buyers is set at only \$4 billion; contrasted with a quota of \$7 billion and actual sales of \$8.7 billion in the last Loan. The quota for sales to banks, corporations and other "non-individuals"—largely reprebanks, corporations and other "non-individuals"—largely representing portfolio-shifting, taxanticipation mechanics, and inflationary bank buying—at \$7 billion equals the equivalent quota in the previous Loan.

Reconversion has of course supplanted war, but the defeatism in promoting Bond Sales to the individual buyer must be contrasted with current department store sales at record highs; the spending of our huge private savings on movies, food and luxuries; and with savings deposits at unprecedented levels. The decline in Bond buying results largely from the previous overemphasis of the patriotic in lieu of the selfinterest motive; from the unattractiveness of the interest rate to substantial investors; and from growing public fear of inflation

It is generally appreciated that imminent tax reductions must (Continued on page 1873)

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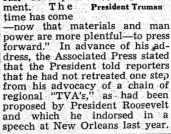
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President Dedicates New TVA Dam in Kentucky

In Formal Address at Gilbertsville, Ky., He Supports TVA, Calling It "Just Plain Common Sense" and Saying That "the Valleys of America Await Their Full Development." Speaking Extemporaneously, He Blames "Our Little Troubles" on a Few Selfish Men and Asks That "Foolishness Be Cut Out." Urges Selling Speed-Up.

Dedication on Oct. 10 of the Tennessee Valley Authority's new Kentucky Dam at Gilbertsville, Ky., gave President Truman oppor-

tunity to voice on c.e. again his belief in the policy of harnessing America's big rivers for power. Calling TVA "just plain common sense," according to the Associated.
Press report,
he added that
"the valleys of
A'm e r i c a
a w a it their full develop-The



The TVA is operated by a The TVA is operated by a three-member board of directors responsible directly to the President and Congress under an independent agency status, the Associated Press pointed out. It sells electricity directly to municipalities, rural cooperatives and other agencies as well as to aluminum and defense plants.

The President recalled the controversies that attended the TVA's creation and declared it "is no longer an experiment, but a

no longer an experiment, but a demonstration" of which "all except a small minority" regard as "a great American accomplish-

Kentucky Dam is the sixteenth TVA dam to be completed, and No. 10 on the original 10-dam program that was expanded with the advent of war to supply

the advent of war to supply needed power.

The text of President Truman's address at the dedication ceremony, as reported from Gilberts-ville, Ky., October 10, by the Associated Press was as follows:

Nine years ago the first dam of the Tennessee Valley Authority—
(Continued on page 1870)

(Continued on page 1870)

From Washington Ahead of the News

By CARLISLE BARGERON

There are a lot of opportunities for so-called Big and Strong men these days outside of Washington, the first time this situation has obtained since Franklin Delano Roosevelt, as his worshipers used mouthfully to say. The State governor has a chance to attract attention, so does the local mayor. But the indications are that they are being slow to move up to it.

This is nat-

This is nat-ural. The country has been brow-beaten, and our local offi-cials have our local offi-cials have been subje-gated for so long, that it is going to be al-most as difficult to get us back into the norms of denorms of de-mocracy, as it is to teach it to the Japs and the Ger-mans. With-out saying so, Mr. Truman



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Truman carlisle Bargeron
is doing everything he possibly
can to get us back to local Government and the responsibility of
ernment and the responsibility of
local officials. He is traveling all
around the country and being just
as modest as he can be. He is
going around attending State
fairs, taking drinks with Democratic cronies, signing autographs,
and in general showing, or trying
to show, that the Presidency is not
the important job which in recent

years it has been made to seem to be. He has been trying to show by might and main, and an unusually good stomach, that it is up to the American people to run their Government, if they are

up to the American people to run their Government, if they are capable of it.

The reaction has not been so satisfactory. We have not been recently out in the country ourselves but our reports are that people, having been introduced into the strong leadership principle, are impatient that he should do something about the strikes. Just what he should do is another question. Should he show a strong hand as the late great Roosevelt did and resolve these matters in favor of the strikers? Or should he turn the Federal armed might against them?

He is obviously trying to show by his actions and deeds that people have got to quit coming to Washington for the solution of all their problems: He is trying to say to them that their governors and mayors should have some efficiency. When and if this attitude is realized it will be amazing how quickly these problems will (Continued on page 1870)

Marshall Urges Universal **Military Training**

Chief of Staff of Army States "Only by Universal Military Training Can Full Vigor and Life Be Instilled Into the Reserve System." Denies It Is a Danger to Democracy. Also Urges Scientific Research for Mass Production of War Materiel.

General George C. Marshall, Chief of Staff of the Army, in his Biennial Report covering the operations of the war, released on

Oct. 10, advo-cated universal training for a citizens army as a basis for military preparedness and a means of maintaining world peace and keeping a brake on ag-gression. He gression. He also urged a program of scientific rethe develop-ment of expe-ditious methdevelop-



ods for mass
production of war materiel" and
concludes that "serious thought
and planning along this line can
-:!lions of tax dollars." In and planning along this line can save millions of tax dollars." In the concluding section of his re-port relating to preparedness and military training, General Mar-

The fourth and probably the most important mission of the Regular Army is to provide the knowledge, the expert personnel, and the installations for training the citizen-soldier upon whom, in my view, the future peace of the world largely depends.

Of the citizen Army, the Na-tional Guard is in the first category of importance. It must be healthy and strong, ready to take its place in the first line of dehealthy and strong, ready to take its place in the first line of defense in the first weeks of an emergency, and not dependent upon a year or more of training before it can be conditioned to take the field against a trained enemy. It is not feasible under the conditions of peace for the National Guard within itself to provide the basic, the fundamental training which is an imperative requirement for its mission. Therefore, in my opinion, based on a long and intimate experience with the Guard from 1907 until 1941, the essential requirement for such a system under modern conditions is universal military training from which to draw the volunteers for the ranks of the Guard. Without such a firm foundation, I am clearly of the opinion that a sufficiently dependable force for our post-war needs cannot be maintained.

An Organized Reserve

An Organized Reserve

The second important component of the citizen Army is the organized reserve through which full mobilization of the Nation's resources to war footing is ac-complished. At the start of the present war, the reserve was al-most entirely an officer corps, the regimental and divisional groups lacking a practical basis for mo-bilization. The contribution of this bilization. The contribution of this component was therefore largely one of individuals, but of wide extent and great importance. The depleted officer ranks of the Regular Army were filled by the reserve, the countless new staffs and organizations were mainly composed of reserve officers, the great training camps for men inducted through the Selective Service System drew in the beginning on the training camps of the through the Selective Service System drew in the beginning on the officer strength of the Reserve Corps. The Officer Candidate Schools from which our present Army acquired its vital small unit leadership were staffed by reserve officers. These officers were largely veterans of World War I and graduates of the Reserve Officers' Training Corps. Pitifully small appropriations had limited the staff period once in

every 3 or 4 years and so few numbers of troops that the limited training the reserve officers re-ceived had little relation to actual battle.

battle.

This lack of troops with which reserve officers could acquire practical experience in command and staff work was the most critical limitation. There was no enlisted strength in the reserve force. There was little connection and understanding between the Officers' Reserve Corps and the National Guard—which had an enlisted strength—and the number of enlisted men in the Regular Army was so small that it was impossible to qualify reserve officers by training with Regulars. Especially in the dense centers of population there were few Regular troops. Yet here were located ular troops. Yet here were located the largest groups of reserve offi-cers. Even had funds for transportation to the areas where Regular troops were stationed been available, and they were not, the few troops on the Regular rolls would have been completely sub-merged under a deluge of reserve officers. For example, the strength of the Officers' Reserve Corps 1938 was more than double the number of Regular soldiers in combat units in the continental United States.

Reserve System Requires Universal Training

Only by universal military training can full vigor and life be instilled into the reserve system. It creates a pool of well-trained men and officers from which the National Guard and the Organized Reserve can draw volunteers; it Reserve can draw volunteers; it provides opportunities for the Guard and reserve units to participate in corps and Army maneuvers, which are vital preparations vers, which are vital preparations to success in military campaigns. Without these trained men and officers, without such opportunities to develop skill through actual practice in realistic maneuvers, neither the Regular Army, the National Guard, nor the research as the best bight of the corns are best at being bight of the corns are best at the corns are th serve can hope to bring high effi-ciency to their vital missions.

Though ROTC graduates com-posed 12% of the war officers, its most important contribution was the immediate availability of its product. Just what we could have done in the first phases of our mobilization and training without these men, I do not know. I do know that our plans would have had to be greatly curtailed and the cessation of hostilities on the the cessation of hostilities on the European front would have been delayed accordingly. We must enlarge and strengthen the system. It must be established on a higher level, comparable to the academic levels of college education in which the young men of the ROTC are engaged. All this is made easily possible if the student has participated in universal military training, and at the same tary training, and at the same time the length of the course can be shortened by one year. He would enter the ROTC as far adwould enter the ROTC as far advanced as his predecessors were after 2½ years of the original 3 years' course. He would have completed his elementary training—the military equivalent of his grammar school and high school courses—and would be prepared for college work, that is for training as an officer, a prospective leader of men. The product of such an ROTC would provide the National Guard; were men commissioned direct from civil life because of certain professional qualifications. The great majority of the officers came up from the ranks, 59% of the total, which guaranteed the democracy of the Army.

No Imposition on Democracy
To those who consider the introduction of a system of universal military training an imposition on democracy, I would reply that

to the success of a sound security in based on the concept of citizen army

citizen army.

It is possible to train individual soldiers as replacements for veteran divisions and air groups as we now do in a comparatively short period of time. The training of the unit itself cannot be accomplished at best in less than a year; air units require even more time. The principle is identical to that of coaching a football team. A halfback can learn quickly how to run with the ball, but it takes time and much pracbut it takes time and much practice and long hours of team scrimmage before he is proficient at a carrying the ball through an opposing team, utilizing the aid of the ten other men on the team. So it is with an army division or combat air group. Men learn to fire a rifle or machine gun quickly, but it takes long hours of scrimmage, which the army calls maneuver, before the firing of the rifle is coordinated with the activities of more than 14,000 other men on the team.

All men who might some day

All men who might some day All men who might some day have to fight for their Nation must have this team training. The seasoned soldiers of our present superb divisions will have lived beyond the age of military usefulness. The situation will be similar in the peacetime army to that which obtained when we began to mobilize for this war and all men mobilize for this war and all men had to have at least a year of unit training before we had divisions even fit for shipment overseas.

The training program would be according to the standards which have made the American soldier in this war the equal of the finest fighting men. It would be kept abreast of technical developments and the resulting modifications of tactics.

Throughout the training strenuous program of instruction would have to be followed, but it would not be possible in peace to carry on the work under the tremendous pressure we now follow in wartime. Athletics, recreational opportunities, short weekends, and other vacational opportunities such as at Christmas time, would, of course, be necessary. However, if the Government is to be justified in the expenditure of the funds involved, a vigorous schedule should be enforced; otherwise we would produce a half-baked product which would fail to command the respectful attention of the nations of the world, and therefore negate the primary purpose of the entire system.

To those who fear the Army might militarize our young men and indoctrinate them with danand indoctrinate them with dan-gerous conceptions, to those who express doubts of the Army's capacity to do the job, I submit the evidence of our present armies. The troops have been trained sufficiently to defeat a first-class enemy. Their minds trained sufficiently to defeat a first-class enemy. Their minds have not been warped—quite the contrary. The American people are satisfied, I am confident, that their Armies are, in fact, armies of democracy. They know that the men composing those Armies are far better physically than they otherwise would have been that are far better physically than they otherwise would have been, that their general health has been better than at home, except for those serving in the tropical jungles. The officers who trained our Armies were largely citizen-soldiers. They did have the initial guidance of Regular officers, but only 2% of the entire officer corps was professional. Only slightly more were of the National Guard; 25% were products of the Offi-

small appropriations had limited An unbroken period of one training to a brief period once in year's training appears essential in my opinion it would be the

most democratic expression of our national life. Whatever my limi-tations may be in judging this matter, I submit the evidence of

the proposal of our first President.

Washington's program provided for universal training of all men arriving at the age of 17. The citizen-militia was to be divided into three classes, men from 17 to 21, known as the advance corps, men 21 to 46, known as the main corps, and men from 46 to 61, known as the reserve corps. All of the peacetime training would have been concentrated in the adwance corps, but eventually all members of main and reserve corps would have been graduates of the training program. The militia bill was first introduced in the Third Session of the First In the Third session of the First Congress. It was considered in the House on 5 March, 1792, and as finally enacted contained no element of any of Washington's recommendations. It was so emas-culated when finally adopted that the representative who introduced the hill himself world against its the bill himself voted against its

It appears probable that had the the United States might have avoided much of the war making that has filled its brief history. The impressment of American The impressment of American seamen would not have been regarded as a harmless pastime in the early 1800's, nor would the Kaiser have been so easily disposed to avenge the death of the Archduke Franz Ferdinand in 1914 with a world war, nor Adolf Hitler have been quite so quick to break the peace, if over these break the peace, if over these years the United States had been recognized by the war mongers as a nation immediately to be reckoned with.

Ample Weapons Necessary

The peacetime army must not The peacetime army must not only be prepared for immediate mobilization of an effective war army, but it must have in reserve the weapons needed for the first months of the fighting and clearcut plans for immediately producing the tremendous additional Ing the tremendous additional quantities of materiel necessary in total war. We must never again face a great national crisis with ammunition lacking to serve our guns, few guns to fire, and no decisive procedures for procuring vital arms in sufficient quantities.

The necessity for continuous re-search into the military ramifica-tions of man's scientific advance is now clear to all and it should not be too difficult to obtain the necessary appropriations for this purpose during peacetime. There is, however, always much reluc-tance to expenditure of funds for improvement of war-making instruments, particularly where there is no peacetime usefulness in the product.

The development of combat air planes is closely allied with de-velopment of civil aeronautics; the prototypes of many of our present transport planes and those soon to come were originally bombers. Many of the aeronautical principles that helped give this nation the greatest air force in the world grew out of commercial development and our production know-how at the start of this war was partially the fruit of peace-time commercial enterprise. Since many vital types of weapons ha no commercial counterpart, t peacetime development of the peacetime development of these weapons has been grossly neglected. Anti-aircraft weapons are a good example. The highly efficient anti-aircraft of today did not materialize until long after the fighting began. The consequent cost in time, life, and money of this failure to spend the necessary sums on such activity in peacetime has been appalling.

There is another phase of sci-

There is another phase of scientific research which I think has been somewhat ignored—the development of expeditious methods for the mass production of war materiel. This is of great importance since it determines how quickly we can mobilize our resources if war comes and how 1944. The large and costly our reserve stocks

of war materiel must be. Serious thought and planning along this line can save millions of tax dol-

Industrial Mobilization

We can be certain that the next war, if there is one, will be even more total than this one. The nature of war is such that once it now begins it can end only as this one is ending, in the destruction of the vanquished, and it should be assumed that another reconversion from peace to war production will take place initially under enemy distant bombardment. Industrial mobilization plans must be founded on these assumptions and so organized that they will meet them and any other situation that many develop. Yet they must in no way retard or inhibit the course of peacetime production. We can be certain that the next

me production.
If this nation is to remain great it must bear in mind now and in it must bear in mind now and in the future that war is not the choice of those who wish passion-ately for peace. It is the choice of those who are willing to resort to violence for political advantage, We can fortify ourselves against disaster, I am convinced, by the measures I have here outlined. In these protections we can face the future with a reasonable hope for the best and with quiet assurance the best and with quiet assurance that even though the worst may come, we are prepared for it. As President Washington said in

his mesage to Congress December, 1793: I cannot recommend to

otice measures for the fulfill-ment of our duties to the rest of the world, without again press-ing upon you the necessity of placing ourselves in a position of complete defense, and of exacting from them the fulfillment of the duties towards us. The United States ought not to indulge a per-suasion, that contrary to the or-der of human efforts, they will der of human efforts, they will forever keep at a distance those painful appeals to arms, with which the history of every other nation abounds. There is a rank due to the United States among nations, which will be withheld, if not absolutely lost, by the reputation of weakness—if we desire to avoid input to weakness. sire to avoid insult we must be ready to repel it; if we desire to secure peace, one of the most secure peace, one of the most powerful institutions of our rising prosperity, it must be known that we are at all times ready for war.

Gas Sales Gain in August

Sales of the gas utility industry in August, 1945, were estimated to be 1,783,618,500 therms, according to the American Gas Association, representing a 2.5% increase over sales totaling 1,745,643,000 therms in August, 1944. The A sociation's statement continues:

Sales in the 12 months ending Aug. 31, 1945, were 25,599,753,500 therms, a gain of 4.5% over the volume of sales in the corresponding period ending August,

A therm is a unit of measurement of gas supply which takes into account variations in heating value. One therm is roughly equivalent to 170 cubic feet of manufactured and mixed gas an to 100 cubic feet of natural gas.

Sales of manufactured and mixed gas in August totaled 189,-893,900 therms, or an increase of 0.5% over sales of 188,317,200 therms in August, 1944. In the 12-month period ending Aug. 31, 1945, sales of the manufacture and 12-month period ending Aug. 31, 1945, sales of the manufactured and mixed branch of the industry were up 3.6%, increasing from 2,-858,249,400 therms in the period ending a year ago to 2,962,470,500 therms in the same period ending in the current year. in the current year.

August sales of natural gas were estimated at 1,598,724,600 therms, estimated at 1,598,724,600 therms, an increase of 2.7% over the level of sales in August, 1944. In the 12 months ending Aug. 31, 1945, natural gas sales were approximately 22,637,283,000 therms, as compared with 21,646,752,000 therms in the same period ending 1944. This is equivalent to a 4.6% increase

It Needed to Be Said!

"The war has temporarily injured something in our ideals of justice. Our righteous indignations at the crimes which brought this war and the brutalities of the enemy have clouded our vision of justice.

"Justice demands that the men responsible for this must be punished. It requires that the military castes and their weapons be destroyed and be kept destroyed.

"But justice also requires that we do not visit on the children of millions of Germans and Japanese the sins of their fathers. Nor can we justly indict and punish 200,000,000 people. Vengeance and revenge are not justice.

"Measures which reduce the economic life of coming genera-tions to the low levels of an agricultural state are neither justice nor good policy. That will create

gigantic cesspools of hate, poverty and con-spiracy against the world. There is no such thing as a 'hard peace' or a 'soft peace.' It must be a just peace if we are to restore justice in the world. And without justice there is no peace."-Herbert Hoover.

The American people have long needed to be reminded of these simple truths—reminded of them by some one whose voice will be heeded.

We—and the world—will be well served if this warning is taken carefully to heart before it is

Liberal Policy In Approving "Bonuses" to Key Employes Enunciated By U. S. Tax Court

Enunciation by the United States Tax Court of a highly liberal policy in approving "bonuses" to key employes, was indicated in advices to the New York "Journal of Commerce" from its Washadvices to the New York "Journal of Commerce" from its Wasnington bureau on Oct. 9, which stated that this thereby overthrows a
decision by the Internal Revenue Commissioner that bonus payments
exceeding the amount of the basic salary should be disallowed as
"excessive compensation." It was
noted in the "Journal of Commerce" advices that following an
length the nature of the wool
industry processing of compensating buying and selling business the

industry practice of compensating key employes by basic pay plus additional compensation when their services result in producing increased profits, Draper & Co., one of the largest buyers and cellers of raw wools in the United sellers of raw wools in the United States, paid six key men basic salaries of \$92,700, total bonuses of \$312,500, and, in addition, paid insurance companies for the benefit of five of the six men total

efit of five of the six men total premiums on annuity contracts amounting to \$83,244. The special advices to the "Journal of Commerce" went on to say:

[While described as a "very successful" company in the Tax Court decision, the company had had losses for two years when, in 1939, it established a mathematical formula for the payment of a percentage of its profits to of a percentage of its profits to the executives involved in contributing to future earnings.

Under the formula for comput ing the amount of the contingent compensation, an allowance was made for the deduction of 6% made for the deduction of 6% of the company's net worth as a return on capital. After this allowance had been excluded, the amount of earnings to be divided among the employes was determined. Under the formula, 55% of net profits would be paid to the key executives in varying percentages for each of them.

While some of the executives were stockholders, the percentage of their share in the profits, as fixed under the formula, bore no relation to the amount of their

shareholdings. The Internal Revenue Commissioner disallowed \$303,044 of the annuity contracts.

length the nature of the wool buying and selling business, the widely ramifying operations of the company throughout the world, the highly competitive nature of the business and the de-pendence of the company's earn-ings on the skill and endeavors of its key executives.

The Court rejected the theory of the revenue commissioner that the company was not entitled to deduct the payments to the exec-utives in accordance with the 1939 formula and the general industry practice.

This formula was adopted prior to the taxable year in an arms-length transaction and was intended as the establishment of a sound, practical and reasonable basis of compensation for per-sonal services actually rendered, the Court said. The payments "were never intended as a guise for something else" and although some of the men were stockhold-ers the payments bore no relation to their stock ownership.

The Court took the position that the payments were reasonable when viewed in the light of commissions customarily paid for buying and selling wool, in the light of the nature of the company's business and the quality of the services rendered, together with the history of the company's earnings over a period of years.

Although the Court upheld the total bonuses paid the employes, plus the basic salaries as legitimate deductions, it drew the line in the case of the advance preadditional compensation paid to the executives as "excessive compensation"; it disallowed also a deduction for advance premium deposits made to the insurance companies in connection with the and therefore were not "necessary." They were not, however, disallowed as "excessive." minum payments on the ground

George Views 1946 Tax Cut as "Starter"

Terming the \$5,000,000-plus tax cut planned for next year as just a starter. Senator Walter F. a starter, Senator Walter F. George, Democrat, of Georgia, told reporters on Oct. 13 that "cer-tainly in 1947 and 1948 taxes will be considerably lower, although they still will be high when judged by pre-war standards."

judged by pre-war standards."
In advance of the hearings which opened on Oct. 15 for the Senate Finance Committee Senator George, Committee Chairman figured that the bill, which passed the House Oct. 11 could be sent to the White House by early November. That will give the Internal Revenue Bureau time to send out new withholding tables and forms which probably will mean savings of 10% or more to each individual taxpayer. The Associated Press Washington advices Oct. 13 added: Oct. 13 added:

Oct. 13 added:
Almost immediately after the stop-gap war-end bill is out of the way, Senator George predicts Congress will buckle down to

Congress will buckle down to drafting a comprehensive revenue plan for peacetime.

That bill, he forecast, will give greater relief to all taxpayers.

"Individual rates are entirely too high, and should and must be cut" he said. he said.

cut," he said.

He still maintained, however, it would be better to trim all taxes materially than to cancel entirely the income tax paying of 12,000,000 individuals, as would be done under the House program. He conceded that "inevitably" some of the legist breaket taxayayars. conceded that "inevitably" some of the lowest bracket taxpayers would be swept off the rolls under almost any reduction plan that could be devised.

Senator George did not go into details of how taxes could be reduced without granting wholesale taxparting. In fact, he said the

duced without granting wholesale exemptions. In fact, he said, the committee may decide to accept the House plan, keeping in mind that Congress will go to work very shortly on a comprehensive tax equalization program.

Senator George, who wields tremendous influence on Congressional tax policies, made it known he is still considering outright repeal of the excess-profits tax on corporations effective next Jan. 1. The House bill would cut the effective rate of the levy from 85.5 to 60% next year.

Senator George declared elimi-

Senator George declared elimi nation of the excess-profits tax would give no greater monetary, relief to corporations than the changes in the House bill, which include reduction of the combined normal and surtax rate from 40

If the Senate should decide to repeal the excess profits levy, Senator George favors keeping the normal and surtax rate at 40%

The finance Committee chair-The finance Committee chairman indicated that the House decision to reduce certain war-time luxury taxes to their pre-war levels is stirring manufacturers of other taxed items to demand reductions. Photographic supplies and pipe organ interests have asked relief, even though their taxes did not go up in 1943 when the taxes were increased on liquor, furs, jewelry, luggage and quor, furs, jewelry, luggage and other items.

Senators appeared ready to take two House provisions with no questions asked. Those would knock out the \$5 automobile use tax and freeze Social Security taxes another year at the present rate of 1% each on employers and employees. Without

The State of Trade

The trend of industrial production for the most part continued ownward the past week. Individual industries in spotted instances reflected increased output, while in other lines moderate declines below that of the previous week were noted. Compared with the same period one year ago, decreases in the latter group, proved substantial. According to manufacturers reports the volume of new orders has been well sustained with unfilled to orders accumulating due to delays the steel trade deted Oct 10). An

skilled labor.

In the lumber industry, production for the week ended Sept. 29, declined 36%, shipments 25% and new orders by 39%. The current condition of lumber stocks are at an extremely low level.

Rising costs above those of a year ago featured the construction industry. Engineering construction

year ago featured the construction industry. Engineering construction for the week ended Oct. 4, showed an increase of almost 200% above last year, but dipped slightly from the previous week. Commercial building on the other hand reached the highest level since 1941.

The growing number of strikes continue to hamper the country's efforts to hasten the process of transition to a more normal econ-omy. In the week there was fur-ther evidence to show the effects strikes in the coal industry have already had upon the Nation's production of steel.

It was felt with the coming of V-J Day the demands of war would diminish materially the tremendous drain upon the country's manpower and other re-sources and that manufacturers could swing into civilian produccould swing into civilian produc-tion within a reasonable period. The current epidemic of strikes, however, now threatening busi-ness and industry have throttled industrial output and at the same time have pushed delivery dates of essential materials and manu-factured goods into the distant future. future.

encouragement was offered the country at present con-fronted with depressing news of widespread strikes and unemploy-ment by the optimistic report of Chairman J. A. Krug of the War Production Board, on reconver-sion, employment and business prospects in general.

Basing his forecasts "on the as-

Basing his forecasts on the assumption of an orderly reconversion," Mr. Krug predicted that the decline in national income and production would be halted early next year. Qualifying his statement, in an ample way, Mr. Krug said, should labor disputes become prolonged and widespread, ex-tensive hoarding of materials oc-cur, together with a serious dis-ruption of the price structure, or other unforseen circumstances, the above forecasts would have to be above for modified.

modified.

In predicting a decline in national income next year, Chairman Krug stated that national income would level off at about \$155,000,000,000, as compared with \$207,000,000,000 at the time of Germany's surrender. Estimating that three or four years of uninterrupted supply would be required to meet the pent-up demand for some goods, Mr. Krug added, this could readily warrant operations well above pre-war operations well above pre-war levels in these industries for some years to come.

Steel Industry-Steel price ad steel Industry—Steel price adjustments to compensate for cost factors other than any wage increase which may be granted in the steel industry have practically been decided upon by OPA, states "The Iron Age," national metalworking paper, in its summary of

blovers and employees. Without such a freeze the rate would go up to 2½% Jan. 1.

Living Costs Drop in 42 of 63 Industrial Cities in Aug.
Living costs of wage earners and lower-salaried clerical workers dropped during August in 42 of 63 industrial cities surveyed each month, the National Industrial Conference Board announced on Oct. 2. Increased costs were displayed by the content of the conte

orders accumulating due to delays the steel trade dated Oct. 10. Anin deliveries and the shortage of skilled labor. the steel industry is being held nouncement of price increases in the steel industry is being held up pending a clearer view of what up pending a clearer view of what the industry faces in the way of increased wage costs. Such costs if they come it is understood will not be included in the decisions already reached with regard to probable steel price increases slated for the near future. Steel

stated for the near future. Steel makers, it was reported were not able to obtain any where near the relief they sought. This being the case, any wage increase will result in demands for additional price adjustments, it was indicated.

Barring unforeseen events price increases on many carbon steel products may be announced within the next 30 days or so and on an overall basis the adjustment may average out between \$2 and \$2.25 a ton. Higher increases will be made on items showing the greatest loss or the least return, while lower adjustments or none at all will involve products on which the return is considered to be almost enough or enough. Should advances be made on be almost enough or enough. Should advances be made on semi-finished steel, as is expected, corresponding increases will, be made on some flat-rolled products to an extent which will enable small nonintegrated producers to obtain relief obtain relief.

obtain relief.

Because of coal strikes the steel ingot rate for the industry this week declined three points to 76% of capacity and if the mine deadlock continues, further reduction is indicated for next week, "Iron Age" said.

Age" said.

The effect of coal strikes on steel production the past week prevented steel companies from catching up on some of their orders while consumers made last minute progress on reconversion changes.

Normally steel companies should Normally steel companies should be obtaining as large an inven-tory of coal as possible at this time in order to offset subsequent severe weather conditions. If the latter materializes this winter, many steel companies will again be forced to operate at a lower rate than would otherwise be nec-

Despite a somewhat reduced net steel order volume in recent weeks due to additional cancellations, due to additional cancellations, lower operating rates have tended to extend deliveries much farther into the future: Doubt no longer exists that the tightness in many steel products especially flat rolled items will cause many steel consumers to revise their more extension plane for production of consumers to revise their more optimistic plans for production of civilian products. Whether or not this difficulty in obtaining bars, sheets and strip will be prolonged depends entirely upon the course of present labor difficulties. War expansion in steel facilities and the introduction of new products for expanded Consider to attain

and the introduction of new products has enabled Canada to attain almost complete independence of the United States with regard to steel supply. Before the war the Canadian automotive industry imported practically all sheets used in the manufacture of automobiles there as well as a large percentin the manufacture of automotics there, as well as a large percentage of castings. These export potentialities will be drastically changed upon completion of the new sheet and strip mill unit at the Hamilton works of the Steel Co. of Canada.

To. of Canada.

