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The Financial Situation

In what was widely and persistently advertised as his most important utterance since assumption of office, the Chief Executive in New York City last Saturday laid down in some detail the general principles of his foreign policy. There are certain aspects of these policies, and particularly of the President's most recent exposition of them, which warrant the closest sort of analysis and study.

We beg leave to quote from the President's address at some length:

Now we are in the process of demobilizing our naval force. We are laying up ships. We are breaking up aircraft squadrons. We are rolling up bases and releasing officers and men. But when our demobilization is all finished as planned, the United States will still be the greatest naval power on earth.

In addition to that naval power, we shall still have one of the most powerful air forces in the world. And just the other day, so that on short notice we could mobilize a powerful and well-equipped land, sea and air force, I asked the Congress to adopt universal training.

Why do we seek to preserve this powerful naval and air force, and establish this strong Army reserve? Why do we need to do that?

We have assured the world time and again—and I repeat it now—that we do not seek for ourselves one inch of territory in any place in the world. Outside the right to establish necessary bases for our own protection, we look for nothing which belongs to any other power.

We do need this kind of armed might, however, and for four principal tasks:

First, our Army, Navy and Air Force, in collaboration with our Allies, must enforce the terms of peace

(Continued on page 2124)

Here and There

By A. WILFRED MAY

In the public discussion of U. S.-to-England financial aid, and in the appraisals of U. K. solvency, the British Treasury's substantial asset in the form of its equity in its loan with the R. F. C. has been completely overlooked. In 1940 the U. K. authorities made a direct sale in this market of its impounded shares of Viscose, Courtaulds, and other companies, for \$700 million; and additionally borrowed from the R. F. C. \$300 million against other shares, including Imperial Tobacco, whose market value then totalled \$500 million. In the intervening five-year market rise the Treasury's asset in the form of the equity above this loan has now increased to about \$600 million.

Psycho-analysis has arrived in the market place with a bang! A group of investment "purists" lurching a few days ago arrived at the conclusion that the successive movements of American security prices reflect the public's "manic - depressive rationalization." And in the field of industry Sam A. Lewisohn, financier and past President of the American Management Association, currently comes forth with a full-sized and excellent volume, "Human Leadership in Industry," in which he demonstrates that personal psychological factors are the major cause of labor-management disturbances. Prospective literature on such glamorization of a frequently dull subject will be enhanced by a book-in-process by Dr Edward N Horn, Columbia University anthropologist, under the title, "The Psychiatry of Money"; whose theme is that the world's monetary problems all stem from personal mental disturbances. Irrespective of whether the current emphasis on psychiatric factors represents a fad, surely there has been too little recognition of the psychological factors in finance and economics. There has been little or nothing so written in a popular vein since an article by Elisha Friedman in

*Harper & Bros., N. Y., \$2.
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Moral and Spiritual Recovery from War

By HERBERT HOOVER*

Ex-President Hoover Asserts That if the Era We Are Entering Is to Be One of Progress It Must Rest on Rebirth of Truth, Justice and Tolerance. Recounts the Degradation of Truth, the Growth of Brutality and the Degeneration of Freedom. Says We Have Less Trained Minds and Skills and That It Is the Responsibility of Our Educational Institutions to Inculcate Leadership and Promote the Moral and Spiritual Recovery from War.

We have ended a bloody and horrible era of history. It has been a war in which the enslavement, the starvation and killing of



Herbert Hoover

America has emerged as the most powerful of nations if we wish to use that power. In any event, we now have the opportunity to give leadership in a new era for humanity. What the distant future of this new era

*An address made by Mr. Herbert Hoover at the Seventy-Fifth Anniversary of Wilson College, Chambersburg, Pa., Oct. 13, 1945.

will be depends much upon our institutions of higher learning. They must mould the leadership of the nation.

But beyond this the war has imposed upon you who are enjoying the privileges of this institution, and all the men and women of our colleges, an immediate responsibility to the American people such as you have never hitherto known.

We hear much about the reconversion of economic life from war to peace. We hear little about reconversion of our intellectual, moral and spiritual life from the shock of war to a life of peace. Yet that is the first necessity if civilization itself is to recover.

Surely if the new era upon which we enter is to be an era of progress it must rest upon the rebirth of truth and justice and tolerance. It must rest upon intellectual and spiritual freedom and upon a live public sensitive- (Continued on page 2127)

Rehabilitation of the Philippines

By LOUIS H. PINK*

President, Associated Hospital Service
Special Insurance Advisor to the Philippine Government

Mr. Pink, Recently Returned From the Philippines, States Our Obligations to the Islands Should Not Cease After Independence. Urges a Continuance of Free Trade as Mutually Beneficial to Both Countries, and Advocates That Philippines Enjoy Close Economic Relations With a Restored Japan and China. Condemns "Sniping" at MacArthur and Contends a Free Philippines Backed by U. S. Will Have Great Influence in Encouraging Self-Government and Prosperity in Far East.

The Philippines have been promised independence by July 4, 1946. President Roosevelt had hoped to advance the date to the fall



Louis H. Pink

of this year. I am often asked: "Do the Filipinos want independence?" No one can answer but the Filipino people themselves, but it is my belief that they would prefer statehood. If statehood is not obtainable, and I fear for practical political reasons of which we cannot be proud—that it is not, the majority of the people of the Islands probably prefer indepen-

*An address by Mr. Pink at the Insurance Advertising Conference, Hotel Roosevelt, New York City, Oct. 18, 1945.

dence to the continuation of a territorial arrangement. This is so even though the Philippine Commonwealth which was set up in the Islands in 1935 is in most respects self-governing.

American Capital in Philippines

Many people seem to believe that the Philippines are dominated by American capital. It is to the great credit of the people of the United States that despite more than 40 years of control this is not the case. We have not exploited the Philippine Islands, their people, or their rich natural resources. American capital has helped develop agriculture and industry, public works, mining, sugar, hemp, coconut oil and tobacco. But the banks and insurance companies, the industries, and the land are not owned by outsiders but by the people of the Philippines. The owners of the wealth and industry of the Islands are Filipinos, and particularly (Continued on page 2128)

From Washington Ahead of the News

By CARLISLE BARGERON

It remains to be determined how important it is, but the fact remains that the Leftist agitators have succeeded in bringing Mr. Truman to law. They have been agitating for weeks that he should quit gallivanting about the country, as they put it, and stay here and "do something" about the many "problems which face us."

On the matter of domestic problems, so-called, there is a method in their madness. Unless the Federal Government, or rather, the President, intervenes in all of these worked up crises, they would not be that. They would resolve into the relatively unimportant question of a strike in a particular industry and either the company or the union winning it or neither one of them.



Carlisle Bargeron

You will notice that the much advertised brilliant young man, Walter Reuther, who is not the slightest bit more brilliant than Representative Rankin or Senator Bilbo of Mississippi, against whom the Leftists rant—in fact, all of them resort to the same demagogic strategy and they are all of one stripe; you will notice that Reuther, who learned his methods

from a long stay in Russia, doesn't want to bargain with General Motors. He wants their controversy settled by a Gallup Poll, a Town Hall or by mob deliberation. It is essential to the Reuthers and their ilk that the President of the United States step into these controversies. Otherwise, sooner or later, the controversies lose their headline value.

Well, Mr. Truman has decided to step in. He is going to respond to the demands of the Leftist press, and unfortunately of some segments of the Conservative press, that he develop into a "strong" man. A nationally circulated news weekly has said that the American people miss their strong personal leadership. Truman is going to try, apparently, to fulfill the demand, not from the American people, but from the incessant propaganda. By way of doing this, he has called off several trips which he had intended to make, with the idea of getting down to the people and letting them see, through his friendliness, that there is really nothing (Continued on page 2128)

Our Foreign Policy

President Truman in Navy Day Address Outlines Twelve Fundamentals of Our Foreign Policy. Says We Shall Strive for Golden Rule in International Affairs and Maintains That Despite Failure Thus Far to Achieve Agreement Regarding Peace Among the Allies There Are No Irreconcilable Differences, and Calls for Patience and Firmness and a Steadfast Adherence to High Principles. Will Not Recognize Any Government That Has Been Imposed by a Foreign Power, and Will Favor Independence to All Nations Capable of It. Holds Atomic Bomb Is No Threat to Other Nations and Hopes That Peace Processes Will Be So Perfected That Its Use Can Be Outlawed Forever. Upholds Large Navy at Commissioning of Aircraft Carrier.

In his Navy Day address in Central Park, New York City, on Oct. 27, President Harry S. Truman laid down twelve "fundamentals" of foreign policy, which he states the United States will firmly adhere to. Among these are included, in addition to the principles laid down in the Atlantic Charter, and the adherence to the Monroe Doctrine, the refusal to recognize any government which has been imposed upon a people by a foreign power, and the recognition of the

Text of President Truman's wage-price address, made on Tuesday evening, Oct. 30, is given in Section 1 of today's issue.

right of all people to self-government when they are capable of exercising it. He expressed hope the Allies will eventually come to an agreement in bringing about a peace and an adherence to the United Nations Organization but called for firmness in upholding the principles we have adopted. He again stressed the need of adequate armed forces to protect our freedom and expressed the hope that the use of the atomic bomb, which shall be held as a sacred trust, "will be definitely and effectively outlawed forever."

The text of the address follows: In the harbor and rivers of New York City and in other ports along the coasts and rivers of the country, ships of that mighty United States Navy are at anchor. I hope that the people everywhere will visit them and their crews, seeing for yourselves what your sons and daughters, your labor and your money, have fashioned into an invincible weapon of liberty.

The fleet, on V-J Day, consisted of 1,200 warships, more than 50,000 supporting and landing craft, and over 40,000 Navy planes. By that day, ours was a sea-power never before equaled in the history of the world. There were greater carrier task forces capable of tracking down and sinking the enemy's fleets, beating down his air power, and pouring destruction on his war-making industries. There were submarines which roamed the seas, invading the enemy's own ports, and destroying his shipping in all the oceans. There were amphibious forces capable of landing soldiers on beaches from Normandy to the Philippines. There were great battleships and cruisers which swept the enemy ships from the seas and bombarded his shore defense almost at will.

And history will never forget that great leader who, from his first day in office, fought to re-establish a strong American Navy—who watched that Navy and all the other might of this nation grow into an invincible force for victory—who sought to make that force an instrument for a just and lasting peace—and who gave his life in the effort—Franklin D. Roosevelt.

The roll call of the battles of this fleet reads like signposts circling the globe—on the road to final victory. North Africa, Sicily, Italy, Normandy and Southern France; the Coral Sea, Midway, Guadalcanal and the Solomons; Tarawa, Saipan, Guam, the Philippine Sea, Leyte Gulf; Iwo Jima and Okinawa. Nothing which the enemy held on any coast was safe from its attack.

Now we are in the process of demobilizing our naval force. We

are laying up ships. We are breaking up aircraft squadrons. We are rolling up bases and releasing officers and men. But when our demobilization is all finished as planned, the United States will still be the greatest naval power on earth.

In addition to that naval power, we shall still have one of the most powerful air forces in the world. And just the other day, so that on short notice we could mobilize a powerful and well-equipped land, sea and air force, I asked the Congress to adopt universal training.

Why do we seek to preserve this powerful naval and air force, and establish this strong Army reserve? Why do we need to do that?

We have assured the world time and again—and I repeat it now—that we do not seek for ourselves one inch of territory in any place in the world. Outside the right to establish necessary bases for our own protection, we look for nothing which belongs to any other Power.

We do need this kind of armed might, however, and for four principal tasks:

First, our Army, Navy and Air Force, in collaboration with our Allies, must enforce the terms of peace imposed upon our defeated enemies.

Second, we must fulfill the military obligations which we are undertaking as a member of the United Nations Organization—to support a lasting peace, by force, if necessary.

Third, we must cooperate with other American nations to preserve the territorial integrity and the political independence of the nations of the Western Hemisphere.

Fourth, in this troubled and uncertain world our military forces must be adequate to discharge the fundamental mission laid upon them by the Constitution of the United States—to "provide for the common defense" of the United States.

These four military tasks are directed not toward war—not toward conquest—but toward peace.

We seek to use our military strength solely to preserve the peace of the world. For we now know that that is the only sure way to make our own freedom secure.

That is the basis of the foreign policy of the people of the United States.

The foreign policy of the United States is based firmly on fundamental principles of righteousness and justice. In carrying out those principles we shall firmly adhere to what we believe to be right; and we shall not give our approval to any compromise with evil.

But we know that we cannot attain perfection in this world overnight. We shall not let our search for perfection obstruct our steady progress toward international cooperation. We must be prepared to fulfill our responsibilities as best we can, within the framework of our fundamental principles, even though we recognize that we have to operate in an imperfect world.

(Continued on page 2129)

Urges Disapproval of St. Lawrence Project

Members of Congress received on Oct. 30 from the Commerce and Industry Association of New York a letter summarizing the Association's stand against the St. Lawrence Water Power and Seaway Project, which is again being urged upon Congress for action. Thomas Jefferson Miley, Secretary of the Association, emphasized the following four points in urging Congress to disapprove the project:

"1. This Association concurs in the contention that the matter is one which properly is subject to formal treaty between the sovereign governments of the United States and the Crown. While Congress has given some consideration to this feature it has not, to our knowledge, decided the issue.

"2. No authoritative or accurate information is available as to what the actual cost of the project, when completed, would be. Such estimates as have been made were based upon conditions that prevailed prior to World War II. No reliable estimates have been submitted as to the actual cost based upon present economic conditions. Changed economic conditions during the war, and anticipated further changes during the post-war period, make all previous estimates as to cost valueless. At this time, when Congress properly is striving to reduce taxation, and with the tremendous national debt that now confronts this nation, we submit the matter of cost of construction and maintenance as one of great importance.

"3. The nation does not need the electrical energy proposed to be generated. We increased our industrial capacity sufficiently to fight and win the war without it.

"4. The benefits, if any, to be derived from the transportation feature would not accrue to the United States, as we have previously shown."

Dunn First V-P of Chicago Reserve

The appointment of Charles B. Dunn as First Vice-President of the Federal Reserve Bank of Chicago and Paul C. Hodge as General Counsel was announced on Oct. 29 by the Board of Directors of the Bank. Mr. Dunn had been General Counsel of the Bank for the past 12 years and also Vice-President since March 1942. Prior to that, he was assistant to the Bank's Counsel for five years. He was graduated from the University of Wisconsin in 1916 with a B. A. degree and attended the University of Wisconsin Law School. He also studied law at Oxford University in England following World War I. In 1920 he was admitted to the bar in Kansas. He was also admitted to the practice of law in Wisconsin and Illinois. Mr. Dunn came to Chicago in 1926 and was associated with the law firm of Mayer, Mayer, Austrian, and Platt. He is a member of the Illinois and American Bar Associations and was the first Chairman of the American Bar Association's Committee on Banking Law. He also was the first Chairman of that Association's Committee on Negotiable Instruments.

Mr. Hodge has been Assistant General Counsel and Assistant Secretary of the Bank. He joined the legal department of the Bank in 1934. He was graduated from Drake University in 1926 and received his law degree from the University of Chicago in 1928 at which time he was admitted to the bar in Illinois. He was associated with the law firm of Taylor, Miller, Busch, and Boyden from 1928 until he came to the Federal Reserve Bank of Chicago. He is a member of the American Bar Association and Illinois State bar.

The State of Trade

The trend of manufacturing volume last week as in the past 2½ months continued downward. The principal causes of this decline in output were attributed to both labor and raw materials shortages. Among the industrial barometers reflecting lower levels for the week were steel ingot production, electric power output and bituminous coal production, while freight loadings and crude oil production moved upward.

The controversy presently dominating the industrial picture between management on the one hand and labor on the other shows little promise of early settlement. The crux of the problem may be found in the belief in some quarters of the ability of business and industry to absorb pay increases without resorting to an increase in the price of their goods. The official policy prevailing in Washington today is strongly opposed to the granting of such price increases. Notwithstanding this fact, Federal economists contend that industry can afford to raise wages by 24% without increasing prices, Washington suggesting that management meet labor halfway in this matter. Its idea of halfway is not just a flat 15% advance in wages, but it is understood, embraces a possible 10-20% range.

In a study of this problem from the standpoint of the good of all concerned, Twentieth Century Fund, in a special report this week, noted that employers who seek too high prices and workers who seek too high wages may "price themselves out of the market" and "wreck their common enterprise."

The report prepared by a special labor committee, which included a former president of the National Association of Manufacturers and representatives of both AFL and CIO unions projected the view that America's welfare urgently demands a new and more constructive approach to collective bargaining. It stated, "Collective bargaining can be and should increasingly become a technique to help insure a larger and more regular output of goods and services, to maintain high levels of purchasing power, to establish clear lines of communication between employer and worker and to inspire and intensify their joint responsibility."

The committee, whose chairman is William H. Davis, former National War Labor Board head recommends that labor and management recognize the interest of "a third party, the consumer" in their negotiations and urges that both sides make greater use of economists, engineers and impartial fact-finding techniques and that managements and unions together explore the possibilities of "market-wide" collective bargaining.

In recommending "market-wide" collective bargaining, it at the same time conceded that "this technique is not without injurious potentialities and might well encourage excessive and rigid prices . . . yet already this regional or industry-wide approach, whether in peace or war, has accomplished a great deal to bring stability to coal mining, the needle trades, to shipbuilding and other industries. It provides management with predictables in labor cost. It protects the worker against the unsettling effects of bidding up wages that accompanies a period of labor shortage . . ."

Steel Industry—Rumors persist in the steel industry without confirmation that a steel walkout either on an industrywide basis or on a company-by-company basis is in the making, according to "The Iron Age," national metalworking paper, in its issue of Oct. 25. In summing up the situation "The Iron Age" says: such reports may be premature or even without foundation if judged by the comparatively conservative past actions of the CIO-United Steel Workers of America. However, if the age-old method of compromise has been junked by

the steel union and it follows the lead of other CIO organizations that the wage raise will be 30% and nothing less, then the steel industry may well face a labor disruption which will again cut down production and hold up re-conversion. The attitude of the steel companies is that any wage increase granted, whether it be a 30% adjustment or less, must be compensated for by an increase in prices over and above adjustments which are expected soon.

Coal output at mines near steel centers showed rapid progress this week, but the disruption in steelmaking schedules caused by the shutdowns held steel ingot rates at subnormal levels. A few weeks at least will be required to untangle production snarls and bring back into production all blast furnaces and open hearths which were forced down by the mine shutdowns. Steel ingot loss last week was placed around 300,000 tons when compared with output four weeks ago, according to the above trade authority.

The OPA's delay in announcing general steel price adjustments to cover increased steel production costs to date is having serious repercussions on the distribution of many steel products. Some steel concerns are being forced to cut down production of those products on which they are losing money and concentrate as far as possible on the output of items showing a better return. This enforced action fits in with consumer demand which is calling loudly for the more highly finished steel products, the return on which steel companies claim is necessary to keep them out of the red.

It is believed in some steel circles that OPA's hold-up in raising steel prices may be related to possible changes in corporate tax structure now before Congress. It is feared that OPA may shelve price adjustments until the extent to which producers may be benefited by forthcoming tax relief becomes more apparent. However, states "The Iron Age," the 75 cents a ton increase suddenly granted on all grades of pig iron except charcoal may be indicative of a sudden announcement in steel price increases within the next 30 days.

No matter what adjustments are made in the steel price structure the smaller nonintegrated steel companies claim that the relief will be based on the average return for larger steel companies and will leave them in the same squeeze position where they have been since profitable war contracts were canceled. Heretofore, special prices above the regular steel price ceilings, had been granted these smaller companies, but because of normal steel market factors such premiums cannot now be obtained.

Heavy steel buying continues to far exceed faltering shipments. Finishing mill schedules were still somewhat adversely affected this week because of the lower ingot rate and producers were as yet unable to make definite promises on many products, especially flat rolled, in view of the overextended deliveries for products already booked.

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 72.9% of capacity for the week beginning Oct. 29, compared with 65.1% one week ago, 79.7% one month ago and 94.9% one year ago. This represents an in-

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Full Employment Bill Meeting Opposition

Chairman Manasco (D.-Ala.) of the House Committee on Executive Department Expenditures, which is hearing testimony on the Administration-sponsored full-employment bill, told reporters on Oct. 25, after a conference with President Truman at the White House, that the measure would have to be considerably amended before Congress would be inclined to accept it, the Associated Press reported from Washington. "There will be a hard time getting Congress to pass a bill assuring employment for everybody with Government support," Mr. Manasco said, "but there are prospects for passage of some kind of legislation that will encourage employment."

Another member of the Committee, Representative Whittington (D.-Miss.) who had also talked with the President on full employment legislation, made the statement: "I hope we will be able to report a constructive employment bill. It will not be any of those pending, but a constructive measure that will undertake to provide for stabilized employment and thus, in so far as it is possible, provide for full employment." Although Mr. Whittington declined to say what he meant by a "constructive" measure, he said that it "wouldn't contemplate deficit spending."

The President himself, on the same day, told reporters, according to the Associated Press, that he is very anxious that the measure be brought out of Committee and passed as soon as possible.

A week earlier, representatives of business told the Committee that the proposed legislation was undesirable. Speaking for the National Association of Commerce, Dr. Walter E. Spahr, New York University economist, stated that the measure's purpose to provide jobs if private enterprise fails is impossible of achievement in a free country, according to Washington advices from the Associated Press on Oct. 17.

Emmert L. Wingert, counsel for the Wisconsin State Chamber of Commerce, called the legislation unworkable, the Associated Press reported.

Dr. Spahr, asserting that the bill was "the boldest attempt yet made by government planners to usher in a Federally-controlled peacetime economy," declared, the Associated Press stated, that "continuing full employment cannot be assured in a free society. If this bill should become law, and should serious efforts be made to enforce it, the probable effect would be to discourage rather than encourage private enterprise and to decrease rather than increase non-Government employment."

The Associated Press continued: "Suggesting that the bill does not meet the problem of economic timing," Mr. Wingert said that "the lapse of time between the making of the national production and unemployment budget and Congressional enactment of a program which would require at least six months and probably much longer, would generally witness such changes in the underlying economic factors that by the time the program was enacted the economic picture might be very different."

"Business changes come rapidly and Congress moves slowly, as it must if it is going to remain democratic."

"A program of Federal action based on miscalculated or obsolete estimates or on misinterpretations of obscure data, would be likely to do more harm than good."

Mr. Wingert also declared that the bill "overlooks the fact that there must always be some unemployment if people are to remain free to move from job to job and if capital is free to try new ventures and take new risks."

John W. Snyder, in charge of reconversion, declared on Oct. 29 that the so-called full employment bill would set all branches

of Government to work on maintaining a "stable prosperity." The Associated Press further reported him in part as follows:

"That's the particular virtue of this bill," he told the House Expenditures Committee, adding: "It brings all forces of Government—executive and legislative—to bear upon this one vital objective—to achieve, in our nation, a stable prosperity based on free enterprise and upon full employment."

Attempting to pry the administration-backed measure from its deadlock on Capitol Hill, Mr. Snyder said he wanted to clear up what he termed mistaken ideas about the legislation. He declared:

"This bill does not mean Government ownership, Government competition with private business or more Government regulation of private business."

"What the Government can and should do," he said, "is to re-establish policies 'as fall within the traditional realm of Government responsibility.' These will assure 'conditions that make it possible for business to provide jobs. This is the only real solution of unemployment.'"

"Full employment legislation," Mr. Snyder told the Committee, "must establish national policy on accomplishment of these assurances recommended by President Truman:

"1. That all facts about full employment and opportunity will be gathered periodically and made freely available.

"2. Stability and consistency in public policy, so that free enterprise can plan better by knowing what Government intends to do."

"3. That Government will be pointed toward the goal of promoting maximum production and employment in private enterprise.

"4. Priority will be given to doing those things first which stimulate employment and production the most.

"It is imperative that taxation and other measures be closely integrated with our program for full employment," said Snyder.

"This bill provides for such integration. I believe this is a tremendous step forward in the development of governmental machinery for the consideration of broad national policy."

Japan Balks at MacArthur Order For Diplomatic Isolation

Reluctance was shown on Oct. 26 on the part of the Japanese Foreign Office to obey Gen. Douglas MacArthur's unprecedented order for the diplomatic isolation of Japan, it was indicated in Associated Press advices on that date from Tokyo published in the New York "Herald Tribune" which further said:

Domei agency quoted unnamed informed sources as reporting that the government would "exercise great care" in following the order, but that Foreign Office officials "would sound out" Allied authorities on whether the directive "conforms to the Potsdam Declaration."

Gen. MacArthur yesterday ordered Japan to transfer all of her diplomatic and consular properties and archives everywhere in the world to the Allied powers, to cease relations with foreign governments and to recall her diplomatic and consular representatives from abroad. The directive was prepared by the joint chiefs of staff in Washington.

Stress Need of New U.S. Attitude on Russia

The importance of full cooperation between Russia and the United States was stressed by Congressional groups which recently returned from surveying conditions in Europe and made reports of the many phases of the situation which had come under their observation. One group, headed by Representative Victor Wickersham (D.-Okla.), consisted of single representatives of eleven different House committees. Besides Mr. Wickersham they were Representatives Weiss of Pennsylvania, Huber and Feighan of Ohio, Carnahan of Missouri and Ohel of Kentucky, Democrats; Dondero of Michigan, Vice Chairman; Horan of Washington, Morrow of New Hampshire, Ramey of Ohio and Fulton of Pennsylvania, Republicans. This group had been authorized by the War Department, the New York "Times" disclosed in its dispatch from Washington, Oct. 15, to make a 64-day tour.

The other was a House Foreign Affairs Committee sub-group consisting of Representatives Karl E. Mundt of South Dakota and Frances P. Bolton of Ohio, both Republicans. The "Times" stated that six members of the first group visited 32 European and Middle East countries, the other five having returned after visiting 20, and that the second group had covered 20 countries.

Both groups, the New York "Times" continued, found many fields in which they independently came to much the same conclusions, particularly on Russia; the need for more rapid disposal of American surplus war property in Europe; difficulties of the Palestine problem; the necessity of improvement in UNRRA operations, and better handling of American foreign policy.

From the "Times" we also quote:

As the first Congressional group to visit the Soviet Union since the war's end, Mr. Wickersham said his group found the Russian people friendly to America, opposed to any more war and eager to raise their standard of living.

Voicing criticism of lack of better understanding, the report said that if Marshal Zhukov should visit this country, as he had planned, the freedom with which he would be allowed to travel about and see the nation might incline Russia to allow greater freedom to American visitors.

The Mundt-Bolton report was sharper on this subject.

"As we came to understand it," this report said, "the weakness of our American policy toward Russia is that we apply a 'double standard' of political and diplomatic morality toward her in our official attitudes.

"This double standard should be dropped. All our Russian-American policies should work both ways and apply equally in both countries."

Mr. Mundt, in a press conference, said the ten days' delay in getting into Russia on terms his group insisted upon showed the need of improved relations.

To which the Wickersham group added the comment that "many officials we encountered felt we should be willing to accept Russia's cooperation provided that Moscow does not refuse us our rights to free access to territories over which she has assumed unilateral control. Many of our officials felt that Russia has been isolated not by the democracies but by her own acts.

"We earnestly look forward," this group emphasized, in underscoring, "to any means of meeting the Soviet on a common ground of understanding, so that in the future we may place more stress upon points on which we agree instead of high-lighting those on which we fail to agree."

Both groups agreed that more

Hearings on President Truman's Peacetime Military Training Proposals to Start Nov. 8

Public hearings on President Truman's request for universal military training will begin before the House Military Committee on Nov. 8, it was announced on Oct. 25 by Representative May (Democrat) of Kentucky, Chairman of the Committee. It was noted in Associated Press advices from Washington on Oct. 25 that the committee already has a bill introduced by Rep. May early this year for every able-bodied youth as soon as he becomes 18, or shortly thereafter. It follows generally the President's recommendations.

President Truman's message to Congress, (delivered before a joint session on Oct. 23), in which he recommended to it "the adoption of a plan for universal military training," brought varying views from the members of that body. In his message the President declared that: "Universal military training is not conscription." He went on to say:

"The opponents of training have labeled it conscription and, by so doing, have confused the minds of some of our citizens. 'Conscription' is compulsory service in the Army or Navy in time of peace or war. Trainees under this proposed legislation, however, would not be enrolled in any of the armed services. They would be civilians in training. They would be no closer to membership in the armed forces than if they had no training."

Presenting his recommendations the President said, "I recommend that the training should be for one year. Each young man should enter training either at the age of 18 or upon his graduation from high school—whichever is later—but in any event before his 20th birthday. A trainee who completes his high school education in his 17th year should be eligible, with parental consent, to enter the course of training."

Stating that the President's recommendation for a year's military training for young men found immediate support and opposition in Congress, Washington Associated Press advices Oct. 23 added:

There was disagreement with this statement that the proposed universal training program he proposed "is not conscription."

House Democratic leaders declined to comment immediately, but indicated pessimism over the legislative prospects for the plan.

There was approval, even among the opponents of his proposal, for some aspects of his plan.

For instance, Senator Edwin C. Johnson (D.-Colo.), acting Chairman of the Senate Military Affairs Committee, told reporters he regarded the program as nothing less than conscription, to which he is opposed. But Senator Johnson was pleased that the President had recommended that trainees should not be subject to military duty until they are picked by selective service on the order of Congress.

From the Associated Press accounts we also quote Senator W. Lee O'Daniel, Democrat, Texas: "It was a nice speech, but from the correspondence piling up on my desk it looks like the people are more interested in getting the boys out of the last war than getting them into the next one. The whole speech indicates our nation has no confidence in the San Francisco Conference and the United Nations. I am for a voluntary peacetime training program to keep our Army up to full strength."

Senator Robert A. Taft, Republican, of Ohio: "I think the President wholly failed to show that huge reserves of half-trained 7-

prompt sale of Army and lend-lease surpluses abroad would help greatly in averting threatened starvation in Europe this winter. They said, too, that only in Greece was the UNRRA doing a good job. Large State Department staffs abroad also was urged.

000,000 men are of any real value to national defense. I do not think compulsory military training is either desirable or necessary."

Representative R. Ewing Thomson, of Texas, second-ranking Democrat on the House Military Committee: "I'm for it. We ought to start hearings at once."

Representative Leslie C. Arends, Republican, of Illinois, of the Military Committee: "I still want to know more about our world obligations and commitments before we embark on a program like this."

Senator Joseph C. O'Mahoney, Democrat, of Wyoming: "It (military training) is inevitable—it cannot be avoided. It is true that the war is over, but the peace is yet to be won."

The suggestion for an international agreement to "abolish peacetime conscription as a policy among nations" was offered by Representative Joseph W. Martin, Republican, of Massachusetts, following President Truman's request for universal training legislation. Reporting this the Associated Press had the following to say in part on Oct. 23:

The House Republican leader, whose views usually are shared by large numbers of Republicans, issued a statement saying:

"I believe such an agreement would be a mighty step toward the goal of permanent peace, would reduce the incentive to war and would save billions which could be diverted toward making a better world for the great masses of people everywhere.

"Our great prestige and influence in the world at this moment would appear to make this a propitious time to try to secure such an international agreement. I still hope such an effort will be made."

Several legislators said they favored the principle of military training, but thought it could be done in schools and colleges, without interrupting the young man's normal life.

The Veterans of Foreign Wars, however, declaring the President had acted "wisely and with great foresight," promptly telegraphed its support to the White House.

The American Legion also pledged its support to the President's program. Referring to the late President Roosevelt, the Legion said: "Two war-time Presidents now have indorsed the idea of universal military training. This surely should carry some weight with Congress."

The Disabled American Veterans, now in convention in Cleveland, adopted a resolution favoring compulsory military training.

Criticism and approval crossed party lines in Congress. For example, Democratic Senator Pat McCarran, of Nevada, said, "In the President's address I read a prelude to militarism in the United States," while Representative James W. Wadsworth, Republican, New York, hailed the speech as "excellent, forthright and sound."

No leader was found who would commit himself as to the chances of adopting the President's program. Senate President pro tem. Kenneth McKellar, Democrat, Tennessee, said, "It is very hard to say" when asked about this.

Representative Paul W. Shafer, Republican, of Michigan: "He threw the Atlantic Charter out the window. It's an invitation to Russia and all other countries for world armament."

The Financial Situation

(Continued from first page)

imposed upon our defeated enemies.

Second, we must fulfill the military obligations which we are undertaking as a member of the United Nations Organization — to support a lasting peace, by force, if necessary.

Third, we must cooperate with other American nations to preserve the territorial integrity and the political independence of the nations of the Western Hemisphere.

Fourth, in this troubled and uncertain world, our military forces must be adequate to discharge the fundamental mission laid upon them by the Constitution of the United States—to "provide for the common defense" of the United States.

These four military tasks are directed not toward war — not toward conquest — but toward peace.

We seek to use our military strength solely to preserve the peace of the world. For we now know that that is the only sure way to make our own freedom secure.

That is the basis of the foreign policy of the people of the United States.

The foreign policy of the United States is based firmly on fundamental principles of righteousness and justice. In carrying out those principles we shall firmly adhere to what we believe to be right; and we shall not give our approval to any compromise with evil.

But we know that we cannot attain perfection in this world overnight. We shall not let our search for perfection obstruct our steady progress toward international cooperation. We must be prepared to fulfill our responsibilities as best we can, within the framework of our fundamental principles, even though we recognize that we have to operate in an imperfect world.

Let me restate the fundamentals of that foreign policy of the United States:

1. We seek no territorial expansion or selfish advantage. We have no plans for aggression against any other state, large or small. We have no objective which need clash with the peaceful aims of any other nations.

2. We believe in the eventual return of sovereign rights and self-government to all peoples who have been deprived of them by force.

3. We shall approve no territorial changes in any friendly part of the world unless they accord with the

freely expressed wishes of the people concerned.

4. We believe that all peoples who are prepared for self-government should be permitted to choose their own form of government by their own freely expressed choice, without interference from any foreign source. That is true in Europe, in Asia, in Africa, as well as in the Western Hemisphere.

5. By the combined and cooperative action of our war allies, we shall help the defeated enemy states establish peaceful democratic governments of their own free choice. And we shall try to attain a world in which nazism, fascism and military aggression cannot exist.

6. We shall refuse to recognize any government imposed upon any nation by the force of any foreign power. In some cases it may be impossible to prevent forceful imposition of such a government. But the United States will not recognize any such government.

7. We believe that all nations should have the freedom of the seas and equal rights to the navigation of boundary rivers and waterways and of rivers and waterways which pass through more than one country.

8. We believe that all states which are accepted in the society of nations should have access on equal terms to the trade and the raw materials of the world.

9. We believe that the sovereign states of the Western Hemisphere, without interference from outside the Western Hemisphere, must work together as good neighbors in the solution of their common problems.

10. We believe that full economic collaboration between all nations, great and small, is essential to the improvement of living conditions all over the world, and to the establishment of freedom from fear and freedom from want.

11. We shall continue to strive to promote freedom of expression and freedom of religion throughout the peace-loving areas of the world.

12. We are convinced that the preservation of peace between nations requires a united nations organization composed of all the peace-loving nations of the world who are willing jointly to use force if necessary to insure peace. . . . The atomic bombs which fell on Hiroshima and Nagasaki must be made a signal, not for the old process of falling apart but for a new era—

an era of ever-closer unity and ever-closer friendship among peaceful nations.

Hard-headed Americans will find certain things in the attitude here outlined definitely encouraging. Upon careful reflection, they will, however, find intermingled with the realism of the President's approach much that is unrealistic. The two are so intertwined that it is not always easy to see them singly and to identify them. That, however, the American people must do if they are to afford the support and the guidance which is due those who govern in their name.

Keeping Our Powder Dry

There should be general approval of the President's apparent realization of the wisdom of keeping our powder dry rather than depending solely upon some mechanism for keeping the peace or upon what passes as a determination, perhaps even an agreement, among nations to act in concert toward that end. Much nonsense has been spoken during the past few years about designs of this or that power, their determination to conquer or to rule the world and much more of a similar sort, but it is evident enough that this world in the year of our Lord, 1945, is not one in which any power, to say nothing of one which has earned the enmity and the envy of more than one nation, is wise to permit itself to grow or to remain weak or defenseless — no matter how many leagues or how many protestations of peaceful intentions may be in evidence. The atomic bomb has in no way weakened this general principle; indeed it has tended to strengthen it. Many of us will feel much more comfortable about the future when we know, and we know that the world knows, that we are in a position to retaliate devastatingly against any power which undertakes in the future to place us under surprise attack with this horrible weapon—and that quite regardless of the extent, the thoroughness, or the ruthlessness of any such surprise attack.

Of course, we do not mean to imply that henceforth we should become a militarized or militaristic nation — even in the name and for the supposed sake of peace in the world. It does, however, mean that we shall be wise to remain in a position such that no future "Pearl Harbor," no matter from what quarter or with what weapons, could succeed in wiping us from the earth or from the list of first class powers. For our part, we believe that it can be done without universal military conscription — possibly more effectively done without it — the President to the contrary notwithstanding. But it must be done, and no palaver about

international organizations or agreements must stand in the way.

Certain other parts of the President's position likewise warrant support. This is true, for example, of his remarks to the effect that this is a real world in which we live and that we can not well avoid taking other peoples as we find them. It is also true of his evident understanding of the fact that other nations—or at least some of them—have their own defense problems, or what they regard as such, which may run counter to some of our ideas about what is right and proper. Other sections of the President's address, for example those which have to do with the "four freedoms" and the like, are hardly more than vague aspirations which seem at the moment to be in little danger of causing us trouble. It is to be hoped that the Henry Wallaces will not in the future be able to make use of them in such a way as to inflict damage.

The Chief Weakness

The chief weakness of the President is found, perhaps, in his apparent lack of appreciation of the fact that one of the gravest dangers of future distrust and friction, not to say war, lies precisely in what he chooses to term "principle" which we are apparently determined now more than ever to impose upon most of the remainder of the world so far as it lies within our power. What we often think of as "sacred principle," other countries often regard as matters of their own concern, quite within their own code of ethics, and far too remote from our shores to be any of our business. Professional reformers are rarely at peace with the world. We are much too inclined to act as if we had been directly chosen to create and establish codes of ethics for the remainder of the world.

This weakness, of course, is responsible for much of our woe in recent years—and the President gives not the slightest indication of any realization of it. He, unfortunately, is not alone in this infirmity.

Quarter Century Club of Central Hanover Bank Holds Victory Dinner

Central Hanover Bank & Trust Co.'s Quarter Century Club, an organization of those who have been with the bank for 25 years or more, held its Victory Dinner in the Jade Room of the Waldorf-Astoria Hotel on Oct. 25. Two hundred and sixty-five of the 310 members attended. William S. Gray, Jr., President of the bank and Russell F. Thomas, retiring President of the club, presented the 32 new members with the club pin and \$100 Victory bonds. At a short business meeting Stuart J. Marvin was elected President, J. J. Collins, Vice-President, T. Hudson, Treasurer, and R. Karch, Secretary. Some of the members entertained with "The Passing Show of 1945," songs and humorous skits.

Foreign Policy Assn. Gets Truman Message

In a message to the annual forum of the Foreign Policy Association in New York on Oct. 21 President Truman urged the importance of building an informed public opinion on problems of foreign policy, which would help the United States fulfill its responsibilities and exercise the leadership which its position as a great democracy demands, the New York "Times" reported on Oct. 21. In his message the President noted that the American people are embarking on a new course of full participation in solving the problems of peace, and in the "Times" he was quoted as follows:

This course, the President told the forum, which met at the Waldorf-Astoria Hotel, demands great patience of all, an increasingly clear understanding of the problems of other peoples.

"Unless we exercise this patience and attain this understanding," he said, "there will be widespread disillusionment and loss of faith in the possibility of an expanding international collaboration. Such a development would jeopardize the future security and well-being of the American people."

The topic for discussion at the forum was "Between War and Peace," and speakers included Senator J. William Fulbright (D., Ark.), who spoke at length on control of the atomic bomb; John C. Vincent, Director of the Office of Far Eastern Affairs, in the Department of State, who spoke on the willingness of the United States to take part in attempts to settle peacefully native rebellions in French Indo-China and the Dutch East Indies; Henri Bonnet, French Ambassador to the United States, who asserted that France has in mind the necessity of international cooperation and looks to the United States for help for the modernization of French economy; Gen. Sir Hastings L. Ismay, former Chief of Staff to Prime Minister Winston Churchill and Secretary to the Imperial General Staff, who cited cooperation between combined Chiefs of Staff of the Allied powers as an example of how nations can solve their problems by joint effort.

Czechoslovakia To Call In Old Currency

Currency reforms to rid Czechoslovakia of billions of crowns printed by the Germans and to combat inflation were announced on Oct. 21 by Premier Zdenko Fierlinger according to Associated Press advices from Prague on that date, which added:

Authoritative quarters said the move also was aimed at war profiteers.

Premier Fierlinger said few persons — perhaps none — would get back as many crowns as they will be forced to deposit at the end of this month.

According to the announced plan, all currency with the exception of one-crown notes must be deposited in banks by Oct. 31. Coins will not be affected. Depositors, no matter how great the amount they deposit, may receive immediately only 500 crowns in new money. After that they may receive new money in graduated amounts—according to when and how the old currency was acquired.

The country's financial condition has been chaotic, and no foreign-exchange value for the crown has been established, although American occupation authorities arbitrarily set the rate at 100 crowns to an American dollar. In the black market a dollar will buy up to 300 crowns.