The American Iron and Steel Institute announced on Monday of this week the operating rate of steel 'companies having 94% of the steel capacity of the industry will be 66.3% of capacity for the week beginning Oct. 15, compared with 73.5% one week ago. 83.2% one month ago and 97.0% one year ago. This represents a decrease of 7.2 points or 9.8% from the preceding week.

(Continued on page 1874)

1

The Financial Situation

(Continued from first page)

the other so closely, but it is should we think it necessary. scarcely strange that there should be those who suspect that it was not. At any rate, if a hint to Russia was intended, one can scarcely expect it to be particularly effective. If Germany (and, incidentally, also Japan) are to be kept permanently impo-tent, Russia can hardly be expected to believe that we could be particularly effective in matching force with her in eastern Europe or in any part of Asia she is particularly interested in-even if she believed the American people could be persuaded to try. Of course, if the General suspects that presently Russia will develop ambitions to subjugate the world as Germany and Japan are commonly believed to have done, the situation might be different, but such a contingency appears too remote to furnish a good argument for such sweeping proposals.

Faulty Argument

With all due respect to the General, it must be said in all candor that his use of the rise of Hitler as an argument for superlative military strength in the United States appears almost disingenuous. Is there anyone who doubts that Hitler could have been quickly and thoroughly crushed at the outset of his aggressions by the military strength of Great Britain, France and the United States as they then existed had the peoples of those countries, or even those of Great Britain and France, been disposed to use them for the purpose? Hitler attained his position not by reason of military weakness of this or any other country, however greatly they may have lacked real strength, but rather because those later to oppose him could not gain their own consent to act until the eleventh hour. It seems to us to be almost preposterous to suggest that we must maintain any such military establishment as that suggested by the General to protect ourselves against either the military power or the military potential of any power on earth if we may assume that we shall keep Germany and Japan harmless, that Russia is not to be feared as aggressor against this nation, and that future events will not bring forth some combination of powers such as Great Britain and France against us. Indeed with the sole exception of Russia, military policies can and probably will be well liberal grants in aid to Great known and so much needs to Britain, but only if we are be done before any real permitted to dictate an in- may not exceed two ounces. In threat to us could develop dustrial policy of moderniza- may not contain merchandise.

London naturally has not es- that with anything approach caped notice. It may or may ing alertness we could match not have been purely accidure our military preparedness dental that the one followed with theirs in the future

> What renders these typical Army doctrines (which have in one form or another been heard many times) disturbing at this time is apparent determination on the part of many of our leaders - and it must be said in all candor, with apparent support of a great many citizens who should know much better-to lay out lines of future international policy which could and indeed almost inevitably would involve us in international controversies of moment anywhere in the world. It is one thing to be quite safe and free to proceed in the future with moderate military burdens when we are minding our own affairs: it is quite another to be less than armed to the teeth, so to speak, if we must "rule the world" for the purpose of keeping it peaceful and without danger to us as, incredibly enough, is being insistently suggested in more than one quarter.

> > Plain Speaking

Of course, only those who commendably enough are fond of putting things plainly and bluntly to themselves and others use such terms as these, but many of the pro-posals of the day, and indeed many of the policies actually being pursued at the moment, come very close to implying precisely that. We have been having a field day talking about exterminating certain social and economic beliefs in Germany — which one authority estimated the other day might take 50 years. We are actively engaged in a campaign of "educating" the Japanese people
—as if a conquered people
could be expected to sit at the feet of its conquerors and accept as words of wisdom what these "hateful" foreigners tell them. There are many who believe that anywhere in the world where there is a "sore spot" with potentialities of serious dimensions there we must inject ourselves and our ideas-with a show of force if need be. It is to us almost incredible that such ideas should be so widely held in this country, but we are not able to blink the evidence before our eyes.

Ideas similar to these lead many to believe that we must underwrite the British Empire today, tomorrow and always if need be in order to have its assistance in keeping the world straight. Some even go so far as to express the view that we should extend

tion and mechanization so that British economy may survive and at some time or other become self-sustaining. Amost incredible? Yes, but true. Revealing a naive faith in the efficacy of mechanization as such and a failure to recognize that a people obliged from without to set up a business system foreign to them and alien to their customs are not likely to be particularly successful in making it a success? Yes, but that does not alter the fact that such proposals are being heard. Russia, too, wants help—all we can be persuaded to give her, doubtless —and she too must surrender some part of her freedom of choice in certain matters if she is to have it—according to these world schemers.

In Heaven's Name, Why?

So it is to go throughout the world. We must take the world in hand and keep it in line, eliminating one after another each potential cause of future wars! In such an event we might very well be foolish not to spend huge sums and other treasure yearly for military might. We are likely to need it.

But why in heaven's name must we try to manage the affairs of the world?

President Signs Army Enlistment Bill

President Truman signed Oct. 6 a so-called recruitment bill, designed to encourage voluntary enlisting in the Army and Navy by allowing short-term enlist-ments, optional retirement from the Army on half pay after twenty years of service (already allowed by the Navy), and benefits of the GI Bill of Rights for those who re-enlist, according to Associated Press Washington advices. Under the short-term provision of the bill new recruits will be permit-ted to enlist for eighteen months. ted to enlist for eighteen months and men with at least six months of training may re-enlist for only twelve months. Army regulations also permit two or three year enlistments

It is hoped that the new legis-It is hoped that the new legislation will help the Regular Army reach its goal of 300,000 men, the figure mentioned to Congress recently by Gen. George C. Marshall, Chief of Staff, who explained that in addition to the volunteers it was expected that 800,000 would be inducted under Salective. Service before August. Selective Service before August. To this total of 1,100,000 would be added men already in the Army and who were not eligible for discharge. Thus, according to General Marshall, the New York "Times" stated, the over - al strength by next July should be about 2,500,000.

Airmail to Italy, Balkans

Postmaster Albert Goldman announced on Oct. 8 that information has been received from Post Office Department, at Washington, indicating that articles acceptable for dispatch to Greece, Italy and Yugoslavia will be for warded by air when prepaid at the rate of 30 cents per half-ounce or fraction. Articles for Greece Italy (except the provinces of Corizia, Trieste, Pola, Fiume and Zara), and Yugoslavia, says the announcement, may not exceed one pound in weight, and for the Italian provinces of Gorizia, Trieste. Pola, Fiume and Zaramay not exceed two ounces. Air mail articles for Greece and Italy may not contain merchandise.

McLaughlin, of Brooklyn Trust, Urges Support By Clearing House Banks of Saturday Closing

George V. McLaughlin, President of Brooklyn Trust Co., of Brook lyn, N. Y., on Oct. 10, sent a letter to the chief executives of all banks which are members of the New York Clearing House Associabanks which are members of the New York Clearing House Association, urging that they support a general agreement by Clearing House banks to close on Saturdays throughout the year, and pledged cooperation of Brooklyn Trust Co. in any such agreement. Mr. McLaughlin said:
"If every Clearing House member bank would take

such action,

have no doubt

that the few non - member

banks would quickly fol-

low, and we could then go

to the Legis-lature with a united front

in seeking the

necessary Geo. V. McLaughlin changes in the law."

In the "Wall Street Journal" of Oct. 13 it was stated that banks throughout the nation show little interest in all-year Saturday closing, a move which is being sponsored by many New York City banks. The paper, quoted further, said in part:

"A check of banks in key cities

reveals they either have not been talking about the matter or that they feel it would be impractical because of local business

"Chicago reports there has been no talk of bank closings on Satno talk of bank closings on Sat-urdays. Some banks state that if they were going to do it—which they are not—they would not consider it in the winter months. The Clearing House, however, said that if New York banks closed, Chicago institutions might

Mr. McLaughlin's letter follows:

"I am informed that the subject of closing of commercial banking

of closing of commercial banking institutions on Saturdays is being discussed by officers of several of the principal banks of the city. "It is well known that Saturday closing would be practicable only if adopted by all or substantially all commercial banks. Therefore I am writing to assure you that the management of this company the management of this company strongly favors Saturday closing throughout the year and will gladly cooperate in any general agreement to accomplish that end

"In addition, I would like to urge that you place your insti-tution on record in favor of Sattution on record in favor of Sat-day closing at any meetings at which the subject may be con-sidered. If every Clearing House member bank would take such action, I have no doubt that the few non-member banks would quickly follow, and we could then go to the Legislature with a united front in seeking the necessary changes in the law.

"The five-day working week is spreading rapidly in business and industry, and with the return of peace the last plausible argument against its adoption in banking has, in my opinion, completely disappeared. The argument that disappeared. The argument that the public would protest has been disproved by experience in New Jersey and other areas in the Metropolitan District. I do not thing we need concern ourselves over possible loss of business to Philadelphia and Boston banks, for the five-day working week for the five-day working week will undoubtedly spread to those cities within a relatively short time. I understand it already has been adopted by banks in Wilmington, Del.

"As you are undoubtedly aware, it is becoming increasingly difficult to obtain and hold com petent personnel against the com-

Such appeals have resulted in the loss by this company of many experienced and competent employees, and I feel sure that the same situation exists in other same situation exists in other banking institutions.

"As the law now stands, Sat-

urdays in the months of July and August become legal holidays for August become legal holidays for any banking institution upon adoption of an appropriate resolution by its Board of Directors or Trustees. While it would be preferable if every Saturday in the year could be designated as an unqualified legal holiday by law, there might be some considerations outside the banking field which would weigh against such action by the Legislature such action by the Legislature. If that be so, the next best course, I believe, would be to seek extension of Saturday bank holi-

days throughout the year.
"The first step, I believe, is for
the managements of all Clearing House member banks to agree on a uniform policy of Saturday closing and signify their willingness to put it into effect. Just as soon as this has been done, I will ask my board for an appropriate resolution—if such be required—and I hope that you will agree with me and do likewise."

Burns Elected Director of Nat'l Research

The Directors of the National Bureau of Economic Research announced on Oct. 10 the resigna-tion of Dr. Wesley C. Mitchell as Director of Research after 25 years of service in which the polyears of service in which the policies and practices of the National Bureau were developed. They also announced the election of Dr. Arthur F. Burns, Professor of Economics, Columbia University, as Director of Research effective Oct. 10, to succeed Dr. Mitchell. Dr. Mitchell will continue as a member of the research staff.

Dr. Burns has been a member of the research staff of the National Bureau since 1930. Prior to joining the faculty of Columbia

of the research staff of the National Bureau since 1930. Prior to joining the faculty of Columbia University he taught at Rutgers University. He is author of "Production Trends in the United States Since 1870," published by the National Bureau in 1934, and is co-author with Dr. Mitchell of "Measuring Business Cycles," a volume now in press and schedvolume now in press and sched-uled for publication early in 1946.

Steel Mill Employment **Declined in August**

Average employment in steel Average employment in steel plants in August dropped nearly 15,000 below the July level, reflecting in part the end of the war, it is indicated in a report released on Oct. 12 by American Iron and Steel Institute, which further adds:

During August, an average of 542,700 employees was at work in the industry, compared with 557,500 in July and with 569,200 in August, 1944.

Monthly payrolls likewise dropped during August to a total of \$128,117,000 from the total of \$141,006.400 in July. In August a year ago payrolls totaled \$143,-900:100

Hourly earnings of wage earners in August averaged 125.3 cents as against 126.9 cents in July and as against 120.9 cents in our, 116.9 cents in August of last year.

Wage earners worked an average of 40.4 hours per week in petition of other types of business age of 40.4 hours per week in which offer the five-day week as an inducement and feature it per week in July and 47.5 hours prominently in their advertising.

House Passes Tax Relief Measure; Vinson Opposes Cut Above \$5 Billion

By a vote of 343 to 10, the House on Oct. 11 passed a tax relief measure which would eliminate about 12,000,000 persons as tax-payers and reduce the amount paid by individuals and corporations in income tax and the amount of excise tax by an estimated \$5,350,-000,000 for 1946.

Following the conclusion of the action by the House on the bill,

Following the conclusion of the Senate Finance Committee began hearings on the measure, at the opening of which on Oct. 15 Secretary of the Treasury Vinson advocated a \$5,000,000,000 tax reduction for 1946 but opposed House provisions which he said would cut off another \$2,000,000,000 in 1947. In testifying before the committee he reviewed the recommendations he made originally to the House Ways and Means Committee for a 1946 tax cut of \$5,175,000,000. Associated Press advices from Washington, Oct. 15, reporting this, further stated: stated:

"The House bill," he said, "grants reductions that are rea-sonably close to that amount for 1946. But without further con-gressional action, the provisions of the House bill would operate to grant reductions of more than \$7,000,000.000 for the calendar year 1947. It would write into law about \$2,000,000,000 of tax reduction over and above the \$5,000,000,000 reduction applicable in 1946. I believe that we should not today prejudge to this extent the tax needs of 1947."

The Secretary laid down two guiding principles in considering tax cuts. The first was that reductions must be limited because

ductions must be limited because of continuing large expenditures which he said will continue "high for many months to come."

His second point was: "The basic objective of tax adjustments at this time is to put us on the high road of peacetime full employment and maximum production. . . From the taxpayers' angle, a large tax is easier to pay with a high income than is a small tax with a low income."

Mr. Vinson warned that inflation may get away from everybody during the transition from war to peace. This should be kept in mind, he said, in preparing any

in mind, he said, in preparing any reduction plan.

"We cannot afford to abandon our safeguards against inflation," he said. "We have held this enemy at bay throughout the war and it would be folly to drop our guard before the final round is

Advices to the New York "Journal of Commerce" from its Washington bureau on Oct. 15 stated that on that day Secretary Vinson disclosed that "rough" of-ficial estimates lead to the belief that the Federal deficit might fall as low as \$5,000,000,000 to \$8,000,-000,000 by July 1, 1947. The ad-vices added:

Making the estimate before the Senate Finance Committee, Mr. Vinson warned, however, that the figures were based on the assumption that tax rates would not be reduced in 1947 beyond nis recommendations. A \$130,000,000,000 national income for the 1947 fiscal year was presupposed.

The Treasury Secretary, who The Treasury Secretary, who appeared at tax bill hearings, held out the first hope, voiced by any topflight public official, that the prospects of balancing the budget in the next several years are real. While some confusion developed from a discussion of fiscal and calendar years, Mr. Vinson calendar years, Mr. Vinson seemed to indicate that this country might be well on its way to ward balancing the Federal bud-get by July 1, 1947, and that the budget might conceivably be bal-

budget might conceivably be bal-anced not long thereafter.

The bill passed by the House represented the first major re-duction in taxes in 16 years and met little resistance, although differing in numerous respects. from the measure advocated by Secretary Vinson before the House Ways and Means Com-mittee. His recommendations ap-

peared in the "Chronicle" Oct. 4

page 1569.

The Senate may revise the provisions of the bill, but, as passed by the House, it contains the fol-lowing relief for taxpayers in 1946, according to the Associated Press in its Washington advices

Lifts all income taxes from 12,000,000 persons and gives other individuals (there were 50,000,000 taxpayers when the war ended) cuts ranging from 10% to more than 40%. No person would get less than a 10% reduction. Income tax savings to individuals would amount to \$2,327,000,000. Pay-as-you-go withholdings from wage and salaries would be reduced Jan. 1. duced Jan. 1.

duced Jan. 1.
Eases corporation burdens by \$1,888,000,000, including partial repeal of the war-time excess profits levy and lowering of the business surtax rate.

Reduces sharply on July 1 the war-time excise taxes. This would save consumers \$535,-000,000 in the last six months of 1946. About \$160,000,000 in floor stock taxes would be refunded.

stock taxes would be refunded.

Abolishes the \$5 automobile use tax July 1.

Freezes the social security tax in 1946 at 1% each on employees' pay and employer's payrolls. Without the freeze the tax would jump to 2.5% against each on Jan. 1.

The Associated Press further

The Associated Press further

The Associated Press Turther reported:
The House declined to repeal the 3% individual "normal" tax outright, as recommended by the Treasury. Instead, it applied the surtax exemptions, \$500 for the taxpayer and \$500 for each of his decembers to the normal tax power. dependents, to the normal tax now collected on net income above \$500 regardless of the number of dependents. It then reduced the graduated surtaxes by four percentage points in each bracket.

This system is equivalent to repeal of the normal tax, plus a one percentage point reduction in each surtax bracket.

The tax relief for business would involve cutting the excess would involve cutting the excess profits tax next year from an effective rate of 85.5% to 60%; repealing this tax Jan. 1, 1947; reducing the 1946 corporation combined normal and surtax from 40% to 36% (the cut being in the surtaxes); repealing next July 1 the capital stock and declared value excess profits taxes.

The recommendations of Secre-

The recommendations of Secretary Vinson made to the House Ways and Means Committee were renewed before the Senate com mittee. Some of these were followed, others ignored, by the House group, said Associated Press Washington advices, Oct. 15, which added:

His program included:

1. Excess profits tax repeal ef-

fective Jan. 1, next.

2. Normal individual income tax repeal (3%) on the same date.

3. Reduction of excise taxes to July 1.

He listed the 1947 revenue losses under the House bill, in

addition to the 1946 cuts, as fol-

Repeal of excess profits levies \$1,496,000,000.

Repeal of capital stock and de-clared value excess profits taxes, \$60,000,000.

Excise tax reductions, \$506,-000,000.

In urging immediate repeal of the excess profits tax, Secretary Vinson said it is the fixed policy of the Administration "that every war-control over American busi-than in August ness and American life shall be than in August.

dropped as soon as conditions make it possible to do so:"

Mr. Vinson said a provision of the House-approved bill that tax-payers generally shall have a 10% cut, gives special relief to those with incomes above \$20,000. He

testified:

"A married man with no dependents making a net income of \$100,000 would have a 22.8% increase in the amount be had left, under the House bill. A married man without dependents with a \$5,000 income would have only 4.3% more," he said. 4.3% more,

But Senator Byrd (D.-Va.) said that before he votes to cut taxes he wants to know what, if anything, is being done about cutting the budget now that the war is over. "The only way we can have real

tax reduction is to get Federal expenditures in line with Federal income," he told a reporter. "We can't go on doing nothing about the debt we have piled up in the

Senator Byrd noted that Presi dent Truman had nothing specific to say in his Sept. 6 message to Congress about plans to start paying back some of the money bor rowed to whip Germany and Japan. He said he wants to find out if Mr. Vinson has laid out any blueprint of that kind.

The completion by the House group of the tax reduction program was noted in our issue of Oct. 11, page 1754.

Business Failures In September

Business failures in September were higher in number and amount of liabilities involved than in August but lower in number and amount than in September a year ago. Business insolvencies year ago. Business insolvencies in September, according to Dun & Bradstreet, Inc., totaled 64 and involved \$1,658,000 liabilities as compared with 56 in August involving \$1,166,000 and 75 involving \$4,065,000 in September a year ago.

The manufacturing and commercial service groups had more failures in September than more failures in September than in August, the retail group had the same number and the remain-ing groups had fewer failures in September than in August. When the amount of liabilities is consid-ered only the wholesale and construction groups had less liabil-ities involved in September than in August.

Manufacturing failures in Sep Manufacturing failures in September were up to 24 from 21 in August and liabilities up to \$780,-000 in September from \$595,000 in August. who is all allures in August. August numbered two with liabilities of \$20.000 as against five with liabilities of \$35,000 in Au-gust. Retail failures in September numbered 17 the same as in August but liabilities were up to \$347,000 in September from \$133,000 in August. Construction insolvencies in September were down to five from eight and liabilities were down from \$186,000 in August to \$87,000 in September. Commercial service failures ber numbered 17 the same as in in August to \$87,000 in September. Commercial service failures in September were up to 16 from five in August and liabilities up to \$424,000 in September from \$217,000 in August.

When the country is divided into Federal Reserve Districts it is found that the Atlanta and San Francisco Reserve Districts had fewer failures in September than in August, the Philadelphia, Richmond, Minneapolis and Dallas Reserve Districts did not have any, while all of the remaining districts had more insolvencies in September than in August. When the amount of liabilities involved is considered it is seen that outside of those districts that did not have any failures only the At-lanta Reserve District had less

Working Capital of U. S. Corporations in First Quarter of 1945 at New Peak, SEC Reports

The net working capital of American corporations (exclusive of banks and insurance companies) reached another new high in the first quarter of this year, estimated at \$46.9 billion as of March 31, 1945, according to the quarterly analysis made public on Aug. 29 1945, according to the quarterly analysis made public on Aug. 29 by the Securities and Exchange Commission. During the three months, January through March, 1945, working capital increased by \$1.4 billion, a somewhat higher rate than prevailed during the year 1944. This increase can be fully accounted for by retained profits after taxes and dividends,

said the Commission which, under

date of Aug. 29, went on to say: As in previous quarters, working capital at the end of March was in extremely liquid form with both cash and U. S. Governwith both cash and U.S. Government securities accounting for a very substantial portion of the total. The growth in working capital during this quarter comprised an increase in current assets amounting to \$600,000,000 assets amounting to \$600,000,000 and a decrease in current liabilities amounting to \$800,000,000. By far the largest change in any of the items of current assets or current liabilities was the \$1.8 billion increase in cash on hand billion increase in cash on hand and in banks to the record total of \$24.8 billion. This increase was partially offset by the drop in U. S. Governments, amounting to \$1.0 billion. Corporations' holdings of U. S. Government's securities however amounting to \$1.9.8 ties, however, amounting to \$19.8 billion, were still substantially in excess of their income tax liabilities of \$16.1 billion which have remained relatively constant for several quarters. Other changes several quarters. Other changes in the current picture were the \$800,000,000 drop in notes and ac-counts payable and the reduction in receivables from the U.S. Government amounting to \$400,000, 000. There was comparatively little change in any of the other components of working capital.

In addition to the increase in working capital, corporations con-tinued to accumulate post-war tinued credits in refundable taxes, raiscredits in refundable taxes, raising the total of such refundable taxes to \$2.3 billion as of March 31, 1945, an increase of \$200,000,000 over the quarter. Other sources of substantial refunds payable to corporations are the provisions of the income and excess profits tax laws for carryback of losses and unused excess profits credits, for accelerated profits credits, for accelerated amortization of emergency faciliand for recomputation of base-period income for excess profts determination. As a result of the recent enactment of the Tax Adjustment Act of 1945, these tax refunds will hereafter be reflected in the net working As for other items affecting the corporations' financial position,

°It has been estimated that tax refunds resulting from the carry-back of losses and unused excess profits credits and the recomputation of amorization ellowances will amount to \$2.7 billion in addition to the \$2.3 billion of refundable taxes which had accumulated to March 31, 1945.

Higher Than in July

The volume of freight transported by motor carriers in August showed a slight increase of 0.8% above July, but was 6.4% below August, 1944, according to statistics compiled by the Department of Research of American Trucking Associations, Inc.

Comparable reports received by ATA from 222 carriers in 42 States showed these carriers transported

showed these carriers transported an aggregate of 1,758,271 tons in August, as against 1,744,674 tons in July and 1,677,775 tons in Aug-

in July and 1,877,775 tons in Aug-ust, 1944.

The ATA index figure, com-puted on the basis of the average monthly tonnage of the reporting carriers for the three-year pe-riod of 1938-1940 as representing 100, was 171.58.

Approximately 78½% of all tonnage transported in the month was hauled by carriers of general freight. The volume in this category showed a slight increase of 0.5% over July, but decreased 8.0% under August, 1944.

Transportation of petroleum products, accounting for about 15% of the total tonnage reported, showed a decrease of 2.3% under July, but increased 5.7% above August, 1944.

August, 1944.
Carriers of iron and steel products hauled about 2% of the total tonnage. Their traffic volume was 11.7% below July and 21.0% below August, 1944.
About 4% of the total tonnage reported consisted of miscel-

About 4% of the total tonnage reported consisted of miscellaneous commodities, including tobacco, milk, textile products, coke, bricks, building materials, cement and household goods. Tonnage in this class increased 30.9% above July, but showed a decline of 6.0% under August of last year.

there was on the assets side a drop of about \$500,000,000 in the net property account and on the liabilities side a reduction of \$500,000,000 in long-term debt; both of these declines reflected a continuation of trends which characterized the two preceding

The attached tabulation shows the working capital of all cor-porations in the United States on which the above discussion is based. Though there was con-siderable variation for the various industrial and size groups of corporations, practically all groups shared in the rise of working capital in this quarter as in previous periods.

CURRENT ASSETS AND LIABILITIES OF U. S. CORPORATIONS

21		ATT OF THE REAL	2 Tel 2015 455	2000	11000	and the second		A. B. S. S. S. S.	Service Contraction			
1		()	Billion	s of d	ollars)			10	44	123	1945	
į						4000	Mar	June	Sept.	Dec.	Mar.	
35	Current Assets—	1939	1940	1941	1942	1043	31	30	30	31	31	
3												
P-35 cl-5	II S Govt. securities	2.2	1.9	3.9	10.0	15.8	18.1	19.7	18.9	20.8	19.8	
1000	Government		1	.6	4.0	5.0	4.9	4.8	4.6	4.7	4.3	į.
8	Other notes and accounts		00.0	07.4	02.2	22.5	22.4	21 9	22.1	22.9	23.2	
N	receivable	22.1	23.9	21.4	07.3	27.0	27.7	26.8	26.8	26.0		
1	Inventories	18.0	19.8	25.0	21.3	1.0	1.2	1 4	1.3	14	1.4	
200	§Other current assets						-		-	-	-	
	Total current assets		60.3	72.8	83.6	94.4	95.9	96.4	97.8	98.8	99.4	
1	Advances and prepayments U. S. Government		.6	.8	2.0	2.2	2.3	2.2	2.0	1.8	1.7	
	Other notes and accounts payable	210	226	25.6	24 5	- 25.7	25.7	25.2	25.7	26.7	25.9	
	payable Fed. income tax liabilities	1.0	22.0	7 1	12.1	15 9	16 1	16.2	16.1	16.0	16.1	
	Fed. income tax lightitles	1.2	2.3	7.0	0 0	0.3	9.2	9 1	9.1	8.8	- 8.8	
	for current liabilities	6.9	1.1	-1.4	0.0	5,3	- 0.2					
1.	Total current liabilities	30.0	32.8	40.7	47.4	53:1	53.3	52.7	. 52.9	~ 53.3	52.5	
ì	Total current liabilities Net working capital	24 6	27.5	32.1	36.2	41.3	42.6	43.7	44.9	45.5	46.9	
1	Net working capital	excl	uding	bank	s and	insu	rance	comp	anies.	Dat	a for	

All U. S. corporations, excluding banks and insurance companies. Data for 1939-1941 are based on Statistics of Income, covering virtually all corporations in the United States. Data for 1942-1945 are estimates based on data compiled from many different sources, including data on corporations registered with the Commission. Because of the nature of the figures, these estimates are subject to revision.

Receivables from and payables to U. S. Government do not include amounts offset against each other on the corporations' books or amounts arising which are not directly due from or to the U. S. Government.

Sincludes marketable securities other than U. S. Government.

For 1942-1945-includes provisions for renegotiation other than those combined with income tax liabilities.

President Dedicates New TVA Dam in Kentucky

(Continued from first page)

the Norris Dam on the Clinch River—was dedicated by my il-lustrious predecessor—Franklin D. Roosevelt. At the very D. Roosevelt. At the very start of his presidency, he had the great vision and foresight to recommend and encourage the com-prehensive development of this entire great valley.

entire great valley.

It is now a matter of great pride to me to dedicate the 16th great structure built by the TVA—the Kentucky Dam. The sysgreat structure built by the IVAL
—the Kentucky Dam. The system of dams across the Tennessee
now puts under the control of
man a whole vast river—and harnesses it to do his work. This
has not yet happened on any
other river. The completion of
this dam marks a new high point
in modern pioneering in America.

Nine years ago TVA was a
highly controversial subject. Today it is no longer an experiment, but a demonstration. By
all except a small minority it is
now regarded as a great American accomplishment, of which all
of us are proud.

of us are proud

Here in this great valley Amer ican enterprise and courage and skill have come through again with a genuine achievement. The with a genuine achievement. The TVA does not belong to the people of the Tennessee Valley alone. It belongs to all the United States. And, indeed, it has inspired regional resource development all over the world. Distinguished observers from more than 50 countries have come to this historic American valley. historic American valley They came here to study what has been done. They went away to try to adapt to their own regions the lessons that have been learned here from actual experi-

As a Senator I was always As a Senator I was always a strong supporter of the TVA, And I can say to you that I have never had occasion to regret my support of the TVA and of the idea it represents. Its record has fully justified the hopes and the confidence of its old friends.

But it is more than dams and locks and chemical plants and power lines. It is an important experiment in democracy. In it, administrative methods have been devised which bring the people and their Federal Government closer together—not in Washington, but right where the people live. Here in this valley there has been firmly established the basic principle of development of resources on an autonomous re-But it is more than dams and esources on an autonomous regional basis.

Why has TVA succeeded so ell? Why does it have the eswell? Why does it have the esteem of the people of this valley and attract the attention of other regions of America and 62 me entire world? To me the common sense. It is common sense hitched up to modern science and good management. And that's about all there is to it.

Instead of going at the river piecemeal with a dam here and a dam there, the river was treated as a whole. The dams were all designed so that they would fit together as a unit and in that way get the most service out of the river for mankind.

Consider Kentucky Dam itself, This dam will hold back four mil-lion acre feet of flood water from the Lower Ohio and Mississippi Rivers. The people behind the Rivers. The people behind the levees on those rivers know how much that will mean to them in protection from disaster. When the danger of flood is past, those flood waters are not to be wasted. They will be put through the water wheels here at the dam to produce great quantities of electricity. That electricity will rush to serve the people of the valley, their homes and farms and industries. Kentucky Dam also provides a deep-water, navigable channel 183 miles long. The other TVA dams carry that reliable deep-water channel all the way to Knoxville in East Tennessee, 650 miles away. As a result, the South and Middle West of this nation are now connected by water transportation. The benefits of this dam go not only to the Tenressee Valley; they go to St. Paul and Minneapolis, to New Orleans and Memphis, to St. Louis and Kan-Memphis, to St. Louis and K. sas City, to Omaha and Sic City—to all the communities the great Mississippi Valley that are served by our inland waterways.

ways.
In addition to power and flood control and navigation, there is recreation. TVA has joined with the various States and local communities in the development of great lakes here in the South. Here we have boating, fishing and hunting where thousands upgreat lakes here in the South. Here we have boating, fishing and hunting where thousands upon thousands of people in the Tennessee Valley and the Middle West may enjoy themselves.