Basic Pay Increases Urged in Congress

Labor committees in both Houses of Congress have been hearing persuasive arguments in favor of increasing the nation's minimum wage rate on the basis that the present rate of 40 cents an hour is seriously inadequate. On Oct. 24, the Associated Press reported in a Washington dispatch, Secretary of Labor Lewis B. Schwellenbach went before the House Labor Committee and proposed that the rate be increased immediately to 65 cents an hour, and made the following the three main points of his contention:

1. That 65 cents an hour "is necessary at this time in justice to that large group of low-paid wage earners who have never received sufficient income to maintain an American standard of living."

2. The new minimum, which would rise ultimately to 75 cents an hour under legislation now being considered by the committee, "should prove beneficial not only to the low-paid workers but also to other economic groups" by increasing purchasing power and expanding production.

3. It also should "assist our system of free competitive enterprise in working out its true functions. We will not secure the most efficient production of goods and services by permitting competitors to outlive each other in wage cutting."

Mr. Schwellenbach said extension of the minimum wage law to classes of workers not now covered, including agricultural workers, is good "as an ultimate objective." But, he added, such expansion would present great problems of administration at this time.

The Associated Press added that while not recommending inclusion of strictly farm labor at this time, he did suggest that minimum wages should apply to persons engaged in certain agricultural processing industries not now affected by the law.

Meantime, the labor group in the Senate on Oct. 19, according to the Associated Press, heard Harold Lane, Secretary-Treasurer of the Food, Tobacco, Agricultural and Allied Workers Union of America (CIO affiliate) state that 400,000 workers in the food and fiber processing industry are receiving less than a bare minimum standard of living. "More than 400,000 workers in these industries now are paid less than 65 cents an hour, and large numbers are not paid time and a half after 40 hours as a result of exemptions in the present Fair Labor Standards Act," Mr. Lane asserted, adding that unless such workers are better paid the United States faces "national disaster." His contention was, according to the Associated Press, that tobacco, beverage and food industries could absorb increased wages out of profits.

On the other side of the picture, the same day, T. B. Gittings, Assistant Vice-President of the Western Union Telegraph Co., declared that his company could not absorb the estimated increase of \$10,938,000 in its annual payroll if the 65-cent minimum became effective, the Associated Press reported.

In favor of raising the increase to 75 cents an hour, Robert W. Johnson, board Chairman of Johnson & Johnson, surgical dressing manufacturers of New Brunswick, N. J., told the Senate committee on Oct. 23, according to the Associated Press, that "man does not have the right to employ his fellow man unless he can pay a subsistence wage." He suggested that the committee "should take the position that the average American cannot keep body and soul together on less than \$30 per week anywhere in the United States." Mr. Johnson expressed the opinion, the Associated Press stated, that America's accomplishments in production and distribution prove "the ability of this country to pay higher wages and sell at lower costs."

It was stated on Oct. 26 by Sidney Hillman that a minimum wage of 65 cents an hour would

help insure post-war prosperity. According to the Associated Press accounts from Washington on that date, the garment workers' leader told Senators that the proposed legislation would protect all employers against a "few wage chisellers who might be able to undermine the entire post-war wage structure. The press advised:

Mr. Hillman, President of the Amalgamated Clothing Workers (CIO), told a Senate Labor Subcommittee:

"1. The proposed 65-cent minimum is practically the minimum wage for industry today.

"2. The 65-cent minimum could not cause an increase in living costs or prices.

"3. He doesn't believe any businesses have been forced to quit because of previous wage minimums."

Recalling his service on the National Recovery Board in early New Deal days, Mr. Hillman said: "We first fixed the minimum at 25 cents an hour and there was terrific opposition from business and industry. When it was raised to 30 cents there was less opposition. There was almost no opposition to the 40-cent level.

"Most employers have been happy with these minimums because they know it prevents unfair sweatshop competition by a few chisellers."

Senator Ellender (D-La.), who has been opposing the legislation to fix a present 65-cent minimum that would increase to 75 cents in two years, said that Mr. Hillman spoke only for a small part of the workers in textile industries.

"I object to that most violently," Mr. Hillman replied. "I regard this as national legislation. I want to see the farmers get good prices. The industrial workers are their best market. I want to see industry make a fair profit."

William H. Davis, former head of the War Labor Board and formerly Economic Stabilization Director, came out in support of a change in minimum wage laws to permit an increase from the present basic rate of 40 cents an hour to 65 cents now, and to 75 cents in two years, the Associated Press reported from Washington, Sept. 26, quoting Mr. Davis in his remarks at a Senate Labor Subcommittee hearing as follows:

"When we take into account the rise in the cost of living of wage earners who subsist on these very low levels of income, the 40 cents which the Congress intended to provide by 1945, under the Act of 1938, is reduced to less than 30 cents.

"At the price levels of today, it would take at least 55 cents an hour to equal the 40 cents Congress intended to give in the 1938 Act."

The committee, he said, "may wisely approach the subject from the point of view expressed by President Truman . . . that the 40-cent minimum wage of the law as it now stands "was inadequate when established. It has now become obsolete."

He told Senator Ellender (D-La.): "If prices have to be increased to cover the added cost of bringing wages up to a decent standard, I'm in favor of taking the increased price and spreading it over the community."

Senator Ellender suggested that a jump from 40 to 65 was going too fast.

Nat'l Planning Meeting In Washington Dec. 7

A National Planning Conference to be held in Washington December 7 was announced on Oct. 16 by H. Christian Sonne, Chairman of the Board of the National Planning Association. This announcement was made immediately following the release by the White House of correspondence between the National Planning Association and the President in connection with NPA's new "4 for 4" project.

In outlining the objectives of the conference, Mr. Sonne stated that "this meeting will be devoted to what seems to us at this time to be one of the crucial national problems. It is the problem of how we can develop principles under which there will be clear incentives for the increased productivity essential in a full employment economy. Virtually all responsible groups in America have stated that they have confidence in a system which relies primarily upon private enterprise to mobilize the needed goods and services. This is true of business, labor, agriculture, and government."

Mr. Sonne, who is President of Amsinck, Sonne & Co. of New York, declared that from the point of view of a businessman, "I sincerely believe that increasing consideration should be given to the problem of productivity and the fair division of its fruits. It seems to me that neither management nor labor has as yet sufficient incentives to work earnestly for increased production. Ways must be found to assure that greater returns from increased production are distributed fairly—to all consumers through lower prices, to the workers through increased pay, and to those who venture for their risk and their enterprise."

According to the announcement, the National Planning Conference will use as its agenda the "Questions for National Action" issued Oct. 16 by the NPA as the first publication in its new "4 for 4" project. The name "4 for 4" was chosen because NPA believes that the American people are seeking four principal peacetime objectives—Opportunity, Security, Rising Standards of Living, and Respect for Human Rights; and that these objectives can be realized if there is planning for joint, responsible, nonpartisan action by the four main groups: agriculture, business, labor, and government.

President Truman in his letter Oct. 15 to the National Planning Association said:

"This report ["4 for 4"] and your projected action represent an encouraging example of the kind of nonpartisan, citizen enterprise that is essential if our country is to maintain its democratic institutions. I fully agree that cooperative planning by agriculture, business, labor, and government is necessary if we are to realize our opportunities for steadily improving the national standard of living.

"It is significant that the NPA Board and Committees, composed of leaders in agriculture, business, and labor, have reached agreement on objectives, and on the issues that must be faced in attaining them. Opportunity, Security, Rising Standards of Living, and Respect for Human Rights are objectives in which you and I have common faith.

"It is particularly gratifying to note the emphasis you place on Respect for Human Rights. Enduring solutions to our national problems will be found only insofar as our human relationships are based on mutual trust and respect.

"I wish you every success in your own program of conferences and hope that your efforts will help stimulate agriculture, business, and labor organizations to proceed along the lines you have suggested. I hope that those in public service will examine the

Sproul of N. Y. Reserve Bank Urges Prevention By Banks of Speculative Bond Subscriptions

Allan Sproul, President of the Federal Reserve Bank of New York, urges the cooperation by banks asked by the Secretary of the Treasury in declining to make loans for speculative purchases of Government securities during the forthcoming Victory Loan Drive. The following is Mr. Sproul's letter issued under date of Oct. 25 to the President of each bank and trust company in the local Reserve District:

In a letter dated Oct. 8, 1945, sent by the Secretary of the Treasury directly to you and every other banking institution in the country, he urged your cooperation 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. The subscription forms (copies of which were transmitted with our Circular No. 3012, dated Oct. 15, 1945) to be used by your institution in making subscriptions for account of customers to the three marketable issues to be offered in the Drive contain the following certification:

The undersigned banking institution hereby certifies that it has no beneficial interest in the securities subscribed for, and that to the best of its knowledge and belief this subscription is solely for account of the customers listed on the reverse side hereof, and conforms in all respects with the requests of the Treasury concerning subscriptions set forth in the letter of Oct. 8, 1945, from the Secretary of the Treasury regarding the Victory Loan.

The meaning of this certification is clear, and it should not be signed unless you are reasonably sure that it does not cover a speculative subscription.

To emphasize the importance of this certification, the Secretary of the Treasury has requested us to communicate with the banks in the Second Federal Reserve District and to advise them as follows:

(1) That the Treasury and Federal Reserve Banks as Fiscal Agents of the United States will rely on their certification on the subscriptions filed by them for account of their customers;

(2) That the Treasury considers it essential that the banks designate a specific officer or officers to pass on the subscriptions to assure so far as possible that they are not for speculative purposes and then to sign the certification,

(3) That in the event the subscribing bank prefers, for any reason, not to pass judgment on the eligibility of a subscription, the Federal Reserve Bank as Fiscal Agent of the United States stands ready to assume the responsibility. In all cases in which the banking institution has doubt as to the propriety of accepting a subscription presented through it, it should notify the Federal Reserve Bank, stating the circumstances and furnish all available information. The subscription should not be entered with the Federal Reserve Bank until instructions have been received from it.

(4) That if in our review and examination of the subscriptions submitted questions should arise based on information which we believe may not be available to the subscribing bank, the Treasury would like to have the cooperation of the banks in answering inquiries which the Federal Reserve Banks desire to make to help determine the acceptability of such subscriptions.

I urgently request your whole-

questions you raise which bear on government policies. Any recommendations which you or others working on this project may develop will be given careful consideration.

"I want every businessman, farmer, and worker to know that joint action in developing solutions to the challenging problems that lie ahead has my most sincere and determined support."

hearted co-operation in complying with these rules established by the Secretary of the Treasury to help prevent speculative subscriptions for Government securities in the Victory Loan Drive.

Convention of Am. Finance Conference

The American Finance Conference announces that its 12th Annual Business Convention and Membership Meeting will be held in Chicago, Nov. 27 and 28, at the Palmer House. The two-day meeting will be devoted to a discussion of plans for the wide scale resumption of Instalment Sales Financing services which members of the Association renders to retail dealers and their instalment buyers. A substantial attendance is expected from all parts of the country. The American Finance Conference, National Trade Association for Instalment Sales Finance Companies, has a membership of over 350 companies whose operations blanket the entire country with approximately 1,000 offices. Previous to the War the Instalment Sales Finance Industry handled the financing of purchases by more than six million instalment buyers for an aggregate sum in excess of \$4 billion. As consumer durable goods become available the industry has made plans to resume its prewar services to these buyers and to the retail dealers whose goods they buy. According to Thomas W. Rogers, Executive Vice-President of the Conference, discussions at the forthcoming Annual Convention will be led by outstanding leaders in the field of Instalment Sales Financing.

Use Of Lend-Lease Arms Questioned

The United States has requested the British and Netherlands governments to remove its emblem from the military equipment they have been using to quell uprisings in Indo-China and Java which came to them under the lend-lease program, Secretary of State Byrnes said on Oct. 24 in discussing this country's objection to the employment of lend-lease arms for political purposes. Mr. Byrnes added that the policy of objection applies everywhere, the Associated Press account from Washington reports.

In Indo-China and the Dutch East Indies, the Associated Press continued, lend-lease materials have been used by troops of the Colonial powers to attempt to restore order. The United States last week announced a policy of non-intervention in those situations but, at the same time, offered to try to patch up the difficulties if requested to do so and sharply reminded the powers concerned that they should prepare their peoples for self-government.

Meantime, two Republican Congressmen, Representatives Frances Bolton (Ohio) and Karl Mundt (S.D.), recently returned from a trip abroad, reported to President Truman that the French had used lend-lease supplies in Lebanon and Syria, where disturbances occurred several months ago. They expressed the view to the President, the Associated Press stated, that there should be an accounting of the matter.

Export-Import Bank Sets Up Credit To Finance Cotton Exports to Europe

With a view to financing the export of 800,000 bales of cotton to Europe, the Export-Import Bank at Washington has established a credit of \$100,000,000. The countries to which cotton may be shipped through the use of the credit are Belgium, Czechoslovakia, Denmark, France, Italy, the Netherlands, Norway and Poland. Similar facilities are under consideration for the benefit of countries in the Far East, according to the announcement on Oct. 19 by Wayne C. Taylor, President of the bank, who said, according to Associated Press advices from Washington, that the credit, with an interest rate of 2½%, will enable cotton to move through private channels under the following arrangements:

1. Each foreign government to which a part of the credit may be assigned will designate one or more banks to handle the credit at the foreign end. The Export-Import Bank and each of the foreign banks will then enter into separate agreements to which the foreign government will also be a party. Payments of interest and principal are to be guaranteed by the foreign banks and respective foreign governments.

2. Foreign banks will advise the Export-Import Bank of each contract, naming the buyer, the seller, the number of bales, the type, the delivery date, and the dollar value C.I.F. (cost, insurance, freight).

The Export-Import Bank will then advise the seller that the particular transaction is eligible and indicate the terms under which the shippers' drafts should be drawn and negotiated by their banks in this country.

3. Sales may be made by shippers during a period of six months from the time arrangements are concluded with each foreign government and shipments may be made during a period of 12 months from this date.

4. The Export-Import Bank will finance from the outset up to 85% of the value of the cotton, C.I.F. the foreign port, without recourse to the shippers. The shippers and their American banks are each to carry at least 7½% of their own account until the cotton and the drafts have been accepted at port of destination. At that time the Export-Import Bank will be prepared to take over the participations of the shippers and their banks if they so desire.

5. Repayment is to be made by the foreign purchaser within a maximum period of 15 months after arrival and acceptance of the cotton abroad.

6. Interest will be paid by foreign buyers through the foreign banks. American shippers will therefore be in a position to quote on a basis of a cash sale.

Results of Treasury Bill Offering

The Secretary of the Treasury announced on Oct. 29 that the tenders of \$1,300,000,000 or thereabouts of 91-day Treasury bills to be dated Nov. 1, and to mature Jan. 31, 1946, which were offered on Oct. 26, were opened at the Federal Reserve Bank on Oct. 29. The details of this issue are as follows:

Total applied for, \$2,210,328,000.
Total accepted, \$1,318,006,000 (includes \$51,040,000 entered on a fixed price basis at 99.905 and accepted in full).

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

Range of accepted competitive bids:
High, 99.908, equivalent rate of discount approximately 0.364% per annum.

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

(54% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Nov. 1 in the amount of \$1,316,997,000.

RFC To Handle Sale of Surplus Consumer Goods

Under an executive order to become effective Nov. 5, President Truman has transferred all consumer goods disposal responsibility from the Commerce Department to the War Assets Corporation, a subsidiary of the Reconstruction Finance Corporation, Washington advices to the New York "Times" stated, Oct. 19. The change, reported to have been urged by Secretary of Commerce Henry A. Wallace, will be effected by an executive order directing the termination of the Office of Surplus Property in the Commerce Department and the integration of that office in the RFC, with a transferral of all personnel, records, property, contracts, obligations and funds, according to the "Times".

It has been announced by W. Stuart Symington, Surplus Property Administrator, that as a result of the order, the War Assets Corporation has been assigned to handle all the disposal activities belonging to the RFC, including consumer goods. The Board of Directors of the new corporation will consist of five directors from the RFC and two from the Surplus Property Administration, with Sam H. Husbands, a member of the RFC board, as chairman. The "Times" report continued:

"According to the SPA, consumer goods are those generally sold at retail in over-the-counter transactions, including also such items as office furniture; automotive vehicles, parts and equipment; house trailers, and construction and farm machinery.

"The RFC previously had been designated as a disposal agency for surplus capital and producers' goods, which include aircraft and property relating to aircraft; industrial real property, including buildings and fixtures; land essential to the use of industrial plants, factories and similar facilities; machine tools and machinery, equipment and materials, including products finished or in process.

"Both categories now become the sole responsibility of the War Assets Corporation."

U. S. Aims for Italy

President Truman has disclosed the desires of this country in establishing stability throughout the world in a letter to Italy's Premier Ferruccio Parri, which was released on Oct. 15, Associated Press Rome advices stated, the communication presenting American aims as being "what will best promote the laying of a firm foundation for enduring peace among free peoples and best serve the interests of the United States, Europe and the world." Mr. Truman told the Italian Premier that "all of us are deeply concerned that the first of the peace treaties to be concluded in Europe set a high standard for realistic, fair and wise dealings with Europe's complex post-war problems." The President went on to say, according to the Associated Press, that "with determination and goodwill we shall achieve a peace which will enable Italy to rebuild her political and economic structure and assure her place in the community of nations."

Pope Pius XII Urges Women to Exert Political Influence

Warning Catholic women in exercising their franchise to beware of attempts at domination, politically and economically, on the part of any one class over others, Pope Pius XII, on Oct. 21, spoke to an assembly of 3,000 Italian women in Benediction Hall at the Vatican, urging them to take a full part in public life and to make their votes a force in preserving peace. "It is the duty of every right-thinking woman," the Pontiff said, according to the United Press report from Vatican City, "to take part in public life and not leave it to others who would destroy social and domestic life." The Pope said, "... no wise woman favors a policy of class struggle or war. Her vote is a vote for peace." The United Press accounts added:

Asking whether woman's welfare was better served by capitalism, the Pope said this system entailed the ills of excessive concentration of the population in cities, an increase in big industries and increasing unemployment.

In this regard, he said, one heard a call for the restoration of the place of the woman and mother in the home. This, he said, was "the watchword in many quarters, like a cry of alarm as if the world was awakening, terrified by the offshoots of material and scientific progress, of which it was so proud before."

The Pope then warned of the influence which took woman out of her proper sphere of the family, such as the economic pressure under which she went to work in factories to eke out her husband's income and to add to her own attractions.

He asked women to oppose those doctrines which undermined the foundations of the home and to get ready to organize and achieve the home's restoration.

NYSE Short Interest to Oct. 15 Reported

The New York Stock Exchange made public on Oct. 18 the following:

The short interest as of the close of business on the Oct. 15, 1945 settlement date, as compiled for information obtained by the New York Stock Exchange from its members and member firms, was 1,404,283 shares, compared with 1,327,109 shares on Sept. 14, 1945, both totals excluding short positions carried in the odd-lot accounts of all odd-lot dealers. As of the October 15, 1945, settlement date, the total short interest in all odd-lot dealers' accounts was 51,226 shares, compared with 42,530 shares on Sept. 14, 1945.

The exchange's report of Oct. 18 went on to say:

Of the 1,261 individual stock issues listed on the Exchange on Oct. 15, 1945, there were 76 issues in which a short interest of 5,000 or more shares existed, or in which a change in the short position of 2,000 or more shares occurred during the month.

1944—	
Oct. 31	1,373,540
Nov. 30	1,436,271
Dec. 29	1,390,713
1945—	
Jan. 31	1,475,441
Feb. 15	1,582,647
Mar. 15	1,520,384
April 13	1,361,495
May 15	1,486,504
June 15	1,554,069
July 13	1,420,574
Aug. 14	1,305,780
Sept. 14	1,327,109
Oct. 15	1,404,283

House Votes Huge Government Spending Cut

The House, on Oct. 19, approved without a dissenting vote legislation designed to reduce Government spending by \$52,653,867,278 this fiscal year. The measure was passed and sent to the Senate after an Administration proposal that the United States Employment Service remain under Federal control until next June 30 had been rejected pointblank. As soon as the legislation becomes law these offices are to go back to State control. This decision, by a vote of 162 to 101, represents a direct rebuff to the President who had recommended that Federal supervision of the employment service continue during the reconversion labor turnover.

The bill as passed cancels appropriations and spending authorizations which are no longer needed because the war has ended, and, according to the Associated Press, is the sharpest reduction in spending ever approved by a Congressional branch. The Associated Press continued:

Most of the big cuts in the bill, are in funds for the Army and Navy. The House followed its Appropriations Committee's figures in all but two cases.

The Chamber voted a \$1,317,369,200 reduction in pay and subsistence of naval personnel, as compared with the committee figure of \$1,117,369,200, and inserted a \$332,000 cut in emergency funds for Government in the territories.

Representative Clarence Cannon, Democrat of Missouri Chairman of the Appropriations Committee, proposed both changes, and they were accepted by voice vote.

To assure that there would be no interference with operation of veterans' employment service, Representative Rankin obtained adoption of an amendment declaring that there shall be no cut in the \$7,796,134 fund of the Veterans' Service Placement Board, operated under the Selective Service System.

MBA Convention in New York Nov. 15-17

How lenders on real estate can aid in holding down inflation in prices and what builders and real estate men can do to get the construction program underway as quickly as possible will be among the principal topics for review at the 32nd annual meeting and post-war conference of the Mortgage Bankers Association of America at Hotel New Yorker, New York, Nov. 15, 16 and 17. The convention will be the first big national meetings of builders, bankers and mortgage and real estate men since the ODT ban was lifted. More than a thousand from all over the country are expected.

Among the speakers to address the convention is the new commissioner of the Federal Housing Administration, Raymond M. Foley, who, with a group of FHA officials from Washington, will describe the agency's plans for better adapting the mortgage insurance system for its peace time housing role. W. A. Clarke, Philadelphia, an Association Governor, will conduct the forum. Miles Colean, formerly with the Twentieth Century Fund and a consultant to the Taft committee which earlier this year made extensive recommendations for the post-war housing program, will speak on present and proposed housing plans.

L. Douglas Meredith, Vice-President of the National Life Insurance Co., Montpelier, Vt., will speak on mortgage lending problems today. Mr. Meredith's company is attracting nationwide attention among mortgage lenders by introducing a new type of "packaged mortgage" which not only includes land and building but also certain equipment such as refrigerator, stove, etc. L. E. Mahan, former Association President, will address the convention on the opening day.

30-Hour Seen by Green For Work Distribution

In the view of William Green, President of the American Federation of Labor, the six-hour day and the 30-hour week will soon become "an economic necessity" for workers throughout the country. Speaking before the Building Service Employees international union on Oct. 25 at Chicago, Mr. Green said the workday must be reduced to spread employment "or we will be faced with a serious unemployment problem." Special advices from Chicago, to the New York "Times" from which the foregoing is taken, also quoted Mr. Green as follows:

Scientific and technological improvements in industry make it possible for "less and less workers to produce more and more goods," the AFL President added, and the reduced workweek was the "only practical method" to distribute work.

He pledged that the AFL would enter the labor management session in Washington, starting Monday, with every determination to work out a plan to minimize strikes. Mr. Green said that his organization would make a sincere effort to bring about true collective bargaining.

Mr. Green told the 500 delegates that he would lend his support to an organization drive to bring into the building service union, headed by William F. McFetridge of Chicago, janitors, maids, bowling alley employees and others. He said those to be organized reached potential millions in number.

The AFL would do anything possible to let the union bars down for service men, Mr. Green assured the union delegates. He said that most unions had voted to allow veterans knowing various trades to enter unions without payment of high entrance fees.

The AFL President praised production by union men during the war and said that no single service man went without anything he needed during the action in the European and Pacific theatres.

Commerce Dept. to Handle FEA Export Control

A new office within the Commerce Department, to be known as the Office of International Trade Operations, to be headed by Arthur Paul, will administer export control and other functions transferred from the Foreign Economic Administration, it has been announced, according to Associated Press Washington advices of Oct. 19, which went on to say that export control activities will be administered with the same personnel, procedures and regulations now employed by FEA.

Surplus Aluminum Plant Disposal Time Extended

The time during which the Surplus Property Administration is prohibited from disposing of government aluminum plants has been extended under legislation signed by President Truman, according to Associated Press Washington advices of Oct. 23, which pointed out that the Surplus Property Act generally requires that in disposing of war plants, there can be no action until 30 days after the Administration has reported to Congress on its plans. In the case of aluminum plants and facilities, the resolution signed by the President makes the period 60 days.

Moral and Spiritual Recovery from War

(Continued from first page)

ness to wrong and a resentment of brutality. The redemption of mankind will depend upon those who can give intellectual, moral and spiritual leadership in these immediate years.

To indicate how much reconversion we need in this field we should frankly examine some examples of the degeneration of our ideals during this war. Such an appraisal will not be popular with those whose war emotions still drown their reason, although I shall speak with restraint. Yet facing these facts is the first step to redemption. And now is the time to face them.

The Degradation of Truth

Let us examine what has happened to truth. It is the first fatality of any war. And total war results in the mass slaughter of truth. Propaganda is one of the weapons of war. And propaganda is at best but half truth. It tells only one side. Its justification is that strategy requires that the enemy be misled. Morale at home in war also requires a boost of spirit by suppression of some things and emphasis on others. War controls are used to cover up blunders and failures. Another taint of untruth still hangs heavy in the air. One of Lenin's principles of propaganda was to confuse vocabularies. At one time America had simple and well-understood expressions, such as self-government, independence of nations, democracy, personal freedom and liberalism. The war leaves us with these phrases stuffed with perversion of truth.

Exploitation of emotion, regimentation of the press and confusion are not operations in pure intellectual honesty. And these practices leave an imprint of the usefulness of lies. The consequence is that the habit of the war-perfected skills of government propaganda are carried over into peace. There is no national permanence in falsehood. There will be no lasting integrity in citizens unless there be intellectual honesty in government.

The Degeneration of Justice

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 two hundred million people. Vengeance and revenge are not justice. Measures which reduce the economic life of coming generations to the low levels of an agricultural state are neither justice nor good policy. That will create gigantic cesspools of hate, poverty and conspiracy 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.

The Growth of Brutality

We have lost something in our sensitiveness to brutality. For instance, before the war we protested in deep indignation the bombing of children, women and civilian men by the Japanese at Nanking, the Russians at Helsinki, the Germans at Warsaw and London. We said war must be confined to clashes of armed men, not the killing of civilians. Yet did we not wind up the war by killing tens of thousands of

women and children at Hiroshima and Nagasaki? Even if we grant that it was necessary, is it not a matter to exult over.

Thousands of people are still being committed to concentration camps in Eastern Europe without a semblance of justice or compassion. Under the name of reparations men are being seized, and prisoners are being worked under conditions reminiscent of Roman slavery. Yet we have become so habituated to brutality that we are tolerating it with little protest.

The Degeneration of Freedom

We have lost something of our ideals of freedom. We went into the war under the persuasion of such ideas as the Four Freedoms and the Atlantic Charter. This was to be our second and last crusade to free the world from domination, from despotism, from imperialism, from brutality, from fear. Our banners have always proclaimed the freedom and the rights of nations and of men.

Now we find hundreds of millions of human beings breathe less independence, less liberty, less freedom from fear than before we started on this crusade. Their successful rescue at that time was the justification of our first crusade. Can we honestly say that we have not surrendered these people on the altar of appeasement?

The Loss of Trained Minds and Skills

The war has brought us a loss in our intellectual life from another direction. In our lists of dead are a multitude who would have given intellectual leadership to our people. Of those who survived, the draft and diversion to war have cost us the equivalent of six annual crops of young men trained in the professions and the arts. I regret to say that, after the interruption of war, too small a part of them are returning to colleges for training. Worst of all, by continuing the draft of boys between 18 and 21 since the war has ended we are destroying still another corp. There will sometime be a shortage in scientists, teachers, doctors, engineers, lawyers and our leaders in the humanities. It is not even intelligent of our military forces to continue depriving our future defense of these skills.

Other Degenerations

I will not dwell on more examples of our moral, spiritual and intellectual losses. I could rail against the rise of nationalistic and group selfishness. I could bewail the decrease of compassion which distinguishes Christianity. I could deplore the growth of intolerance. I could expand upon the impairment of the whole cultural structure of the world. I could emphasize the loss of faith in our American system of life.

However, these degenerations in ideals and standards, this insensitiveness to wrong are common to all wars. We have recovered from them before and we can recover from them again if we have wisdom and courage.

The immediate danger to the world is a sense of frustration in America at the failure of our crusade for freedom and our continued moral and spiritual losses from the war. For from frustration can come bitter isolationism.

The War Is Not All Loss

And do not get the idea that I am saying the consequences of the war are all bad. The war involved questions of national defense. We made important scientific discoveries, especially in the manipulation of the atom. The heroic deeds of America's sons and daughters have added to the glory

of the nation. They have enriched our traditions of valor. The war resulted in the extirpation of three of the festering sores of military aggression in the world. We have a start at world cooperation to at least maintain military peace.

But I am not here discussing our world situation. I am concerned with the recovery of our own American intellectual and moral and spiritual standards from their war degeneration.

The Part of Our Educational Institutions

Some one may say that for regeneration of moral and spiritual ideals we should again return to the Sermon on the Mount. That is right, but the responsibility for the idealism of America does not rest alone on the Church. It rests also upon our institutions of higher learning, for such institutions have loyalty to standards as vital as to patriotism itself. They also have the responsibility to proclaim truth and tolerance, to insist upon justice, to awaken a sensitiveness to wrong, to selfishness, to brutality.

Indeed, without these values, there can be no successful reconversion of even the economic world from war to peace. Adam Smith taught that all material wealth comes from the earth with its increment of value from labor and skill. But he mostly overlooked the most important asset of nations without which no amount of soil or mines or labor can produce lasting wealth. That indispensable asset is moral and spiritual; it is integrity, justice and a willingness to unselfish cooperation of its citizens.

Leadership

It is a commonplace to say that in this complex modern civilization no nation can survive without leadership. And by leadership I do not speak of public life alone. We must have leadership in every branch of life from the shop foreman to the President. We must have leadership among the neighbors and in the home.

One of the riches of American life is the vast reservoir of leadership in the people. But leaders are not found like queen bees. Neither does heredity produce them and certainly bureaucracy does not do so. It is our educational system rooted in the whole people upon which we must depend to develop leaders. That is, the mechanism of free men through which youngsters with qualities of mind and character are promoted from the whole people and trained for leadership. From here must come the constant stream of young men and women who will refresh our ideals.

No doubt there are men and women who rise to leadership without the full help of our colleges. But our national supply would be poor indeed if we had to depend upon this method.

But an intangible corruption has come into our concepts of leadership during the past few years. It is dinned into us that this is the century of the common man; that he is going to do this and demand that—the idea seems to be that common man has come into his own at last. Certainly he is a good vote-getting attachment.

Thus we have developed a cult of the common man. I have not been able to find any definition of who this common man is. Most American men and especially women will fight if called common. Likewise in humility we refer to ourselves as made from common clay but we get mad when anyone says our feet are made of clay.

However, whoever this political common man is, I want him to have all the unique benefits of the American way of life including full opportunity to rise to leadership. But if we are to have leadership in government, in science, in education, in the professions and in the home, we must

find and train some uncommon men and women.

The only seriously objectionable part of this deification of the common man is the implication that mediocrity is an ideal, that the uncommon man is to be discredited or discarded.

Let us remember that the great advances have not been brought about by mediocre men and women. Rather they were brought about by distinctly uncommon men and women with vital sparks of leadership—men and women like St. Francis of Assisi, and Florence Nightingale and Abraham Lincoln. Many of these great leaders were, it is true of humble origin, but that was not their greatness.

The most gigantic experiment of this cult of all history was the dictatorship of the proletariat in Russia. It is from the fumes of this cauldron that we mostly get these ideas. But one of the humors of sociology—if there is humor in it—is that the most recent phase of the revolution in Russia is a frantic search for the uncommon man. And he is given privileges and payment relatively to other citizens far more than America offers today.

There is no identity whatever between mediocrity and popular government—although that is what many of our bubble blowers are trying to put over on the American people.

The essence of our American system is that the best are to be selected for public responsibility and public service. It is also the essence of our economic life, our spiritual life, our educational institutions.

We have a recent and powerful example. In the command of our military forces and our scientific forces during the war we searched and found the uncommon men and women. They proved that they could give leadership without being dictators or fascists or endangering popular government.

Despite this curious cult who erect antagonisms to the uncommon man, I am confident it will not confuse our educational institutions. Our sure hope of recovery in the moral and spiritual world is the wealth of uncommon men and women among our people. And it is our educational institutions that will promote and train them.

Conclusion

To sum up, may I say that the colleges have a great obligation courageously to restore our moral and spiritual losses from the war, to renew our ideals of freedom, to regain our sensitiveness to wrong, and to provide the nation with renewed supply of trained leadership. Unless we rebuild this new era on these foundations, it means the war has been lost. It means more. It means that civilization is lost. I am convinced that our educational institutions are equal to this; the greatest of tasks.

U. S. Observer at Greek Elections Named

President Truman has appointed as his personal representative Henry F. Grady, of San Francisco, who will head the American group that will observe the coming Greek elections, together with representatives of Great Britain and France, according to Washington advices to the New York "Times" on Oct. 20. Mr. Grady, who is President of the American Presidents Lines and former Assistant Secretary of State, is to have the personal rank of Ambassador. According to Secretary of State Byrnes who announced the appointment, "This action is taken in accord with responsibilities which this Government accepted at the Crimean Conference to assist the peoples of European countries formerly occupied and dominated by Nazi Germany in solving their political problems by democratic means and creating democratic institutions of their own choice."

Exposition of Am. Soc. Of Tool Engineers

The American Society of Tool Engineers Exposition will be held in Cleveland, Ohio, April 8 to 12, inclusive, according to an announcement by the board of directors of the American Society of Tool Engineers at its semi-annual meeting in Detroit. Arrangements have been made for the use of the entire Cleveland Public Auditorium and it is planned to use the entire quarter of a million square feet of space thus available. This will be the fifth such exhibit of production equipment and processes held by the Society and the first major post-war show featuring machine tools, materials handling and control equipment, cutting tools and production processes. The name of the 1946 exhibition was chosen, according to C. V. Briner, President of the Society, because of the expanded influence of the Society in the field of mass production and the broadened scope of such interests.

The annual meeting of the American Society of Tool Engineers will be held in conjunction with the Exposition and a series of Technical Sessions will be scheduled. A complete floor plan of exhibit space is being mailed to all former exhibitors and other copies may be obtained from A. S. T. E. headquarters, Penobscot Building, Detroit 26, Mich. The advices from the Society also state that arrangements made with Cleveland hotels indicate that an adequate number of rooms will be available for exhibitors and those who will attend the exposition.

France Buys Housing Units From U. S.

The sale to France of 8,111 temporary dwelling units, originally intended for Lend-Lease shipment to Great Britain and not suitable for use in this country, was announced Oct. 16 by Philip M. Klutznick, Commissioner of the Federal Public Housing Authority. The dwelling units will be used in France to relieve the emergency situation in bombed-out seaport cities. The announcement of the FPFA stated:

"The transaction was concluded between the French Purchasing Mission and the Federal Public Housing Authority, which acted as disposal agency under Surplus Property Administration procedure. This completes liquidation of the special program under which the FPFA acted as agent of the Foreign Economic Administration in procurement of these dwellings. This sale will be the second consignment of emergency housing to go to France from the United States. Earlier this year, nearly 4,000 barracks, constructed from surplus temporary war-housing, were shipped in panel form to France for re-erection to house dock-workers.

"The 8,111 units, which will go to France at the sale price of \$6,945,000, are packaged dwellings completed for the original British order which had not yet been loaded on ships when Lend-Lease was terminated. Approximately 10,000 of an original order of 27,000 had already been shipped to Britain to house bombed-out workers. Diversion of the surplus to France will make possible more effective operation of the French ports and consequently speed the United States Army redeployment program. The Republic of France has made cash payment for the dwellings.

"Before concluding the French transaction, Commissioner Klutznick said, the Federal Public Housing Authority explored the possibilities of domestic sale of these dwellings but found them not suitable in their existing form for use here."

Rehabilitation of the Philippines

(Continued from first page)

Mestizos, the vigorous and active people who spring from the mingling of the blood and culture of the Malay, the Spaniard, and the Chinese.

Who in the Philippines opposes independence? The American business and professional man favors a continuation of United States control, but he has little, if any, influence. British, Spanish, and other foreign capital would like to see things continue as they are and not risk the unknown. But foreign capital has even less influence than that of the United States. Even Filipino Big Business would prefer to keep political ties with the United States in order to insure favorable trade and tariff arrangements. But the political leaders are all in favor of independence. They dare not be otherwise. They have fought for independence and have promised it year in and year out to their people. They have been elected because of this promise. There is only one effective party in the Islands today—the Nationalist—because the struggle for independence has kept the voters from dividing on other issues.

Some doubt that the Filipinos are ready for independence, or that it is to their own interests. This question is not easily or glibly answerable. There are many important factors on both sides. It is largely a matter of opinion, personal interest, evaluation of social and economic benefits, philosophy of life. It is not a question which the people of the United States can answer. They have pledged their faith to independence for the Philippines by July 4, 1946. If we were to reconsider this question which our Congress, our Presidents, and our responsible statesmen have settled with the seal of our national good faith, the whole world would lose confidence in our integrity. All of our high promises in the Atlantic Charter and other historic pronouncements would be considered meal in the mouth by a world already bitter and skeptical. We cannot afford to impair our influence for a more unified and democratic world society by a retreat from our promise to the people of the Philippines. Only the Philippine people can reconsider, and I doubt if they will unless statehood is offered as an alternative.

Our Obligations to the Philippines

But independence does not mean that our obligations to the Filipino people are discharged and that we are free of further responsibility for the economic and social welfare of these Islands. A parent is absolved from legal liability when a child comes of age, but affection and moral responsibility continue as strongly as before. The Philippines, under our wardship, have come far in education, health, business development, political acumen, and the practice of parliamentary government. But not far enough. Our responsibilities have not yet been fulfilled. For another 10 years at least, while yielding full political control, we must be willing to provide financial aid and trained and experienced personnel to help administer the government.

With all the progress which has been made, only half of the people are literate. Many diseases, including tuberculosis, take a heavy and unnecessary toll; preventive medicine and public health measures are far from satisfactory. Slums, worse than any we know—even if less odious than in other Oriental countries—must be destroyed and decent housing for the lower income people provided. Land and wealth should be more widely distributed so that the underprivileged will have opportunity to rise in stature. Agriculture must be improved; the rich soil and abundant forests now

wasted by improvidence and lack of care must be scientifically conserved and replenished for the support of a rapidly growing population.

The Filipinos are a kindly, adaptable, and politically able people, loyal to the United States. They have not only rivaled us in producing an abundance of politicians, but they can claim a fair proportion of modern statesmen such as Quezon, Osmena, Roxas, and Romulo. But the Philippines need our financial and administrative aid even more as an independent nation than as a Territorial Commonwealth. We cannot indulge in satisfaction until we have more fully completed the difficult task which we voluntarily assumed over 40 years ago.

Credit is due to the Philippine Government and to United States aid and tutelage for what has been accomplished, but after 40 years of progress we now stand only at the threshold of great accomplishment.

In the world of today, with its suspicions and distrusts, the United States will be judged more by what it does in a concrete way with the Philippines than by any statement of high principles. It is first of all necessary that we repair the damage caused by the war. The Philippine Islands were used by us as a stepping stone to Japan and as a huge base for supplies, ships and men to complete the final conquest. We cannot expect the Filipinos to bear the major cost of the destruction. They already carry a heavy burden in the death of soldiers and civilians, destruction of cities, and the disruption of their social and economic system. In making arrangements for the restoration of public and private buildings, bridges, roads, public utilities, industrial properties, we should be neither generous nor ungenerous. We should pay what will fairly compensate the people of the Philippines for the physical destruction.

The appointment of Paul V. McNutt as High Commissioner will be of substantial help both to this country and the Philippines in the adjustment of economic problems. Commissioner McNutt is not a yes-man, but he is probably as popular with the Filipinos as any of the representatives we have sent to the Islands. He understands their difficulties and respects their rights. His appointment at this time is particularly happy because there were too many loose ends in Philippine relationships both in Washington and in Manila—too many conflicting agencies and officials having something to say and getting nowhere. The new Commissioner will be able to funnel Philippine affairs in one channel so that definite progress can be made.

Future Trade Relations

Quite as important as financial assistance in the rebuilding of the Islands and in enabling the local government to reorganize and set its departments at work is the need for a definite understanding on trade relations after independence is achieved. We have granted virtual free trade, with some quota restrictions, and a small export tax, to the Philippines for a considerable period of years. The Islands are agricultural, and their exports have been mainly sugar, hemp, coconut products, tobacco and gold. From 60% to 70% of their trade has gone to the United States. In return for these products we have furnished machinery, automobiles, textiles, flour, electrical equipment, galvanized tin and also a variety of dairy and agricultural products, such as cotton, and canned fruits, milk and vegetables.

Any uncertainty as to future tariff relations between the Islands and the United States

will substantially discourage the reconstruction of the local industries which are so dependent upon the United States for a market. Capital, always timid, is unwilling to make large investments required for restoring these industries unless there is some reasonable certainty of a continuing market.