As President Roosevelt said

As President Roosevelt said when he first recommended the creation of the Teibnessee Valley Authority in April of 1933:

". . . the usefulness of the entire Tennessee River . . . transcends mere power development; it enters the wide fields of flood control, soil erosion, affor-estation, elimination from agri-cultural use of marginal lands and distribution and diversifica-tion of industry."

His prophecy has been fulfilled, for in the TVA the Congress has provided for a tying together of all the things that go to make up a well-rounded economic devel-

It is easy to see that most of It is easy to see that most of these common-sense principles can be applied to other valleys and I have already recommended to the Congress that a start be made in that direction. Careful planning and common-sense development can convert the idle and wasting resources or other valleys into jobs and better living.

ing.
No two valleys are exactly alike, of course. For that reason, the details of just how this region should be develthe details of just how this region or that region should be developed are matters that require study and judgment in each particular case. The procedure in each valley may have to be a little different. The details of administration and control may have to be different. But the underlying common-sense prinhave to be different. But the underlying common-sense principles of this development here in the Tennessee Valley can provide guidance and counsel to the people in other regions who likewise aspire to put their resources to the greatest use.

Let me emphasize that in the Let me emphasize that in the last analysis such development is a matter for the people themselves to decide. Here in this valley State and local agencies, public and private, have joined with TVA in a two-way partnership. This was a natural result ship. This was a natural result of the policy of regional decen-tralization. That same policy tralization. That same policy ought to be followed in the other river valleys as regional agencies are created by the Congress and set to work.

We must continue all over the United States to wage war against flood and drought. Our vast store of natural resources can be made to serve us in peace with the same efficiency as they did in war. We should exercise our common sense, go ahead and continue to get the job done.

rivers of the central valley of California. They are all designed to make the rivers and their generous bounty serve instead of injuring mankind.

Waters are now being harnessed and changed into electricity—electricity which has helped supply the weapons of victory in war—electricity which can be

war—electricity which can be used to improve the standards of living and comfort and efficiency in the farms and homes of thousands of American families. Waters are now making crops grow on land where recently there was only desert dust.

The valleys of America await their full development. The time

their full development. The unner has come—now that materials and manpower are more plentiful—to press forward. The days of the pioneer are not dead. The detheir full development. The time pioneer are not dead. The de-velopment of our natural re-sources calls for men of courage, of vision, of endurance, just as in the pioneering days of old. The nation, I am sure, is de-

termined to march forward. We will not listen to the whispers of the timid, that dreams like those of the Tennessee Valley are impossible to accomplish. In the great valleys of America there is a challenge to all that is best in a challenge to all that is best in our tradition. Ahead of us lies a great adventure in building even stronger the foundations of our

America will not hesitate to meet that challenge.

After delivering the above prepared address, President Truman spoke extemporaneously regard-ing the economic outlook. He referred to the labor troubles and other disturbances which are hampering reconversion and world peace as "little troubles" and "just a blow-out after a let-down from the war" and asserting that "the the war greatest age of history is upon us" he urged all "to go home and go to work and cut out the fool-ishness" in order to make this ishness" in order to make this nation the greatest nation the sun has ever shone upon.

The text of his talk, as published by the New York "Times,"

follows:

Now I want to say to you how very happy and how glad I am to be your guest here today. I am particularly glad because Senator Barkley and Congressman Gregory informed me that people al-ways turn out like this for them when they come home. Barkley whispered to me coming over here that if the people keep treat-ing him like this, there is no pos-sible way for him to retire from sible way for him to retire from

public life.

I hope that time will never come, because Barkley is a good public servant. Congressman Gregory — I had the pleasure of Gregory — I had the pleasure of giving him his first plane ride the other day. He said he didn't like riding in a plane. Lots of people are averse to riding in a plane. Even my wife hates to ride a plane.

But after I got Gregory aboard

he confessed that if he was going to get his neck broken, he would just as soon break his neck in with Barkley and me.

I hope that the development of this great valley here will result in the development of our other river valleys along the same line. You know, our resources have barely been touched. Some of our national resources, lumber, for instance, have been exhausted by enseless deforestation.

We are trying to remedy that situation now by reforestation. This great development has proven conclusively that a free people can do anything that is necessary for the welfare of the human race as a whole.

We created the greatest production machine in the history of the world. We made that machine op-erate to the disaster of the dicta-

energy; that is, we have found out how to turn it loose. We had to turn it loose in the beginning

We are not going to use it for destruction any more, I hope. But that tremendous source of energy can create for us the greatest age in the history of the

greatest age in the history of the world, if we are sensible enough to put it to that use and to no other. I think we are going to do just that.

I think our Allies are going to cooperate with us in peace just as we cooperated with them in war. I think we can look forward to the greatest age in his to the greatest age in his war. ward to the greatest age in his-tory, and I have said that every time I have had an opportunity

time I have had an opportunity to address anybody.

The greatest age in history is upon us. We must assume that responsibility. We are going to assume it, and every one of you and all of us are going to get to work for the welfare of the world in peace just as we worked for the welfare of the world in war. That is absolutely essential and That is absolutely essential and

That is absolutely essential and necessary.

We are having our little troubles now, a few of them. They are not serious. Just a blow-up after a let-down from war. You remember what a terrible time we had the first true draw the had the first two days after the Japanese folded up. Everybody had to blow off steam.

had to blow off steam.
Well, there is still some of that steam that wants to be blown off.
And we still have a few selfish men who think more of their own men who think more of their own personal interests than they do of the public welfare. But they are not going to prevail. You are not going to let them prevail. You are going to force everybody to get into this harness and push and pull until that great age I am prophesying comes about.

We can't do it now month we prob-

We can't do it tomorrow; we can't do it next month, we probably can't do it next year. It is going to take some time for us to realize just exactly what we have and what we will do with it. Now Jet's all go home and go to work. Cut out the foolishness and make this country what it ought to be—the greatest nation the sun has ever shone upon

has ever shone upon.

Calls for Selling Speed-Up

In a message to the Boston Conference on Distribution, delivered on Oct. 15, President Truman called for a speed-up of "the techniques of selling and service and a critical re-examination of the, means of distributing goods with a view to reduced selling and servicing costs. I am convinced," said President Truman in his message to the Chairman in his message to the Chairman of the Conference, "that our dis-tributive agencies and facilities are in agreement with these broad objectives. Whatever you can spell out as to how these objectives may be attained will be a contribution toward better standards of living, fuller employment and the public good."

To Fill Vacancies on N. Y. Reserve Bank Board

Successors are to be chosen oetween Nov. 1 and Nov. 16 to the following directors of the New York Federal Reserve Bank. whose terms will expire on Dec. 31:

Class, A director, Warren W. Clute, Jr., President, Glen Na-tional Bank of Watkins Glen, Watkins Glen, N. Y., and class B director, Carle C. Conway, Chairman of the board and President. Continental Can Company, Inc. New York, N. Y.

Both directors were elected by member banks in Group 3 and Much has already been done in the past 12 years on river development in other parts of the country—on the Columbia and Colorado, on the Missouri, on the their successors will be chosen by this group. The member banks in Groups 1 and 2 do not elect directors this year and will not par-

From Washington Ahead of The News

(Continued from first page) disperse. The labor leaders are fearful that this is the case. They

fearful that this is the case. They have long gotten used, even the little small fry labor leaders, to creating a problem in the knowledge that it would be settled by Washington and they always had something to gain in that event. Let's take a look back: All a labor leader, regardless of his importance, had to do in the past, was to threaten a strike. Inasmuch as the great Roosevelt had superseded the governors and mayors, this immediately became a national problem, threatening our very foundations, notwithstanding that no more than 1,000 or so men would be involved. Roosevelt was bound to do something and invariably he would set thing and invariably he would set up a board or refer the matter to one of the many big boards which he had, and the little local labor leader, aside from attracting at-tention, would get a least part of his demands. Under Roosevelt, like the Russians eventhing the like the Russians, everything that was done in any remote locality, became a matter of international importance, and was so treated by

importance, and was so treated by the press.

The mayors and the governors were, of course, under his thumb. Their claim to office was how much money they could get from him for State and municipal improvements. No one ran for office, or rather, no one successfully ran for office in those days on what he had accomplished or could accomplish. as an adminiswhat he had accomplished or could accomplish, as an administrator. It was how close he was to Roosevelt and being that close, what public funds he had been able to wangle out of him.

That stuff is really over under Truman. These local hot-shots have got to get out and do somethey've got to settle problems in their community. Well, how does one settle a strike? The best way is to maintain, law, and order, a very reasonable thing to ask a mayor or a governor to do.

The labor leaders have attained their tremendous power because their tremendous power because law and order were not main-tained. For example, under Roose-velt picket lines became sacrosanct. Under this regime, picket lines ceased to be composed of the strikers. The strikers, in the orderly situation which Roosevelt fashioned, went home and continued to draw their pay. An enterprise of professional pickets was developed, a new industry. terprise or professional pickets was developed, a new industry. These people were paid so much a day for picketing. They had no relation to the workers involved, If you had stopped and asked one what he was picketing for he could have gone no further than point to what we small on him. point to what was said on his placard: i.e. Zamenski is unfair to

These lines have come to be ac-epted as law. Establish one cepted as law. Establish one around a man's house, around his business, and the "don't cross the picket line" prevails. The facts are, and the law is, that people have a perfect right/to go through those lines. It is up to the local authorities to see that they can through them without mo-

Under Truman's regime, there is an opportunity for mayors and governors to see that this is done. It isn't a question of breaking a strike. There is a Federal law now that strikebreakers cannot be imported into a State. This is aimed at the old practice of indus-tries hiring professional strike-breakers. But there is no law anywhere that a worker who wants to work, or anybody else, can't, walk through this picket line with protection of the authorities to whom he pays taxes to protect him. Some local officials are getting on to this and their problems are being solved easily. They should keep in mind how Calvin Coolidge came into fame,

Truman Urged by Commerce & Ind. Assn. to Advance N. Y. as Seat of United Nations Council

President Truman has been urged to advance New York as the permanent seat of the United Nations Security Council by the Compermanent seat of the United Nations Security Council by the Commerce and Industry Association of New York, Inc. The letter of Thomas Jefferson Miley, Secretary, setting forth the advantages of the city as the most suitable world center for the Council follows:

In selecting the permanent site of the United Nations Security Council, central Iocation and analysis and of direct world-wide transportation and communications should be of paramount importance. From the standpoint of portance. From the standpoint of view, important privileges extended by the new law include

portance. From the standpoint of location New York is centrally situated with respect to the great-est number of United Nations. Certainly no other city in the United States has direct travel facilities to every part of the globe by air, water and rail equal to those available here. Likewise, with respect to radio, cable and telephone New York's international communications are unsurpassed. The great news services of the world maintain offices in New York so that the dissemination of information regarding the activities of the Council through the free press would be assured. In addition, the large international banks have their headquarters in New York.

New York offers the most moderate the second of the council of t

Volume 162 Number 4430

ern accommodations for housing the Council and the delegates and staff. From the standpoint of the individual delegates, New York, the entertainment center, the arts center and the style center cannot be overlooked. In this great cosmopolitan city, whose citizenry includes representatives of every nation in the world, delegates will have the opportunity of associat-ing with many of their own countrymen, in reading newspapers and publications in their own language and to engage any needed clerical or staff assistance. Moreover, as New York is considered the most important consular post by many countries, the foreign consular corps here is composed of selected representatives of of selected representatives of every commercial nation. We earnestly beseech your active

support of our recommendation that the many advantages of the City of New York as the site for the Security Council be placed the proper body of the

Liberalized Mortgage Loans In NY Explained

Liberalized mortgage loans for Liberalized mortgage loans for farm borrowers under 1945 amendments to New York State chattel mortgage statutes are explained in "Agricultural Loans Under the Chattel Mortgage Law of 1945," a publication recently released to 700 banks in the State by the New York State Bankers Association. Prior to the enactment of the 1945 amendments. it is pointed out. amendments, it is pointed out, bank borrowers were handicapped by a patchwork of conflicting agricultural chattel mortgage laws, while borrowers who patlaws, while borrowers who patronized government agencies enjoyed the advantages of up-todate legislation which applied
only to these agencies. The Association's advices state:

"These advantages were leveled
off by the engetment of the An-

off by the enactment of the Anderson chattel mortgage legisla-tion which was supported by the New York State Bankers Association and drafted by Alan J. Flat-tery, assistant to Crandall Melvin, President of the Merchants Na-tional Bank and Trust Co., Syra-

"Mr. Flattery has been Chairman of the Association's Subcommittee on Chattel Mortgage Law Revision since 1943, when, as a lecturer at the Association's annual Farm Credit School, he called attention to the handicap under which banks and other New York agricultural lenders were then operating, and suggested desirable

extended by the new law include the ability to secure future advances under the original mort-gage agreement and permission to use, consume, sell, and exchange mortgaged goods provided the proceeds are used in accordance with statutory conditions and the conditions stated in the mortgage conditions stated in the mortgage. Borrowers will also be aided by simplified filing and refiling procedures, the liberalization of the definition of mortgageable chattels, and the inclusion of additional purposes for which farm and crop loans may be made.

"Advantages to lenders include (1) extension to three years of the

(1) extension to three years of the duration of a mortgage lien from the date of original filing, (2) extension from 30 to 60 days of the period for refiling, (3) permission to refile at the office of the clerk to refile at the office of the clerk where the mortgage was orig-inally filed, (4) provision that the removal of mortgaged property does not impair the lien, (5) coverage of property in the same class as the mortgage property if ac-quired by the mortgagor during the mortgage's span of existence, (6) permission to make future ad-(6) permission to make future advances, (7) elimination of the necessity for witnesses, and (8) the previously mentioned provisions permitting the sale and use of mortgaged property, redefining 'crops' and extending farm and extending farm and

'crops' and extending farm and crop loan purposes.
"A joint acknowledgment by George J. Sluyter, Chairman of the Committee on Agriculture and President of the First National Bank, Herkimer, N. Y., and Frederic E. Worden, Chairman of the Committee on Legislation and President of the National Bank of Auburn, N. Y., calls attention to the legislation as a 'substantial contribution to New York banks and other agricultural lenders and

and other agricultural lenders and to farm borrowers.'
"'The 1945 law,' the acknowledgment adds, may well serve as a model for needed reforms all over the nation. Through the efof the subcommittee chattel mortgage law revision, New York lenders and borrowers now have all the advantages of a fair, modern statute, especially adapted to today's farming conditions—a statute which has already stood the test of time for 11 years without any substantial change or modification."

Truman Salutes China

On Oct. 10, the 34th anniversary of the founding of the Chinese republic, President Truman issued a statement, released by the White statement, released by the White House, commemorating the occasion, in which he said that Americans took pride in the "decisive role played by our gallant ally in this titanic struggle for world freedom," and expressed confidence that China would dom," and expressed that China would confidence confidence that China would achieve "the democratic objectives established for it by Dr. Sun Yat-Sen." Said Mr. Truman, accord-ing to Associated Press Washing-

ton advices:

The American people today join the people of all free nations in saluting the people of China upon this 34th anniversary of China's national revolution. For the first time in 14 years China is able to celebrate the Double Tenth without fear of aggression. . . With final victory in the war achieved, China row faces the urgent prob-China now faces the urgent prob lems of reconstruction of her

U. S. Coast Guard Stamps

Posimasur Albert Goldman almounces that the 3-cent United States Coast Guard stamp of the Armed Forces Series will be placed on first-day sale at the Sub-Treasury Building, Wall and Nassau Streets, New York, N. Y., on Nov. 10. It was at this location that Alexander Hamilton, first Secretary of the Treasury, made his speech recommending the establishment of this service. The Post Office advices state: The Post Office advices state:

The new stamp will be of the special delivery size, arranged horizontally, with a single line border. The central design shows border. The central design shows two Coast Guard landing-craft coming from a Supply Ship in the background. Across the top of the stamp in dark Gothic lettering, is "United States Postage" on a shaded panel. Directly below this panel, on the right side of the stamp, appear the words "3 Cents" in dark Gothic lettering. Across the bottom of the stamp is the wording "U. S. Coast Across the bottom of the stamp is the wording "U. S. Coast Guard" in white face lettering of the same type. To the left and right of this wording and slightly elevated are the dates: 1790 and 1945, respectively, in dark Gothic. The color of the stamp will be announced later.

Stamp collectors desiring firstday cancellations of the 3-cent Coast Guard stamp may send not in excess of 10 addressed envelopes, accompanied with remittance for the stamps to be affixed, to the Postmaster, New York I, N. Y., in time for servicing before Nov. 10. The stamps will be on Nov. 10. The stamps will be on sale at other post offices through-out the country as soon as distri-bution will permit.

For the benefit of collectors de siring stamps of selected quality for philatelic use, the Coast Guard stamp will be available at the Philatelic Agency, Post Office Department, Washington 25, D. C. on and after Nov. 10, 1945. The Philatelic Agency does not service

\$833 Million Loaned by Savings and Loan Bodies In First Half of 1945

A total of \$833,935,000 was loaned during the first six months of 1945 by savings and loan associations and co-operative banks, Henry P. Irr. Baltimore, Md., Vice President of the United States Savings and Loan League, said on Oct. 6. He emphasized that it was the first time since 1937 that these home lending institutions had reached the three quarter billion dollar mark in new loan volume for a six-months period. At the same time, the repayments by borrowers from savings and loan institutions, representing both prewar and wartime home ownership undertakings, went up to a new high of \$600,000,000. It was added.

nigh of \$600,000,000. It was added.
Among contributing causes for
the expanded new loan volume,
he named the beginnings of the
G. I. home loan program, including priorities for new home building by veterans which began to
get underway during the first half
of the year. He also felt that the
step-up in home reconditioning
loans, which were some 12% loans, which were some 12% greater in dollar volume this year than for the like period of 1944, was due somewhat to the WPB amendment late in May making possible for people to borrow for home improvements up to \$1,000

without asking anybody.

"Of course the great bulk of the loans the first half of this year were for home purchase," said Mr. s the first half of this year for home purchase," said Mr. He also noted that repay-ts on existing home ments on existing home loans have been increased by the same high wages and full employment as have brought the increase in home ownership undertakings. These repayments were up 10% over the like period of 1944.

so evident during these years of operating, and suggested desirable lems of reconstruction of her devised evident during these years of reforms.

"The Anderson Act, which makes Federal agency mortgage legislation applicable to banks and Chinese people which have been succeeded.

Willkie Memorial Building Dedicated

A monument to the late Wendell L. Willkie, the Willkie Memorial Building of Freedom House, 20 West Fortieth Street, New York, was dedicated on the first anniversary of his death on Oct. 8 at a ceremony witnessed by two thousand persons who stood in front of the flag draped structure, it was noted in the New York "Times" The invocation was pronounced by Dr. John Sutherland

of the flag draped structure, it was noted in the New York "Times" on Oct. 9. The invocation was pronounced by Dr. John Sutherland Bonnell, Minister of the Fifth Avenue-Presbyterian Church. Although Mrs. Edith Wilkie, widow of the one-time Presidential candidate did not appear in person, she sent a message in which she said "it seems to me an appropriate memorial to Wendell Wilkie also be made available at reasonthat a building bearing his name able prices. All charges will be that a building bearing his name should house organizations workshould house organizations working toward causes in which he deeply believed." The seven agencies which are to occupy the building, according to the "Times" report, are the NAACP, the Anti-Defamation League of B'nai B'rith, the Citizens Housing Council of New York, the Common Council for American Unity, the Public Education Association, the World Student Service Fund and Freedom House itself. dom House itself.

From a balcony of the building overlooking the crowd, a program of tributes was broadcast. The former Under-Secretary of State, Sumner Welles, led the program, saying that although Mr. Willkie had never held public office and spent only a few years in public life, "within that short space of time, he became an outstanding force for human betterment, and a symbol of popular hope, not only in his own nation, but throughout the world of free and

democratic peoples."

Dr. Harry D. Gideonse, President of Freedom House, sponsor of the ceremony, read a number of messages honoring Mr. Will-kie's memory, among them one in which President Truman, said the "Times," observed that "a great "Times," observed that "a great and dynamic personality was lost to his country when Wendell Willkie died." The program included a dramatic recital of the highlights in Mr. Willkie's career; participants were Helen Hayes, Jackson Beck and Gilbert Mack. Lieut. Philip Willkie turned up unexpectedly at the ceremony to express his appreciation to founders of the memorial to his memorial to his of the

Facilities for Amer. Businessmen in Europe

Ambassador Jefferson Caffery announced on Sept. 25 that Amer-ican businessmen traveling in the liberated countries of Europe will henceforth be able to secure lodging, food and transportation, provided they clear through the Department of State in Washinf-ton and later through the Embassy or Legation of the United States in the respective countries they wish to visit. The Foreign Serv-ice of the United States through the American Embassy at Paris further reports:

An agreement has been reached between the Army and the State Department whereby American businessmen can gain access to Army quarters and messes, as well as transportation facilities, on a priority basis, provided, however, this does not interfere with ever, this does not interior the Army's redeployment program.

This is the outcome of long ne gotiations conducted by the De-partment of State and the Em-bassy at Paris with Army officials in the War Department and in the European Theater. The housing feeding and transporting of American businessmen could not be provided without the active participation of the Army, which, in spite of its rapid demobilization operations, has offered every assistance to make this plan possible.

In Paris, where conditions are more difficult than in any other European city, a hotel and mess will be operated exclusively for transient American businessmen, effective Oct. 1, 1945. This hotel, the California, has already taken care of a few businessmen who

modations elsewhere.

Rooms and meals will be at prices parallel to those in effect at home for similar accommodations. Limited Transportation will also be made available at reasonable prices. All charges will be on a dollar value, but in the currency of the country in which the

service is rendered.
Conditions will continue difficult in some outlying districts
and particularly regions from
which the Army is preparing to
withdraw. The matter, however,
is under constant consideration by the Department of State and the War Department, which are anxious to assist American businessmen in every way possible in order to bring about a speedy return to normal relations between the United States and the liberated countries.

Limit Subscriptions By Ins. Cos., Savings Ins. In V-Loan Drive

Secretary of the Treasury Vin-son made public on Oct. 8 the limitations to be placed on subscriptions, including deferred payment subscriptions, from insurance companies and savings institutions during the Victory Loan Drive. These decisions were reached after consultations with representatives of the two groups affected acof the two groups affected, according to the Treasury Department, which added:
"All insurance companies will

be permitted to subscribe to the marketable securities in aggregate amounts not in excess of an amount equal to 15% of the total amount of United States Government securities held by the subscribing company on Dec. 31, 1944, or 6% of that company's total admitted assets as of that date. mitted assets as of tha whichever figure is larger. that date,

"Savings institutions, which are defined for this purpose as sav-ings banks that do not accept demand deposits, savings and loan associations, building and loan associations, cooperative banks and credit unions, will be perand credit unions, will be permitted to subscribe to the marketable securities in aggregate amounts not in excess of an amount equal to twice the amount of the net increase in assets (total assets less borrowed funds) of the subscribes during the period the subscriber during the period from July 1, 1945, through Sept. 30, 1945, plus 7% of the amount of United States Government securities held by the subscriber on June 30, 1945. The formula set for this group vas reached in recognition of the difficulty in meeting a consistent interpretation of normal portfolio adjustments and the disparity in growth of assets among individual institutions falling within this group.

"Insurance companies and savings institutions are requested not to use these formulae to circumvent the Treasury's request that non-bank investors refrain from selling securities heretofore acquired in order to obtain the funds to subscribe for securities offered in the Victory Loan Drive, except for normal portfolio adjustments.

"It will facilitate handling of these subscriptions if each institution planning to subscribe under these formulae will furnish the Federal Reserve Bank of its district, prior to entering subscriptions, with the figures applicable

Agricultural Department Report on Crops as of October 1

The United States Department of Agriculture, at Washington Oct. 10, issued its general crop report as of Oct. 1, which we

give in part below:
National crop prospects declined only slightly during Sepclined only slightly during September as a result of weather that adversely affected some important crops. Wet weather, some drought, extremes in temperatures,, and early frosts all contributed to the somewhat lower prospects for some crops indicated on Oct. 1. Aggregate total crop on Oct. 1. Aggregate total crop production, however, still prom-ises an output equal to that proises an output equal to that produced in either of the exceptional years 1942 and 1944. The total is expected to exceed production in the big year, 1943, by about 6% and the 1923-32 "pre-drought" average by 24%. Food grain production is the largest and feed production the second largest on record. The forecast for corn at The forecast for corn at 3.078 million bushels is not much different than indicated a month ago. Early September weather romoted rapid development, but killing frosts at the end of the month and in early October caught some late corn before ma-

Prospects fell off during September for some crops that had not already reached maturity, or that were at the harvest stage, namely cotton, sorghums, soy-beans, dry beans, and buckwheat. The outlook for corn, peanuts, sugar beets and rice is down in some States, but reductions are more or less offset by gains in other States. Harvest returns disclosed that yields of spring wheat and barley were turning out slightly lower, but yields of oats and flaxseed were exceeding and flaxseed were exceeding arlier expectations. Tobacco, poearlier expectations. Topacco, po-tatoes, sweetpotatoes and some other crops show net gains over a month ago. September was favorable for pastures and for milk and egg production, but seasonal farming operations were delayed, and once again this seadelayed, and once again this sea-son a backlog of work developed. Dry weather would be welcome not only to lessen the threat of spoilage to frost damaged corn, but also to permit resumption of field work, especially harvesting operations and the seeding of winter wheat. winter wheat

Notwithstanding the lower prospects for some crops, the ag-gregate total production indicated the gregate total production indicated on Oct. 1 includes record crops of wheat, oats, rice, soybeans, peanuts, tobacco, peaches, pears, early and midseason oranges, grapefruit, almonds, hops and truck crops for market. Near-record crops of hay, potatoes, flaxseed, sugarcane and grapes are expected as well as big crops of corn and sorghum grain, and above average crops of barley and sweetpotatoes. Production estimates for cotton, rye, apples. mates for cotton, rye, apples, sugar beets, dry blans and broom-corn are below average, however.

In the Northern States, especially from Wisconsin and Illinois westward to the Cascade Mountains, weather during the last half of September was mostly too cool for proper development of the late crops. Frost and some snow were experienced in the snow were experienced in the northern Rocky Mountain States from mid-September on, causing damage to feed crops and beans. Toward the close of the month a hard-killing freeze swept across northern Iowa and northern and northern Iowa and northern and western Nebraska and southward over the higher altitudes of the Great Plains States. These freez-ing temperatures struck some ing temperatures struck some ereas a week to 10 days earlier than usual and caught an apprethan usual and caught an appreciable acreage of corn, sorghums and other crops at various stages of immaturity. The full extent of the damage is not measurable at the damage is not measurable at this time. Weather conditions in the coming weeks will have an important bearing on the final outcome. Locally, large acreages of corn will be diverted to silage forage, or pasture. Adjustments in feeding practices and kinds of livestock to be fed are bound to result.

Precipitation for September was the heaviest for the month since 1926. It was above normal everywhere, except in the area extending from Texas to Calieverywhere, except in the area extending from Texas to Cali-fornia. Beneficial rains fell in the hard red winter wheat States, where soil moisture has been very deficient. Preparation of ground and wheat seeding had been held and wheat seeding had been held up because of the dryness, al-though some wheat was seeded in the dust. These general rains have put the ground in shape for seeding operations and will help germination and early growth of fall sown crops. The rains also germination and early growth of fall sown crops. The rains also benefited the late feed crops and pastures in the Southern sections and improved the outlook for wheat pastures. In some South Atlantic States, the Lake States and in Missouri, Arkansas, and adjacent States excessive rains brought harvesting to a virtual standstill and impaired quality of crops that had reached or were crops that had reached or were in the harvest stage. Fall plowing and seeding are behind schedule almost everywhere.

Food grain production, including a wheat crop of 1,150 million bushels and a rice crop of 72 million bushels, totals 37 million tons. This estimated output is 2 million other year. Only a small part of the bumper wheat crop remains unharvested, the bulk being safely in store. Rice harvest was delayed by heavy rains in Arkansas but made good progress in Lousisiana isiana.

The outlook for feed crops is generally favorable. This is true for practically all sections of the country except parts of Texas, New Mexico, and local areas in the Northwest. Areas hit by frosts may have appreciable set the Northwest. Areas hit by frosts may have appreciable soft or "wet" corn to utilize in the coming feeding season, and much corn will have to be fed as silage and fooder or used as pasture. Even so, the aggregate tonnage of feed grain crops seems likely to reach 121 million tons. Production of all feed crops, including the bid held wet" co feed crops, including the big hay crop and a fairly large tonnage of crop and a fairly large tonnage of sorghum forage, promises to be the second largest ever produced. The supply of feed grains on farms now, including Oct. 1 farm stocks of corn, barley and oats and production of corn and sorghum grain, totals 123 million tons, 2 million tons above the supply last year, but 6 million tons below the peak supplies in 1942. Supplies per animal unit appear to be slightly larger than last year and the largest in a record covering 20 years. Pasture condition on Oct. 1 is among the highest ever reported for that date. Green feed was generally abundant during September. Range feed prospects showed more than the usual seasonal dadains. september. Range feed prospects showed more than the usual seasonal decline during the month, but feed conditions are good to very good outside of parts of the Southwest and other limited local

The 1945 cotton crop showed the effects of excessive rains, hot and dry weather and further boll weevil damage. The October forecast was for 9,779 thousand bales, down 247 thousand bales from the down 247 thousand bales from the estimate a month ago. Tobacco still holds promise for a crop of over 2 billion pounds. The late crop made progress and tobacco harvest is well advanced considering the difficulties experienced from weather. Wet weather was detrimental to peanuts in the South Atlantic States, to soybeans in the East North Central States, and to dry beans in Michigan and late potatoes in Maine. Potatoes, however, improved in the Central and Western States. Sugar crops

continued to make good progress.