It must not be assumed that the continuation of free trade between the Philippines and the United States would be entirely for the benefit of the Islands. It is probable that the United States gains more from the arrangement than the Philippines. In accepting preferential trade agreements with one country and funneling its trade and commerce through that one country, the Philippines lose the great advantage of a diversified trade with many nations. It is always a sound policy not to have all the eggs in one basket. In accepting close economic ties with the United States the Philippines place their future in the hands of a single nation rather than in a world economy. The chief reason for the continuation of free trade and close economic ties with the United States is the maintenance and improvement of the standard of living. If the Philippines were obliged to compete in the Far Eastern market, there would be a tendency to pull down the standard of living towards that of China, India and Japan. Were it not for this factor, the Philippines would be on a sounder basis with wider economic horizons. The United States, which has heretofore adopted a selfish attitude in repelling world trade with high tariffs, now finds itself hemmed in by government controls and seeks a broad commercial policy and the encouragement of multilateral trade between the nations.

We are contemplating advancing billions to Great Britain in order to make it possible to unfreeze the blocked balances which compel her to trade with her colonies, dominions, and creditors, and make it possible for us to trade more freely with the British Empire and other parts of the world. Yet at the same time we are urged to abandon our free trade arrangement with the Philippines which the people of the Islands are anxious to maintain. We are urged to erect a wall against our own exports and turn over a sizable and increasing volume of trade largely to China and Japan. If we seek to lower the walls which are being built everywhere against the flow of goods and commerce, should we at the same time voluntarily erect a new wall against ourselves?

Philippine Relations with Japan and China

China and the new Japan must, of course, have opportunity to trade in the world's markets and have access to raw materials as promised in the Atlantic Charter. We should not maintain free trade with the Philippines to keep China and Japan out. On the contrary, we should maintain such free trade as we have in the hope that we may eventually remove or at least lower trade barriers generally throughout the world.

The Philippines are much nearer to Japan than to the United States. Japan is at their very doorstep. Japan is an industrial and trading nation, the Philippines are an agricultural nation. Each can supply many of the other's wants. Before the war Japanese trade and industry were growing rapidly in the Islands. There is every reason—barring present distrust and hatred of the Philippine people for the Japanese—for close economic ties. As the years roll by, Japan and China are bound to enjoy the bulk of commerce with the Philippines

if tariff barriers are set up by the United States.

What is done with Japan is of more immediate and vital importance to the Philippines and China than to any other nation. A starving, unemployed, embittered Japan, seeking revenge, would make the independence of the Philippines difficult and dangerous in the years to come. A democratic, peace-loving Japan with a constantly rising standard of living will remove the greatest bar to the enjoyment of political and economic independence. The sad spectacle in Germany should be a warning. It is impossible for four nations to govern another nation. Japan cannot be governed from Washington, much less from Washington, Moscow, London and Chungking. Granting that many mistakes are being made and will be made by General MacArthur and his associates, there is altogether too much sniping from afar. The broad policies for reconversion of Japan into a peaceable manufacturing and trading nation must be dictated temporarily by Washington and those nations which had a part in the Pacific war. The transfer of responsibility for the policies of reconstruction in Japan and Europe from a few great Powers to the United Nations cannot come too soon. All nations are responsible for the peace of the world. But the administration of the policies must be left to those in charge in Tokyo with as little interference as possible by remote control. The Philippine people have great confidence in General MacArthur. He has lived among them and knows their problems, their aspirations and their ways of life. He has learned the Orient at first hand. It is in the interest of the Philippines and of the civilized world that General MacArthur be permitted to work out the salvation of the new Japanese Commonwealth without too much interference from afar.

A free Philippines backed by the United States will have great influence in encouraging self-government on sound lines in the East Indies, Indo-China, Korea and other areas inhabited by multitudes of people, long suppressed, who now sense their power and seek control of their own destiny.

Sept. Gas Sales Off

The American Gas Association estimates that sales of the gas utility industry in September were 1,743,055,000 therms, a decrease of 2.0% compared with sales of 1,783,272,000 therms in September, 1944. The Association's new index number of utility gas sales (1935-39=100.0) was 163.6 for September.

Sales totaled 25,584,351,500 therms in the 12-month period ended Sept. 30, 1945, a gain of 3.9% over the same period ended September, 1944.

Manufactured and mixed gas sales in September were estimated at 194,525,000 therms, a decrease of 0.5% from sales of 195,480,000 therms in September, 1944. The corresponding September index of manufactured and mixed gas sales was 127.0% of the 1935-39 average.

In the 12-month period ending Sept. 30, 1945 sales of the manufactured branch of the industry gained 3.8%, rising from 2,853,260,000 therms in the period ending a year ago to 2,961,516,000 therms in the current year.

September natural gas sales were estimated to be 1,553,529,000 therms, a decrease of approximately 2.2% from September, 1944 sales. The Association's new natural gas sales index (1935-39=100.0) stood at 169.1 for September.

Natural gas sales totaled 22,622,835,000 therms in the 12 months ended Sept. 30, 1945, as against 21,771,063,500 therms in the same period ended 1944, equivalent to a 3.9% increase.

From Washington Ahead of The News

(Continued from first page)

tremendous about the Presidency and that they should not let themselves in for dependency upon it.

Truman, from his background and his training, hates to see people made commodities, by labor leaders, bureaucrats or politicians. But there are too many who have waxed rich on the system organized by Roosevelt to let it go willingly. They have enjoyed such a browbeating of their fellow men, from the little entrenched labor straw boss, to the political boss, that it is manifestly going to take a great uprising, a great upsurge of inner dignity on the part of people, to destroy the hold they have.

From his own political standpoint and from that of those poor souls who are portrayed as wanting a return of personal leadership, his effort to be a "strong" man is going to be tragically disheartening. The last time we saw such an episode as this, the effort of an ordinary but reasonably capable man to be a "strong" man, under newspaper pressure, was a sight to be seen.

This particular man had been doing a good job, or at least he was an "important" figure in wartime Washington. We suppose that he figured that all "important" men such as he, had a right to take some advantage of the many temptations which are thrown in "important men's" way. Anyhow, he got mixed up with a glamorous girl, citizen of a neutral country and who was a suspect to the FBI. She went off to Cuba, and the "important" man was to join her down there. Just before his departure, she cabled him to bring her a particular present. The censors turned a copy of her cable over to the FBI as a matter of routine. The woman, it developed, had escaped their surveillance and were they excited. Before doing anything, however, they went to see Roosevelt and he told them, with an inner chuckle, knowing the "important" man as he did, that it was up to them to do their duty. A couple of FBI men were immediately flown to Havana. They approached the "important" man and told him the situation. He was indignant and said he would bring this matter to the attention of the President. The FBI agents said timidly that the President already knew about it. While they were wrangling, the woman disappeared again, and the "important" man started back to Washington crestfallen, feeling, as a matter of fact, only as a man can feel in an experience of this kind. All the way to Washington, he kept thinking about Roosevelt's knowing his story. He decided he had to do something unusual. He decided to become a "strong" man.

His evolution into a "strong" man was one of Washington's funniest wartime stories. He banged his fist on the desk for the benefit of the photographers, by way of showing how he intended to crack-down; he did this so much that he broke a finger.

There is no parallel between this development of a strong man and what is happening to Truman. The other was funny. This is liable to be tragic.

What seems to be important is that he is listening to the clamorous Leftist voices. There is no telling what he is likely to do in an effort to measure up to them as a strong man. He is not likely to accomplish anything except muddying up the waters, on the home front, that is. And on the foreign front, where he seems to want to be "strong," the forces that are pressing him to be strong are against that, because strongness on the foreign front means strongness against Russia.

Our Foreign Policy

(Continued from page 2122)

Fundamentals of Our Foreign Policy

Let me restate the fundamentals of that foreign policy of the United States.

1. We seek no territorial expansion or selfish advantage. We have no plans for aggression against any other State, large or small. We have no objective which need clash with the peaceful aims of any other nations.

2. We believe in the eventual return of sovereign rights and self-government to all peoples who have been deprived of them by force.

3. We shall approve no territorial changes in any friendly part of the world unless they accord with the freely expressed wishes of the people concerned.

4. We believe that all peoples who are prepared for self-government should be permitted to choose their own form of government by their own freely expressed choice, without interference from any foreign source. That is true in Europe, in Asia, in Africa, as well as in the Western Hemisphere.

5. By the combined and cooperative action of our war allies, we shall help the defeated enemy States establish peaceful democratic governments of their own free choice. And we shall try to attain a world in which Nazism, Fascism and military aggression cannot exist.

6. We shall refuse to recognize any government imposed upon any nation by the force of any foreign Power. In some cases it may be impossible to prevent forcible imposition of such a government, but the United States will not recognize any such government.

7. We believe that all nations should have the freedom of the seas and equal rights to the navigation of boundary rivers and waterways and of rivers and waterways which pass through more than one country.

8. We believe that all States which are accepted in the society of nations should have access on equal terms to the trade and the raw materials of the world.

9. We believe that the sovereign States of the Western Hemisphere, without interference from outside the Western Hemisphere, must work together as good neighbors in the solution of their common problems.

10. We believe that full economic collaboration between all nations, great and small, is essential to the improvement of living conditions all over the world, and to the establishment of freedom from fear and freedom from want.

11. We shall continue to strive to promote freedom of expression and freedom of religion throughout the peace-loving areas of the world.

12. We are convinced that the preservation of peace between nations requires a united nations organization composed of all the peace-loving nations of the world who are willing jointly to use force if necessary to insure peace.

Now that is the foreign policy which guides the United States. That is the foreign policy with which it confidently faces the future.

It may not be put into effect tomorrow or the next day. But none the less, it is our policy, and we shall seek to achieve it. It may take a long time, and it is worth waiting for, and it is worth striving to attain.

Strive for Golden Rule in International Affairs

The Ten Commandments themselves have not yet been universally achieved over these thousands of years. Yet we struggle constantly to achieve them, and in many ways we come closer to them each year. Though we may

meet setbacks from time to time, we shall not relent in our efforts to bring the golden rule into the international affairs of the world.

We are now passing through a difficult phase of international relations. Unfortunately it has always been true after past wars that the unity among allies, forged by their common peril, has tended to wear out as the danger passed.

The world cannot afford any letdown in the united determination of the Allies in this war to accomplish a lasting peace. The world cannot afford to let the cooperative spirit of the Allies in this war disintegrate. The world simply cannot allow this to happen. The people in the United States, in Russia, and Britain, in France and China, in collaboration with all the other peace-loving people, must take the course of current history into their own hands and mold it in a new direction—the direction of continued cooperation. It was a common danger which united us before victory. Let it be a common hope which continues to draw us together in the years to come.

The atomic bombs which fell on Hiroshima and Nagasaki must be made a signal, not for the old process of falling apart but for a new era—an era of ever-closer unity and ever-closer friendship among peaceful nations.

Building a peace requires as much moral stamina as waging a war. Perhaps it requires even more, because it is so laborious and painstaking and undramatic. It requires undying patience and continuous application. But it can give us, if we stay with it, the greatest reward that there is in the whole field of human effort.

No Irreconcilable Differences
Differences of the kind that exist today among nations that fought together so long and so valiantly for victory are not hopeless or irreconcilable. There are no conflicts of interest among the victorious Powers so deeply rooted that they cannot be resolved. But their solution will require a combination of forbearance and firmness. It will require a steadfast adherence to the high principles which we have enunciated. It will also require a willingness to find a common ground as to the methods of applying those principles.

Our American policy is a policy of friendly partnership with all peaceful nations, and of full support for the United Nations Organization. It is a policy that has the strong backing of the American people. It is a policy around which we can rally without fear or misgiving.

The more widely and clearly that policy is understood abroad, the better and surer will be the peace. For our own part, we must seek to understand the special problems of other nations. We must seek to understand their own legitimate urge toward security as they see it.

The immediate, the greatest, threat to us is the threat of disillusionment, the danger of an insidious skepticism—a loss of faith in the effectiveness of international cooperation. Such a loss of faith would be dangerous at any time. In an atomic age it would be nothing short of disastrous.

There has been talk about the atomic bomb scrapping all navies, armies and air forces. For the present, I think such talk is 100% wrong. Today control of the seas rests in the fleets of the United States and her allies. There is no substitute for them. We have learned the bitter lesson that the weakness of this great Republic invites men of ill will to shake the very foundations of civilization all

over the world, and we had two concrete lessons in that.

Atomic Bomb Has Not Changed Navy's Mission

What the distant future of atomic research will bring to the fleet which we honor today, no one can foretell. But the fundamental mission of the Navy has not changed. Control of our sea approaches and of the skies above them is still the key to our freedom and to our ability to help enforce the peace of the world. No enemy will ever strike us directly except across the sea. We cannot reach out to help stop and defeat an aggressor without crossing the sea. Therefore, the Navy, armed with whatever weapons science brings forth, is still dedicated to its historic task: control of the ocean approaches to our country and of the skies above them.

The atomic bomb does not alter the basic foreign policy of the United States. It makes the development and application of our policy more urgent than we could have dreamed six months ago. It means that we must be prepared to approach international problems with greater speed, with greater determination, with greater ingenuity, in order to meet a situation for which there is no precedent.

We must find the answer to the problems created by the release of atomic energy—we must find the answers to the many other problems of peace—in partnership with all the peoples of the United Nations. For their stake in world peace is as great as our own.

Bomb No Threat to Other Nations
As I said in my message to the Congress, discussion of the atomic bomb with Great Britain and Canada, and later with other nations, cannot wait upon the formal organization of the United Nations. These discussions, looking toward a free exchange of fundamental scientific information, will be begun in the near future. But I emphasize again, as I have before, that these discussions will not be concerned with the processes of manufacturing the atomic bomb or any other instrument of war.

In our possession of this weapon, as in our possession of other new weapons, there is no threat to any nation. The world, which has seen the United States in two great recent wars, knows that full well. The possession in our hands of this new power of destruction we regard as a sacred trust. Because of our love of peace, the thoughtful people of the world know that that trust will not be violated, that it will be faithfully executed.

Indeed, the highest hope of the American people is that world cooperation for peace will soon reach such a state of perfection that atomic methods of destruction can be definitely and effectively outlawed forever.

We have sought, and we will continue to seek, the attainment of that objective. We shall pursue that course with all the wisdom, patience and determination that the God of Peace can bestow upon a people who are trying to follow in His path.

Previously to delivering the above address, President Truman made a brief speech at the New York Navy Yard on the occasion of the commissioning of the aircraft carrier Franklin D. Roosevelt. The text of this address follows:

Admiral Daubin, Captain Soucek, Mrs. Roosevelt, ladies and gentlemen:

One of the pleasant duties in the exacting daily life of a President is to award honors to our fighting men for courage and valor in war. In the commissioning of this ship the American people are honoring a stalwart hero of this war who gave his life in the service of his country. His name is engraved on this

great carrier, as it is in the hearts of men and women of goodwill the world over—Franklin D. Roosevelt.

If anyone can be called the father of the new American Navy which is typified by this magnificent vessel, it is he. From his first day as President he started to build it.

Even as he started to build the Navy, he began to work for world peace. By his realistic good neighbor policy, by reciprocal trade agreements, by constant appeal to international arbitration instead of force, he worked valiantly in the cause of peace. By his constant battle for the forgotten man he sought to remove the social and economic inequalities which have so often been at the root of conflict at home and abroad. And when he saw the clouds of aggression forming across the seas to the east and to the west, he issued warning after warning which, had they been heeded in time, might have staved off the tragic conflict.

But through it all he never faltered in his work to build up the American Navy. For he understood, as few men did, the importance to the survival of this country of the mission of its Navy—the control of the sea. The Axis Powers understood. That is why Germany sought to drive us from the sea by her submarines. That is why Japan tried to destroy our Navy. They knew that if they succeeded they might conquer all the nations of the earth one by one, while the Allies were helpless to reach each other across the oceans of the world.

We won the battle of the oceans. By that victory the United Nations were knitted into a fighting whole, and the Axis Powers were doomed to defeat everywhere.

To Whom the Victory is Due
That victory we owe to the men and women in the shipyards of the nation who in the last five and a half years built carriers like this one, and over a hundred thousand other ships. We owe it to the workers in our factories who built 85,000 naval planes such as those which will soon take their places on the flight deck of this ship. We owe it to the fighting men who took those ships across the seas, running them right up to the home shores of the enemy; to the men who flew those planes against the enemy and dropped destruction on his fleet and aircraft and war industries.

We owe it to that great leader whose name this mighty carrier bears, who understood the importance of overwhelming naval power, and who rolled up his sleeves—and got it.

Building this Navy was only a part of a still larger program of war production with which the workers and industries of this nation amazed the whole world, friend and foe alike. It showed the abundant richness of our nation in natural resources. But it also showed the skill and energy and power and devotion of our free American people.

Must Be Strong to Maintain Peace
Having done all this for war, can we do any less for peace? Certainly we should not. The same riches, the same skill and energy of America must now be used so that all our people are better fed, better clothed, better housed; so that they can get work at good wages, adequate care for their health, decent homes for their families, security for their old age, and more of the good things of life.

When we set these goals before ourselves we know that we are carrying on the work and the vision and the aims of the man whose name is on this ship. And no man in our generation, or in any generation, has done more to enable this nation to move forward toward those objectives.

Commissioning this ship symbolizes another objective toward

which Franklin D. Roosevelt started this nation and the other nations of the world—the objective of world cooperation and peace. He who helped to formulate the Atlantic Charter and to organize the United Nations, he who pointed the way in cooperation among nations at Casablanca, Cairo, Quebec, Teheran, Dumbarton Oaks and Yalta, and who planned the conference at San Francisco—he knows as he looks down upon us today that the power of America, as expressed in this mighty mass of steel, is a power dedicated to the cause of peace.

For 14 years, ever since Japan first invaded Manchuria, men and women have lived in a world ruled or threatened by force intended for aggression and conquest. Until El Alamein, Stalingrad and Midway, the powers of evil were stronger than the powers of good—threatening to spread their rule across the world. We will not run that risk again.

This ship is a symbol of our commitment to the United Nations Organization to reach out anywhere in the world and to help the peace-loving nations of the world stop any international gangster. A hundred hours after leaving New York this ship could be off the coast of Africa. In five days she could cross the western Pacific from Pearl Harbor to the Philippines. This vessel alone could put more than a hundred fighting planes over a target.

'We Can, We Will, We Must!'
We will look forward to the day when law rather than force will be the arbiter of international relations. We shall strive to make that day come soon. Until it does come, let us make sure that no possible aggressor is going to be tempted by any weakness on the part of the United States.

These, then, are the two huge tasks before us: Realizing for our own people the full life which our resources make possible; and helping to achieve for people everywhere an era of peace. Franklin D. Roosevelt gave his life in search for the fulfillment of these tasks. And now, the American people are determined to carry on after him.

He did not find either of these tasks easy. Neither will we. But we approach them in the spirit of Franklin D. Roosevelt, whose words are inscribed in bronze on this vessel: "We Can, We Will, We Must."

New Presidential Insignia
President Truman displayed at his press conference on Oct. 25 a new Presidential flag as well as a new seal, the Coat of Arms encircled by the words "Seal of the President of the United States," Associated Press Washington advices stated. The flag is one ordered by President Roosevelt to replace that adopted by Woodrow Wilson in 1916 which had a Presidential Coat of Arms on a blue field with a white star in each corner.

An executive order has been issued by the President legally defining for the first time, according to the Associated Press, both President's Coat of Arms and seal. A White House announcement pointed out that the eagle now, not only "faces to its right, the direction of the honor, but also toward the olive branches of peace, which it holds in its right talon." Formerly the eagle faced toward the arrows in its left talon, "Arrows symbolic of war." The Associated Press said:

"There will be no change in the seals at the front entrance of the White House, in the ceiling of the President's office, or in the cornerstone in the new east wing. Supplies of stationery and documents bearing the former coat of arms and seals will be used up."

The State of Trade

(Continued from page 2122)

crease of 7.8 points or 11.2% from the preceding week.

This week's operating rate is equivalent to 1,335,300 tons of steel ingots and castings, and compares with 1,192,400 tons one week ago, 1,459,800 tons one month ago and 1,707,200 tons one year ago.

Railroad Freight Loading—Carloadings of revenue freight for the week ended Oct. 20, 1945, total 773,457 cars, the Association of American railroads announced. This was an increase of 18,906 cars, or 2.5% above the preceding week this year, but 132,578 cars, or 14.6%, below the corresponding week of 1944. Compared with a similar period of 1943, a decrease of 131,992 cars, or 14.6%, is shown.

Electric Production—The Edison Electric Institute reports that the output of electricity decreased to approximately 3,914,738,000 kwh. in the week ended Oct. 20, 1945, from 3,934,394,000 kwh. in the preceding week. Output for the week ended Oct. 20, 1945, was 9.9% below that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 171,600,000 kwh. in the week ended Oct. 21, 1945, comparing with 172,300,000 kwh. for the corresponding week of 1944, or a decrease of 0.4%.

Local distribution of electricity amounted to 171,000,000 kwh., compared with 168,500,000 kwh. for the corresponding week of last year, an increase of 1.5%.

Paper and Paperboard Production—Paper production in the United States for the week ending Oct. 20, was 96.5% of mill capacity, against 96.2% in the preceding week and 90.7% in the like 1944 week, according to the American Paper & Pulp Association. Paperboard output for the current week was 96%, compared with 97% in the preceding week and 94% in the like 1944 week.

Business Failures Continue Low—Little change occurred in commercial and industrial failures in the week ending Oct. 25, reports Dun & Bradstreet, Inc. There were two more concerns failing than in either the previous week or the comparable week of last year—17 against 15. For the second consecutive week and for the eighth time this year, failures exceeded those in the corresponding week of 1944.

Small increases appeared in both large and small failures, but large failures were more than twice as numerous as small ones. Concerns failing with liabilities of \$5,000 or more numbered 12 as compared with 11 last week and 10 a year ago. Five concerns failed with liabilities under \$5,000, the same number as in the corresponding week of 1944, and one more than in the prior week.

Manufacturing and construction accounted for most of the week's failures. Concerns failing in construction rose to five, the highest number in this industry in any week of 1945 to date. Furthermore, construction and wholesale trade were the only industry or trade groups to show an increase in failures from the 1944 level.

Failures occurring in the week just ended were concentrated in the East North Central, Pacific and South Atlantic States. In the Pacific region, concerns failing remained at five, the same as the previous week and a year ago. The sharpest rise appeared in the East North Central region which reported five failures as compared with only one a week ago. On the other hand, failures in the Middle Atlantic States fell from four last week to only one this week.

Two Canadian failures were reported as compared with none

a week ago and one in the corresponding week of last year.

August Hardware Jobber Sales Gain—Sales of a majority of the wholesale hardware distributors in the United States gained 3% over July sales, of the same concerns, "Hardware Age" reports in its current every-other-Thursday market summary. Sales of the reporting houses showed a cumulative gain of 3%, comparing the first eight months of this year with the same period in 1944.

Inventories, as of Aug. 31, showed a slight gain over those for the same date in 1944. Although accounts receivable in August, 1945, were under those of the previous month and less than those in August, 1944, collection percentages showed a good gain over those of last year and a slight gain over July, 1945.

Wholesale Commodity Price Index—Following irregular movements, the Dun & Bradstreet daily wholesale commodity price index rose to 178.62 on Oct. 22, slightly under the Oct. 10 high of 178.68. The index closed at 178.46 on Oct. 23, comparing with 178.20 a week previous and with 172.66 on the corresponding date a year ago.

In the heaviest trading recorded for some time, grain markets were somewhat unsettled during the past week. Wheat, rye and oats futures turned lower after showing strength early in the period. Cash wheat was in good demand with prices at or close to ceilings. Wheat exports continued in good volume with between 1,000,000 and 1,500,000 bushels reported sold to Holland, the first private business transacted since the start of the war. The flour market was featured by heavy shipments against contracts; current demand continued on a routine basis. Market receipts of hogs continue far below requirements with no improvement in sight. Supplies of lard, fats and oils remained at a low level with prices holding steady at ceilings.

In a reversal of last week's trend, cotton prices moved sharply upward in the past week, reflecting a continuance of the bullish factors that have existed for some time. Chief among these are the belief that this year's crop yield may prove to be even smaller than earlier predictions had indicated and the world-wide scarcity of cotton and cotton goods. Spot cotton prices reached new high levels for 20 years as market actively increased and farmers offered freely at current values.

Consumption of cotton during September, as reported by the Census Bureau, totalled 701,000 bales. Carded gray cloth markets appeared well sold up through November; scattered day-to-day sales totalled only a moderate volume for the week.

Due largely to the continued shortage of spot foreign wools, mills and topmakers exhibited more interest in domestic wools last week. Sales in the Boston market, however, were generally small and in all cases orders were placed only to cover immediate requirements, reflecting the uncertainty as to the future prices of domestic wools. Fine foreign wools of all types were in demand but supplies were scarce and prices held very firm.

In wool piece goods lines, deliveries of fall fabrics continue behind schedule and the outlook for spring shipments is not too hopeful. Lack of skilled workers has been a drawback to a more rapid changeover to civilian production.

The Wholesale Food Price Index Steady—The wholesale food price index, compiled by Dun & Bradstreet, Inc., held steady last week following the previous week's

sharp rise. At \$4.10, the Oct. 23 figure compared with \$4.02 a year ago and with \$4.03 on the corresponding 1943 date. Advances during the week included barley, eggs, potatoes and currants. Declines occurred in flour, rye, oats and sheep.

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

Retail and Wholesale Trade—Retail volume for the country at large the past week increased over last week by a narrow margin and was moderately above a year ago, states Dun & Bradstreet, Inc., in its weekly review of trade. Stocks continued to be depleted as consumer demand continued unabated.

Fur departments featuring top-bracket priced furs reported an increase in volume of sales over a year ago. Popular priced fur volume was moderate. Sales of coats and suits continued to be numerous. Women's dresses, tailored and dressy, were in constant demand. Volume of children's clothing increased over last week. Purchasing in men's departments was active with shorts and white shirts among the extremely scarce items.

Novelty belts sold well this week, while brass jewelry increased in supply and sales rose accordingly. Volume of higher-priced handbags was excellent with leathers most in demand. Millinery sales were larger than last week. Shoe volume rose considerably over the previous week and one year ago. Volume in piece goods departments was maintained by an increase in woolen goods sales. Rayon crepes and cottons continued to be demanded, though stocks were very low. Some stocks of rayon-wool mixtures were pushed. High prices have not deterred customers seeking better quality merchandise. Sales of floor coverings increased over last week.

Auto accessories sales were stimulated by the return to stocks of some scarce items. Although furniture stocks were low, volume increased slightly over a week ago. Hardware sales also rose.

Food volume advanced as produce and meat become easier to buy. Grocery and drug store sales were over last week. In so far as supplies of sugar and some spices were concerned, they remained inadequate for consumers' immediate demand.

Retail volume for the country was estimated at from 5 to 9% above a year ago. Regional percentage increases were: East 10 to 14; Middle West 7 to 11; Northwest 4 to 8; South 11 to 15; Southwest 3 to 7; Pacific Coast and New England 5 to 9.

Wholesale volume this week was again very slightly higher than in the previous week and was estimated at from 5 to 8% above a year ago. Deliveries for many products, such as apparel and some electrical appliances, were slow; shipments of many scarce durable goods increased. As demand more than kept pace with increased supplies, unfilled orders for many products were reported high.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended Oct. 20, 1945, increased by 13% above the same period of last year. This compared with an increase of 11% in the preceding week. For the four weeks ended Oct. 20, 1945, sales increased by 10% and for the year to date showed an increase of 11%.

Unfavorable weather here in New York last week affected retail trade to some degree. In placing spring orders wherever it was possible to do so the past week, retailers were seeking allotments that would carry them through the first quarter of 1946 on scarce lines. In the wholesale markets, deliveries showed no improvement over previous

Ehninger Auditor of Cleveland Reserve

Carl F. Ehninger, for the last three years Assistant Auditor of the Federal Reserve Bank of Cleveland, has been appointed, effective Nov. 1, to the post of Auditor of that Bank, left vacant by the retirement of Frank V. Grayson after 39 years in banking, the last 25 as Auditor of the Reserve Bank. Mr. Ehninger has been in banking 33 years. At the age of 17 he became a messenger for the National Capitol Bank in Washington and two years later joined the American Security & Trust Co. of that city. After serving in the Army during the First World War, he started with the Cleveland Reserve Bank on Jan. 20, 1919, as general bookkeeper. He was successively supervisor in the Accounting Department, Assistant Manager of that Department, Acting Manager of the Check Department and Manager of the Planning Department before he became Assistant Auditor. He is First Vice-President of Cleveland Conference, National Association of Bank Auditors and Comptrollers and former Chairman of the Debate and Public Speaking Committee of Cleveland Chapter, American Institute of Banking. Mr. Grayson was one of the founders of the National Association of Bank Auditors and Comptrollers, of which he is past President. He plans to live at Fort Lauderdale, Fla., where he has vacationed for many years.

Construction Contracts Awarded in September

Construction volume in the 37 states east of the Rocky Mountains continued to mount in September. Outlays for construction involved in contracts awarded during the month were 5% above August and 58% above September of last year, according to tabulations of individual project contracts reported on Oct. 24 by F. W. Dodge Corporation. The total valuation of September contracts was \$278,262,000. The report continued as follows:

Nonresidential construction featured the month's activity, with substantial gains over the previous month and over the corresponding month of last year. 95% of the nonresidential awards were for private accounts, only \$8,511,000 of a total of \$181,033,000 being classified as publicly-owned. The September record for private nonresidential construction continued to sharpen the trend from publicly owned projects characteristic of the war years, a spokesman for the Dodge corporation said. The record for the first nine months of this year shows 57% of all nonresidential construction was for private accounts compared with only 25% during the corresponding period of 1945.

Residential construction in September continued at the August level with a total of \$42,580,000. This volume was 74% above that reported for September 1944.

The dollar volume of all construction for the first nine months totalled \$2,281,960,000, a gain of 52% over the corresponding period of last year.

weeks. Food volume, both wholesale and retail, continued to rise with retailers reporting larger available supplies than heretofore.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Oct. 20, 1945, increased 17% above the same period of last year. This compared with an increase of 20% in the preceding week. For the four weeks ended Oct. 20, 1945, sales rose by 14% and for the year to date increased by 13%.

W. C. Rempfer New Head of ABA Comm.

Plans for the enlargement of its services to country banks were made by the Commission on Country Bank Operations of the American Bankers Association at the commission's first meeting of the new Association year, which was held in Chicago Oct. 15-17, to initiate new members in the work of the commission and formulate a program for the year. Appointment of William C. Rempfer, President of the First National Bank, Parkston, S. Dak., as the new Chairman of the Commission to succeed Kenneth J. McDonald, President of the Iowa Trust and Savings Bank, Estherville, Iowa, was announced by Frank C. Rathje, A. B. A. President, who welcomed the country bankers to Chicago at the opening session of the meeting. Mr. Rempfer served as Chairman of the Commission's Committee on Cost Analysis for the past two years, which committee directed the cost analysis program in which more than 3,000 banks participated in the past year. Mr. McDonald, who retired from the Chairmanship but continues as a member of the Commission, was presented with an embossed testimonial paying tribute to his leadership in pioneering the first two years of the commission's work.

Mr. Rathje, who is Chairman of Board and President of the Chicago City Bank and Trust Company, and President of the Mutual National Bank of Chicago, also announced the appointment of five new members to the Country Bank Operations Commission. These are: John W. Brown Jr., President of the First National Bank in Sylacauga, Sylacauga, Ala.; Daniel H. Erdman, Executive Vice-President of the Quakerstown Trust Company, Quakerstown, Pa.; Giles H. Miller Jr., President of the Culpeper National Bank, Culpeper, Va.; Alonzo Petteys, Vice-President of the Farmers State Bank, Brush, Colo., and F. R. Rantz, President of the Elliott State Bank, Jacksonville, Ill. President Rathje and C. W. Bailey, Vice-President of the Association and President of the First National Bank, Clarksville, Tenn., and Harry C. Hausman, Secretary of the Illinois Bankers Association, were guests of the Commission at its meeting.

Senator Jackson to Speak at Cocoa Exch., Nov. 14

Former United States Senator Samuel D. Jackson of Indiana, who was Permanent Chairman of the 1944 Democratic National Convention, will be the principal speaker at the 20th anniversary dinner of the N. Y. Cocoa Exchange on Nov. 14 at the Waldorf-Astoria, according to an announcement made Oct. 25 by George W. Smith, Chairman of the Dinner Committee. Isaac Witkin, President of the Exchange, will also speak and Russell Burbank will be toastmaster.

Other guests of honor include Emil Schram, President of the N. Y. Stock Exchange; Edward J. Shean, Vice-President of the N. Y. Curb Exchange; Ody H. Lam-born, President of the N. Y. Coffee & Sugar Exchange; William H. Koar, President of the N. Y. Cotton Exchange; Maurice Mandeville, President of the National Association of Commodity Exchanges; Irwin C. Shaffer, President of the Association of Manufacturers of Confectionery & Chocolate, and Joseph T. Wilson, President of the American-Brazilian Association. The Rev. Dr. Frederic S. Fleming, rector of Trinity Church, will deliver the invocation. Ranking diplomatic representatives and commercial attaches of all cocoa-producing countries have also been invited as guests of honor together with United States Government officials.

Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES [†] (Based on Average Yields)										
1945— Daily Averages	U. S. Govt. Bonds	U. S. Corpor- ate	Corporate by Ratings*				Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Oct. 30	122.84	116.41	120.84	119.20	116.22	109.79	112.93	116.41	120.02	
29	122.84	116.41	120.84	119.20	116.22	109.79	112.93	116.41	120.02	
27	Stock Exchange Closed									
26	122.92	116.22	120.63	119.20	116.22	109.60	112.93	116.41	119.82	
25	122.95	116.22	120.63	119.20	116.22	109.60	112.75	116.41	119.82	
24	122.99	116.22	120.63	119.20	116.22	109.42	112.75	116.41	119.82	
23	123.03	116.22	120.63	119.20	116.22	109.42	112.75	116.41	119.82	
22	123.05	116.22	120.63	119.20	116.22	109.42	112.75	116.41	119.82	
21	123.08	116.22	120.63	119.20	116.22	109.42	112.75	116.41	119.82	
20	123.08	116.22	120.63	119.20	116.22	109.42	112.75	116.41	119.82	
19	123.08	116.22	120.63	119.20	116.22	109.42	112.75	116.41	119.82	
18	122.97	116.22	120.84	119.20	116.22	109.42	112.56	116.41	120.02	
17	122.90	116.41	120.63	119.20	116.41	109.60	112.75	116.41	120.02	
16	122.75	116.41	120.63	119.20	116.41	109.60	112.56	116.41	120.02	
15	122.75	116.41	120.84	119.20	116.41	109.42	112.56	116.41	120.02	
14	Exchange closed									
13	Exchange closed									
12	122.76	116.22	120.84	119.00	116.22	109.42	112.56	116.22	120.02	
11	122.76	116.22	120.84	119.00	116.22	109.42	112.37	116.22	120.02	
10	122.76	116.22	120.84	119.00	116.22	109.42	112.37	116.22	120.02	
9	122.76	116.22	120.84	119.00	116.22	109.24	112.37	116.22	120.02	
8	122.76	116.22	120.84	119.00	116.22	109.24	112.37	116.22	120.02	
7	122.72	116.22	120.84	119.00	116.22	109.24	112.37	116.22	120.02	
6	122.56	116.22	120.84	119.00	116.22	109.24	112.37	116.22	120.02	
5	122.42	116.02	120.84	119.00	116.02	109.06	112.37	116.22	120.02	
4	122.41	116.02	120.84	119.00	116.02	108.88	112.19	116.22	120.02	
3	122.31	116.02	120.84	118.80	115.82	108.88	112.19	116.02	119.82	
2	122.25	116.02	120.63	118.80	116.02	108.88	112.19	116.02	119.82	
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	115.82	108.88	112.19	116.02	119.82	
27	122.19	115.82	120.43	118.80	116.02	108.88	112.19	116.02	115.31	
26	122.19	116.02	120.84	118.80	116.02	108.70	112.19	116.22	119.61	
25	122.09	116.02	120.63	119.20	116.22	108.52	112.37	116.02	119.61	
24	122.09	116.02	120.63	119.20	116.22	108.52	112.37	116.02	119.61	
23	122.09	116.02	120.84	119.00	116.22	108.52	112.56	116.02	119.41	
22	121.91	115.82	120.84	119.00	116.22	108.16	112.56	115.63	119.41	
21	121.91	115.82	120.84	119.00	116.22	108.16	112.56	115.63	119.41	
20	122.14	116.02	121.04	119.00	116.02	108.34	112.93	115.82	119.41	
19	122.36	115.82	120.84	119.20	116.02	108.16	112.93	115.82	119.00	
18	122.39	115.82	120.84	119.20	115.82	108.16	112.93	115.63	119.00	
17	122.80	116.02	121.04	119.41	116.02	108.34	112.93	115.63	119.41	
16	122.89	116.02	121.04	119.41	116.02	108.34	112.93	115.63	119.41	
15	122.92	116.02	121.04	119.41	116.02	108.16	112.93	115.63	119.61	
14	122.93	116.02	121.04	119.20	116.02	108.16	112.93	115.43	119.41	
13	122.29	115.43	120.63	118.80	115.43	107.44	112.19	114.85	119.20	
12	122.29	115.43	120.84	118.40	115.04	107.09	112.19	114.27	119.20	
11	122.01	114.85	121.04	118.40	114.85	106.04	111.25	114.27	119.20	
10	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
9	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
8	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
7	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
6	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
5	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
4	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
3	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
2	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
1	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
Sept. 28	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
27	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
26	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
25	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
24	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
23	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
22	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
21	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
20	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
19	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
18	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
17	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
16	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
15	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
14	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
13	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
12	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
11	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
10	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
9	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
8	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
7	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
6	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
5	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
4	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
3	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
2	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
1	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
Sept. 28	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
27	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
26	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
25	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
24	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
23	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
22	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
21	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
20	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
19	121.92	114.85	120.02	118.60	114.46	106.04	110.52	114.08	119.41	
18	121.92	114.85	120.02	118.60						

Weekly Coal and Coke Production Statistics

The total production of bituminous coal and lignite in the week ended Oct. 20, 1945, as estimated by the United States Bureau of Mines, was approximately 5,780,000 net tons, the lowest for any week since June, 1943. It was also 350,000 tons, or 5.7% below the figure for the week ended Oct. 13, 1945. Output in the week ended Oct. 21, 1944, amounted to 11,847,000 net tons. For the period from Jan. 1, to Oct. 20, 1945, production amounted to 457,510,000 net tons, a decrease of 49,597,000 tons, or 9.8%, when compared with the 507,107,000 tons produced during the period from Jan. 1 to Oct. 21, 1944. Loss of production due to the month-long supervisors' strike which ended Oct. 22, 1945 was estimated at 17,471,000 tons.

Production of Pennsylvania anthracite for the week ended Oct. 20, 1945, as estimated by the Bureau of Mines, was 1,230,000 tons, an increase of 29,000 tons (2.4%) over the preceding week. When compared with the output in the corresponding week of 1944, there was a decrease of 40,000 tons, or 3.1%. The calendar year to date shows a decrease of 15.3% when compared with the corresponding period of 1944.

The Bureau also reported that the estimated production of bee-hive coke in the United States for the week ended Oct. 20, 1945 showed an increase of 4,800 tons when compared with the output for the week ended Oct. 13, 1944; but was 99,700 tons less than for the corresponding week of 1944.

ESTIMATED UNITED STATES PRODUCTION OF BITUMINOUS COAL AND LIGNITE

	Week Ended			Jan. 1 to Date	
	Oct. 20, 1945	Oct. 13, 1945	Oct. 21, 1944	Oct. 20, 1945	Oct. 21, 1944
Bituminous coal & lignite:	5,780,000	6,130,000	11,847,000	457,510,000	507,107,000
Total, incl. mine fuel:	5,780,000	6,130,000	11,847,000	457,510,000	507,107,000
Daily average:	963,000	1,022,000	1,975,000	1,853,000	2,025,000

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

	Week Ended			Calendar Year to Date		
	Oct. 20, 1945	Oct. 13, 1945	Oct. 21, 1944	Oct. 20, 1945	Oct. 21, 1944	Oct. 23, 1944
Penn. anthracite:	1,230,000	1,201,000	1,270,000	44,420,000	52,420,000	41,611,000
*Total incl. coll. fuel:	1,230,000	1,201,000	1,270,000	44,420,000	52,420,000	41,611,000
†Commercial produc.:	1,181,000	1,153,000	1,219,000	42,646,000	50,323,000	33,530,000
Beehive coke:	22,500	17,700	122,200	4,395,700	5,903,100	2,810,900
United States total:	22,500	17,700	122,200	4,395,700	5,903,100	2,810,900

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

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

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

State	Week Ended		
	Oct. 13, 1945	Oct. 6, 1945	Oct. 14, 1944
Alabama	385,000	389,000	363,000
Alaska	5,000	5,000	7,000
Arkansas and Oklahoma	102,000	81,000	96,000
Colorado	145,000	138,000	154,000
Georgia and North Carolina	1,400,000	1,407,000	1,402,000
Illinois	213,000	419,000	518,000
Indiana	37,000	38,000	54,000
Iowa	126,000	105,000	141,000
Kansas and Missouri	148,000	432,000	992,000
Kentucky—Eastern	419,000	378,000	373,000
Kentucky—Western	39,000	37,000	36,000
Maryland	3,000	2,000	3,000
Michigan	74,000	75,000	106,000
Montana (bitum. & lignite)	20,000	27,000	32,000
New Mexico	64,000	66,000	57,000
North & South Dakota (lignite)	212,000	444,000	659,000
Ohio	1,015,000	1,408,000	2,964,000
Pennsylvania (bituminous)	27,000	113,000	134,000
Texas (bituminous & lignite)	3,000	2,000	3,000
Utah	130,000	124,000	138,000
Virginia	221,000	287,000	400,000
Washington	25,000	26,000	28,000
West Virginia—Southern	624,000	1,318,000	2,037,000
West Virginia—Northern	466,000	547,000	1,053,000
Wyoming	217,000	201,000	190,000
Other Western States	217,000	1,000	1,000
Total bituminous & lignite:	6,130,000	8,070,000	11,940,000

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

Electric Output for Week Ended Oct. 27, 1945

9.7% Below That for Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Oct. 27, 1945, was approximately 3,937,420 kwh., which compares with 4,358,293 kwh. in the corresponding week a year ago, and 3,914,738,000 kwh. in the week ended Oct. 20, 1945. The output for the week ended Oct. 27, 1945 was 9.7% below that of the same week in 1944.