Total farm production of livestock and livestock products in 1945 seems to be about the same as the aggregate volume produced last year, but about 5% below the all-time high in 1943. Production all-time high in 1943. Production is expected to be second or third largest volume on record. Based on the size of the 1945 crops of pigs, lambs and calves, the number of chicks and turkeys hatched, and marketing weights for meat animals and poultry, farm production of catfle, hogs, sheep and poultry for the current calendar year should approximate 45 billion pounds live weight. This total would be about 6 billion pounds below the record output of 1943, slightly less than production in 1944 or 1942, but substantially larger than in any other year. Milk production promises to establish a new record. With production per cow at or near the highest layed. duction per cow at or near the highest level ever attained, the total volume for the year seems likely to hit 123 billion pounds. Production for the first nine months of 1945 totals 97.2 billion pounds, up over 4 billion pounds from production in the same period last year. Farm poultry flocks have been exceptionally productive so far this season with the number of eggs laid per 100 hens a record level. Although the average number of layers was 8% smaller, egg production for the smaller, egg production for the first three quarters of this year was only 5% below that of the corresponding period last year. Production for 1945 may be expected to reach about 4.6 billion dozen eggs. A production of this size would be second only to the 1944 record 1944 record.

This season's total fruit produc-This season's total fruit production, including citrus crops from the 1945 bloom is expected to be about 5% less than last season, but about 17% greater than average. A record citrus production, 5% above last season, is in prospect. All oranges are indicated to be 3% less but grapefruit 23% more than last season. The crops of peaches, pears and sweet cherof peaches, pears and sweet cher-ries were record highs while ap-ples and sour cherries were record lows. Combined production of the principal deciduous fruits is 13% below last year and 2% below average.

Production of cultivated tree nuts (walnuts, pecans, almonds, filberts) in 1945 is indicated to be slightly larger than in 1944 and about one-third greater than aver-

be slightly larger than in 1944 and about one-third greater than average.

With harvest of commercial truck crops moving into the fall producing areas, it now appears reasonably certain that aggregate production for the entire year will establish a new high record—probably about 5% above last year's record and 27% above average. Production during the winter was about 7% less than in 1944 and in the summer about 2% less. But a 6% increase in spring production and an indicated 31% larger fall outturn are sufficient to bring about the 5% increase for the year. Abundant supplies of commercial truck crops for the fresh market are in prospect for this fall. Except for celery, indicated fall-season production of each crop is well above that of 1944, and except for green peas is considerably above average. Aggregate production of fall crops is now indicated to be 31% greater than in 1944 and 48% above average.

The harvesting of late yege-

harvesting of late tables for processing continued oute active through September. Oct. 1 prospects appeared favorable for an aggregate tonnage of the city of the control of the city of the city

ber, and the same is true for Georgia pimientos. A record high production of green lima beans is in prospect. The other vegetable crops are not expected to quite reach the production levels indicated on Sept. 1.

Production of 21 kinds of clover,

Production of 21 kinds of clover, grass, and winter-cover crop seeds, for which production forecasts have already been made, totals 470.2 million pounds of clean seed, and is indicated to be 2% larger than in 1944 (460.3 million pounds), and 13% larger than the 10-year (1934-1943) average of about 417.4 million pounds. The above - average production this year is attributed entirely to an expansion in acreage, which more year is attributed entirely to an expansion in acreage, which more than offsets the below-average yields per acre. The marked expansion in acreage this year and last resulted largely from attractive support prices, and acreage and poundage payments for important kinds of seeds.

It is estimated that 4.3 million acres of 21 seed crops (not including alfalfa, lespedeza, and Sudan grass feed, for which production forecasts are to be made this month) will be harvested this year, compared with 4.4 million last year, and the average of 3.4 million. Unusually wet weather occurred at harvest time which not only reduced yields but also curtailed the acreage harvested. Even with the unfavorable late summer and early fall weather this year, in sharp contrast with the favorable produced. It is estimated that 4.3 million in sharp contrast with the favor able weather last year, supplies of relatively few seeds, such as alfalfa, alsike clover, white clover, and Kentucky bluegrass, are expected to fall short of meeting the requirements in 1946.

Corn—Earlier prospects for another 3 billion bushel corn crop were strengthened during September. Frosts occurred near the usual dates in northern and western portions of the main crop-producing area, where a consider-able proportion of the acreage was sulnerable to frost damage be-cause it had been planted late. But the major portion of the corn acreage on Oct. 1 either had not yet been touched by killing frost or was sufficiently mature to escape serious damage. By Oct. 10 killing frosts had occurred in the killing frosts had occurred in the major portion of the Corn Beit. Dry warm weather is now needed to mature the grain and reduce the high moisture content of the

ears.

Corn production is estimated at 3,078 million bushels on the basis of Oct. 1 conditions. This is an improvement of 9 million bushels over the Sept. 1 forecast. Such a crop would be the third largest of record, exceeded only in 1942 and 1944. The average yield of 33.4 bushels per harvested ages are 1944. The average yield of 33.4 bushels per harvested acre compares with 33.3 bushels forecast on Sept. 1, with 33.2 bushels in 1944, and the average of 26.8 bushels, and was exceeded only in 1942. These estimates of production and yield include corn for all nurposes—for grain, silage, all purposes — for grain, si forage, hogging and grazing.

Development of the crop was benefited by favorable weather during the first third of September, but the remainder of the month was rainy and temperatures were below normal. As a result corn in Northern States continued green and growing, with ears containing a high proportion of moisture. Light frosts portion of moisture. Light frosts in some areas tended to check growth, while severe frosts in Northern and Western States killed much immature corn. Salvage operations of cutting corn for silage and forage were hampered sometimes by rain and muddy fields. Most of the immature or soft corn resulting from frosts in Michigan, Wisconsin, North Dakota, South Dakota, and Nebraska is in areas which have sufficient where a large proportion of the acreage is immature and will produce soft or at least chaffy corn in excess of amounts which can be fed locally. A frost-free October would have been necessary for all corn to mature in Missouri and adjacent portions of southern and western Illinois, southeastern Nebraska, and northeastern Kapsen braska, and northeastern Kansas; thus immature corn will be a problem in parts or all of this area, where light to heavy frosts were recorded on Oct. 8 and 9. The ultimate effect on yield in these areas depends upon whether these areas depends upon whether the fall weather will be favorable for curing the high moisture

orth Central States account for North Central States account for 2,351 million bushels, or 8% less than production in these States in 1944. Thus these States account for 76% of the total 1944 corn for 76% of the total 1944 corn crop. In spite of an extremely unfavorable planting season and a rather rainy and cool growing season, the crop made unexpected progress until frosts occurred at near the usual dates in much of the region. Yield prospects improved over a month ago in Indiana, which is producing an all time record crop, in Illinois, Michigan, Wisconsin, Minnesota, Missouri and South Dakota sufficiently to more than offset declines in Ohio, Nebraska and Kansas, with Iowa and North Dakota unchanged.

kota unchanged.

Slight gains were registered since Sept. 1 in corn production prospects in eastern New England while other North Atlantic States showed no change. Most of the acreage in these States is utilized for silage and forage. The South Atlantic region showed increased Atlantic region showed increased production prospects, due to gains in Virginia, West Virginia and Florida, while prospects were maintained in other States. Gains of a half-bushel in yields in Tennessee, Alabama, and Arkansas more than offset a bushel decline more than offset a bushel decline in the Texas corn yield, while other South Central States maintained earlier prospects. Several of these States are making record average yields and production this year. Frost damage in many Western States tended to reduce yields, particularly in Colorado, Wyoming and Idaho, but yields improved in New Mexico and Oregon.

Oregon.

Corn to be harvested for grain is currently estimated at 2,630 million bushels, approximately 87% of the estimated total production of all corn. This compared with 2,910 million bushels for grain in 1944, which was 90% of all corn production. This preliminary estimate is made for the second year, so that comparisons with feed supplies in previous years may be made before the usual December estimates.

Farm Stocks — Stocks of 307

Farm Stocks — Stocks of 307 million bushels of old corn remained on farms Oct. 1, equivalent to 10.5% of the record 1944 production. Though nearly 50% larger than the relatively low stocks a year ago, these stocks are smaller than on Oct. 1 of any of the preceding six years and smaller than on Oct. I of any of the preceding six years, and slightly below the 1934-43 average for the date. Disappearance of 441 million bushels from farms since July 1 is the heaviest on record for the July-October quar-ter. The average is 262 million The average is 262 million ter. The average is 262 million bushels. Farm supplies of corn at the start of the October feeding season thus reach 2,987 million bushels when these stocks are added to the estimated corn for grain from the new crop, compared with 3,116 million bushels a year ago and 3,084 million on Oct. 1, 1943.

estimate a month ago. Tobacco still holds promise for a crop of over 2 billion pounds. The late crop made progress and tobacco harvest is well advanced considering the difficulties experienced from weather. Wet weather was detrimental to peanuts in the South Atlantic States, to soybeans in the East North Central States, and to dry beans in Michigan and New York. Frosts hit beans in the Western States, and checked the still holds promise for a crop of over 2 billion pounds. The late over 3 billion pounds. The late over 4 billion pounds of the immature or 3 billion pounds. The late over 4 billion pounds over 4 billion pounds. The late over 4 billion pounds over 4 billion pounds. The late over 4 billion pounds over 4 billion pounds. The late over 4 billion pounds over 4 billion pounds. The late over 4 billion pounds o Wheat—Production of all wheat, now indicated at 1,149,825,000

some harvesting losses which, however, were moderate and occurred in only limited areas. Weather in general was very favorable for harvest. Some sprouting of unthreshed grain occurred in northern Minnesota and parts of North Dakota, and there was some shattering of standing grain. Compared with such losses in recent years of heavy crops, however, the losses this year were comparatively small, and an unusually high percentage of the crop was completely garnered.

Other spring wheat production is estimated at 279,885,000 bushels,

Other spring wheat production is estimated at 279,885,000 bushels, slightly under last year's 282,641,-000 bushel crop. Durum wheat production of 32,971,000 bushels is a little above last year's production of 31,933,000 bushels.

The all spring wheat yield of 16.9 bushels per acre equals last year's yield of 16.9 bushels, and has been exceeded in only three previous years. The durum wheat yield of 17.4 bushels per acre is 2.3 bushels above last year, and has been exceeded in only one other year of record. The other spring wheat yield of 16.8 bushels per acre is nearly half a bushel below last year, but has been exceeded in only four other years of record. The decline in the all-spring wheat yield of one-tenth of a bushel per acre since Sept. 1 is due primarily to declines in other spring wheat yields in North and South Dakota. Oct. 1 yield estimates are higher than last month in the Mountain and Pacific Northwest States. This year the unusual situation of durum wheat yielded other spring occurred in the Dakotas. Durum out-yielded other spring by 1½ bushels per acre in North Dakota and one-half bushel in South Dakota, while in Minnesota the durum yield is 2½ bushels under other spring.

The indicated production of wheat by classes is hard red winter, 524,000,000 bushels; soft red winter, 243,065,000; hard red spring, 242,397,000; durum, 33,784,000, and white wheat, 106,579,000 bushels. This year's big wheat crop is reflected in larger production than last year in each class of wheat except hard red spring, particularly in the hard red winter and soft red winter classes.

Farm Stocks of Wheat—Stocks

Farm Stocks of Wheat—Stocks of wheat on farms Oct. 1 are estimated at 539,217,000 bushels, compared with 532,270,000 bushels on the same date a year ago, and the 10-year 1934-43) average of 378,441,000 bushels. Although stocks remaining on farms are higher than any other year of record excepting the 640 million bushels on Oct. 1, 1942, the stocks in per cent. of production are comparatively low. Disappearance of wheat from farms is the highest on record for the first quarter of the crop marketing year—8% larger than last year and two-fifths larger than average.

Oats—The nation's first 1½ billion bushel oats crop has been attained. The current estimate of 1,583,650,000 bushels exceeds the previous record crop of 1920 by 139 million bushels. The current production exceeds the 1944 production of 1,166,392,000 bushels by 36%, and is about one-half larger than the 1934-43 average.

The season was exceptionally favorable for oats. Moderate temperatures and abundant moisture in main producing areas prolonged the period for development of grain, resulting in high test weight and large yields per acre. Yield per acre equals or exceeds the 1934-43 average in most States. Below average yields are estimated for the northern New England States, New Jersey, Missouri, Kansas, and Oklahoma. Very high yields were attained in the northern Corn Belt States. Yields lower than in 1944 are estimated in New York and New Jersey and in States westward from the Plains.

New record yields per acre for oats for grain are estimated in the following States: Wisconsin, 51.5; Minnesota, 46.0; South Dakota, year.

43.0; Illinois at 48.0 bushels equals the previous record.

Oats Stocks on Farms: Oct. I stocks of oats on farms are estimated at 1,318,666,000 bushels, equivalent to 83.3% of the 1945 crop. This is more than one-third above the 950,861 bushels held last year and about a half larger than the 1934-43 average. Stocks are above average everywhere except in the North Atlantic region. They exceed last year everywhere except in the North Atlantic and Western regions. The large crop and late harvest have made stocks high both in bushels and in percentage of crop.

high both in busness and in percentage of crop.

Disappearance from the 1945 supply on farms (the July 1 farm stocks plus the 1945 production) totaled 476,242,000 bushels. This is above the disappearance of 400,-824,000 bushels during the corresponding quarter of 1944, and the 363,641,000 bushels average for the quarter.

Barley—Barley production, estimated at 277,246,000 bushels, is only slightly changed from a month ago. The crop this year is about 2½% less than in 1944, but is about 1½% above the 1934-43 average, despite a much smaller acreage for harvest than last year or the average. The indicated yield of 26.1 bushels per acre is the highest since 1915. This high yield is about 3 bushels per acre above last year and almost 4 bushels per acre above the 10-year average. Most States indicated no change in yield from lest meath.

Most States indicated no change in yield from last month. The most significant change was in Wisconsin where yields are turning out considerably better than expected and a yield of 39.5 bushels per acre is indicated compared with 38.0 bushels forecast last month. Michigan yields are slightly above a month ago, while all other North Central States show no change from that indicated on Sept. 1. The season generally has been very favorable, especially in the heavy producing area of the North Central States. Most of the crop had been harvested before the heavy September rains fell.

Stocks of barley on farms Oct.

Stocks of barley on farms Oct. 1, 1945, amounted to 174,315,000 bushels, equivalent to about 63% of the 1945 production. This compares with 185,420,000 bushels, or 65% of the 1944 production, on hand Oct. 1, 1944, the first year for which barley stocks were estimated as of Oct. 1.

Rye stocks farms Oct. 1 are indicated at 14,381,000 bushels, equivalent to 52% of the 1945 production. On Oct. 1, 1944 farm stocks were 16,314,000 bushels, or 63% of the 1944 production. Notable this year is the very low percentage of the crop still on farms Oct. 1 in the principal rye-producing States of the Great Plains. In contrast, a larger percent than a year ago remains on farms in the East North Central States and in the South where a relatively higher percentage is needed for seed, and where adverse weather has delayed seeding this fall. Large rail shipments of rye are reported from States with marketable surpluses. Farm stocks of rye on Oct. 1 have been estimated only in 1944 and 1945.

Potatoes—A potato crop of 435,-395,000 bushels is indicated for the Nation. In 1944 the crop amounted to 379,436,000 bushels and production averaged 375,091,-000 bushels during the 10-year (1934-43) period. Even though the prospective national crop increased 2½ million bushels during September, there was a drop of about 3 million bushels in the Maine prospective crop. This decline was more than offset by improved prospects in some of the Central and Western States.

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New dd in lains.
Te for in the 51.5; in 1943, the record potato crop laketa.

In Maine, the crop failed to make good growth after Sept. 1. Tuber growth was limited by aphis and flea beetles. In Aroostook County, killing frosts terminated the growth of potatoes on Sept. 18 and reduced production from that expected earlier in the season from the late acreage in this area. However, the Maine crop shows unusually good quality. On Long Island, quality and size of potatoes harvested this year have been good. About four-fifths of the crop was harvested by Oct. 1. Yields of Green Mountains and other late varieties are exceeding earlier expectations. In up-state New York, potatoes have suffered heavily from blight and insect damage this season. Only in properly sprayed fields on high lands are satisfactory yields being secured. Digging was delayed by rains during the latter part of September. Potato yields in Pennsylvania are spotted but slight improvement occurred during September following beneficial rains in the western counties. However, digging has been delayed by these continued rains and some rot has developed in low lying fields.

Digging of the Michigan crop is running behind schedule because of wet weather since mid-September. The mid-September frost in the commercial area has resulted in a larger proportion of small potatoes than was produced last year. In Wisconsin, the crop has made large production but quality is doubtful because of reported grubworm damage and some late blight rot. In Minnesota, yields are generally high, especially on the heavier soils. However, considerable blight, ring rot and other disease damage is noticeable in the extreme northern part of the Valley, particularly on the lighter soils. Excessive rainfall in much of the northern section of the State is delaying digging and could result in considerable rot and possibly frost damage if potatoes cannot be dug soon. A good crop of excellent quality potatoes is being harvested in North Dakota. Digging will be prolonged at least to Oct. 20, and the possibility of field losses from severe freezes is increased by the lateness of the season.

Nebraska is the only late Western State for which the crop now indicated is below prospects on Sept. 1. Prospective yields in some areas of this State were cut by frosts. In Montana, growth continued generally until late in September when killing frosts occurred in all parts of the State. In the main late-producing sections of Idaho, frosts had killed nearly all the vines by the end of September. However, there apparently had been no freeze damage to tubers prior to Oct. 1. Maturity of the crop was hastened by early frosts, thus permitting harvesting for storage earlier than would have otherwise been possible. This extension of the harvesting season was welcomed as the supply of labor for harvesting the crop is limited. Quality of the Idaho crop is variable with many rough potatoes produced in fields planted early. Tubers from later plantings are generally smooth but small. Harvest in the San Luis Valley of Colorado got under way rapidly as vines were killed by early frost. Quality of potatoes in the Valley is exceptionally good. In northern Colorado, frost caused vines to die earlier than usual but harvesting operations were not being rushed by late September.

The prospective crop of each of the Pacific Coast States exceeds Sept. 1 indications. In the central irrigated sections and in the delta and sub-irrigated farming sections of western Washington, indicated yields are higher than those expected a month ago. Digging of late varieties had started by Oct. 1. In the Crook-Deschutes area of Oregon, a very good crop is expected. Yields in

Here and There

(Continued from first page) cause a rise in the public debt. But what is not realized is that even the resulting huge deficit estimate assumes a national income of \$157 billion, that any reduction in national income in 1946, or sizable income reductions in subsequent years will prolong unbearable deficits; and that hence the most drastic cutting of government expenses is absolutely vital to avoid disaster.

A national income of \$157 billion is required to keep the 1946 deficit even down to the \$35 billion level; and, according to Secretary Vinson, hope of 1948 budget-balancing anticipates absence of further tax-rate reduction plus national income of at least \$130 billion. But, realistically, can we assume maintenance of our national income at or anywhere near the present level? Our present figure is almost double that in the 1929 boom and is 60% greater than in 1939 (expressed in equivalent dollars). It assumes production triple that of 1933 and 70% higher than in 1940—in the face of the rapid exit of the Government as main customer.

Of course, the current assumption is that the slack will be permanently taken up by private consumption filling the "void" created by wartime alleged "underconsumption." But assuming previous underconsumption is wholly fallacious, actually sales at food and apparel stores have been double the 1935-1939 average and total consumer expenditures having during this year been running 50% ahead of 1939 and 1940. Hence, long-term maintenance of national income to result from the satisfaction of "consumer starvation," at a level to support budgetary expenditures above the \$15 billion level, is extremely dubious. The Government expense accounts must be "atomized"—in 1946 and the future.

The excess profits tax of World War I was not abolished until 1922. But if our present Congress really wants to take a major step in curbing inflation, it will completely eliminate our excess profits tax, effective at the end of this year. Surely there can be no contradiction that this tax vitiates prudence and rationality in business outlays for general expenses, including salaries (with "10-cent dollars") and thus additionally enlarges the flood of consumer spending.

The tax also contains some

the Klamath Basin area will not equal the very good yields harvested in 1944. The early crop in Malheur County produced good yields. Potatoes now being harvested in Oregon are grading out well and the quality is good. In the Tule Lake area of California, the size of tubers increased, thus improving yield prospects. Killing frosts were later than usual.

Production indicated for the 5 other late New England States is only slightly higher than the September estimate. Reduced prospects in New Hampshire were more than offset by improved prospects in Massachusetts and Connecticut. Yields in these States are about average but range from rather high in some commercial areas of Connecticut and Massachusetts to light in the Connecticut Valley area of Massachusetts and in southern and western Vermont. Estimated production in the 5 other late Central States exceeds the crop forecast a month ago. Yields in prospect for Ohio, Indiana, and Illinois are higher than those indicated Sept. 1. Wet fields have delayed digging in most of these Central States and there is some possibility of loss from rot.

little-realized evils. It actually penalizes "smallness" rather than "bigness" in the case of the corporation as well as the investor. It undermines the reserves and general financial soundness of medium-sized and small business and thus hinders capital-financing. In preventing business expansion it will interfere with reemployment. Vitally important is the injurious repercussion on the legitimate investor. In obstructing the accumulation of adequate corporate reserves, it undermines the position of the holder of bonds and preferred stock; in the case of the common stockholder it additionally prevents him from reaping needed cyclical profits and from benefitting from "growth" enterprises—thus forcing him into the futile position of having all to lose and very little to gain.

to gain.

In any event, surely companies organized this year and thereafter should be exempted from all excess profits taxation.

The traditional British laissezfaire attitude toward financial
regulation is exemplified in the
Cohen Committee's report—the
first consideration of the financial
laws since the Company Law
amendments were passed in 1929.
In direct contrast to SEC policy,
which from its inception has
focussed its most drastic control
directly on the stock exchanges,
the new British report recommends continuation of the government's complete abstinence
from concern with the exchanges.
It reaffirms the wide delegation
of general financial supervision,
including discretionary regulation
over new issues, to the London
Stock Exchange. This maintains
uninterrupted the finding of the
royal commission investigating
the London Exchange in 1877
that "it should be left free to
continue its honest and upright
service"

In the matter of keeping share-holders informed on their companies' current affairs, the Cohen report likewise continues the former comparative laxity. It suggests no compulsion toward standardization or uniformity in the method of reporting.

As was the case at San Francisco—although the rift with the Soviet at the London Conference was made to appear merely procedural, actually the continuing controversies with M. Molotov et al are based on fundamental, substantive and long-term differences in policy. Simply stated: shall the world be ruled by the Big Three (not even Five) Powers, with Russia retaining her "veto" power; or by all the United Nations in the spirit of the new league with whose activities they have been so strongly urged to cooperate? The more realistically this difference is understood by the public—without ideological sugarcoating—the more constructively can action be taken.

Steel Output in Sept. Close to Peak in 1929

Steel production in September, the first full month after the end of the war, climbed back to a total of 6,008,403 tons, just 351 tons below the peak month of 1929, which still stands as the best peacetime year for steel production on record, according to the American Iron and Steel Institute, which further reported as follows:

The report of September production showed output during the month rose nearly 5% over the August total of 5,736,376 tons. In September 1944, however, production was 7,235,111 tons. For the first nine months of this year production of 61,886,532 tons was more than 8% below output of 67,375,801 tons in the corresponding period in 1944.

The State of Trade

(Continued from page 1867)

Railroad Freight Loading—Carloadings of revenue freight for the week ended Oct. 6, 1945, total 767,985 cars, the Association of American Railroads announced. This was a decrease of 64,278 cars, or 7.7% below the preceding week this year, but 109,050 cars, or 12.4% below the corresponding week of 1944. Compared with a similar period of 1943, a decrease of 138,372 cars, or 15.3% is shown.

Electric Production — The Edison Electric Institute reports that the output of electricity increased to approximately 4,028,286,000 kwh. in the week ended Oct. 6, 1945, from 4,038,542,000 kwh. in the preceding week. Output for the week ended Oct. 6, 1945, was 7.9% below that for the corresponding weekly period one year

sponding weekly period one year

Consolidated Edison Co. of New York reports system output of 173,300,000 kwh. in the week ended Oct. 7, 1945, comparing with 176,300,000 kwh. for the corresponding week of 1944, or a decrease of 1.7%

Local distribution of electricity amounted to 172,600,000 kwh., compared with 167,600,000 kwh. for the corresponding week of last year, an increase of 2.9%.

Paper and Paperboard Production — Paper production in the United States for the week ending Oct. 6, was 97.6% of mill capacity, against 98.1% in the preceding week and 93.4% in the like 1944 week, according to the American Paper & Pulp Association. Paperboard output for the current week was 95%, compared with 96% in the preceding week and 96% in the like 1944 week.

Business Failures Remain Low Paper and Paperboard Produc-

Business Failures Remain Lov —In the week ending Oct. 11, commercial and industrial failures varied by only one from the num ber in the previous week, reports
Dun & Bradstreet, Inc. This
marked the third consecutive
week that failures have continued
at a low level with little change. Concerns failing numbered 12 as compared with 13 last week and 15 in the corresponding week of last year.

No change occurred in large failures involving liabilities of \$5,000 or more. At 10, they remained the same as a week ago mained the same as a week ago and also the same as in the comparable week of 1944. Two small concerns failed this week with liabilities under \$5,000 — there were 3 in the previous week and 5 a year ago.

Manufacturing failures continuing at a negligible number for two weeks rebounded to 7 in the week just ended. In retail the week just ended. In retail trade, 3 concerns failed so that manufacturing and retail trade together accounted for 10 of the week's 12 failures. A decline oc-curred in the number of concerns failing in construction, from 4 last week to only 1 this week.

Only 1 Canadian failure was reported against 1 both in the previous week and in the correspond-ing week of last year.

Wholesale Commodity Price In-

Wholesale Commodity Price Index—The general level of prices continued to move upward last week. Rising to 178.49 on Oct. 9, the daily wholesale Commodity price index, compiled by Dun & Bradstreet, Inc., was only slightly below the war-time peak of 178.56 registered on July 16. This compared with 177.50 on Oct. 2, and with 173.32 on the corresponding

pared with 177.50 on Oct. 2, and with 173.32 on the corresponding date last year.

Grain markets again showed strength largely influenced by the inflationary aspects of pending legislation in Washington. Wheat sold at about the highest prices in twenty years. A leading factor in the rise was said to be the huge

Continued from page 1867)

This week's operating rate is potential foreign demand for equivalent to 1,214,400 tons of steel ingots and castings, and compares with 1,346,300 tons one week ago, 1,523,900 tons one month ago and 1,745,000 tons one year ago.

Railroad Freight Loading—Carloadings of revenue freight for the week ended Oct. 6, 1945, total 767,985 cars, the Association of American Railroads announced. This was a decrease of 64,278 cars, 27,77, below the preceding week of the comparison of the control of wheat. Government shipping di-rections were more active. Hogs were still in demand and rewere still in definant and re-stricted market receipts were readily cleared at ceiling prices. Cattle prices were strong reflect-ing active demand and light re-ceipts.

Paced by active demand from mills, commission houses and trade interests, volume of trading in cotton futures markets last week reached the best proportions in many months. All active fu-tures contracts rose sharply to register new seasonal peaks. Spot prices also scored good gains al-though trading in Southern spot markets continued to lag some-

Confirming the estimates of pri-Confirming the estimates of private forecasters, the Oct. 1 report of the U. S. Department of Agriculture indicated a total crop production this year of 9,779,000 bales.

bales.

Domestic wools continued in slow demand in the Boston market. With no further developments reported in price reductions on offerings of CCC held wools, buying of both domestic and foreign wools remained very cautious. There were numerous inquiries for fine foreign wools against prospective large requireagainst prospective large require-ments for civilian goods. In for-eign primary markets all offer-ings on which spot or nearby de-livery could be promised were readily taken up at strong prices.

Wholesale Food Price Index De-clines—The wholesale food price index, compiled by Dun & Bradindex, compiled by Dun & Brad-street, Inc., fell back 1 cent the past week to stand at \$4.06 as of Oct. 9. While up 1.2% from last year's \$4.01, the current figure is identical with that recorded on the similar date two years ago. Advances this week occurred in wheat, rye, potatoes and hogs, while oats, peas and sheep de-

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

Retail and Wholesale Trade— Shoppers turned out last week in spite of unfavorable shopping weather. Retail volume for the spite of unfavorable shopping weather. Retail volume for the county at large was estimated as slightly above that of the preceding week and of the corresponding 1944 week. According to Dun & Bradstreet, Inc. Demand continued strong for fall styles in women's apparel. Junior and children's styles are receiving increasing promotional emphasis. Food volume climbed over last week's and last year's figures as supplies increased in most lines. Rain in many parts of the country boosted sales of umbrellas, raincoats, and galoshes. Coats and suits of all types were readily purchased. The demand for fur coats was spotty; there is evidence that consumers are waiting for the removal of the fur tax. Warm items in negligees and lingerie were heavily demanded but consumers continued to find stocks

tems in negligees and lingerie were heavily demanded but con-sumers continued to find stocks low. Main floor departments re-ported active selling of blouses, budget millinery, and jewelry. Sales of gloves increased in both dressy and casual styles. Children's matched accessories, snow suits and out-of-doors clothes in-

reased.