PERCENTAGE DECREASE UNDER SAME WEEK LAST YEAR

Major Geographical Divisions	Week Ended			
	Oct. 27, 1945	Oct. 20, 1945	Oct. 13, 1945	Oct. 6, 1945
New England	2.1	5.3	7.4	3.1
Middle Atlantic	3.4	4.7	4.7	3.9
Central Industrial	12.2	12.8	12.8	11.4
West Central	0.9	1.6	1.2	1.0
Southern States	16.6	15.3	12.9	11.1
Rocky Mountain	*3.3	*4.6	*3.2	*1.6
Pacific Coast	7.9	6.8	7.9	6.0
Total United States	9.7	9.9	9.6	7.9

*Increase over similar week in previous year.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended	1945	1944	% Change over 1944			
			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	- 6.6	4,358,512	1,490,863	1,792,131
Sept. 22	4,018,913	4,377,333	- 8.2	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	1,808,403
Oct. 13	3,934,394	4,354,575	- 9.6	4,382,268	1,528,145	1,798,633
Oct. 20	3,914,738	4,345,352	- 9.9	4,415,405	1,533,028	1,824,160
Oct. 27	3,937,420	4,358,293	- 9.7	4,452,592	1,525,410	1,815,749

National Fertilizer Association Commodity Price Index Rises for Fourth Consecutive Week

The weekly wholesale commodity price index compiled by The National Fertilizer Association and made public on Oct. 29, advanced to 141.5 for the week ending Oct. 27, 1945, from 141.1 in the preceding week. This index has advanced in 5 of the last 7 weeks from the post-war low point of 139.8 reached Sept. 8; in the other two weeks it remained unchanged. A month ago the index stood at 139.9, and a year ago it was at the level of 139.8, the same point as the post-war low point. All of these indexes are based on the 1935-1939 average as 100. The Association's report added:

Higher prices for agricultural commodities as well as for some industrial commodities occurred during the latest week. Six of the composite groups of the index advanced and the remaining 5 groups showed no change. The greatest gain was in the farm products group with the three sub-groups, cotton, grains, and livestock, sharing in the advance. The foods index advanced with higher quotations for three important commodities, eggs, oranges, and potatoes. The fuels index advanced slightly because of higher prices for gasoline. The metals index reflected the rise in the price of pig iron. There was a fractional advance in the farm machinery index. The textiles index advanced fractionally. The small advance in grain ethyl alcohol was not sufficient to raise the chemical and drugs index.

During the week 12 price series in the index advanced and 2 declined; in the preceding week 9 advanced and 3 declined; in the second preceding week 11 advanced and 4 declined.

WEEKLY WHOLESALE COMMODITY PRICE INDEX

Compiled by The National Fertilizer Association
1935-1939=100*

Group	Latest Preceding		Month Ago	Year Ago
	Week	Week		
	Oct. 27, 1945	Oct. 20, 1945	Sep. 29, 1945	Oct. 28, 1944
25.3 Food	144.4	143.7	140.9	143.5
Fats and Oils	145.2	145.2	145.2	145.1
Cottonseed Oil	163.1	163.1	163.1	163.1
23.0 Farm Products	171.6	170.1	164.9	166.1
Cotton	222.4	219.7	213.1	203.4
Grains	165.2	164.4	162.9	159.8
Livestock	166.0	164.5	157.9	162.7
17.3 Fuels	129.9	129.7	129.7	130.4
16.8 Miscellaneous Commodities	132.8	132.8	132.8	133.4
8.2 Textiles	159.9	159.5	158.5	155.0
7.1 Metals	109.8	109.6	109.6	104.0
6.1 Building Materials	154.7	154.7	154.7	154.0
1.3 Chemicals and Drugs	126.2	126.2	125.8	126.1
.3 Fertilizer Materials	118.3	118.3	118.3	118.3
.3 Fertilizers	119.9	119.9	119.9	119.9
.3 Farm Machinery	105.0	104.9	104.9	104.7
100.0 All groups combined	141.5	141.1	139.9	139.8

*Indexes on 1926-1929 bases were: Oct. 27, 1945, 110.2; Oct. 20, 1945, 109.9; and Oct. 28, 1944, 108.9.

Steel Output Recovers—Buyers Continue to Press for More Tonnage—Pig Iron Price Up

"The current shadow boxing between steel management and the steel union over the wage question is beginning to reflect an uncompromising attitude on the part of both," according to "The Iron Age," national metalworking paper, in its issue of today (Nov. 1), which further adds: "More serious, however, is the fact that the present controversy will develop into a realistic fight with the distinct possibility that after steel employees are counted within a month or so, the steel industry may be paralyzed by its first general walkout for many years."

"There continued this week to be high hopes that the government policy would finally become clear enough to forestall nationwide strikes in major industries such as steel and aluminum. Much is also expected of the impending management-labor conference. All this, however, may be wishful thinking as far as actually preventing an impasse in negotiations, the sum total at least in the steel industry would be to set back reconversion several months. "Already steel consumers have been hard hit by the reduction in steel production and shipments resulting from the recent coal strike. Most deliveries are so far extended and rolling mill schedules so far behind that it may take several weeks for steel companies to again make bona fide delivery promises. By that time steelmakers may be running into labor difficulties of their own."

"Failure of the OPA to announce expected steel price revisions has opened the industry to sharp criticism from customers for being unable to make either firm delivery or price commitments. Ordering normally is on the basis of prices in effect at the time of delivery, but with the latter in more or less of a chaotic condition consumers cannot have the benefit of reliable estimates until OPA takes action on steel prices."

"Customers are finding it impossible to plan their own production schedules or to produce sound cost estimates of their own on which to base their requests to OPA for possible price revision. Most manufacturers have become reconciled to extended deliveries

and informal steel rationing, but engineering and construction projects are being seriously retarded by reluctance of contractors to make firm bids on a fixed price basis with specified completion dates. Such construction contracts as are being awarded are mostly on a cost plus basis with completions specified only 'as soon as possible.' "Fear of possible disruption of steel deliveries to the automobile industry in case of an automotive strike has been dispelled by notification of one of the big three to its steel suppliers that it will continue to accept steel deliveries even if the strike occurs—stockpiling steel for resumption of production. The success of such a measure, however, depends upon the outcome of the steel labor controversy."

The American Iron and Steel Institute on Oct. 29 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 72.9% of capacity for the week beginning Oct. 29, compared with 65.1% one week ago, 79.7% one month ago and 94.9% one year ago. This sharp recovery was attributed to the settlement of the coal strike and represents an increase of 7.8 points or 11.2% over the preceding week. The operating rate for the week beginning Oct. 29 is equivalent to 1,335,300 tons of steel ingots and castings, compared to 1,192,400 tons one week ago, 1,459,800 tons one month ago, and 1,707,200 tons one year ago. "Steel" of Cleveland, in its summary of the iron and steel markets, on Oct. 29, stated in part as follows:

demands, steel consumers continue active in efforts to place steel, notwithstanding labor unrest and prospects of still greater disturbance before improvement comes.

"In general it is expected the next several weeks may see a turn for the better, with formulation of a general wage policy. Potential needs are so urgent and large and buying power so great steel buyers feel industry must go ahead when difficulties are ironed out. Were conditions not so unsettled steel buying probably would be still greater and while producers of many products are swamped as it is, ingot production probably would be 25 to 30 points higher and with far more orderly and uniform outlook than now exists."

"The industry is recovering slowly from the recent coal strike but its effects will be felt for some time. A combination of recent operating difficulties, continued unsettled labor outlook and active demand is forcing producers to turn more and more to the necessity of rationing. Greatest stress is on sheets and strip but rationing is being applied increasingly to all major products, except plates and alloy steels. One large steelmaker now has practically all his products on such a basis, effective for the most part as of the first of next year. Except for merchant pipe, set up on a monthly basis, quotas generally are on a quarterly basis. Another producer is applying quotas to narrow strip, setting them up for third quarter of next year, the most extended action of this sort yet reported."

"Where mills have not established a formal basis of rationing their acceptance of business is highly selective. In some cases, involving light flat products in particular, some producers continue virtually out of the market for the present."

"Average composite prices of steel and iron products are unchanged, except for steelmaking pig iron, which has advanced 75 cents per ton to \$24.80 as OPA allowed an increase of that amount. Finished steel composite remains at \$58.27, semi-finished steel at \$37.80 and steelmaking scrap at \$19.17."

Mail Service for China

Postmaster Albert Goldman on Oct. 22 directed attention to an announcement by Postmaster General Robert E. Hannegan that regular mail service has been extended to all of China. The advances state:

Post offices will accept letters, post cards, printed matter in general, printed matter for the blind, and commercial papers and samples. Registry and special delivery services are available.

Information as to postage rates, size and weight limitations may be obtained at any post office.

Articles weighing up to 2 ounces may be accepted for dispatch by air direct to China. The air mail rate is 70 cents for each half-ounce or fraction. All such articles are restricted to letters in their usual and ordinary form weighing not in excess of 2 ounces and merchandise, prints, etc., may not be enclosed.

The extension of regular mail service does not affect the parcel post service at present available to certain provinces in China.

Business and financial communication are subject to the requirements of the freezing control regulations of the Treasury Department. Prospective mailers should consult the nearest Federal Reserve Bank, or the Treasury Department, if further information is desired.

The export control regulations set up by the Foreign Economic Administration are applicable to mail for China.

In our issue of Oct. 25, page 1996, an item regarding the acceptance of air mail for China was given.

Civil Engineering Construction Totals \$58,418,000 for Week

Civil engineering construction volume in continental United States totals \$58,418,000 for the week. This volume is 20% under the total for the preceding week, 164% over the corresponding 1944 week's volume, and 3% less than the previous four-week moving average as reported to "Engineering News-Record." The report made public on Oct. 25, went on to say:

Private construction is down 32% compared with a week ago, but is 310% over the week last year as a result of the increased activity in industrial and commercial building, as well as in the unclassified field.

Public work is 18% higher than last week and 54% higher than the 1944 week. Federal volume rose 114% over the preceding week, but is 18% below the 1944 week's total. State and municipal construction shows no change over a week ago, although it is 190% over the total for the same week last year.

The current week's construction brings 1945 volume to \$1,735,690,000 for the 43-week period, a 15% increase over the \$1,506,756,000 reported for the period last year. Private construction, \$739,947,000, is 135% higher than a year ago, but public construction, \$995,743,000, is down 16% due to the 27% decrease in federal work. State and municipal construction, \$301,276,000, is 40% higher than in the period last year.

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

	Oct. 25, 1945	Oct. 18, 1945	Oct. 26, 1944
Total U. S. Construction	\$58,418,000	\$73,081,000	\$22,174,000
Private Construction	38,798,000	57,079,000	9,442,000
Public Construction	19,620,000	16,002,000	12,732,000
State and Municipal	12,734,000	12,794,000	4,350,000
Federal	6,886,000	3,208,000	8,382,000

In the classified construction groups, waterworks, highways and public buildings showed gains over last week; however, all nine groups showed increases over the 1944 week. Subtotals for the 43rd week in each class of construction are: waterworks, \$2,955,000; sewerage, \$515,000; bridges, \$1,239,000; highways, \$4,748,000; earthwork and drainage, \$1,322,000; public buildings, \$7,731,000; industrial buildings, \$14,701,000; commercial buildings, \$18,796,000 and unclassified construction, (airports, etc.), \$6,411,000.

New capital for construction purposes for the week totals \$12,822,000. It is made up of \$6,057,000 in state and municipal bond sales, and \$6,765,000 in corporate security issues. The week's financing brings 1945 volume to \$1,714,499,000, a 4% increase over the \$1,645,488,000 reported for the 43-week period in 1944.

Cotton Ginned from 1945 Crop Prior to Oct. 18

The Census report issued on Oct. 25, compiled from the individual returns of the ginners, shows as follows the number of bales of cotton ginned from the growth of 1945 prior to Oct. 18, 1945 and comparative statistics to the corresponding date in 1944 and 1943.

State—	RUNNING BALES (Counting round as half bales and excluding lintners)		
	1945	1944	1943
United States	*3,690,011	6,282,816	7,792,249
Alabama	605,145	711,108	794,424
Arizona	21,933	23,498	29,740
Arkansas	231,223	735,496	759,271
California	28,666	20,481	39,844
Florida	5,754	9,477	13,002
Georgia	367,266	532,539	674,267
Louisiana	259,514	435,638	593,020
Mississippi	766,074	1,109,557	1,404,421
Missouri	18,267	223,523	182,437
New Mexico	20,159	24,366	35,028
North Carolina	110,148	324,853	407,016
Oklahoma	34,186	191,012	179,156
South Carolina	306,152	520,450	529,904
Tennessee	81,658	274,489	315,226
Texas	831,129	1,128,140	1,816,555
Virginia	2,186	10,298	11,838
All other States	551	7,891	7,100

*Includes 132,737 bales of the crop of 1945 ginned prior to Aug. 1 which was counted in the supply for the season of 1944-45, compared with 48,182 and 107,053 bales of the crops of 1944 and 1943.

The statistics in this report include 258 bales of American-Egyptian for 1945, 1,047 for 1944, and 14,961 for 1943; also included are no bales of Sea-island for 1945, 1 for 1944, and 80 for 1943. The ginning of round bales has been discontinued since 1941.

The statistics for 1945 in this report are subject to revision when checked against the individual returns of the ginners being transmitted by mail. The revised total of cotton ginned this season prior to Oct. 1 is 2,179,606 bales.

Wholesale Prices Advanced 0.2% in Week Ended Oct. 20, 1945, Labor Dept. Reports

"Primary market prices were generally higher in the week ended October 20, 1945. The index of commodity prices prepared by the Bureau of Labor Statistics of the United States Department of Labor advanced 0.2% during the week, regaining approximately the same level as at the end of the war," said the U. S. Department of Labor on Oct. 25, which stated that "at 105.5% of the 1926 average, the index was 0.6% above four weeks ago and 1.6% higher than the corresponding week of 1944. The Department's advices added:

"Farm Products and Foods—Higher prices for eggs and fresh fruits and vegetables were chiefly responsible for an advance of 0.5% in average market prices of farm products but there was a general strengthening of markets for agricultural commodities. Prices of farm products as a group have advanced 1.9% during the last four weeks to a level of 3.3% above a year ago. Good to choice steers advanced in price with continued heavy demand while good to choice calves were lower, with shipments of heavier weight animals. Establishment of Government set-asides for lower grade meat, including mutton, was reflected in higher prices for wethers. Egg prices rose substantially with seasonal increases in ceilings and higher prices for lower grades. Apples and onions were higher while potato prices declined seasonally. Quotations for oats declined during the week, while rye and barley were seasonally higher.

"The advances for eggs and fresh fruits and vegetables caused a rise of 0.6% in the group index for foods. Wheat flour also was

higher with good demand and rye flour advanced with higher grain quotations. Oatmeal and dressed poultry prices increased. Average prices for foods were 0.7% above a month ago and 1.8% above late October 1944.

"Other Commodities—Metals and metal products increased 0.3% during the week, reflecting adjustments to higher OPA ceilings previously allowed for gray iron castings and agricultural implements. Mercury quotations continued to advance and prices of turpentine were higher. Ethyl alcohol prices rose 4% following OPA adjustment of ceilings on alcohol produced from imported molasses. Building materials moved up, with prices of common brick, drain tile, plasterboard and plaster all higher, reflecting earlier increases in OPA ceilings. During the week all commodities other than farm products and foods advanced 0.1% as a group to a level 0.2% higher than in late September, and 1.2% above late October 1944."

The Labor Department also included the following notation in its report:

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

The following tables show (1) indexes for the past three weeks, for Sept. 22, 1945 and Oct. 21, 1944, and (2) percent changes in sub-group indexes from Oct. 13, 1945 to Oct. 20, 1945:

Commodity Groups—	WHOLESALE PRICES FOR WEEK ENDED OCTOBER 20, 1945 (1926=100)							
	10-20 1945	10-13 1945	10-6 1945	9-22 1945	10-21 1944	10-13 1944	9-22 1944	Percentage changes to Oct. 20, 1945, from—
All commodities	105.5	105.3	105.2	104.9	103.8	103.8	103.8	+0.2 +0.6 +1.6
Farm products	126.9	126.3	125.7	124.5	122.8	122.8	122.8	+0.5 +1.9 +3.3
Foodstuffs	105.8	105.2	105.3	105.1	103.9	103.9	103.9	+0.6 +0.7 +1.8
Hides and leather products	119.1	118.4	118.4	118.6	116.7	116.7	116.7	+0.6 +0.4 +2.1
Textile products	99.9	99.9	99.9	99.6	98.9	98.9	98.9	0 +0.3 +1.0
Fuel and lighting materials	84.5	84.5	84.5	84.5	83.6	83.6	83.6	0 0 +1.1
Metals and metal products	105.1	104.8	104.8	104.8	103.8	103.8	103.8	+0.3 +0.3 +1.3
Building materials	118.1	118.0	117.9	117.7	116.3	116.3	116.3	+0.1 +0.3 +1.5
Chemicals and allied products	95.5	95.3	95.3	95.3	94.9	94.9	94.9	+0.2 +0.2 +0.6
Housefurnishing goods	106.3	106.3	106.3	106.3	106.1	106.1	106.1	0 0 +0.2
Miscellaneous commodities	94.6	94.6	94.6	94.6	93.4	93.4	93.4	0 0 +1.3
Raw materials	116.9	116.6	116.3	115.5	113.2	113.2	113.2	+0.3 +1.2 +3.3
Semimanufactured articles	96.6	95.9	95.9	95.7	94.7	94.7	94.7	+0.7 +0.9 +2.0
Manufactured products	101.9	101.9	101.8	101.8	101.2	101.2	101.2	0 +0.1 +0.7
All commodities other than farm products	100.8	100.7	100.7	100.6	99.7	99.7	99.7	+0.1 +0.2 +1.1
All commodities other than farm products and foods	100.1	100.0	100.0	99.9	98.9	98.9	98.9	+0.1 +0.2 +1.2

Commodity Groups—	PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM OCTOBER 13, 1945 TO OCTOBER 20, 1945		
	Increases	Decreases	
Other foods	1.9	Fruits and vegetables	0.3
Other farm products	1.1	Agricultural implements	0.1
Brick and tile	0.7	Cereal products	0.1
Iron and steel	0.6	Lumber	0.1
Chemicals	0.4	Other building materials	0.1
Grains	0.1	Livestock and poultry	0.2

Non-Ferrous Metals—Call for Copper for November Shipment Active—Quicksilver Up

"E. & M. J. Metal and Mineral Markets," in its issue of Oct. 25, stated: "Domestic consumption of copper promises to be larger in November than in the current month, based on business placed last week by fabricators. Wire mills were particularly active. Owing to the strong situation in lead, WPB has tightened its regulations on dealers' inventories of scrap lead. Zinc business has improved and shipments have turned upward this month. Now that surplus material is to be placed in the stockpile, offerings of quicksilver have been smaller and prices have strengthened, advancing \$5 per flask. Senator Johnson (Colo.) has introduced a new stockpiling bill—S-1481. The measure was referred to the Military Affairs Committee." The publication further went on to say in part as follows:

Copper
Demand for copper for November shipment was fairly active. The tonnages sold by domestic producers, plus some 50,000 tons of foreign metal released for next month by Metals Reserve, indicate that deliveries should total around 100,000 tons.

The fabricators' statistics for September showed consumption of 85,925 tons of primary copper, which compares with 104,783 tons (revised) in August. In view of the fact that brass mills consumed a substantial tonnage of scrap during September, total consumption was higher than that shown in the industry's statistics.

Lead
The week that ended Oct. 24 was the period in which the authorities in Washington passed on requests for foreign metal for delivery next month. As usual, this period is one of decreased activity in the purely domestic market. Sales during the last week involved only 3,501 tons. Demand for lead continues on a high plane. Consumers asked for approximately 21,000 tons of for-

ign lead for November, and it is thought likely that this figure will be increased before the month ends.

WPB imposed specific controls on dealers' inventories of tin and lead scrap. With lead in a strong position, and talk of higher prices widespread, WPB wishes to forestall an accumulation of excessive stocks.