Piece goods sales rose and an increased demand for wool and worsted cloth was in evidence.

Flannels were available to a limited degree and nylon converted chute fabrics quickly sold where

Demand for fish heretofore stimulated by the scarcity of meat, dropped sharply as meat supplies became easier. Pork and lamb are about the only scarce lamb are about the only scarce meats now. Good grade beef supplies decreased somewhat from last week. Consumers found it easier to obtain fine quality vegetables and fruits, with the exception of those approaching the end of their season. The supply of brown sugar, tablet sugar, and confectioners' sugar has increased to a small degree, but stable granulated sugar remains scarce. Washers, ironers, and electrical

to a small degree, but stable granulated sugar remains scarce. Washers, ironers, and electrical appliances are moving in small quantities, while furniture volume is slightly above a year ago. Retail volume for the country was estimated at from 4 to 9% over a year ago. Regional percentage increases were: New England 3 to 7, East 4 to 9, Middle West 6 to 10, Northwest 4 to 8, South 1 to 5, Southwest 8 to 12, Pacific Coast 2 to 6.

Wholesale trade volume last week increased only slightly over the previous week. The volume was also slightly higher than a year ago. Stocks of many types of merchahdise continued low. Deliveries generally remained uncertain and slow. Buying was concentrated on better quality goods; volume in markets showing low priced goods was below the level of a year ago. Buyers appeared in apparel markets in greater numbers than a week earlier. Stocks of most food prodgreater numbers than a week earlier. Stocks of most food prod-ucts have eased further over pre-vious weeks.

Department store sales on Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended Oct. 6, 1945, increased by 11% above the same period of last year. This compared with an increase of 7% or registed figure, in the preceding

crevised figure) in the preceding week. For the four weeks ended by months of hard preliminary work by WPB and other week. For the four weeks ended to the showed an increase of 11%.

Retail trade here in New York the past week responded to the stimulus of brisk fall weather the Columbus Day holiday also contributed in a large way to inspect the markets incoming buyers were restricted to their regular allotments of merchandise with mills reporting their putput allotments of merchandise with the forecast for December, 1945, the forecast for December, 1945, the specific of 153%, and for June. 1946 the second to be supported to the second to the second to be supported to the second to th days. In fact there was a refre-tance on the part of mills to book business beyond that period. Shoe buyers at the spring exhibits here displayed disappointment over the scarcity of offerings for nearby deliveries.

deliveries.

According to the Federal Reserve Bank's index department store sales in New York City for the weekly period to Oct. 6, 1945, increased by 15% above the same period of last year. This compared with an increase of 2% in the preceding week. For the four weeks ended Oct. 6, 1945, sales rose by 11% and for the year to date increased by 12%.

Mrs. Truman Honorary Red Cross Chairman

Red Cross Chairman

Following in the tradition started by Mrs. William Howard Taft when her husband was President, Mrs. Harry S. Truman has become Honorary Chairman of the National Committee on Volunteer Service of the Red Cross a Washington dispatch to the New York "Times" stated, Oct. 2. Since the days of Mrs. Taft it has been the custom for the First Lady to hold this position, relinquishing it to become an Honorary Vice-President of the Committee when her husband left the White House. Mrs. Truman will act as Chairman at the next meeting of the committee, Nov. 6 to act as Chairman at the next meeting of the committee, Nov. 6 to 9, the "Times" stated, when the post-war work of Red Cross volunteers will be under consideration. The Red Cross gave Mrs. Truman's record of service for that organization, as a volunteer Motor Corps driver in the Independence Branch, Kansas City,

Krug Foresees Civilian Production At Double the Prewar Volume

(Continued from first page)

rupled.
The total output of goods (war and civilian) and services rose by more than 50%. The volume of manufacturing nearly tripled. Output of raw materials increased 60%.
Total civilian production re-

rials increased 60%.

Total civilian production remained above the levels of 1937 and 1939, despite the fact that manufacture of automobiles, refrigerators and washing machines and many other products was halted was halted.

was natted.
Employment in manufacturing alone increased by 6,407,000 persons from 1939 to 1944. Aircraft employment grew from 100,000 to 2,000,000.

Reporting on technological progress, Mr. Krug pointed out, according to the "Wall Street Journal," that manufactures according to the wan street Journal," that manufactures learned during the war how they could turn out products more efficiently, cheaply and speedily than in the past through develop-ment of numerous new techniques, and that as a result of this, many companies expect a higher output per employee than before the war. Citing the automobile industry as an example, predictions there are of a gain of 11% in output per worker

With the road back to full civilian production appreciably smoothed by months of hard pre-liminary work by WPB and other

duction is estimated to be 30%, the forecast for December, 1945, is for 153%, and for June, 1946, it is expected to be 238% of the 1939 base figure.

In making his report public, Chairman Krug emphasized that the figures he gave represented

what industry felt it should be able to do between now and the end of the first half of 1946. He end of the first half of 1946. He pointed out that their optimistic forecasts must be studied in the light of many possible complications such as are involved in the present wage and price problems which might retard the accomplishment of the production levels indicated. The report, he said, should be viewed as an indication of what industry expects to do assuming the wage and price problems are promptly solved.

problems are promptly solved.

Mr. Krug said WPB's second
"Progress of Reconversion" report
should not be compared to the first issued-about a month ago inasmuch as the most recent report covers a much broader field 59 industries instead of the 42 treated in the earlier survey, and the percentage increase is on a

The second "Progress of Reconversion" report, which includes a brief summary, is divided into two tables. Table I presents the anticipated civilian production picture (in units) by 1,222 comprises a satisfacnanies which comprise a satisfactory cross section of the 59 indus-

Mo., Chapter, and as a member of the Senate ladies' surgical dress-ing unit here. Mrs. Mason Colt, who was in charge of Red Cross work in England and Western Europe, visiting the freed con-centration camps of Germany, is new Chairman of Red Cross Vol-untary Services.

86,338 tanks and 2,434,553 tries covered. Table II presents trucks.

Navy fire power increased ten-fold in five years.

The merchant fleet was quadinclude all units of each of the 59 industries.

In a recapitulation of the tables, In a recapitulation of the tables, the average monthly dollar production for 1939 is \$405,250,000. The actual August, 1945, production was \$210,174,000, estimated for September, \$245,421,000 and the forecasts for December, 1945, and for June, 1946, are \$620,769,000 and \$965,119,000, respectively. Chairman Krug emphasized that

Chairman Krug emphasized that the report is solely "an indication of the trend of reconversion prog-ress." He explained that in order to get an up-to-the-minute pic-ture of reconversion progress through the nation from the 1,7 through the nation from the 1,7 222 companies reporting, data on 861 were gathered by telephone or taken from WPB forms, 295 were obtained from trade associations, and 66 are estimates of WPB industry divisions. The projections of these forecasts in Table II are made on a basis of 10,822 companies.

Commenting on the overall optimistic tone of the forecasts, the WPB Chairman said "that much of this could be attributed to the long and arduous spade work done by industry and Government agencies in the months before V-E Day."

"Government and industry working together." he said, "have done a fine job along several important lines. Notable among these was the careful distribution of contract cancellations between V-E and V-J Day so as to reduce to a minimum any maladjustment that might occur in employment and production." He also emphasized that much excellent work had been done in contract termihad been done in contract term nations and plant clearance by the industries and Government agencies concerned, which had per-mitted a quick shift into high gear in many cases of civilian produc-

Truman Urges Added Employment Opportunities For Disabled Persons

The week of Oct. 7-13 this year was proclaimed by President Truman as "National Employ the Physically Handicapped Week," with a view to a nation-wide drive to find jobs for disabled persons. The drive was undertaken under sponsorship of the United States Employment Service, U. S. Department of Labor. Aid for the physically handicapped is particularly important in times of economic stress, Lewis B. Schwellenbach, Secretary of Labor, said. The Presidential proclamation urged all governors, mayors, Federal officials and agencies and industrial, labor and educational leaders to cooperate in the national campaign which was initiated by a joint resolution of Congress. The resolution

educational leaders to cooperate in the national campaign which was initiated by a joint resolution of Congress. The resolution stipulated that hereafter the first week in October of each year shall be designated as "National Employ the Physically Handicapped Week."

Support of the campaign's objectives has been expressed by General Omar D. Bradley, administrator of the Veterans Administrator, and Paul V. McNutt, former War Manpower Commission chairman and USEs chief during the war. They handicapped helped win the war. They deserve an equal peacetime job opportunity," Mr. McNutt said, while General Bradley pointed out that the disabled veteran should have first call on the nation's consideration. "Give them their chance and they'll deliver the goods," he said.

gitized for FRASER

Moody's Bond Prices And Bond Yield Averages

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

		D.	100DY	S BOND	PRICES	* *			
1945—	T. S.	. (Based o	n Avera	ge Yields	J			
Daily	Govt.	Avge.			M. T				
Ayerages	Bonds	Corpo-		orporate	by Ratir		Corpo	rate by (Froups*
Oct. 16	100.75	ALLEST TO BE	Aaa	Aa	A	Baa	R.R.	P. U.	Indus.
15	122.75 122.75	116.41	120.63		116.41	109.60	112.56	116.41	120.02
13		116.41 nge close	120.84	119.20	116.41	109.42	112.56	116.41	120.02
. 12		nge close	eq					Alexander)	
. 11	122 76	116.22		Company of the			1. 100 18		
10_	122.78	116.22	120.84			109.42	112.56	116.22	120.02
10	122.81	116.22	120.84 120.84	119.00	116.22	109.42	112.37	116.22	120.02
8	122.78	116.22	120.84	119.00 118.80	116.22	109.24	112.37	116.22	120.02
6	122.72	116.22	120.84	119.00	116.22	109.24	112.37	116.22	120.02
5	122.56	116.22	120.84	119.00	116.22	109.24	112.37	116.22	120.02
4	122.42	116.02	120.84	119.00	116.22 116.02	109.24	112.37	116.22	120.02
3			120.84	119.00	116.02	109.06	112.37	116.22	120.02
2	122.31	116.02	120.84	118.80	115.82	108.88	112.19	116.22	120.02
. 1	122.25	116.02	120.63	118.80	116.02	108.88	112.19	116.02	119.82
Sept. 28	122.19	116.02	120.84	118.80			112.19	116.02	119.82
21	121.97	115.82	120.43	118.80	115.82	108.88	112.19	116.02	119.82
14	121.98	116.02	120.43		116.02 116.02	108.88	112.19	116.02	119.61
. 7	122.09	116.02	120,63	119.20	116.02	108.70	112.19	116.22	119.61
Aug. 31	122.09	116.02				108.52	112.37	116.02	119.61
24	121.91	115.82	120.84 120.63		116.22	108.52	112.56	116.02	119.41
17	121.91	115.82	120.84	119.00 119.00	116.02	108.16	112.56	115.63	119.41
10	122.14	116.02	N		116.22	108.16	112.56	115.82	119.41
3	122.36	115.82		119.20 119.20	116.02	108.34	112.93	115.82	119.41
July 27	122.39	115.82			116.02	108.16	112.93	115.82	119.00
20	122.80	116.02	121.84	119.20	115.82	108.16		115.63	119.00
13		116.22	121.04 121.04		116.02	108.34	112.93	115.63	119.41
6		116.02	121.04	119.61 119.41	116.22	108.34	113.31	115.63	119.61
June 29					116.02	108.16	112.93	115.63	119.61
May 25	122.29	116.02	121.04	119.20	116.02	108.16	112.93	115.43	119.41
Apr. 27	122.38	115.43 115.24	120.63		115.43	107.44	112.19	114.85	119.20
Mar. 31	122.02		120.84		115.04	107.09	112.19	114.27	119.20
Peb. 23	121.92	114.66		118.40	114.85	106.04	111.25	114.27	119.20
Jan. 26	120.83		110.02	118.00	114.46	106.04	110.52	114.08	119.41
High 1945	123.05				113.70	105.17	109.24	113.89	118.60
Low 1945	120.55	116.41	121.04	119.61	116.41	109.42	113.31	116.41	120.02
	120.00	113.50	118.80	117.80	113.31	104.48	108.52	113.70	118.20
1 Year Ago	***								
Oct. 16, 1944	119.61	112.75	118.60	117.00	112.93	103.47	107.27	114.08	117.40
2 Years Ago									11.70
Oct. 16, 1943	120.31	111.07	119.20	116.61	111.25	99.04	103.30	113.70	110.01
							*03.50	113.10	116.61
	100				D AVER				20.00
		THased	on Indi	midnal o	lanina D				

	4.4	WOOD	A.B BON	ID YIEL	D AVER	AGES			26.07
1945-		(Based	on Indi	vidual C	losing P	rices)			
	U.S.	Avge.	4. 4. 10. 60	relation Assista	1655 1				F 34
Daily	Govt.	Corpg-	Co	rporate l	y Rating	ge .	Corner	ate by G	
Averages	Bonds	rate*	Aaa	Aa	A	Baa	R. R.	P. U.	Indus
Oct. 16	1.58	2.83	2.62	2.69	2.83	3.19			
15	1.58	2.83	2.61	2.69	2.83	3.19	3.03	2.83	2.65
13	Exch	ange clo	sed	2.00	2.03	3.20	3.03	2.83	2.65
. 12	Exch	ange clo	hea						-
11	1.57	2.84	2.61	2.70	2.84	3.20	0.00	4.1	
10	1.57	2.84	-2.61	2.70	2.84	3.20	3.03	2.84	2.65
9	1.57	2.84	2.61	2.70	2.84		3.04	2,84	2.65
8	1.57	2.84	2.61	2.71	2.84	3.21	3.04	-2.84	2.65
6	1.58	2.84	2.61	2.70	2.84	3.21 3.21	3.04	2.84	2.65
5	1.59	2.84	2.61	2.70	2.84		3.04		2.65
4	1.60	2.85	2.61	2.70		3.21	3.04	2.84	2.65
3	1.60	2.85	2.61	2.70	2.85	3.22	3.04	2.84	2.65
, 2	1.61	2.85	2.61	2.71	2.85	3.23	3.05	2.84	2.65
1	1.61	2.85	2.62	2.71	2.86	3.23	3.05		2.66
Sept. 28	1.63				2.85	3.23	3.05	2.85	2.66
21	1.65	2.85	2.61	2.71	2.86	3.23	3.05	2.85	2.66
14	1.66	2.86	2.63	2.71	2.85	3.23	3.05	2.85	2.67
. 14 7	1.65	2.85	2.61	2.71	2.85	3.24	3.05	2.84	2.67
		2.85	2.62	2.69	2.84	3.25	3.04	2.85	2.67
Aug. 31	1.65	2.85	2.61	2.70	2.84	3.25	3.03	2.85	2.68
24	1.67	2.86	2.62	2.70	2.85	3.27	3.03	2.87	2.68
. 17	1.67	2.86	2.61	2.70	2.84	3.27	3.03	2.86	
. 10	1.65	2.85	2.60	2.69	2.85	3.26	3.01		2.68
3	1.64	2.86	2.61	2.69	2.85	3.27	3.01	2.86 2.86	2.68
July 27	1.64	2.86	2.61	2.69	2.86	3.27			
20	1.60	2.85	2.60	2.68	2.85		3.01	2.87	2.70
13	1.60	2.34	2.60	2.67		3.26	3.01		2.68
6	1.60	2.85	2.60	2.68	2.84 2.85	3.26	2.99	2.87	·2.67
June 29	1.60	2.85				3.27	3.01	2.87	2.67
May 25	1.64	2.88	2.60	2.69	2.85	3.27	3.01	2.88	2.68
Apr. 27	1.63	2.89	2.62	2.71	2.88	3.31	3.05	2.91	2.69
Mar. 31	1.66	2.89	2.61	2.73	2.90	3.33	3.05	2.94	2.69
Feb. 23	1.69	2.91	2.60	2.73	2.91	3.39	3.10	2.94	2.69
Jan. 26	1.77		2.65	2.72	2.93	3.39	3.14	2.95	2.68
Wich 1045	7	2.96	2.68	2.75	2.97	3.44	3.21	2.96	2.72
High 1945	1.80	2.98	2.71	2.76	2.99 :	3.48	3.25	2.97	2.74
Low 1945	1.57	2.83	2.60	2.67	2.83	3.20	2.99	3.83	2.65
1 Year Ago			3,46			4	PIDD .	5.05	4.00
Oct. 16, 1944	1.85	3.02	2.72	2.80	3.01	2 54	2 20		1,17
2 Years Ago	47.7			2.00	3.01	3.54	3.32	2.95	2.78
Oct. 16, 1943	1.82	3.11	0.00			14 70	Sec. Sec.	C 757 12 15	·
*These prices			2.69	2.82	3.10	3.81	3.55	2.96	2.82

These prices are computed from average yields on the basis of one "typical" bond level or the average movement of actual price quotations. They merely serve to flustrate in a more comprehensive way the relative levels or the deverage, the latter being the true picture of the bond market.

They merely serve to 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.

Redeem French Gov. Bonds
J. P. Morgan & Co. Inc., as sinking fund administrators, on Oct. 15 notified holders of the Government of the French Republic External Loan of 1924 25-Year Sinking Fund 7% Gold Bonds due Dec. 1, 1949, issued under Loan Contract dated Nov. 22, 1924, that \$3,999,500 principal amount of these bonds have been drawn by lot for redemption on Dec. 1, at 105%. The drawn bonds will be redeemed and paid on and after the redemption date, in United States dollars, at the office of the sinking fund adminisof the sinking fund adminis-trators, 23 Wall Street, New York City, subject to the issuance of licenses under Executive Order No. 8389, as amended, permitting the disbursement of funds for the purpose, upon presentation and surrender of the bonds and of all appurtenant coupons maturing after the redemption date. Interest will cease on the drawn bonds af-ter Dec. 1, 1945. The advices also

Redeem French Gov. Bonds the drawn bonds that payment will be made eithen upon prethe drawn bonds the payment will be made either upon presentation of the bonds to J. P. Morgan & Co. Internation United States dollars, or, matil further notice, upon presentation and surrender by bankers, brokers or financial institutions at the office of Morgan & Cie. Inc., Paris, France, in the French franc equivalent of the dollar amounts specified, calculated upon the basis of the official rate of exchange for the dollar in France at the date of maturity. maturity.

maturity.

In order to comply with the decrees of the French Government dated July 16, 1935 and Aug. 25, 1937, the bonds drawn for redemption on Dec. 1, 1945, and coupons maturing on that date will be redeemed by payment as follows: (a) Bonds which are stamped to indicate non-French beneficial ownership will be redeemed and paid at 105%, and coupons which are similarly stamped will be paid at the face amount; (b) Bonds which are stamped to indicate French owndeemed and paid at 105%, and coupons which are similarly stamped will be paid at the face amount; (b) Bonds which are stamped to indicate French ownership, and unstamped duction of 10% of the face amount, when in the ownership, reship and unstamped Bonds will individuals. The Government of the French stamped to indicate French own- French or reship, and unstamped Bonds, will individuals.

Steel Output May Drop Further if Mine Strikes Continue—Price Rise Recommended

The coal strike this week has become so serious that it has The coal strike this week has become so serious that it has jammed on the brakes for reconversion to civilian manufacture, states "The Iron Age," national metalworking paper, in its issue of today (Oct. 18), which further adds: The steel industry will lose more than 300,000 tons of steel ingot this week because of enforced shutdowns due to lack of coal supplies. If the coal impasse continues into payt week as now seems

shutdowns due to lack of coal supplinto next week, as now seems.

likely, total steel loss will approximate 393,000 tons for the in-

dustry as a whole.

Interpreted into finished steel Interpreted into finished steel product loss, steel consumers last week received about 125,000 tons less than they would have, had it not been for the coal strike. This week total finished steel shipments may be off as much as 225,000 tons, an amount which, were it available, would contribute heavily to the production of cars, washing machines, refrigerators and other civilian appliances. Probable loss of finpliances. Probable loss of finished steel products next week may approximate 250,000 tons.

While some of these losses may

be made up in subsequent months, the time element because of necessary reconversion looms necessary reconversion looms more important than any later attempt to make up for coal strike losses. Finishing mill operations have been adversely affected along with steel ingot output reductions because supplies of raw steel ahead of the finishing mills have been at a low point for some time at many plants.

It may take months to straighten out the current chaotic delivery situation. Shipping schedules have been so badly disarranged that many steel companies find it impossible to make defi-

find it impossible to make defi-nite promises for future deliveries. Customers are being asked to cancel orders for tonnages in ex-cess of the informal quotas set up by steel companies.

The overall demand for steel is being obscured by factors tending to keep down the amount of business placed on order books, hence a reservoir of tonnage especially in the flat rolled products group not yet accepted by the steel companies is building up a rapidly. Despite this situation, producers are pushing sheet and strip mills to the maximum and offers for this type of product have shown no let down in the past few weeks.

past few weeks.

Lack of coal this week has forced the steel ingot rate down nine points to 66.5% of rated capacity. Operations previous to the coal strike difficulties approximated 84% of capacity and represented a strong comeback following V-J Day. Hardest hit districts were Pittsburgh, operating at 47% this week; Chicago at 73%, compared to 86% last week; Youngstown 52, compared to 63% and Buffalo 81.5 compared to 99.

The expansion of basing points

The expansion of basing points The expansion of basing points for steel products other than stainless items predicted three weeks ago is now underway. Carnegie-Illinois Steel Corp. last week announced Youngstown as a basing point for hot-rolled carbon steel bars and small shapes, alloy hot-rolled bars and spring flats, alloy bar strip and alloy strip, all of which are made at the company's Youngstown plant but which were not heretofore based priced at Youngstown. The same which were not heretofore based priced at Youngstown. The same company also named Chicago and Pittsburgh as basing points for spiegeleisen and Pittsburgh as a base for ferromanganese. It is expected that United States Steel

be subject to a deduction of 10% of the difference between the issue price and the redemption price (a deduction of 1.1% of the principal amount), when in the ownership, French or foreign, of others than individuals. Coupons which are stamped to indicate Corp. will continue, after study to name more basing points and possibly eliminate others. Other companies are expected to take similar action.

similar action.

The American Iron and Steel Institute on Oct. 15 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 66.3% of capacity for the week beginning Oct. 15, compared with 73.5% one week ago, 83.2% one month ago and 97.0% one year ago. The current rate represents a decrease of

week ago, 83.2% one month ago and 97.0% one year ago. The current rate represents a decrease of 7.2 points or 9.8% from the preceding week. The operating rate for the week beginning Oct. 15 is equivalent to 1,214,400 tons of steel ingots and castings, compared to 1,346,300 tons one week ago, 1,523,900 tons one month ago, and 1,745,000 tons one year ago.

Prospect of steel production falling to approximately 55% of capacity by Oct. 22 and rapid acceleration of lay-offs and part time work in steel plants, unless coal mining is immediately resumed, were indicated by reports made on Oct. 16 to the American Iron and Steel Institute. If steel operations drop to 50% of capacity approximately 200,000 of the industry's employees shortly afterward will be out of work or working only part time schedules, it is expected.

The Institute's release further

The Institute's release further the first titles release in the stated that even a quick end to the mine strike will not bring immediate improvement in steel productions despite the urgent need for more steel by civilian goods industries. A week to 10 days will be required for coal to reach the steel plants after the strikes end. Due to the necessity of building up stocks and reheating coke overs which already have coke ovens which already have had to be cooled for lack of coal, between two to four weeks will be needed before steel production could begin to rise toward the level prevailing before the mine

"Steel" of Cleveland, in its sum "Steel" of Cleveland, in its summary of the iron and steel markets, on Oct. 15 stated in part as follows: "Restricted production as a result of labor disturbances, combined with heavy demand, has thrown steel mill schedules greatly out of gear.

"Some producers regard the situation as worse than in early war days, before inauguration of the Controlled Materials Plan. Some mills are four to six weeks behind on current shipments, not-ably on sheets and bars, and backlogs continue to increase in spite of the fact that orders have leveled off somewhat because of unsettled labor conditions.

"Rationing by steelmakers is becoming more prevalent, with quotas set up in some instances and with orders carefully scrutinized in all cases. Some sellers are virtually out of the market temporarily, being unable to offer any thing even suggestive of a firm delivery promise. Some or-ders are being accepted with delivery at mill convenience. Sheets, bars, pipe and shapes, among others, are in special demand. Within the past few days a leading producer set shapes up on a quota basis, effective Jan, I. Some producers have been rationing hot and cold-rolled sheets on a quota basis since the end of the war and one has just opened books offici-ally for first quarter, on the same basis as for the current quarter. Others are working out similar programs, but find it difficult in view of heavy commitments already made.

"Buying of steel rails for 1946 delivery is getting well under

way.
"Office of Price Administration "Office of Price Administration has recommended an average increase of about \$2 per ton on steel products as a measure of relief from increased production cost. This recommendation does not take into consideration any wage increase which may result from current negotiations between steel companies and unions. Possibility of further increase in steel price when the wage question is settled is left open. Not all products will be affected by the recommended increase. OPA has suspended price control on stainless steel products. This is the first steel product to be thus removed from control.

"Conferences between CIO reperesentatives and those of steel companies were started Oct. 10 at

resentatives and those of steel companies were started Oct. 10 at Pittsburgh and will be continued at other production centers. The question at issue is the demand for an increase of \$2 per day in steel wages.

"Scrap continues in heavy de-mand, diminished pig iron supply causing heavier use of old material. On the other hand smaller steel production at some points has caused shipments to be held back temporarily. Prices are firm at ceilings on all grades."

Results of Treasury Bill Offering

The Secretary of the Treasury announced on Oct. 15 that the tenders of \$1,300,000,000 or theretenders of \$1,300,000,000 or there-abouts of 91-day Treasury bills to be dated Oct. 18 and to mature Jan. 17, 1946, which were offered on Oct. 12, were opened at the Federal Reserve Bank on Oct. 15. The details of this issue are as follows:

follows:

Total applied for, \$2,047,963,000. Total accepted, \$1,309,235,000. (includes \$53,581,000 entered on a fixed price basis at 99.905 and accepted in full.

Average price, 99.905+ equiva-lent rate of discount approxi-mately 0.375% per annum.

Range of accepted competitive

High, 99.907, equivalent rate of discount approximately 0.368% per annum.

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

(59% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Oct. 18 in the amount of \$1,305,479,000.

Samuel Walker Returns To Duties at Jos. Walker

Commander Samuel S. Walker has been released to inactive duty by the U. S. Navy and has returned to Joseph Walker & Sons, 120 Broadway, New York City, members of the New York Stock Exchange, of which firm he has been a member since 1920. Commander Walker served a year in the Aleutians and subsequently was Officer in Charge of the Naval Air Transport Service at Floyd Bennett Field, New York.

Moody's Daily Commodity Index

Tuesday, Oct. 9, 1945	260.8
wednesday, Oct. 10	261.L
Thursday, Oct. 11	261.1
Friday, Oct. 22I	loliday
Saturday, Oct. 13E	loliday
Monday, Oct. 15	260.9
Tuesday, Oct. 16	260.6
Two weeks ago, Oct. 2	259.8
Month ago, Sept. 17	255.8
Year ago, Oct. 16, 1944	249.1
1944 High, Dec. 31	254.4
Low, Nov. 1	245.7
1945 High, Oct. 8	261.1
Low, Jan. 24	253.1
	-56.0

Weekly Goal and Coke Production Statistics

The total production of bituminous coal and lignite in the week ended Oct. 6, 1945, as estimated by the United States Bureau of Mines, was approximately 8,000,000 net tons, a decrease of 2,890,000 tons, or 26.5%, from the preceding week. Output in the corresponding week of 1944 amounted to 11,726,000 tons. For the period from Jan. 1 to Oct. 6, 1945, production amounted to 445,798,000 net tons, a decrease of 7.8% when compared with the 483,320,000 tons produced during the period from Jan. 1 to Oct. 7, 1944.

Production of Pennsylvania anthracite for the week ended Oct. 6, 1945, as estimated by the Bureau of Mines, was 1,155,000 tons, a decrease of 75,000 tons (6.1%) from the preceding week. When compared with the corresponding week of 1944 there was a decrease of 76,000 tons, or 6.2%. The calendar year to date shows a decrease of 15.8% when compared with the corresponding period of last year.

The Bureau also reported that the estimated production of beehive coke in the United States for the week ended Oct. 6, 1945 showed a decrease of 22,500 tons when compared with the output for the week ended Sept. 30, 1945, and was 74,100 tons less than for the corresponding week of 1944.

ESTIMATED UNITED STATES PRODUCTION OF BITUMINOUS COAL AND LIGNITE

	(In Net 10Hs)	Jan. 1 to Date——
1 - 1.576	Week Ended — — — — — — — — — — — — — — — — — —	tOct. 6. Oct. 7.
	00.0	1945 1944
Bituminous coal & lignite:		45.798.000 483.320.000
Total, incl. mine fuel	8,000,000 10,000,000	1.898.000 2.027,000
Daily average		THE PARTY OF THE P
*Revised, †Subject to	current adjustment.	the will design the
		CITE AND COKE

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE ESTIMATED PRODUCTION OF FENNSYLVANIA ANTHRACITE AND COKE

(In. Net. Tons)

Week Ended

10ct. 6, \$Sept. 29, Oct. 7, Oct. 6, Oct. 7, Oct. 9,

Penn, antharcite— 1945 1945 1944 1937

*Total Incl. coll. fuel 1,155,000 1,230,000 1,231,000 41,989,000 49,847,000 39,209,000 (Commercial produc. 1,109,000 1,181,000 1,182,000 40,312,000 47,853,000 37,249,000

Beehive coke— United States total 43,900 Beehive coke—
United States total 43,200 66,400 118,000 4,357,100 5,662,900 2,700,800

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

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

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

Week Ended

and State sources of or times and		Week Ended	THE RESERVE OF THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS NAMED IN COLUMN TW
	Sept. 29.	Sept. 22,	Sept. 30,
State-	1945	1945	1944
Alabama	402,000	413,000	375,000
Alaska		5,000	6,000
Arkansas and Oklahoma		102,000	92,000
Colorado	141,000	136,000	164,000
Colorado Georgia and North Carolina	1,000		100
Illinois	1,423,000	1,483,000	1,406,000
Indiana	482,000	536,000	539,000
Towa	34,000	37,000	52,000
Kansas and Missouri	97,000	149,000	168,000
Kentucky—Eastern	997,000	980,000	1,006,000
Kentucky-Western	348,000	377,000	351,000
Maryland	39,000	34,000	36,000
Michigan	. 2,000	2,000	4,000
Montana (bitum, & lignite)	90,000	78,000	105,000
New Mexico	30,000	30,000	30,000
North & South Dakota (lignite)	62,000	49,000	46,000
Ohic	748,000	752,000	682,000
Pennsylvania (bituminous)	. 2,196,000	2,680,000	2,950,000
Tennessee	131,000	134,000	135,000
Texas (bituminous & lignite)	2,000	2,000	1,000
Utah		121,000	129,000
Virginia		350,000	390,000
Washington	26,000	25,000	27,000
Washington †West Virginia—Southern	2,045,000	1,993,000	2,168,000
*West Virginia-Northern	813,000	953,000	1,130,000
Wyoming	208,000	179,000	188,000
SOther Western States		· · · · · · · · · · · · · · · · · · ·	
Total bituminous & lignite	10,890,000	11,600,000	12,180,000
 If the property of the country of the Total Country of the Country o			

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

Electric Output for Week Ended Oct. 13, 1945 9.6% Below That for Same Week Last Year

The Edison Electric Institute, in its current weekly report, esti 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 Oct. 13, 1945, was approximately 3,934,394,000 kwh., which compares with 4,354,575,000 kwh. in the corresponding week a year ago, and 4,028,-286,000 kwh. in the week ended Oct. 6, 1945. The output for the week ended Oct. 13, 1945 was 9.6% below that of the same week in 1944

PERCENTAGE DECREASE UNDER SAME WEEK LAST YEAR

Major Geographical Divisions-	Oct. 13	Oct. 6	Sept. 29	Sept. 22
		3.1	3.5	4.4
Vew England Viddle Atlantic	7.4 4.7	3.9	2.6	4.2
Central Industrial	12.8	11.4	11.0	12.3
West Central	1.2	1.0	0.6	2.0
outhern States	12.9	11.1	9.7	10.6
locky Mountain	*3.9	*1.6	*3.3	*3.1
Pacific Coast	7.2	6.0	8.1	5.9
1.4			·	Salara -
Total United States	9.6	7.9	7.5	8.2

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours,

and the second s	and the state of the state of the state of		% Change			the first few tracks are a
Week Ended-	1945	1944	over 1944	1943	1932	1929
July 7	3,978,426	3.940.854	+ 1.0	3,919,398	1,415,704	1,711,625
July 14	4,295,254	4.377.152	1.9	4.184.143	1,433,903	1,727,225
July 21	4.384.547	4,380,930	+ 0.1	4.196.357	1,440,386	1,732,031
July 28	4,434,841	4,390,762	+ 1.0	4,226,705	1,426,986	1,724,728
Aug. 4	4,432,304	4,399,433	+ 0.7	4.240.638	1,415,122	1,729,667
Aug. 11	4.395.337	4,415,368	- 0.5	4,287,827	1,431,910	1,733,110
Aug. 18	3,939,195	4,451,076	11.5	4,264,824	1,436,440	1,750,056
Aug. 25	4,116,049	4,418,298	6.8	4,322,195	1,464,700	1,761,594
Sept. 1	4.137.313	4.414,735	- 6.3	4.350.511	1.423.977	1.674.588
Sept. 8	3,909,408	4,227,900	- 7.5	4.229,262	1.476.442	1,806,259
Sept. 15	4,106,187	4.394.839		4,358,512	1,490,863	1,792,131
Sept. 22	4,018,913	4.377.333		4,359,610	1,499,459	1,777,854
Sept. 29	4.038.542	4.365,907	7.5	4,359,003	1,505,216	1,819,276
Oct. 6	4.028.286	4.375,079	- 7.9	4,341,754	1,507,503	1,806,403
Oct. 13	3.934.394	4.354.575	- 9.6	4.382,268	1,528,145	1,798.633
Oct. 20		4.345.352	And the second	4.415,405	1,533,028	1,824,160
Oct27		4.358,293		4,452,592	1,525,410	1,815,749

National Fertilizer Association Commodity Price Index Shows Marked Advance

The weekly wholesale commodity price index compiled by the National Fertilizer Association and made public on Oct. 15, advanced substantially to 140.6 for the week ended Oct. 13, 1945, from 140.1 for the preceding week. This takes the general index back almost to its level of Sept. 1 when it was 140.7. A month ago the index stood at 139.8, and a year ago at 139.5, all based on the 1935-1939 average as 100. The Association's report continued as follows:

as 100. The Association's report continued as follows:

The rise in the index during the latest week was due principally to a general price advance in the farm products group, with all of the subgroups sharing in the advance. This group has now again reached its all-time high point that was previously reached on Aug. 4. The rise in the cotton index carried it to a new high level. Most grains advanced, resulting in the grains index almost reaching its highest point. The livestock index rose substantially, with the ceilings raised on the prices of hogs, and higher quotations for good cattle and for eggs much more than offsetting lower prices for calves and lambs. The foods index registered an advance for the second consecutive week following six weeks of declining prices. There were price changes in the textiles and metals groups but they were not sufficient to change the level of the indexes. All other groups in the index remained unchanged. index remained unchanged.

During the week 11 price series in the index advanced and four declined; in the preceding week nine advanced and three declined; in the second preceding week 13 advanced and six declined.

WEEKLY WHOLESALE COMMODITY PRICE INDEX Compiled by The National Fertilizer Association

ic!	1935-1939=10	Latest	Preceding	Month Age	Year
roup	THE CONTRACTOR OF THE PARTY.	Week	Week	Sep. 15,	Oct. 1
to the	Group	Oct. 13,	Oct. 6,		194
ndex	a approve the state of the second second	1945	1945	1945	
1 1		142.3	141.0	141.8	142
3	Food		145.2	145.2	145
4000	Fats and Oils		163.1	163.1	163
	Cottonseed Oil		166.3	164.4	165
.0	Farm Products	108.4	216.8	214.5	206
	Cotton	210.4		159.2	161
	Grains	100.0	164.8		160
. 11.	TIVESTOCK		158.9	157.8	130
•	Fuels	. 129.7	129.7	129.7	
.3	Miscellaneous Commodities	132.8	132.8	132.8	132
.8	Miscensieus Commenter	159.0	159.0	157.3	155
.2	Textiles	109.6	109.6	108.9	10
.1	Metals	154.7	154.7	153.8	154
.1	Building Materials	-05'0	125.8	125.8	120
.3	Chemicals and Drugs		118.3	118.3	118
.3	Fertilizer Materials	11100	119.9	119.9	119
.3	Fertilizers	. 110.0	104.9	104.8	104
3	Farm Machinery	_ 104.9	104.9	202.0	
			140.1	139.8	139
)	All groups combined	_ 140.6		8-0-7	

*Indexes on 1926-1928 base were: October 13, 1945, 109.5 October 6, 1945, 109.1 and October 14, 1944, 108.7.

ABA Nat'l Headquarters In New Location

The marked expansion of banking services to the public, which has taken place all over the country and which has found expression in the ground of the American try and which has found expression in the growth of the American Bankers Association, is reflected in the removal of the Association's national headquarters to the Combustion Engineering Building at 12 East 36th St. which is planned for the end of this year, John J. Rooney, Comptroller of the ABA, said on Oct. 13. To provide for needed space, the Association has taken the entire ninth floor of the building. The new quarters will provide 20% more floor space to carry on the Association's increasing activities in behalf of its more than tivities in behalf of its more than 15,000 member banks. These activities have resulted in the recent creation of such departments as the Post-war Small Business Credit Commission and the Councredit Commission and the Country Bank Operations Commission, and enlargement of the programs of older departments, among which are its Agricultural Commission, Bank Management Commission, Consumer Credit Committee and the American Institute mittee, and the American Institute of Banking.

In the 71 years since its organization, the ABA has moved its national headquarters only three national headquarters only three times before, and, as it does this time, the change reflected the growth and popularization of bank services, Mr. Rooney said. The Association has occupied its present 40th Street offices for almost 15 years. By virtue of being able to locate all of the national headquarters on one floor, it will be possible it is stated to provide for a more efficient layout of the Association's departments, now occupying three floors at the 40th Street location. Plans now being carried out in remodeling of the new space follow the office design now employed in many of the modern banking rooms. Prepararations are being made to move the ABA offices about Dec. 1, Mr. Rooney said.

Estimated 1945 Lumber Output Lowest Since 1939

Lumber production for the first seven months of 1945 and preliminary estimates of production in August indicate that total output for the year will fall to about 28,750,000,000 board feet, the War 28,750,000,000 board reet, the War Production Board announced on Sept. 25. Production for the year was formerly expected to amount to 29,500,000,000 board feet.

Decline in production is due to ampower and equipment short-ages, pricing and other factors. Efforts made to eliminate factors retarding production have not yet been wholly effective, WPB said.

The revised forecast does not take into account losses resulting from work stoppages on the West

from work stoppages on the West Coast, WPB pointed out.

Production for the period January through July, 1945 totaled 17,157,614,000 board feet, a decline of 11% from production in the comparable period of 1944. In July, 1945, production was nearly 9% below that in June and 15% less than that in July 1944. June and July production normally are on approximately the same level. The 8.8% decline from June to July was due in part to shutdowns in the West on account of forest fires and to long vacations forest fires and to long vacations over the Fourth of July.

The drop in production is to some extent offset by the sharp reduction in military requirements following V-J Day. During the first half of 1945, direct and ine first hair of 1945, direct and indirect military requirements amounted to 12,000,000,000 board feet; in the second half of the year, direct and indirect military requirements are expected to amount to only 4,000,000,000 board. amount to only 4,000,000,000 board

Estimated 1945 production is the lowest since 1939, when production amounted to 28,582,000,-000 board feet. As war needs for lumber increased, production expanded to a peak of 36,538,000,000 board feet in 1941, and dropped 1943 and to 32,554,000,000 in 1944. praised his ability.

Senate Confirms McKeough To Maritime Commission

The U. S. Senate on Oct. 11 approved by a vote of 42 to 34 the nomination by President Truman of Raymond S. McKeough for a u-year term as a member of the United States Maritime Commission. The nomination had been The nomination had been sion. The nomination had been held up in the Senate since Oct. I, when the Senate Commerce Comwhen the senate confiner confiner to the appointment by a vote of 10 to 7. On that date (Oct. 1) Associated Press advices from Washington said:

Chairman Bailey (Dem., N. C.) told reporters after the closed meeting he voted for confirmation but dealined to disclose how other

but declined to disclose how other members voted.

Senator Bailey said the adverse report was "not due to his (Mc-Keough's) connections" with the CIO-Political Action Committee, but asserted that it was "due to the intense rivalry among factions of seamen's unions."

of seamen's unions.

Mr. McKeough, when before a Commerce subcommittee more than two weeks ago, said he was the 1944 director of the CIO-PAC in Illinois, Wisconsin and Indiana in support of the fourth term campaign of former President Roosevelt.

At that time, however, he emphasized that he was not a CIO member, that he was acting in the nature of an "employee" and still was on the payroll.

Mr. Bailey said several members of the Committee, who had served in the House with Mr. Mc-Keough, said the nominee was "a At that time, however, he em-

Keough, said the nominee was "a fine man" and there was no question of his integrity.

The Commerce Committee, at a previous session, declined to take any action and Mr. Bailey, at that time, said the President would be given an opportunity to shed "more light" on the nomination.

"more light" on the nomination.
Oct. 12 Associated Press accounts from Washington stated that such Southerners as Senators Byrd (D., Va.) and George (D., Ga.) who don't like the CIO influence in politics joined with seven other Democrats and 25 Republicans in voting against Mr. McKeough. Thirty-nine Democrats, two Republicans and a progressive supported confirmaprogressive supported confirma-

Two issues were involved in the appointment, said the Associated Press on Oct. 2, viz.:

1. Can the bulk of Senate Republicant who don't like the CIO

publicans, who don't like the CIO, get enough Democratic votes on their side to engineer the first Truman nomina-Keough is on the rejection of a Truman nomina-tion? Mr. McKeough is on the CIO's Political Action Committee payroll. 2. Is

payroll.

2. Is the AFL strong enough among Senators to swing the balance by its opposition to Mr. Mc-Keough?

The Press accounts added:

Eight Republicans and two Democrats—Senators Overton of Louisiana and O'Daniel of Texas—forced Committee adoption of the adverse report. Seven Democrats voted for approval.

The Committee designer came

crats voted for approval.

The Committee decision came after the Chairman, Senator Bailey (D., N. C.) announced that the President had written him requesting Committee action so that the matter could be decided by the Senate. Sometimes Presidents withdraw nominations after unwithdraw nominations after un-favorable committee action. Mr. Truman made it plain he wasn't going to.

The reasons Committee members gave for their action varied. But all came back to this central point: McKeough's employment by the PAC as its Chicago district director in the Roosevelt fourth term campaign. term campaign.

No one had anything to say against McKeough's character or. his other qualifications. Senators who had served in the House, where he represented the Second to 34,622,000,000 board feet in Illinois District from 1934 to 1942,

Trading on New York Exchanges

The Securities and Exchange Commission made public on Oct. 10 figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended Sept. 22, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

sion. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Sept. 22 (in round-lot transactions) totaled 2,186,158 shares, which amount was 14.26% of the total transactions on the Exchange of 7,663,200 shares. This compares with member trading during the week ended Sept. 15 of 2,030,367 shares, or 14.47% of the total trading of 7,015,000 shares. On the New York Curb Exchange, member trading during the week ended Sept. 22 amounted to 578,945 shares or 14.44% of the total volume on that Exchange of 2,004,290 shares. During the week ended Sept. 15 trading for the account of Curb members of 475,490 shares was 13.07% of the total trading of 1,818,435 shares.

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

WEEK ENDED SEPT. 22,	1945	
A Total Dound Lat Colors	Total for week	
Short sales.	208.110	1%
Other sales	7,455,090	The same as
And the property of the second	1,400,000	
Total sales	7,663,200	. G. J. 1381
B. Round-Lot Transactions for Account of Members	1,000,200	Fig. Press
Except for the Odd-Lot Accounts of Odd-Lot		
Dealers and Specialists:	A	
1. Transactions of specialists in stocks in which	and the second of	W. C. S. W. T.
they are registered—	A to a whole the	
rotal purchases	644.080	4 4 1 1 1 1 N
Short sales	120,930	7 1 13 75 P
Other sales	565.870	11 1
	000,010	1 10 4 10 10
Total sales	686,800	8.68
2. Other transactions initiated on the floor-	000,000	6.06
Total purchases	148,400	and the said of the
Short sales	12,500	1 14/3/3
Short sales	161,080	48 - 42 W. 19
	101,000	17 4 1991
Total sales	173,580	2.10
3. Other transactions initiated off the floor-	210,000	2.10
Total purchases	244,620	
Total purchases Short sales	19.400	The second
‡Other sales	269.278	
AND OF THE CONTRACT OF THE STATE OF THE	200,210	1.00
Total sales	288,678	3.48
	200,010	3.40
Total purchases	1,037,100	
Short sales	152.830	
Short sales	996.228	
Maria de la Calencia de Calenda d	200,420	. the 1976
Total sales	1.149.058	14.26
safe many a Continues of	-11-10	47.20

WEEK ENDED SEPT. 22,	1945	1 6 1 70
A. Total Round-Lot Sales: Short sales	Total for week	+ %
Other sales	35,865	1000
will the sales of	1,968,425	1 1 2 2 3
Total sales	2.004.230	en in some on
B. Round-Lot Transactions for Account of Members:	2,004,230	
1. Transactions of specialists in stocks in which	Control of the second	
that are registered.	in the section of the	24 14 415
Total purchases	147,055	77 6.73
	14,470	
tOther sales	155,685	
Total sales	170,155	7.91
2. Other transactions initiated on the floor—	* 1514 **	
Local pulchases	31,475	
Short sales	5,300	3 8 W . 60
Other sales	58,095	Charles to
waif and indicate and a first about	and the same of th	Partners - The
Total sales	63,395	2.37
8. Other transactions initiated off the floor-		
Total purchases	96,525	E
Short sales	. 12,670	
Other sales	57,670	

Total sales.	70,340	4.16
4. Total— Total purchases———————————————————————————————————	275.055	d B
Chart roles		1 1 1
Short sales	32,440	
Other sales	271,450	14.44 Will
Total sales	303.890	14.44
O. Odd-Lot Transactions for Account of Specialists-	303,690	14.44
Customers' short sales	0	, F.
Customers' other sales	82,005	- 94 KS
in the State of Monte Andrews and Angeles and the Control of the C	02,003	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Total purchases	82,005	
그리고 그는 일반 10 12 12 12 1일 하면 가지 하는 것 같은 반에 가지를 보고 있는 것 같아.		Walley Co.
Total sales	73.672	Ed . Car.
#The town (for our bound) and the 1	The managed at Alberta Physics	27

Wholesale Prices Increase 0.2% in Week Ended October 6, Labor Department Reports

The index of commodity prices in primary markets prepared by the Department of Labor's Bureau of Labor Statistics rose 0.2% during the week ended Oct. 6, chiefly because of higher prices for agricultural products, it was reported on Oct. 11 by the U. S. Department of Labor, which added that the index, at 105.2% of the 1926 average, was 0.2% above the first week in September and 1.3% above the corresponding week of last year. It was, however, 0.8% below the high of 106.1% reached during the first week in June. The Department's advices continued:

Farm Products and Foods—Average prices of farm products were

Farm Products and Foods—Average prices of farm products were up 0.8% during the week. Most grains were higher, reflecting strong demand. Egg prices continued to advance seasonally. Fruit and vegetables were generally higher. Apple prices increased in Chicago and New York as the result of higher OPA ceilings and there were also increases for oranges and onions. White potatoes in Chicago declined seasonally and livestock and poultry prices as a group declined fractionally. Quotations for cows were lower because of narrow demand for the poorer grades while sheep quotations moved up. Live poultry was higher in Chicago and lower in New York. An

increase in the parity price of cotton was reflected in higher cotton quotations during the week. Prices of farm products as a group have advanced 1.1% during the last four weeks to a level 1.9% above the first week in October 1944.

first week in October 1944.

The price advances for fruits and vegetables and eggs were responsible for a rise of 0.6% in the group index for foods during the week. On the average, prices for foods were 0.2% above early September and 1.2% higher than the corresponding week of last year.

Other Commodities—There were few important price movements for other commodities during the week. Brick prices rose 5%, reflecting higher ceilings granted by OPA to encourage increased output. Ethylacetate prices dropped sharply to meet competition of a lower-priced synthetic and shearlings were lower. Quotations for mercury and sales realizations for electricity were higher. Average prices of all commodities other than farm products and foods were 0.1% below the level of four weeks ago and 1.1% above early October, 1944.

ber, 1944.
The Labor Department also included the following notation in

Note—During the period of rapid changes caused by price 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

The following tables show (1) indexes for the past three weeks for Sept. 8, 1945 and Oct. 7, 1944 and (2) percentage changes in subgroup indexes from Sept. 29, 1945 to Oct. 6, 1945.

WHOLESALE PRICES FOR WEEK ENDED OCTOBER 6, 1945 (1926 == 100)

the first transfer of the second							ge char 1945, f	
and a	10-6	9-29	9-22	9-8	10-7	9-29	9-8	10-7
Commodity Groups-	1945	1945	1945	1945	1944	1945	1945	1944
All commodities	105.2	105.0	104.9	105.0	103.9	+0.2	+0.2	+1.3
arm products	125.7	124.7	124.5	124.3	123.3	+ 0.8	+1.1	+1.9
'oods	105 3	104.7	105.1	105.1	104.1	+0.6	+0.2	+ 1.2
lides and leather products	1184	118.6	118.6	118.6	116.8	-0.2	-0.2	+1.4
extile products	99 9	99.9	99.6	99.4	98.8	0.2	+ 0.5	+ 1.1
uel and lighting materials	84 5	84.4	84.5		83.8	+ 0.1	-0.9	+ 0.8
Ietals and metal products	104.8	104.8	104.8	104.8	103.9	0.1	0.5	+ 0.5
Building materials	117.9	117.8	117.7	117.6	116.1	+0.1	+ 0.3	+1.6
hemicals and allied products	95.3	95.3	95.3	95.3	94.9	0.7	0.5	+ 0.4
lousefurnishing goods	106.3	106.3	106.3	106.3	106.1	Ö	Ŏ	+ 0.2
fiscellaneous commodities	94.6	94.6	94.6	94.6	93.4	Õ	ŏ	+1.3
law materials	116.3	115.7	115.5	115.3	113.7	+ 0.5		+ 2.3
emimanufactured articles	95.9	95.9	95.7	95.7	94.6		+ 0.2	+1.4
fanufactured products Il commodities other than farm	101.8	101.8	101.8	102.0	101.2	Ö	-0.2	+ 0.6
products ll commodities other than farm	100.7	100.6	100.6	100.8	99.7	+0.1	0.1	+1.0
products and foods	100.0	99.9	99.9	100.1	98.9	+ 0.1	-0.1	+1.1

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM SEPT. 29, 1945 TO OCT. 6, 1945

Increases

Sales to Individuals in Coming Victory Loan Drive Stressed by Secretary Vinson

Paint and paint materials _______0.1

Pointing out that the Victory Loan will be the last great public drive, Secretary of the Treasury Vinson on Oct. 7 added that the major emphasis will again be on sales to individuals. "It is highly important," he said "that every effort be made to sell at least \$4 billions of bonds to this group of investors." Mr. Vinson's reminders

billions of bonds to this group of investors." Mr. Vinson's reminders regarding the Drive were contained in a letter addressed to banking institutions throughout the country incident thereto, in which he said that "the purpose of this letter is to ask for your personal co-operation and that of your bank during the Victory Loan Drive, which opens on Oct. 29."

Secretary Vinson went on to say:

We have tried to design the securities to be offered in the Victory Loan Drive so as to procure maximum investment of non-say:

In this Drive, the Treasury must raise at least \$11 billions, of which \$4 billions is to come from the calc of securities to individmust raise at least \$11 billions, of which \$4 billions is to come from the sale of securities to individuals and the remainder from other nonbank investors. While the Treasury balance is large at the present time, enormous obligations incurred in the achievement of victory, including those for materials and munitions already delivered and used, remain to be liquidated so that additional funds will be needed early in December. Government expenditures are being drastically reduced and this will continue vigorously. The results of war, however, carry grave responsibilities that must be met. The cost of contract settlements, bringing our armed forces home, their mustering-out pay, hospitalization, care, and rehabilitation will be great and will require billions of dollars.

Until reconversion of industry from a war to a pracetime basic

Until reconversion of industry from a war to a peacetime basis is well advanced or completed, and goods are coming into the market in sufficient volume reasonably to meet demands, it is highly desirable to channel as much as possible of the available.

l co-operate in carrying out the objectives of the Treasury.
We have tried to design the securities to be offered in the Victory Loan Drive so as to procure maximum investment of nonbank funds and to hold indirect participation of commercial bank funds to a very minimum. I respectfully urge your co-operation in declining to make loans for speculative purchases of Government securities and also in declining to accept subscriptions from customers which may appear to be entered for speculative purposes. I am sure that you as a banker appreciate the importance of eliminating these undesirable purchases and will do all you can to help stop such practices.

There is no objection, of course, to the making of loans for the purpose of facilitating permanent investments in Government securities provided such loans conform to the provisions of the loans to the loans

form to the provisions of the joint statement issued by the National and State Bank Supervisory Authorities on Nov. 23, 1942, which reads in part as follows:

"* * * subscribers relying upon relationated income more since the forms."

anticipated income may wish to augment their subscriptions by temporary borrowings from banks. Such loans will not be subject to criticism but should be on a short-term or amortization basis fully repayable within periods not exceeding six months."

There are two additional mat-

ters in which I would greatly appreciate your co-operation during the Victory Loan Drive: (1) to decline to purchase any outstanding securities from nonbank investors on the understanding or condition that a subscription for a substantially like amount of Treasury securities offered during the Drive will be made through your bank with payment to be made through the war loan account; and (2) to hold to a minimum the transfer of funds for the purchase of Government securities. For statistical purposes credits will be given to localities desired by the purchaser in the Victory Loan as in previous drives.

While it is not possible to set while it is not possible to set a precise formula to take care of the many thousands of different circumstances under which subscriptions will be received. I would greatly appreciate it if your bank would carefully examine every subscription with a view to making the program as effective and equitable as possible and one which will meet the Treasury's objectives.

Route Maps of Air Lines

Route Maps of Air Lines
Route maps of all the airlines that come into New York, together with the dramatic story of their growth and future plans, are available in a new booklet, "Your Airlines." "Your Airlines." is a collection of "Airline Profiles" which ran in the Brooklyn "Eagle" over a period of four months. They were written by Daniel Lionel, Brooklyn "Eagle" Air Transportation Director, and there is an introduction by John F. Budd, Publisher of Air Transportation Magazine and Chairman of the Aviation Section of the New York Board of Trade. Mr. Budd's discussion deals with Brooklyn's place in the coming Air Age. The booklet has been made available to Brooklyn school children through the cooperation of the New York City Board of Education. It may be obtained by writh New York City Board of Education. It may be obtained by writing to the Brooklyn Eagle Resort and Travel Bureau and enclosing 10 cents in stamps to cover handling costs.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Oct. 10 a summary for the week ended Sept. 29 of complete figures showing the daily volume of stock transactions for odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

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

ETOCK EXCHANGI	g , , , ,
Week Ended Sept. 29,	1945
Odd-Lot Sales by Dealers-	Total
(Customers' purchases)	For Week
Number of orders	26,411
Number of shares	790,814
Dollar value	\$32,687,080
Odd-Lot Purchases by Dealers— (Customers' sales) Number of Orders:	, r : : : :: : !
Customers' short sales	132
*Customers' other sales	
Customers' total sales	25,284
Number of Shares:	
Customers' short sales	4,715
*Customors' other sales	684,605
Customers total sales	689,320
Dollar value	\$26,456,864
Round-Lot Sales by Dealers-	
Number of Shares:	*****
Short sales	160
+Other sales	140,970
Total sales	141,130
Round-Lot Purchases by Dealers-	_
Number of shares	254,240
"*Sales marked "short exemp	t" are re-

tSales to offset customers' odd-lot or and sales to liquidate a long position w is less than a round lot are reported "other sales."

Daily Average Crude Oil Production for Week Ended Oct. 6 1945 Decreased 736,600 Bbls.

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Oct. 6, 1945, was 3,620,850 barrels, a decrease of 736,600 barrels per day from the preceding week, or to the lowest level in several years, operations again being affected by labor difficulties. Output in Texas fell off 593,800 barrels per day. The figure for the week ended Oct. 6, 1945 was also 1,070,700 barrels per day below that for the corresponding week of 1944, and showed a decrease of 843,550 barrels when compared with the daily average figure as recommended by the Petroleum Administration for War for the month of October, 1945. Daily output for the four weeks ended Oct. 6, 1945 averaged 4,260,950 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 3,409,000 barrels of crude oil daily and produced 10,612,000 barrels of gasoline; 1,174,000 barrels of kerosine; 3,517,000 barrels of distillate fuel, and 6,435,000 barrels of residual fuel oil during the week ended Oct. 6, 1945; and had in storage at the end of the week 45,428,000 barrels of civilian grade gasoline; 29,180,000 barrels of military and other gasoline; 14,305,000 barrels of kerosine; 42,348,000 barrels of distillate fuel, and 46,059,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

		*State	Actual Pr		1000	
	*P. A. W. Recommen- dations October	Allow- ables Begin. Oct. 1	Week Ended Oct. 6, 1945	from Previous Week	4 Weeks Ended Oct. 6, 1945	Week Ended Oct. 7, 1944
Oklahoma Kansas Nebraska	380,000 274,000 1,000	383,000 254,400	†383,450 †252,150 †750	7,850 20,350 150	390,350 267,900 850	344,050 251,300 950
Panhandle Texas			88,000 116,300 260,000 93,000 177,000 193,800 259,000	— 25,600 —153,200 — 19,100 —138,300 — 73,750 —183,850	88,000 135,500 393,300 115,500 280,750 261,150 409,300	98,800 148,800 492,800 149,500 371,350 334,400 537,700
Total Texas	1,868,000 ‡	1,204,722	1,187,100	593,800	1,683,500	2,133,350
North Louisiana Coastal Louisiana			70,500 285,000		71,100 290,250	74,050 289,750
Total Louisiana	350,000	393,000	355,500	— 7,350	361,350	363,800
Arkansas Mississippi Alabama	75,000 47,000 500	78,642	76,150 51,100 200 100	— 200 — 1,450 — 50	77,300 52,100 400 150	80,600 49,250 300 50
Florida	200,000 13,000		137,400 10,300	- 44,400 - 2,550	181,250 12,350	193,900 13,200
(Not incl. Ill., Ind., Ky.) Kentucky Michigan	66,200 28,000		61,700 18,300 44,600 93,800			
Myoming Montana Colorado New Mexico	23,500 12,000 100,000	100,000	20,300 14,150 96,600	— 450	20,200 12,900 100,150	22,400 9,050
Total East of Calif.	3,578,400 886,000	\$886,000	2,803,650 817,200	691,500 45,100	3,399,250 861,700	3,805,250 886,300
	Personal and the second	Severy Agrants		man 200	4 000 050	4 CO1 EEO

3,620,850 --736,600 4,260,950 4,691,550 Total United States 4,464,400 *PAW recommendations and State allowables, as shown above, represent the duction of crude oil only, and do not include amounts of condensate and natura derivatives to be produced.

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. Oct. 3, 1945 This is the net basic allowable as of Oct. I calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields or which shutdowns were ordered for from 14 to 26 days, the entire state was ordered shut down for 19 days, no definite dates during the month being specified; operators only being fequired to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 19 days' shutdown time during the calendar month.

Recommendations of Conservation Committee of California Oil Producers. [Subject to change by any further emergency orders.

CRUDE RUNS TO STILLS; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED OCT. 6, 1945

(Figures in thousands of barrels of 42 gallons each)

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

R			-	18 18 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Bureat	n of Min	es basis-		
		% Daily			Gasoline Pro-	#Stocks		‡Ĝasolinė	Stooks
		Refining Capac- ity Re-	Daily		duction at Ref. Inc. Nat.	Gas Oil	of Re-	Mili- tary and	Ci- vilian
j	District—	porting	age	erated	Blended	Fuel Oil	Fuel oil	Other	Grade
	East Coast	99.5	647	81.8	1,544	14,597	6,931	4,164	9,803
	Appalachian-								
	District No. 1		81	55.5	308	551	236	1,588	1,269
	District No. 2		21	42.0	78	131	215	183	728
	Ind., Illa Ky		430	50.2	1,525	6,120	3,248	4,231	11,562
	Okla., Kan., Mo		334	71.2	1,253	2,728	1,202	1,450	* 5,178
	Inland Texas		234	70.9	954	450	938	893	1,447
	Texas Gulf Coast		330	26.7	1,008	5,491	5,332	7,821	5,885
	Louisiana Gulf Coast		309	118.8	888	1,513	1,021	1,106	1,641
	No. La. & Arkansas	55.9	73	57.9	199	446	277	99	1,784
	Rocky Mountain-								
	District No. 3		_ 13	100.0	36	20	37	15	. 77
	District No. 4		107	67.3	359	447	715	421	1,046
	California	87.3	830	83.2	2,460	9,854	25,907	7,209	5,008
	Total U. S. B. of M.	Seva Sta		Fi dina	SALA PROPERTY	oraci, Physical	BEERS DESCRIPTION		10 to 10
	basis Oct. 6, 1945	85.8	3,409	62.7	10.612	42,348	46,059	*29,180	45,428
	Total U. S. B. of M.					Element of the second		1 April 2003	
	basis Oct. 29, 1945.	85.8	3,812	70.1	11,913	43,689	46,853	31,348	48,204
	U. S. B. of M. basi								
	Oct. 7, 1944	· F 2012 - F	4,542	4. 1-1. 1	14,340	44,397	64,709	38,138	39,44

Oct. 7, 1944 4,542 14,340 44,397 64,709 38,138 39,447

*Includes a viation and military gasoline, finished and unfinished, title to which
still remains in the name of the producing company; solvents, naphthas, blending
stocks currently indeterminate as to ultimate use, and 9, 719,000 barrels unfinished
gasoline this week, compared with 12,433,000 barrels a year ago. These figures do
not include any gasoline on which title has already passed, or which military
forces may actually have in custody in their own or leased storage. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. \$Not including 1,174,000
barrels of kerosine, 3,517,000 barrels of gas oil and distillate fuel oil and 6,435,000
barrels of residual fuel oil produced during the week ended Oct. 6, 1945, which compares with 1,278,000 barrels, 3,940,000 barrels and 7,047,000 barrels respectively, in
the preceding week and 1,377,000 barrels, 4,670,000 barrels and 8,732,000 barrels respectively in the week ended Oct. 7, 1944.

NOTE—Stocks of kerosine at Oct. 6, 1945, amounted to 14,305,000 barrels, as

NOTE-Stocks of kerosine at Oct. 6, 1945, amounted to 14,305,000 barrels, as against 14,499,000 barrels a week earlier and 14,407,000 barrels a year before.

Civil Engineering Construction Totals \$33,206,000 for Week

Civil engineering construction volume in continental United States totals \$33,206,000 for the week. This volume is 56% under the total for the preceding week, 42% below the corresponding 1944 week's volume, and 47% lower than the previous four-week moving average as reported to "Engineering News-Record." The report issued on Oct. 11 went on to say:

Private construction is down 63% compared with a week ago, but is 313% above the week last year as a result of the increased activity in industrial and commercial building. Public work is 26 and 79% lower, respectively, than last week and last year. Federal volume declines 25% from the preceding week, and drops 92% from the 1944 week's total. State and municipal construction is 27% under a week ago, but tops a year ago by 6%.

The current week's construction brings 1945 volume to \$1,604,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-191,000 for the 41-week period, a 10% increas

The current week's construction brings 1945 volume to \$1,604,-191,000 for the 41-week period, a 10% increase over the \$1,463,770,-000 reported for the period last year. Private construction, \$644,070,-000, is 115% higher than a year ago, but public construction, \$960,-121,000, is down 17½% due to the 29% decrease in federal work. State and municipal construction, \$275,748,000, is 34% greater than in the period last year.

the period last year.

Civil engineering construction volumes for the current week

last week, and the 1944 week are.			
IMPO IVOUIT, INTERIOR	Oct. 11, 1945	Oct. 4,1945	Oct. 12,1944
Total U. S. Construction		\$74,731,000	\$57,679,000
Private Construction	00 000 000	59,974,000	5,400,000
Public Construction	10,874,000	14,757,000	
State and Municipal			
Federal		4,829,000	45,473,000

In the classified construction groups, earthwork and drainage is the only class of work to report an increase over the preceding week. Gains over the 1944 week are in bridges, industrial and commercial buildings, earthwork and drainage, and streets and roads. Subtotals for the week in each class of construction are: waterworks, \$175,000; sewerage, \$941,000; bridges, \$802,000; industrial buildings, \$10,618,000; commercial building and private mass housing, \$11,013,000; public buildings, \$1,144,000; earthwork and drainage, \$2,459,000; streets and roads, \$4,214,000; and unclassified construction, \$1,840,000.

New capital for construction purposes for the week totals \$9,085,000. It is made up of \$4,414,000 in state and municipal bond sales, and \$4,671,000 in corporate security issues. The week's new financing brings 1945 volume to \$1,681,344,000, a 4% increase over the \$1,618,350,000 reported for the 41-week period in 1944.

Non-Ferrous Metals—Lead Sales in Good **Volume**—Foreign Silver Quotation Higher

"E. & M. J. Metal and Mineral Markets," in its issue of Oct. 11, stated: "Lead was the most active of the major non-ferrous metals in the week that ended Oct. 10. With civilian demands expanding, consumption of lead at present is almost as high as in the war period. Interest in copper centered in developments connected with extending the Government's purchases of Latin American metal. Buying of zinc was spotty. The New York Official quotation for foreign silver was raised one-eighth cent an ounce, establishing the market at 7034c. This revision was viewed Zine

ver was raised one-eighth cent an ounce, establishing the market at 70.34c. This revision was viewed as an adjustment, owing to lower handling charges than those incurred in purchasing newly mined domestic silver. Quicksilver again advanced in price, with sales at \$100 per flask." The publication further went on to say, in part, as follows: follows:

Copper

Pending developments in con-Pending developments in con-nection with the Government's program for purchasing Latin American copper after the end of this month, the industry is doing nothing about the delicate foreign situation in the metal. A decision by the authorities in Washington settling this question is expected shortly. Though demand for copper from abroad has improved, the tonnages involved have been mall agreed with normal small compared with normal times. An inquiry for 10,000 tons or so from some European country receives wide publi Europe's needs for copper great, but credit and other d publicity. culties stand in the way of reviv-

ing business on a large scale.

Domestic requirements for October have been about covered.

Lead

Reduced demand for lead for military applications are being offset by increased consumption in civilian products, with the result that current use is holding at around 60,000 tons a month. Demand for lead was fairly active during the last week, sales amounting to 11,767 tons, against 7,884 tons in the preceding week.

End-use restrictions on lead used in the production of lead chemicals were eliminated by WPB on Oct. 9. This action, taken by amending Order M-384, will make for greater flexibility in distributing the products.

Consumption of primary lead

Zinc

As in recent weeks, buying of zinc in the seven-day period that ended Oct. 10 centered largely in Special High Grade and Prime Western. Where forward business was involved, consumers leaved toward placing orders on leaned toward placing orders on an average-price basis.

leaned toward placing orders on an average-price basis.

The slab zinc statistics for September, issued by the American Zinc Institute, placed stocks on hand at the end of that month at 233,328 tons, against 213,556 tons (revised) in August. As most of this tonnage is owned by the Government, the market was not greatly concerned with the figures. However, should stocks owned by producers begin to increase, which is thought likely unless consumption can be maintained at a high level, the industry will follow future production and consumption figures more closely. Shipments to consumers during September dropped to 41,357 tons, but there was little doubt in the minds of producers that this total fell far short of actual consumption. In other words, consumers continued to reduce their inventories. Production of 61,600 tons of zinc in Sentember compares with the Production of 61,600 tons of zinc in September compares with the monthly high for the current year of 71,739 tons, established in

Magnesium

Magnesium

The War Production Board has released additional figures on production of magnesium products during the war years. Magnesium foundries shipped 237,000,000 lb. of magnesium incendiary-bomb body castings during the 42 months from Feb. 1942 to July 1945. From a trickle early in 1942 output of bomb castings in-1942, output of bomb castings increased until it reached a peak of of 1944. Shipments of magnesium now in effect."

bomb castings in 1942 totaled 9,587,000 lb.; 77,359,000 lb. in 1943; and 117,509,000 lb. in 1944. Shipments in the first seven months of 1945 totaled 32,701,000

Tin

Reports originating in British sources state that some 18,000 tons of tin have been located in Malaya. It is expected that the Combined Materials Board will take over this and other stores of tin found in the Far East for distin found in the Far East for distribution.

Consumption of virgin tin in the United Kingdom in the first half of 1945 amounted to 8,016 long

The market for tin in New York was unchanged. Forward quotations for Straits quality tin, in cents per pound, follow:

		Oct.	Nov.	Dec.
Oct.	4	 52.000	52.000	52.000
Oct.	5	 52.000	52.000	52.000
Oct.	6	 52.000	52.000	52,000
Oct.	8	 52.000	52.000	52.000
Oct.	9	 52.000	52.000	52.000
Oct.	10	 52.000	52.000	52.000

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

Quicksilver

Call for quicksilver for spot and nearby delivery was in fair volume and sufficient to again raise prices. At the beginning of the week, metal was available at prices ranging from \$95 to \$97 per flask. By Oct. 8, however, business was reported at \$100 per flask. As the week ended quotations showed a range of \$100 to \$104 per flask, spot and nearby. \$104 per flask, spot and nearby. With domestic output falling, and importers not pressing for business, consumers with no surplus problem have been less inclined to quibble over prices.

San Francisco advices received on Oct. 9 reported prompt shipment quicksilver \$95 per flask, f.o.b. Coast; forward shipment nominal at \$90. September production reduced one-third. October production also expected to drop by one-third. Unless uncer-tainty in regard to surplus metal is removed, December is likely to see little production in California.

Silver

Silver

Effective Oct. 9, the New York Official for foreign silver was raised to 70%c. an ounce. This slight advance from the 70%c. quotation that prevailed earlier in the week resulted from an adjustment in calculating the handling charges on foreign metal. Also, it is hoped that it will serve as an inducement to increase supplies moving to this market. The quotation for domestic silver was unchanged at 70%c. all week. Quotations for domestic silver for Saturdays have been discontinued.

Mail to Foreign Countries

Postmaster Albert Goldman has directed attention to an announcedirected attention to an announcement issued by Postmaster General Robert E. Hannegan that effective Oct. 1, the limitations as to size of all mail including parcel post addressed for delivery through a civilian post office in any foreign country, in the Philippines or in any United States teritory or possession which were pines or in any United States territory or possession which were
in effect prior to April 20, 1942,
have been restored. Existing limitations as to weight are not
changed. This will permit the
mailing to civilians at overseas
destinations of parcels containing
bulky articles such as overcoats
and blankets which due to their
very nature cannot be divided.
The advices also state:
"Information as to the maxi-

"Information as to the maximum weight and size of mail mat-ter intended to be dispatched to these destinations can be obtained at any United States Post Office.

"The removal of this restriction does not in any way affect the licensing requirements of the Foreign Economic Administration, nor does it provide for any mail more than 16,000,000 lb. in March | or parcel post service which is not

Revenue Freight Car Loadings During the Week Ended Oct. 6, 1945 Fell Off 64,278 Cars

Loading of revenue freight for the week ended Oct. 6, 1945, totaled 767,985 cars, the Association of American Railroads announced on Oct. 11. This was a decrease below the corresponding week of 1944 of 109,050 cars, or 12.4% and a decrease below the same week in 1943 of 138,372 cars or 15.3%.

Loading of revenue freight for the week of Oct. 6 decreased 64,278 cars, or 7.7% below the preceding week.

Miscellaneous freight loading totaled 346,641 cars a drecrease of 15,010 cars below the preceding week, and a decrease of 53,888 cars below the corresponding week in 1944.

Loading of merchandise less than carload lot freight totaled 110,758 cars, an increase of 248 cars above the preceding week and an increase of 2,310 cars above the corresponding week in 1944.

Coal loading amounted to 124,532 cars a decrease of 40,875 cars below the preceding week, and a decrease of 46,995 cars below the corresponding week in 1944.

Grain and grain products loading totaled 52,025 cars a decrease of 1,887 cars below the preceding week but an increase of 6,577 cars above the corresponding week in 1944. In the Western Districts alone, grain and grain products loading for the week of Oct. 6 totaled 36,778 cars, a decrease of 1,428 cars below the preceding week but an increase of 7,033 cars above the corresponding week in 1944.

Livestock loading amounted to 24,199 cars an increase of 987 cars above the preceding week and an increase of 554 cars above the preceding week and an increase of 554 cars above the corresponding week in 1944. In the Western Districts alone loading of live stock for the week of Oct. 6 totaled 20,080 cars, an increase of 1,046 cars above the preceding week, and an increase of 1,220 cars above the corresponding week in 1944.

Forest products loading totaled 34,263 cars a decrease of 3,493 cars below the preceding week and a decrease of 8,262 cars below the corresponding week in 1944.

Ore loading amounted to 65,231 cars a decrease of 3,102 cars.

Ore loading amounted to 65,231 cars a decrease of 3,102 cars below the preceding week and a decrease of 5,869 cars below the corresponding week in 1944.

Coke loading amounted to 10,336 cars a decrease of 1,146 cars below the preceding week, and a decrease of 3,447 cars below the corresponding week in 1944.

All districts reported decreases compared with the corresponding weeks in 1944 and 1943.

		a set a set of the set of the	
A CONTRACTOR OF THE STATE OF TH	1945	1944	1943
4 Weeks of January	3,001,544	3.158,700	2,910,638
4 Weeks of February	3,049,697	3.154.116	3,055,725
5 Weeks of March	4.018.627	3.916.037	3,845,547
4 Weeks of April			
	3,374,438	3.275.846	3.152.879
4 Weeks of May	3,452,977	3.441.616	3,363,195
5 weeks of June	4,364,662		
		4,338,886	4,003,393
■ Weeks of July	3,378,266	3,459,830	3,455,328
4 Weeks of August	3,240,175		
E Tirele 22 Canal		3,576,269	3,554,694
5 Weeks of September	4.116,728	4,424,765	- 4,456,466
Week of October 6	767.985	877.035	906,357
	101,500	611,055	906,357
Total		-	
10tal,	32,765,099	33,623,100	32,704,222

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Oct. 6, 1945. During this period only 44 roads reported gains over the week ended Oct. 7, 1944.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED OCT, 6

Railroads	11.14	Total Rev	enue		ived from
		Freight Lo	aded		nections
Eastern District—	1945	1944	1943	1945	194
Ann Arbor	310	301	264	1,288	OF 1885 S
Bangor & Aroostook	1.435	1.488		352	
Boston & Maine	7.027			12 010	14,53
Chicago, Indianapolis & Louisville	1.095	1,188		1.931	14,53
Central Indiana	26	25			
Central Vermont	1.141	1.125		38	
Deloware & Hudson	1,141			2,385	
Delaware & Hudson Delaware, Lackawanna & Western	4,739	4,805		9,746	
Detroit & Mackinac	6,867	7,997		9,205	10,64
Detroit Waled & Transaction	232	415		140	
Detroit, Toledo & Ironton	1,153			878	
Detroit & Toledo Shore Line	355	357		2,025	2,60
Erle		13,782		14,073	17.42
Grand Trunk Western		3,685	3,761	7.887	8.16
Lehigh & Hudson River	216	171	206	2,415	
Lehigh & New England	2,147	2.099	2.139	1 512	1 68
Lehigh Valley	8,522	8,842		7,285	12,99
Maine Central	2,599	2,398	2,432	2,991	3,420
Monongahela	1.233	5,404		256	338
Montour	688	2,701	2,323	230	
New York Central Lines	43.039	51:326	54,580		
N. Y., N. H. & Hartford	9.919			42,032	55,973
		9,488	9,904	14,300	_17,982
New York, Ontario & Western	973	1,184	1,404	2,278	2,960
New York, Chicago & St. Louis	6,028	6,400	7,100	12,216	15,002
N. Y., Susquehanna & Western	405	. 504	683	1,890	2,235
Pittsburgh & Lake Erie	5,711	7,738	7,907	4,761	9,431
Pere Marquette	4,835	5,462	5,557	5,890	7.542
Pittsburgh & Shawmut	550	754	1.130	26	19
Pittsburg, Shawmut & North	171	307	409	166	241
Pittsburgh & West Virginia	932	1.108	1,165	1,954	2,748
Rutland	433	389	385	1,121	1,241
Wabash	5,502	5.282	6.851	9.813	
Wheeling & Lake Erie	3,429	5,410	5,516		13,052
	0,123		0,010	3,609	4,414
, Total	136,592	160,900	170.134	176,505	227,587
		The state of	7.22		
Allegheny District-		115 616		1. 1. 1.	
Akron, Canton & Youngstown	567	729	830	001	
Baltimore & Ohio	36.492	46,587	44.859	981	1,440
Bessemer & Lake Erie				22,561	28,800
Dessemer & Dake Elle	4,077	5,672	6,081	1,791	1,848
Buffalo Creek & Gauley		I	305	†	7
Cambria & Indiana	744	1,647	1,758	10	4
Central R. R. of New Jersey	6,210	6,646	7,102	15,705	20,564
Cornwall	517	534	674	56	60
Cumberland & Pennsylvania	219	202	229	4	13
Idgonier Valley	62	101	143	10	47
Long Island	2.066	1.891	1.543	4.164	4,623
Penn-Reading Seashore Lines	1,762	1,992	1,543 1,988	1.889	2.304
Pennsylvania System	72,111	86,364	86 146	54,665	65,537
Reading Co	14,162	15.128	15,324	24.138	
Union (Pittshurgh)	16,254	19,269	71 772		29,584
Union (Pittsburgh) Western Maryland	3,234	4.030	21,223	4,842	6,396
	3,637	7,030	4,065	11,625	12,840
Total	158,477	190,792		142,441	174,060
			- 12 OBS	CHARLES VAL	SHADON HA
Pecahontas District—			and allegated to the second		
Chesapeake & Ohio	17,581	29,084	28,656	12,505	13,886
Norfolk & Western	16.086	21,708	22,369	6,840	8,048
Virginian	3.083	4,406	4,525	2,176	
Total	200			2,110	2,303
	36,750	55,198	55.550	21,521	24,237

7.3	otal Rever	Received from		
1945	reight Load	led 1943	Conne	ctions 1944
416	340	A STATE OF THE STA		3
- 801	863	717	2,084	2,7
10.803	11 502			1,3
- 3,951	3,799	3,866	4,566	
424	459	431	1,343	1,59
- 1,527 - 391			2,364	3,14
151	166		660	7
- 843	865	1,075	1,141	1.34
- 1.387			125	11
- 432	384	402	572	2,37
- 4,603 24,264		4,329	4,397	4,13
20.421		25,873	13,460	18,28
_ 228	174	180	822	11,82
Committee and the second			618	66
- 1,181	1.144			4,51 1,78
- 448	400	382	1,355	
- 469 - 9591			7,987	9,46
24,692	24,423		22 281	9,22 25,29
- 582	492	553	808	84
•	. 160	154	1,166	1,17
112,369	120,919	122,622	100,999	119,14
19 791	20.200	92.040		
2,605	2,479			15,21
	22,615	23,816	10,637	3,65 11,18
3,811	3,507	4,317	4,640	4,40
	26,111 743	28,166		22 51
P OFO	9,063	8,633		10,08
24 424	434	498	121	6
	600			6,62 1,03
0 140	1,673	1,750	46	1,03 8
2,321	1,860	2,633	2,726	3.16
13,549			3,135 5 039	2,99
153	226	123	299	6,53 48
2,030	2,347	2,646	2,366	3,48
135,137	137,414	152,193	64,660	69,75
				wir gr
24,564	24 027	23 635	11 500	1,0
3,258	3,275	3.260	3.409	17,40 4,69
020	441	487	72	6
	20,267	21,897	11,572	14,46
	12,779	12.709		95 13,93
2,729	2,871	2,702	3,116	5,090
4 379	889	1,240	2,116	3,10
831	948			7,929
802	896	1,497	1,668	2,219
1,956	2,196	2,096	1,829	2,353
1,399	1,258			66'
1,196	1,392	1,152	710	85
30 802	33 767	10	. 0	
30,802	257	32,631	13,096	14,720 2,194
19,316	20,984	20,457	17,134	20,042
2,058	421	609	35	5,256
			275	
===,000	200,101	130,010	pa,817	116,075
347	726	350	427	424
			2,192	2,490
	1	2,486 261	2,944 †	3,751
2,315	4,736	5,734	2,743	2,994
		3,108	2,240	2,481
1,112				1,275
100	149	170	319	1,637 375
16 301	6,270	6,286	3,782	*5,348
103	62	18,323		19,902 294
9,320	9,831	9,660	7,349	8,984
7 225	3,349	3,166	4,534	6,266
3,878			5,466	5,664
≠63	84	99	51	7,581 58
30	36	21	27	27
1				
	1945 - 416 - 801 - 821 - 10,803 - 3,951 - 151 - 24,603 - 4,603 - 4,603 - 4,603 - 24,264 - 1,387 - 281 - 24,644 - 1,181 - 448 - 469 - 2,469 - 24,692 - 381 - 24,692 - 381 - 25,067 - 3,58 - 4,51 - 2,605 - 21,679 - 3,811 - 25,067 - 85,75 - 7,358 - 461 - 24,434 - 1,136 - 2,146 - 2,321 - 8,366 - 13,549 - 1,153 - 2,030 - 135,137 - 2,414 - 3,258 -	1945 1944 - 801 863 - 802 867 - 803 11,593 - 3,951 3,799 - 424 459 - 3391 291 - 151 166 - 843 865 - 65 51 - 1,387 1,249 - 422 384 - 4,603 4 51 - 24,264 28,353 - 20,421 25,522 - 281 372 - 311 371 - 3181 3,507 - 24,692 24,423 - 1,181 1,144 - 448 400 - 469 337 - 9,591 9,236 - 24,692 24,423 - 1,181 1,144 - 448 400 - 1,181 1,144 - 469 337 - 9,591 9,236 - 24,692 24,423 - 1,181 3,507 - 25,667 26,11 - 3,732 - 1,267 22,615 - 3,811 3,507 - 25,667 26,11 - 857 743 - 24,64 24,21 - 850 7,25 - 3,14 1,25 - 3,15 2,35 - 3,15 2,25 - 3,	- 416	1945 1946 1943 1945 1946 1946 1946 1946 1946 1946 1946 1946 1946 1946 1946 1946 1946 1946 1946 1947 1946

Note-Previous year's figures revised.

Weekly Statistics of Paperboard Industry

We give herewith latest figures received by us from the National Paperboard Association, Chicago, Ill., in relation to activity in the paperboard industry.

The members of this Association represent 83% of the total industry, and its program includes a statement each week from each member of the orders and production, and also a figure which indicates the activity of the mill based on the time operated. These figures are advanced to equal 100%, so that they represent the total industry.

STATISTICAL REPORTS-ORDERS, PRODUCTION, MILL ACTIVITY Orders Received Tons Unfilled Orders Remaining Tons Period 1945—Week Ended Production 180,155 99,960 145,797 575,918 575,134 151,085 121,864 127,772 July 21. July 28. 153,694 153,368 109,034 161,763 159,653 125,683 577,024 582.785 532,186 488,289 131.952 494,699 527,938

193,674 Notes—Unfilled orders of the prior week, plus orders received, I necessarily equal the unfilled orders at the close. Compensat rts, orders made for or filled from stock, and other items made to of unfilled orders.

150,029 128,061 162,065

Carl Barker Heads Tax Institute Group

Tax Institute Group

Because of the importance of tax and fiscal policies in the years just ahead a group of business and professional men have formed a committee to bring the information services of the Tax Institute to the attention of the general public. The Tax Institute is an independent, nonpartisan organization, sponsoring no tax program and representing no interest group, but existing to interest and inform the citizen concerning his public finances. "Tax facts have never been so badly needed as now when proposals for remaking the tax system emanate from all directions," declares Carl Barker, Chairman of the recently formed Membership and Finance Committee of the Tax Institute, and a department manager of Shell Oil Co., Inc. "The potentialities for civic and business service of an organization like the Tax Institute are unlimited. The surface of the potential field for its activity has hardly been scratched. The Institute is distinctive in that it concentrates on providing information which molds thinking but does not itself offer reform programs."

Also on the committee are Beardsley Ruml, E. M. Elkin, C. A. Dykstra, H. M. Robertson, Thomas N. Tarleau, J. K. Lasser, Joseph M. Cunningham, Philip Nichols, Joseph H. Crown, C. H. Eklund, R. C. Beckett, Maxwell E. McDowell, John G. Byler, A. H. Stone, F. N. Highams, Leland Powers, Alvin A. Burger, Sidney W. Dodge, M. E. Krantz, and Jas. W. Martin. Mark Eisner of the law firm Olvany, Eisner & Donnelley, is President of the Tax Institute.

A feature of the Institute's service is the compilation of a quarterly classified index of public

A feature of the Institute's ser-A feature of the Institute's service is the compilation of a quarterly classified index of public finance materials. Some three to four thousand items are indexed yearly. The Institute issues numerous other publications including symposium volumes, forum pamphlets, popular releases, and its monthly bulletin, Tax Policy. The Institute is a national tax organization with members in all sections of the country. It also has numerous foreign subscribers.

Lumber Movement—Week Ended Oct. 6. 1945

According to the National Lumber Manufacturers Association, lumber shipments of 454 mills reporting to the National Lumber Trade Barometer were 3.2% above Trade Barometer were 3.2% above production for the week of Oct. 6, 1945. In the same week new orders of these mills were 9.7% more than production. Unfilled order files of the reporting mills amounted to 83% of stocks. For reporting softwood mills, unfilled orders are equivalent to 28 days' production at the current rate, and gross stocks are equivalent to 33 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 4.4%; orders by 7.0%.

Compared to the average corre-

sponding week of 1935-1939, production of reporting mills was 45.1% less; shipments were 42.0% less; orders were 38.7% less.

Mexico Pays on Oil Debt

Rafael de la Colina, charge d'affaires, presented to Acting Secretary of State Dean Acheson on Oct. 2 a check for \$4,085,327.45 in part payment for American oil properties expropriated in 1938 by Mexico, according to Associated Press advices from Washington published in the New York "Herald Tribune," which further said:

"The State Department said \$8,170,654.90 remains to be paid within the next two years to liquidate the original debt of \$29,137,-700.84."

Items About Banks, Trust Companies

Eric F. Lamb, formerly of the Foreign Economic Administration, has become special correspondent in Brazil for J. Henry Schroder Banking Corporation and Schroder Trust Company with head-quarters at Avenida Aparicio Borges 207, Rio de Janeiro. Mr. Lamb was previously connected with the Federal Reserve Bank of New York and with the First National Bank of Boston in Buenos Aires.

The First National Bank of New The First National Bank of New York announced Oct. 9 through its President, Alexander C. Nagle that at a meeting of the Board of Directors held that day Grant Keehn, Lt. Col., F. D., A. U. S., and Robert G. Fuller, Assistant Vice-President of the bank, were elected Vice-Presidents. Mr. vice-President of the bank, were elected Vice-Presidents. Mr. Fuller also continues to serve as Acting Cashier. Lt. Col. Keehn is expected to assume his duties Nov. 1.

George B. McGowan, formerly Assistant Vice-President of The Corn Exchange Bank Trust Co. of New York has been elected a Vice-President.

The calling of a special meeting of stockholders of the Federation Bank and Trust Co. of New York to be held on Oct. 30, for the purpose of acting upon a proposal to increase the capital of the bank from \$1,000,000, to \$1,500,000 was announced on Oct. 9 by Thomas J. Shanahan, President of the bank. The proposal calls for an increase in the number of its shares from 100,000 to 150,000 to make available 50,000 shares which will be necessary to carry out the present plan of the directors to declare a stock dividend of 25,000 shares and to authorize the sale at \$20 per share of 25,000 shares of such additional stock to stockholders of record.

I Luther Cleveland, President of Guaranty Trust Co. of New York, announced on Oct. 13 the appointment of Joseph A. Bucher as a Second Vice-President of the as a Second Vice-President of the Company, and the return from military service of Col. R. T. Tupper Barrett with appointment to his former title of Second Vice-President. Mr. Bucher has for many years been an assistant secretary at the Company's Fifth Avenue Office, with which branch he has been identified since 1911. Col. Barrett has been on military leave of absence for the last three years, serving in the European leave of absence for the last three years, serving in the European theater with the Army's General Staff Corps. He has been awarded the Bronze Star Medal and the French Croix de Guerre with Gold Star. The former decoration was received when, as chief of the financial branch, G-5 section, with supervision over military government financial matters and property control, he personally supervised the packing, shipment and erty control, he personally super-vised the packing, shipment and redeposit of recovered enemy gold bullion valued at several hundred million dollars. Prior to the war Col. Barrett was a Joint Manager of the Guaranty Trust Company's offices in France.

Thomas J. Shahanah, President of the Federation Bank and Trust Co., announced on Oct. 9 the election to its Board of Directors of Mr. Vincent P. Di Napoli, Treasurer of Tully & Di Napoli, Inc. of Long Island City.

E. Chester Gersten, President of the Public National Bank and Trust Co. of New York, announced with respect to the Foreign Dewith respect to the Foreign De-partment which is headed by Vice-President H. A. Hayward, that John Kuback was advanced from Assistant Manager to Man-

At a meeting of the board of trustees of the Broadway Savings Bank of New York held on Oct. 10 Edward Everett Watts, who has served as President since 1935, was elected Chairman of the Board and Thomas R. Cox, Executive Vice-President, was elected President. Mr. Watts has been a trustee of the Broadway Savings Bank since 1915. For many years he was President of the old Fifth National Bank of this city. Subsequently for about four years he was Vice-President of the Garfield National Bank and then for six years Vice-President of the Chase National Bank. Mr. Cox has been a trustee of the Broadway Savings Bank since 1933. way Savings Bank since 1933. During the war he served as a Major in the United States Army. Major in the United States Army. Before that he was a partner in the firm of Brinton & Co. and a member of the New York Stock Exchange. The Broadway Savings Bank, located at 5 Park Place, is over 94 years old, having been founded in 1851. Besides Mr. Watts and Mr. Cox its board of trustees includes Charles A. Frank, Richard Kelly, Louis F. Ferris, Joseph F. Calvert, Alfred B. Rode, Henry L. Finch, Harold L. Walton, George G. Milne, Paul S. Ranck, Edward E. Watts, Jr., Clarence H. Gifford, Raipn E. Morton and William G. Rossiter.

Lafayette National Bank of Brooklyn in New York announces that it has increased its capitaliza-tion from \$750,000 to \$850,000 through the sale of \$100,000 addi-tional stock. The sale was over 98% absorbed by present stock-bolders holders.

Charles P. Eschmann, Borough Attorney, has been elected a di-rector of the Nassau Savings and Loan Association of Brooklyn, N. Y.. His father, the late Joseph Eschmann, for many years was also a director of the association.

Mr. Eschmann is a member of the law firm of Connolly, Frey and Eschmann and well known in real estate and financial circles said the Brooklyn "Eagle" of Oct. 2 which stated that among his organizations are the Brooklyn

additional 20,000 shares of the bank's stock, which were recently offered to shareholders, have been fully subscribed.

The Boston "Herald" in reporting this on Oct. 9 further said:

With an increase in the par value of the stock from \$25 to \$40 per share now bing made, and the

per share now bing made, and the completion of this financing, the capital funds of the bank consist of \$4,000,000 capital, \$6,000,000 surplus, and undivided profits and unallocated reserves of approximations of the consist of the capital fundamental capital fundamental capital fundamental fundamental capital fundamental fu mately \$1,750,000. This is the first time in over 40 years that the capital has been increased, al-though substantial additions to surplus have been made from earnings.

The Second National Bank of Boston is one of Boston's oldest financial institutions, having been chartered as the Granite Bank in 1832. It received its national bank charter in 1864 shortly after the passage of the National Bank Act.

Stephen W. Carey III, Executive Vice-President of the Providence Washington Insurance Co., was elected to the directorship of was elected to the directorship of the Providence National Bank of Providence, R. I. at a meeting of the directors, it was made known in the Providence "Journal" of Oct. 9, which states that he fills a vacancy on the board caused by the death of John B. Lewis.

Elmer King, noted banker and Elmer King, noted banker and lawyer of Northern New Jersey died on Oct. 9 at the age of 74. Mr. King was President of the Board of Directors of the First National Iron Bank of Morristown, N. J.; a director of the Dover Trust Co.; Dover, N. J.; President of the Citizens National Bank of Netcong, N. J. and director of the same institution since 1904.

William K. Paton, President of the Farmers Bank of the State of Delaware, at Wilmington, an-nounces the appointment of Pierre nounces the appointment of Pierre S. duPont III by Governor Walter C. Bacon of Delaware to the Board of Directors of the Farmers Bank of the State of Delaware. Mr. duPont, a resident of Wilmington, Del. graduated from Tower Hill School, attended Phillip Exeter, graduate of Massachusetts Institute of Technology with a degree of Bachelor of Science in Chemical Engineering. Hentered the employ of the du entered the employ of the du Pont Company in 1934 as a Chem-ical engineer and later as a techical engineer and later as a technical investigator. Until recently he served as sales representative of the Nylon Division and in charge of product development. How he is Assistant Director of the Trade Analysis Division of duPont Company. Mr. duPont is a son of Lamont duPont, Chairman of the Board of E. I. duPont de Nemours & Co.

Bryson Strauss has retired as a Vice-President of the First Na-tional Bank in Gibson City, Ill. Mr. Strauss will remain as a member of the board of directors.

On Nov. 1, H. H. Reinhard, Vice - President of Mercantile -Commerce Bank and Trust Co., St. said the Brooklyn "Eagle" of Oct. 2 which stated that among his organizations are the Brooklyn are the Brooklyn and New York State Bar Associations, Brooklyn Real Estate Board, and Various others.

Lewis G. Harriman, President of States.

Lewis G. Harriman, President of States.

Lewis G. Harriman, President of States Brooklyn and New York announced on Oct. 11 the promotion of William T. Pagen from Assistant Secretary to Assistant Vice-President. Mr. Pagen has been in the Irying's Corporate Trust Division since he joined that institution in 1933. His banking career began in San Francisco. At the outbreak of World War I he left his position there with the Security Savings Bank to enlist in the Army Engineers with which he served overseas and was decorated with the Silver Star and Croix de Guerre. After demobili-

tive in the American Institute of Banking and has served as an instructor and as a member of the Board of Governors of the organization. He was one of the organization. He was one of the organizers and has served as President of the Savings Association of St. Louis Banks. Active in the affairs of the American Bankers Association, Mr. Reinhard helped to develop the regional savings conference and in 1925 was elected to a three-year term as a member of the Executive Committee of the Savings Division of the ABA. At present he is a member of the Committee on Savings Development. He is also serving Development Developme Development. He is also serving on the Membership Committee of the Better Business Bureau of St.

Commemoration of more than half a century service to the livestock and meat industry of Kansas City and the Southwest, is signalized by the Inter-State National Bank of Kansas City Mo. in an alchemete historical and night elaborate historical and pictorial review of its history its is learned from the "Kansas City Star" which states that the bank now is in its

states that the bank now is in its fifty-fifth year and adds.

The bank's name has a literal meaning, since the institution originally was located just a few rods west of the State line in Kansas. In 1911 it moved to the present Live Stock Exchange building, which is in Missouri. The State line still runs through the stockyards and ran through the Exchange building formerly occupied by the bank.

The story of the bank runs through the big flood of 1903, the big fire of 1917, drought and depressions, making an interesting record of Kansas City's trials and progress.

progress.
In a foreword to the booklet, entitled, "The Widening Trail Through Fifty-five Years With the Inter-State National Bank of Kansas City," David T. Beals, President, says:
"The effort here is to present mainly the principal occurrences and developments in the progress of the Inter-State National bank that a brief but comprehensive record may be preserved; together that a brief but comprehensive record may be preserved; together with a complete 'roll call' of the personalities who, as past or present officers and directors, have had parts in making the history that is recorded here. For history that is recorded here. For history that is recorded here. is made by men, not by institu-tions."

We are advised under date of Oct. 10 that the San Antonio Na-tional Bank, the oldest incorpo-rated bank in Southwest Texas, and the first national bank organized in San Antonio, has, with the approval of the Comptroller of the Currency, changed the name from "The San Antonio National Bank" to "First National Bank of San Antonio," effective June 12, 1945. It is further announced:

All outstanding preferred stock has been retired; the common stock has been increased to \$500,-000.00; the surplus increased to \$100,000.00; and there remains over \$100,000.00 undivided profits, making a total capital structure of over \$700,000.00.

J. K. Beretta, outstanding bank er, has acquired a substantial holding in the bank; and his wife, Mrs. J. K. Beretta, has been elected a member of the Board of Directors.

There has been no change in the officers who are authorized to sign for this bank. Checks drawn on "The San Antonio National Bank" will be given the same attention as those drawn on "First National Bank of San Antonio." National Bank of San Antonio.

on annonuces that T. R. Nicholson, Joint General Manager, has retired after 51 years of valuable service to the Bank. H. Wheeler, hitherto an Assistant General Manager, has been appointed a Joint General Manager. The Midland Bank Ltd. of Lon Joint General Manager.

Anthony Eden and Lord Lea- plete as thers have been appointed Direc- make it.

tors of Westminister Bank Ltd. of London.
James Greenhill, a Joint General Manager since 1933, and Manager of Lothbury Office since 1929 has retired on pension after nearly 47 years' service. The Directors have appointed Herbert Cremer and James Stewart, formerly Assistant General Managers, to be Joint General Managers, to be Joint General Managers. At Lothbury Office Oliver Read succeeds to the Management and W. L. Cooper has been appointed Deputy Manager.

Information has been received from the representative of the Chartered Bank of India, Australia & China in Singapore that branches of the following banks opened for new business on Oct. 1:

The Chartered Bank of India, Australia and China; The Hong-kong & Shanghai Banking Corp.; The Mercantile Bank of India Ltd; The Eastern Bank Ltd. The National City Bank of New York.

Colonel Sir A. Henry McMahon, who joined the Board of the Im-perial Bank of Iran in 1917 and has been Chairman since December 1937, has retired from the Chairmanship but retains his seat on the Board. The Board have elected Lord Kennet of the Dene

A.P. Denied Rehearing By Supreme Court

The petition of the Associated Press for a rehearing of the ruling that the A. P. must amend its bylaws on admission of new members was denied by the United States Supreme Court on Oct. 8. The Court had previously held that the bylaws were in violation of the Shorman Anti-Trust Act of the Sherman Anti-Trust Act.
Regarding the Supreme Court's
decision on Oct. 8 Associated
Press advices from Washington
Oct. 8 said:
The Associated Press decision

becomes final 20 days from now unless a motion to petition a second time for rehearing is made and granted by the court.

The news-gathering co-operative lost a civil action filed by the Government in 1942 under the anti-trust act. The Supreme Court, in a five-to-three decision last June, upheld in full a two-to-one District Court decision. It calls for amendment of Associated Press rules to prevent members from considering the competitive effect of an application for membership. bership.

Robert McLean, President The Associated Press, issued the following statement from New York:

The Associated Press has been advised by counsel that, with the denial of the petition for rehearing, all efforts in the courts in the Government's anti-trust action have been exhausted.

Prompt action will be taken to comply with the decision so that the Court injunction may be lifted, since it is inconceivable that the world's greatest news service shall operate permanently under restraint which threatens Government supervision of the channels of news.

Although limitations have been placed on its right to control its own affairs, the Associated Press will continue to supply all the news—unbiased and untrammeled—with the fidelity that has characterized its course since its foundation.

Its staff throughout the world is dedicated to this purpose. Its operations are expanding as the tide of war recedes. It will continue to merit the charges leveled tinue to merit the charges leveled against it by the Government that its service is of outstanding quality and that its form of organization is assurance that the news gathered and distributed by the Associated Press shall be as nearly impartial, objective and complete as human endeavor can make it. gaged in the sale of coal at retail, furnishing water service, and

other businesses.

The following assets are pledged as security for the bonds under the company's sinking fund mortgage dated Oct. 1, 1945.

(1) Lehigh & Susquehanna RR. properties owned directly by the company: all of the company's interest in the securities (except qualifying shares) of four companies owning connecting lines, branches and other tracks and properties included in the L. & S. System; and company's interests under its lease of L. & S. System properties of the securities of the s

Drexel & Co. Union Securities Corp. Harriman Ripley & Co. Inc. Smith, Barney & Co. Kidder, Peabody & Co. Paine, Webber, Jack- son & Curtis Blyth & Co., Inc. E. H. Rollins & Sons Inc. Tucker, Anthony & Co. Biddle, Whelen & Co. Graham Parsons & Co.	\$1,100,000 1,000,000 1,000,000 1,000,000 1,000,000	W. H. Newbold's Son & Co Stein Bros. & Boyce. Butcher & Sherrerd Elkins, Morris & Co Janney & Co Parrish & Co Yarnall & Co H. Hentz & Co Schmidt, Poole & Co. Wurts, Dulles & Co	500,000 300,000 300,000 200,000 200,000 200,000 200,000 100,000 100,000 100,000	
the state of the state of the state of the state of	COLATEMENT	OF INCOME (000 OMIT	TTED)	

CONSOLIDATED ST	ATEMENT OF		(000 OMIT	
	6 Mos. End.	Ca	lendar Year	5
	June 30, '45	1944 \$37,539	1943 \$32,539	\$24,808
Gross sales, less discs., &c	2,696	6,271	6,039	6,163
Oper. revs., railroad Rent revenues, railroad Other revenues	1,173 485	2,347 909	2,346 927	2,346
	\$19,915	\$47,066	\$41,851	\$34.126
Total	14,115	32,727	28,673	22,363
Cost of goods sold Oper., sell. & gen. exp.	3,264	6,514	6,329	6,226
Depr. depl. & amortiz. of defense equipment	847	1,747	1,699	1,419
Gross profit	\$1,689	\$6,078	\$5,150	\$4,118
Other income	123	188	265	211
Total income	\$1,812	\$6,266	\$5,415	\$4,329
Income deductions	619	1,274	1,410	1,873
Prov. for inc. taxes	282	1,523	1,270	889
Net income	\$911	\$3,469	\$2,735	\$1,567
Inc. apport. to min. int.	3	4	.	
Income available to Company and subs. before prov. for sink.		\$3,465	\$2,732	
funds	\$908	93,400	72,,,,,	1140/

Lehigh Valley Coal Corp. (& Subs.)-Earnings-

Period End. Sept. 30—	1945—3 M	os.—1944	1945—9 Mos.—194		
Income from mining & selling coal Inc. from other opers	\$316,481 7,435	\$667,175 8,237	\$822,669 26,714	\$2,048,382 41,066	
Total income	\$323,966	\$675,473	\$849,384	\$2,089,448	
Disct. on bonds purch.	157	2,543	531	19,839	
Refunds & adjusts, a/c prior years' taxes, etc.	125,800	4,735	124,742	308,183	
Profit on sale or other disp. of fixed assets. Other income	19,974 240,998	Dr6,313 321,094	Dr22,737 882,830	Dr33,966 958,876	
Gross income	\$810,838	\$997,532	\$834,751	\$3,342,382	
Cost of carrying idle props. & res. coal lds.	19,152	19,669	54,585	77,682	
Int. on funded and un- funded debt	101,156	122,833	308,603	380,580	
Federal taxes, excl. in-	885	12,794	16,993	24,447	
Deplet, and deprec Prov. for Fed: inc. taxes	188,660 70,755	249,223 160,865	584,866 206,995	754,322, 576,480	
Prov. for Pennsylvania	1.955	10,170	4,910	39,865	
Deduct minor. int	1,958	2,114	3,369	8,914	
Net corp. income	\$426,374	\$419,862	\$654.424	\$1,480,090	
Pfd. shares outstdg	227,409 1,205,437	227,403 1,205,437	227,409 1,205,437	227,409 1,205,437	
Common shrs. outstdg. Net inc. per shr. pfd	\$1.87	\$1.85	\$2.88	\$6.51	
Net inc. per shr. com.	\$0.21	\$0.21	\$0.12	\$0.80	
CONSOL	DATED IN	COME ACC	OUNT		

12 Months Ended Sept. 30— Income from mining and selling coal Income from other operations	1945 \$1,390,880 40,362	1944 \$2,485,978 57,718
Total income from operations	\$1,431,242 2,265 136,675 13,350 1,074,714	\$2,543,697, 19,839 316,776 Dr28,227 1,171,929
Gross income	\$2,658,247 71,898 429,351	\$4,024,014 103,714 516,086
Loss on revaluation of Treasury stock to par		81,815
Federal taxes, excluding income taxes	29,692	31,955
Depletion and depreciation	808,668	985,154
Provision for Federal income taxes	281,120	
Provision for Penssylvania income tax	11,297	38,432
Provision for Penssylvania income tax Deduct minority interest	5,177	9,618
Net corporate income	\$1.021.041	\$1,629.357
Net income per share preferred	\$4.49	
Net income per share common	\$0.28	\$0.79
V. 161, pp. 2910 and 2221 and V. 162, p. 46	0	

Lehigh & New England RR.—Bonds Offered—An underwriting group headed by Kidder, Peabody & Co., received the award Oct. 24 of \$4,000,000 first mortgage bonds, series B, on a bid of 99.5199 for a 3% interest rate. The bonds were reoffered immediately, subject to approval of the Interstate Commerce Commission, at 100 and accrued interest. Associated with Kidder, Peabody & Co. in the offering are: Harriman Ripley & Co., Inc., and Smith, Barney & Co.

The offering attracted only one other hid from a group headed Halsey Stuart & Co., Inc., who offered 99.0799 for a 34% coupor . Proceeds from the sale of these bonds will be used, with other of the company, it redeem the company's outstanding general magage 4% bonds of 1965.—V. 162, p. 1642.

Lincoln Electric Co.—New Vice-Presidents—

H. P. Kneen has been appointed Vice-President in charge of manu-acturing and G. G. Landis as Vice-President in charge of engineer-ig —V. 162, p. 1891.

Louisville Gas & Electric Co. (Ky.)-Weekly Output Electric output of this company for the week ended Oct. 20, 1945, totaled 22,555,000 kwh., as compared with 32,880,000 kwh. for the corresponding week last year, a decrease of 31.4%.—V. 162, p. 1892.

Louisville Ry .- Plans Modernization of System-

A \$2,042,318 modernization program, which calls for the repla ment of present street cars with 141 new trackless electric trocaches and gasoline buses, was announced on Oct. 21 by John Tarrant, Vice-President and General Counsel. It is expected the program will be completed by the end of 1946.—V. 155, p. 602.

MacAndrews & Forbes Co.—Earnings—

Period End. Sept. 30— 1945—3	1945—3 Mos.—1944 1945—9 Mos.—1944			
Earns, after deducting	\$193,699	\$748,710	\$904,332	
Prov. for est. Fed. inc. and exc. profits taxes 5,000	48,000	292,000	433,000	
Net earnings 5141,283 Divs., preferred stock 29,856 Divs., common stock 106,363	29,856	\$456,710 89,568 319,689	8471,332 89,568 319,089	
Surplus for period \$5,064 Com. shs. outstdg. (net) 303,894 Earned on com. (per sh.) \$0.37	303,894	\$48,053 363,894 \$1.21	\$62,673 303,894 \$1.26	

, NOTE—No provision has been made for renegotiation of business for U. S. Government end-use.—V. 162, p. 460.

· (R. H.) Macy & Co., Inc.-Unit to Expand-

A \$2,000,000 expansion program has been announced by Davison-Paxon Co. of Atlanta, Ga., an affiliate A 10-story building will be erected as an addition to the existing structure, and will increase selling space by about 25%. Charles H. Jagels, President, said construction work will be started as soon as materials are available.

V. 162, p. 1892.

Majestic Radio & Television Corp. — Preferred Stock Offered—Kobbe, Gearhart & Co., Inc., and Newburger & Hano on Oct. 26 offered 300,000 shares of convertible preferred stock at par (\$5) per share.

Of the proceeds not in excess of \$300,000 will be applied in partial payment of the cost of land and construction of a new plant at Elgin, Ill., and the balance will be added to working capital. This balance will be expended within the next six months for inventory and purchased parts for the assembly of civilian radio receiving sets under the name and trademark Majestic and Mighty Monarch of the Air.—V. 162, p. 1771.

Manufacturers Trading Corp.—Places Debs. Privately —Alfred H. Sachs, President, announced Oct. 23 that the company has sold privately \$1,500,000 five-year debenture notes. The debentures are subordinated to the company's short term unsecured borrowings which, at present, include borrowings from 22 banking institutions. This financing was arranged through Riter & Co. of New York.

New IOIK.

During recent years the company has experienced a substantial growth in its business of financing manufacturers, jobbers, wholesalers and importers, and further growth is expected in the post-war years. The new financing, enlarging the company's base of capital and funded debt, coupled with the usual bank accommedations, will facilitate a material expansion of the company's activities.—V. 161, p. 111.

Marlin Firearms Co.-Operations Increased-

Marlin Firearms Co.—Operations Increased—
Both day and night shifts are now working at the company's plant at New Haven, Conn., to keep up with an increasing demand for sporting guns, "apparently greatly stimulated by returning servicemen who want to hunt game instead of Nazis and Japs," according to Frank Kenna, President. The night shift was added as soon as additional help could be obtained.

Mr. Kenna said that "production is being speeded up as rapidly as possible to fill a huge backlog of orders." The company's rationing plan to distributors must be continued for a while longer, however, he said.—V. 162, p. 1892.

Massachusetts Mutual Life Insurance Co., Springfield, -Official Promoted-

Homer N. Chapin has been elected Second Vice-President to succeed the position made vacant by the resignation of H. S. Payson Rowe. ir. Chapin formerly was Assistant to the President.—V. 162, p. 1515.

Mathieson Alkali Works (Inc.)—Earnings—

Machineson raman	11010	11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
Period End. Sept. 30— Total earnings Deprec. and deplet	1945—3 M	os.—1944	1945—9 M	s,—1944
	\$1,168,934	\$907,638	\$3,533,030	\$3,111,828
	460,537	455,616	1,369,636	1,375,344
Net earnings	\$708,397	\$452,022	\$2,163,394	\$1,736,484
Income credits	20,562	27,495	64,588	64,087
Total income	\$728,959	\$479,517	\$2,327,781	\$1,800,571
Income charges	58,456	53,878	175,763	166,770
Prov. for Fed. taxes	380,000	175,000	1,130,000	805,000
Net income	\$290,503	\$250,639	\$922,018	\$828,801
No. of shares of com- mon stock Earns, per com, share_	828,171 \$0.30	828,171 \$0.25	828,171 \$0.96	828,171 \$0.85

arms, per com, share. \$0.30 \$0.25 \$0.96 \$0.85.

Earnings for the third quarter were adversely affected by a strike t company's Lake Charles plant which was closed down from Sept. 13. Oct. 1. The plant is now back in operation.

Now that essential materials are becoming available, company is ioubling the capacity of its Sodium Chicrite plant and making improvements in its other plants to increase capacities of several of its present products. Company is also proceeding with additional new products that will make for wider diversification.—V 162, p. 1771.

George Van Gorder of New York has been elected Executive Vice-President and George V. Doerr of Minneapolis as First Vice-President, the latter succeeding Mr. Van Gorder. Mr. Van Gorder is also a director and member of the executive Committee of the company. Mr. Doerr is executive head of the company's central district and a member of the board of directors and the executive committee. —V. 162, p. 1642. McKesson & Robbins, Inc-Two Officials Promoted-

(The) Mengel Co.-First Oil Well Produces-

(The) Mengel Co.—First Oil Well Produces—
Alvin A. Voit, President, on Oct. 22 announced the results of the first well drilled under this company's oil lease with the American Liberty Oil Co., covering approximately 8 000 acres in Richland Parish, Louisiana. He said: "Allowable production is limited at present to 90 barrels per day, 24 days per month."

The Mengel company owns in fee 2,500 acres covered by the lease and 5,500 acres had been soid prior to the lease but the company retained the mineral rights. On any wells found on the property owned in fee by Mengel, Mr. Voit said, the company will receive

the full % basic royalty and the overriding royalty of an additional % as provided in the contract. On the 5,500 acres which the company has sold, one-half of the basic % royalty will be paid to the owners of the surface or others, but the overriding royalty will be paid entirely to the company. In addition to the royalty provisions the lease also extends to the company an elective right to a % of the % working interest in lieu of the overriding royalty.

Mr. Voit stated that "sufficient drilling has not yet been done to determine the limits of the field or pool and the full effect on the company's position and earnings depend on further development of the property which is provided for in the lease, and the company's decision on the working interest."—V. 162, p. 1892.

Mercantile Properties, Inc.-41/2 % Bonds Called-

All of the outstanding secured sinking fund 4½% bonds dated May 1, 1943, have been called for redemption on Nov. 24, next, at 102½ and interest. Payment will be made at the Central Hanover Bank & Trust Co., trustee, 70 Broadway, New York, N. Y. Immediate payment of the full redemption price, together with accrued interest to Nov. 24, 1945, may be received upon presentation and surrender of said bonds.—V. 162, p. 12.

Metals Disintegrating Co., Inc.—Stock Offered—A banking group headed by Cruttenden & Co., Chicago, on Oct. 24 offered 100,000 shares of com. stock (par \$1) at \$12.75 per share. Other members of the underwriting group include: A. G. Edwards & Sons, Mackubin, Legg & Co., Watling, Lerchen & Co., Livingston & Co., Doyle, O'Connor & Co., and George D. B. Bonbright & Co. Of the shares being offered, 30,000 shares are from the company.

The proceeds to the company are to be used for working capital and for the financing of anticipated post-war expansion. The company is a leading producer of powdered metals. Aluminum Corp. of America and Reynolds Metals Co. are important licensees under patents held by the company.—V. 162, p. 1642.

Mexican Light & Power Co., Ltd.—Earnings—

(The) Miller-Wohl Co., Inc.-Sales-Conversions-

(The) Miller-Wohl Co., Inc.—Sales—Conversions—
Max L. Tomber, President, on Oct. 20 stated:
Sales for the months of August and September, 1945, were only a fraction of 1% less than they were for the months of August and September one year ago.

The company has just concluded a lease for a new store in Hollywood, Florida, and is negotiating for several additional new stores on terms we regard to be favorable.

In the course of this past week more than 1,900 shares of preferred stock were converted at the conversion rate of three shares of common stock for one share of preferred.—V. 162, p. 1892.

Missouri-Kansas-Texas RR .- New President, Etc

Monogram Pictures Corp.—Correction—

David D. Horne, Assistant Tleasurer of the Monogram International Corp., has been elected a director of that corporation, and not of the Monogram Pictures Corp., as stated in the "Chronicle" of Oct. 22, 1945, in V. 162, p. 1893.

Monroe Auto Equipment Co.-Co-transfer Agent-

The Chemical Bank & Trust Co., New York, N. Y., has been appointed co-transfer agent and the Manufacturers Trust Co., New York, N. Y., as registrar for the 5% cumulative preferred stock.—V. 162, p. 1893.

Monsanto Chemical Co.—Year-End Dividend of 75¢-The directors have declared a year-end dividend of 75 cents per share on the common stock, par \$10, payable Dec. 1 to holders of record Nov. 10. Distributions of 50 cents each were made on this issue on March 1, June 1 and Sept. 1, last. Total for 1945 will amount to \$2.25 per share, the same as paid in 1944.—V. 162, p. 1771.

Montana-Dakota Utilities Co.—Common Stock Offered —Public offering of 223,351 4/6 shares of common stock (par \$5) was made Oct. 26 by an underwriting group headed by Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Beane at \$11.50 per share.

Proceeds from the sale of the stock will be indirectly applied toward payment of the purchase price of the outstanding securities of Dakota Public Service which was financed by a \$6,500,000 bank loan. This step, which also involves the use of other funds of the company, will reduce the balance of the bank loan to \$500,000.

Associated with Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Beane in the offering are: Kidder, Peabody & Co.; Central Republic Co. (Inc.); The Milwaukee Co.; The Wisconsin Co.; Woodard-Elwood & Co.; W. E. Hutton & Co.; Kalman & Co., Inc.; Piper, Jaffray & Hopwood; E. H. Rollins & Sons, Inc.; Equitable Securities Corp.; Kebbon, McCormick & Co.; Laurence M. Marks & Co.; Stifel, Nicolaus & Co. Inc.; The Illinois Co.; Pacific Northwest Co. and Whiting, Weeks & Stubbs.—V. 162, p. 1395. V. 162, p. 1395.

Montana Power Co.—Bonds Offered—A banking group headed by Halsey, Stuart & Co., Inc., made a public offering Oct. 24 of \$40,000,000 first mortgage bonds, 2%% Series due 1975, at 101% and accrued interest. The group was awarded the bonds in competitive bidding, Oct. 22 offering 100.2799 for the issue on a 2.86% interest basis. Two other groups bid for the issue both of which named a 2%% coupon. A syndicate led jointly by Smith, Barney & Co., Blyth & Co., Inc., and Lee Higginson Corp., bid 100.0899, and a group headed by Union Securities Corp. offered 100.0599.

Dated Oct. 1, 1945: due Oct. 1, 1975. Interest payable on April 1 and Oct. 1 at office or agency of the company in New York. Coupon form in denomination of \$1,000 registerable as to principal only, and tally registered form in denominations of \$1,000 and \$10,000 and in either form, in any multiple of \$100. Coupon and registered bonds interchangeable. The bonds are redeemable at prices ranging from Montana Power Co.—Bonds Offered—A banking group