Production of refined lead at domestic refineries during September amounted to 35,923 tons, of which 34,699 tons was obtained chiefly from domestic material, the American Bureau of Metal Statistics reports. This compares with a total of 32,691 tons in August, of which 27,552 tons was domestic. Shipments by domestic refineries during September came to 39,701 tons, against 33,517 tons in the preceding month. Stocks in the hands of domestic refineries at the end of September totaled 36,514 tons, against 40,310 tons a month previous. Stocks at the end of Sept. 1944 totaled 23,911 tons.

Zinc
Producers of Special High Grade and Prime Western booked a satisfactory volume of business during the last week, but other sellers did not do so well. Some surplus metal is being offered to the Metals Reserve, and a decision on whether this agency will purchase additional supplies is expected shortly. Domestic shipments of zinc, which fell to around 41,000 tons during September, are expected to increase

to at least 50,000 tons in the current month.

Galvanizing operations have suffered in some sections of the country because of inability to obtain sufficient coal. This development, resulting from a strike of coal miners, is viewed as temporary.

Tin

Tin concentrate exports from Bolivia continue at a higher average monthly rate than last year. Exports during September contained 4,625 metric tons of tin, which compares with 3,346 tons in August and 4,750 tons in September last year. Shipments from Bolivia during the Jan.-Sept. period of the current year totaled 32,689 tons, against 28,531 tons in the same period of 1944 and 29,951 tons in the first nine months of 1943.

Consumers still feel that the supply situation in tin will improve within the next six months in spite of political disturbances in the Dutch East Indies and other difficulties. Control, however, is expected to continue until near normal world production can be restored.

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

	Oct. 18	Oct.	Nov.	Dec.
Oct. 18	52.000	52.000	52.000	52.000
Oct. 19	52.000	52.000	52.000	52.000
Oct. 20	52.000	52.000	52.000	52.000
Oct. 22	52.000	52.000	52.000	52.000
Oct. 23	52.000	52.000	52.000	52.000
Oct. 24	52.000	52.000	52.000	52.000

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

Quicksilver

With uncertainty over surplus stocks largely removed, buyers again entered the market for fair quantities of quicksilver. Offerings of spot and nearby material were light and the ideas of sellers higher. Business covering round lots was placed on the basis of \$105 per flask, New York, and on small parcels as high as \$108 was asked toward the end of the week. San Francisco sellers also reported a firmer market, asking from \$95 to \$100 per flask, Coast basis, the price varying according to date of shipment.

The August statistics exerted no influence on the market. Of interest to most traders was the figure showing that general imports over the first eight months of the year amounted to 51,747 flasks. Domestic production for Jan.-Aug. totaled 24,400 flasks, and consumption during the same period amounted to 53,200 flasks.

Silver

The New York Official for foreign silver continued at 70% c. an ounce. Domestic silver held at 70% c. The difference in quotations reflects variations in handling costs.

The London market was unchanged at 44d.

The Quarterly Bullion Letter of Samuel Montagu & Co., London, reports that the Bombay market has fluctuated widely in recent months at sterling equivalents of 66% d. on July 20 to 56% d. on Aug. 27. The harder tendency in July was due to the suspension of sales of silver by the Reserve Bank of India. Technical difficulties and the reported existence of large holdings in the hands of a "Syndicate" caused depression to the low level touched in August. There was a good recovery, and by Sept. 27 the Bombay quotation reached the equivalent of 65% d. an ounce.

Air Mail To Vatican

Postmaster: Albert Goldman made known on Oct. 23 the receipt of information from the Post Office Dept. in Washington that articles not exceeding 1 pound in weight acceptable for dispatch to the Vatican City State will be forwarded by air when prepaid at the rate of 30 cents per half ounce or fraction. Air mail articles for Vatican City State, it is added, may not contain merchandise.

Daily Average Crude Oil Production for Week Ended Oct. 20, 1945 Increased 456,200 Bbls.

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Oct. 20, 1945 was 4,236,850 barrels, showing a further recovery over the record low for several years reached two weeks before. This figure was 456,200 barrels in excess of the daily average for the week ended Oct. 13, 1945, and was 616,000 barrels higher than the daily average for the week ended Oct. 6, 1945. Production, however, was 227,550 barrels below the daily average figure of 4,464,400 barrels recommended by the Petroleum Administration for War for the month of Oct. 1945, and was 508,050 barrels lower than the daily average figure for the week ended Oct. 21, 1944. Daily output for the four weeks ended Oct. 20, 1945 averaged 3,998,950 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 4,635,000 barrels of crude oil daily and produced 14,016,000 barrels of gasoline; 1,532,000 barrels of kerosene; 4,633,000 barrels of distillate fuel, and 8,516,000 barrels of residual fuel oil during the week ended Oct. 20, 1945; and had in storage at the end of that week 44,964,000 barrels of civilian grade gasoline; 26,221,000 barrels of military and other gasoline; 13,338,000 barrels of kerosene; 42,875,000 barrels of distillate fuel, and 45,808,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*F. A. W. Recommendations October	*State Allowables Begin. Oct. 1	Actual Production Week Ended Oct. 20, 1945	Change From Previous Week	4 Weeks Ended Oct. 20, 1945	Week Ended Oct. 21, 1944
Oklahoma	380,000	383,000	1,361,250	+ 2,450	373,700	343,350
Kansas	274,000	254,400	1,273,950	+ 3,350	267,300	295,650
Nebraska	1,000	---	1,800	---	800	950
Panhandle Texas	---	---	88,000	---	88,000	98,800
North Texas	---	---	134,300	+ 17,700	127,300	148,800
West Texas	---	---	398,000	+ 97,450	341,950	492,800
East Central Texas	---	---	107,700	+ 12,400	102,000	149,500
East Texas	---	---	302,000	+ 87,000	252,350	371,350
Southwest Texas	---	---	269,800	+ 53,650	236,800	334,400
Coastal Texas	---	---	403,900	+ 104,550	351,250	537,700
Total Texas	1,868,000	1,794,923	1,701,700	+ 372,750	1,499,650	2,133,350
North Louisiana	---	---	71,400	+ 650	70,900	72,850
Coastal Louisiana	---	---	285,000	---	286,750	289,750
Total Louisiana	350,000	393,000	356,400	+ 650	357,650	362,600
Arkansas	75,000	78,642	75,000	- 1,000	75,850	80,650
Mississippi	47,000	---	52,000	+ 1,150	51,650	52,700
Alabama	500	---	50	- 150	150	---
Florida	---	---	150	+ 100	100	50
Illinois	200,000	---	209,350	+ 56,800	170,250	190,700
Indiana	13,000	---	13,550	+ 2,700	11,900	12,550
Eastern— (Not incl. Ill., Ind., Ky.)	66,200	---	62,800	+ 450	63,200	67,650
Kentucky	28,000	---	28,950	+ 7,900	24,400	28,650
Michigan	47,000	---	42,100	- 3,100	43,250	44,300
Wyoming	93,200	---	102,400	+ 4,450	97,600	99,400
Montana	23,500	---	20,300	+ 50	20,300	22,450
Colorado	12,000	---	17,900	+ 550	16,000	9,600
New Mexico	100,000	100,000	99,900	---	97,950	104,900
Total East of Calif.	3,578,400	---	3,418,550	+ 449,100	3,171,700	3,849,500
California	886,000	886,000	818,300	+ 7,100	827,250	895,400
Total United States	4,464,400	---	4,236,850	+ 456,200	3,998,950	4,744,900

*PAW recommendations and State allowables, as shown above, represent production of crude oil only, and do not include amounts of condensate and natural gas derivatives to be produced.

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. October 17, 1945. ‡This is the net basic allowable as of Oct. 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 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 required 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.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED OCT. 20, 1945

(Figures in thousands of barrels of 42 gallons each)

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

District	% Daily Crude Runs		Pro-Stocks		% Stocks		% Gasoline Stocks	
	Refining to Still	Capac-Daily	duction of Ref. Inc. Nat.	of Blended Fuel Oil	% of Re-sidual Fuel	% of Gasoline	% of Other	% of Cl-villian Grade
East Coast	99.5	761	96.2	1,933	15,218	7,116	5,002	10,092
Appalachian	---	---	---	---	---	---	---	---
District No. 1	76.8	98	67.1	310	561	213	998	1,320
District No. 2	81.2	27	54.0	75	112	192	160	416
Ind., Ill., Ky.	87.2	758	88.4	2,617	5,907	3,209	4,036	10,306
Okl., Kan., Mo.	78.3	382	81.4	1,406	2,748	1,105	1,386	5,236
Inland Texas	59.8	228	69.1	964	470	935	905	1,546
Texas Gulf Coast	89.3	1,087	87.9	2,982	5,158	5,124	5,766	6,415
Louisiana Gulf Coast	96.8	303	116.5	817	1,734	1,039	816	1,969
No. La. & Arkansas	55.9	65	51.6	168	552	328	90	1,260
Rocky Mountain	---	---	---	---	---	---	---	---
District No. 3	17.1	12	92.3	34	20	37	15	86
District No. 4	72.1	111	69.8	332	440	670	399	933
California	86.5	803	83.0	2,378	9,955	25,780	6,648	5,385
Total U. S. B. of M. basis Oct. 20, 1945	85.7	4,635	85.8	14,016	42,875	45,808	26,221	44,964
Total U. S. B. of M. basis Oct. 13, 1945	85.7	3,609	66.8	11,242	41,960	45,453	27,119	43,672
U. S. B. of M. basis Oct. 21, 1944	---	4,696	---	14,594	46,837	64,087	38,298	39,445

*Includes aviation 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 9,208,000 barrels unfinished gasoline this week, compared with 12,260,000 barrels a year ago. These figures do not include any gasoline on which title has already passed, or which the military forces may actually have in custody in their own or leased storage. †Stocks at refineries, at bulk terminals, in transit and in pipe lines. ‡Not including 1,532,000 barrels of kerosene, 4,633,000 barrels of gas oil and distillate fuel oil and 8,516,000 barrels of residual fuel oil produced during the week ended Oct. 20, 1945, which compares with 1,124,000 barrels, 4,113,000 barrels, and 7,004,000 barrels, respectively, in the preceding week and 1,455,000 barrels, 4,979,000 barrels and 8,938,000 barrels, respectively, in the week ended Oct. 21, 1944.

NOTE—Stocks of kerosene at Oct. 20, 1945, amounted to 13,338,000 barrels, as against 13,281,000 barrels a week earlier and 14,501,000 barrels a year before.

Trading on New York Exchanges

The Securities and Exchange Commission made public on Oct. 24 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 Oct. 6, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Oct. 6 (in round-lot transactions) totaled 2,661,231 shares, which amount was 13.76% of the total transactions on the Exchange of 9,674,820 shares. This compares with member trading during the week ended Sept. 29 of 1,910,599 shares, or 13.28% of the total trading of 7,196,580 shares. On the New York Curb Exchange, member trading during the week ended Oct. 6 amounted to 900,235 shares or 14.48% of the total volume on that Exchange of 3,108,575 shares. During the week ended Sept. 29 trading for the account of Curb members of 544,800 shares was 11.56% of the total trading of 2,356,975 shares.

Total Round-Lot Stock Sales on the New York Stock Exchange and Round-Lot Stock Transactions for Account of Members* (Shares) WEEK ENDED OCT. 6, 1945

	Total for week	%
1. Total Round-Lot Sales:		
Short sales	228,190	
†Other sales	9,446,630	
Total sales	9,674,820	
2. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	767,200	
Short sales	141,780	
†Other sales	667,080	
Total sales	808,860	8.15
2. Other transactions initiated on the floor—		
Total purchases	199,990	
Short sales	12,200	
†Other sales	232,480	
Total sales	244,680	2.30
3. Other transactions initiated off the floor—		
Total purchases	295,422	
Short sales	30,720	
†Other sales	314,359	
Total sales	345,079	3.31
4. Total—		
Total purchases	1,262,612	
Short sales	184,700	
†Other sales	1,213,919	
Total sales	1,398,619	13.76

Total Round-Lot Stock Sales on the New York Curb Exchange and Stock Transactions for Account of Members* (Shares) WEEK ENDED OCT. 6, 1945

	Total for week	%
1. Total Round-Lot Sales:		
Short sales	44,770	
†Other sales	3,063,805	
Total sales	3,108,575	
2. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	210,440	
Short sales	19,165	
†Other sales	202,845	
Total sales	222,010	6.96
2. Other transactions initiated on the floor—		
Total purchases	47,075	
Short sales	1,300	
†Other sales	64,825	
Total sales	66,125	1.82
3. Other transactions initiated off the floor—		
Total purchases	137,560	
Short sales	11,750	
†Other sales	205,275	
Total sales	217,025	5.70
4. Total—		
Total purchases	395,075	
Short sales	32,215	
†Other sales	472,945	
Total sales	505,160	14.48
3. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
†Customers' other sales	104,086	
Total purchases	104,086	
Total sales	99,637	

*The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners. †In calculating these percentages the total of members' purchases and sales is compared with twice the total round-lot volume on the Exchange for the reason that the Exchange volume includes only sales. ‡Round-lot short sales which are exempted from restriction by the Commission's rules are included with "other sales." §Sales marked "short exempt" are included with "other sales."

New Capital Issues in Great Britain

The following statistics have been compiled by the Midland Bank Limited. These compilations of issues of new capital, which are subject to revision, exclude all borrowings by the British Government; shares issued to vendors; allotments arising from the capitalization of reserve funds and undivided profits; sales of already issued securities which add nothing to the capital resources of the company whose securities have been offered; issues for conversion or redemption of securities previously held in the United Kingdom; short-dated bills sold in anticipation of long-term borrowings; and loans of municipal and county authorities which are not specifically limited. In all cases the figures are based upon the prices of issue.

NEW CAPITAL ISSUES IN THE UNITED KINGDOM

	£	£	£	£	£	£	£
	1939	1940	1941	1942	1943	1944	1945
1st quarter	24,887	2,203	826	157	963	1,968	1,872
2nd quarter	32,258	865	454	503	2,768	310	5,061
1st 6 months	57,145	3,068	1,280	660	3,731	2,278	6,933
3rd quarter	8,041	533	928	2,147	4,304	1,979	4,909
1st 9 months	65,186	3,601	2,208	2,807	8,035	4,257	11,842
4th quarter	1,108	495	117	1,100	549	3,319	---
Year	66,294	4,096	2,325	3,907	8,583	7,576	---

Refund Checks To Individual Income Tax Payers

Joseph D. Nunan, Jr., Commissioner of Internal Revenue, announced on Oct. 21 that reports recently received from all collection districts indicate that the mailing of refund checks to individual income taxpayers on the basis of their 1944 income tax returns was virtually completed in mid-September, well ahead of schedule. Approximately 21,000,000 taxpayers, it was announced, received refunds totalling about \$1,000,000,000—substantially all of which was in repayment for tax withheld from their wages in excess of their tax liability for 1944. In view of the fact that, in any mailing operation of this size, says the Bureau's advice, "many of the checks are undeliverable because of faulty or changed addresses, taxpayers who claimed refunds on their 1944 returns and have not yet received them are invited to consult the office of the collector of internal revenue where their returns were filed."

Noting that the mailing of these checks was accomplished several months faster than the similar refunds of the previous year, Commissioner Nunan wrote to each collector as follows:

"The completion of the refunding of excessive withholdings and prepayments of income tax for 1944, well ahead of schedule, is an accomplishment which brings to me a great deal of satisfaction. I desire to share this feeling with Collectors of Internal Revenue, the Head of Processing Division, and all employees of the service who participated in this outstanding performance and to express my admiration of a task well done.

"Approximately 21,000,000 refunds have been scheduled, the bulk of them in a period of slightly more than four months. The fact that this splendid showing was made at a time when all of the energies and facilities of the country were devoted to the prosecution of the war is particularly gratifying and is something in which we can all take pride."

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Oct. 24 a summary for the week ended Oct. 13 of complete figures showing the daily volume of stock transactions for odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

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

Week Ended Oct. 13, 1945		Total
Odd-Lot Sales by Dealers— (Customers' purchases)		For Week
Number of orders	---	29,721
Number of shares	---	871,934
Dollar value	---	\$34,186,906
Odd-Lot Purchases by Dealers— (Customers' sales)		
Number of Orders:		
Customers' short sales	---	87
Customers' other sales	---	24,785
Customers' total sales	---	24,872
Number of Shares:		
Customers' short sales	---	2,713
Customers' other sales	---	700,103
Customers' total sales	---	702,816
Dollar value	---	\$26,403,512
Round-Lot Sales by Dealers—		
Number of Shares:		
Short sales	---	150
†Other sales	---	109,310
Total sales	---	109,460
Round-Lot Purchases by Dealers—		
Number of Shares:		
†Sales marked "short exempt" are reported with "other sales."		
†Sales to offset customers' odd-lot orders and sales to liquidate a long position which is less than a round lot are reported with "other sales."		

Revenue Freight Car Loadings During the Week Ended Oct. 20, 1945 Increased 18,906 Cars

Loading of revenue freight for the week ended Oct. 20, 1945, totaled 773,427 cars, the Association of American Railroads announced on Oct. 25. This was a decrease below the corresponding week of 1944 of 132,578 cars, or 14.6%, and a decrease below the same week in 1943 of 131,992 cars or 14.6%.

Loading of revenue freight for the week of Oct. 20 increased 18,906 cars, or 2.5% above the preceding week.

Miscellaneous freight loading totaled 369,062 cars, an increase of 16,837 cars above the preceding week, but a decrease of 49,893 cars below the corresponding week in 1944.

Loading of merchandise less than carload lot freight totaled 114,134 cars, a decrease of 42 cars below the preceding week but an increase of 6,081 cars above the corresponding week in 1944.

Coal loading amounted to 96,965 cars a decrease of 3,498 cars below the preceding week, and a decrease of 74,562 cars below the corresponding week in 1944.

Grain and grain products loading totaled 59,726 cars an increase of 5,732 cars above the preceding week and an increase of 3,002 cars above the corresponding week in 1944. In the Western Districts alone, grain and grain products loading for the week of Oct. 20 totaled 38,529 cars, an increase of 720 cars above the preceding week and an increase of 3,989 cars above the corresponding week in 1944.

Livestock loading amounted to 27,195 cars, an increase of 943 cars above the preceding week and an increase of 640 cars above the corresponding week in 1944. In the Western Districts alone loading of live stock for the week of Oct. 20 totaled 22,880 cars, an increase of 775 cars above the preceding week, and an increase of 1,429 cars above the corresponding week in 1944.

Forest products loading totaled 37,021 cars, an increase of 1,015 cars above the preceding week but a decrease of 5,544 cars below the corresponding week in 1944.

Ore loading amounted to 62,327 cars, a decrease of 1,238 cars below the preceding week and a decrease of 4,719 cars below the corresponding week in 1944.

Coke loading amounted to 6,997 cars, a decrease of 843 cars below the preceding week, and a decrease of 7,583 cars below the corresponding week in 1944.

All districts reported decreases compared with the corresponding week in 1944 and all reported decreases compared with 1943 except the Centralwestern.

	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
4 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
4 Weeks of June	4,364,662	4,338,886	4,003,393
4 Weeks of July	3,378,266	3,459,830	3,455,328
4 Weeks of August	3,240,175	3,576,269	3,554,694
4 Weeks of September	4,116,728	4,424,765	4,456,466
Week of October 6	767,985	877,035	906,357
Week of October 13	754,521	898,720	912,348
Week of October 20	773,427	906,005	905,419
Total	34,293,047	35,427,825	34,521,989

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Oct. 20, 1945. During this period only 48 roads reported gains over the week ended Oct. 21, 1944.

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1945	1944	1943	1945	1944	1943
Eastern District—						
Ann Arbor	337	379	282	1,096	1,562	
Bangor & Aroostook	1,793	1,867	3,357	349	437	
Boston & Maine	7,316	6,768	7,124	11,756	14,479	
Chicago, Indianapolis & Louisville	1,132	1,426	1,425	1,655	2,009	
Central Indiana	52	50	43	29	43	
Central Vermont	1,080	1,090	1,069	2,258	2,409	
Delaware & Hudson	4,958	4,843	6,166	9,125	12,351	
Delaware, Lackawanna & Western	6,821	8,122	7,607	8,934	10,956	
Detroit & Mackinac	387	354	316	126	138	
Detroit, Toledo & Ironton	1,715	2,016	2,120	996	1,401	
Detroit & Toledo Shore Line	419	363	370	1,435	2,589	
Grand Trunk Western	11,557	14,384	13,400	12,168	17,186	
Lehigh & Hudson River	3,600	3,889	3,834	6,879	7,971	
Lehigh & New England	156	148	216	2,011	2,412	
Lehigh Valley	8,683	8,699	1,978	1,256	1,671	
Maine Central	2,509	2,280	8,868	7,013	12,693	
Monongahela	1,064	5,889	6,053	3,329	3,701	
Montour	488	2,335	2,493	24	313	
New York Central Lines	43,694	51,803	54,582	34,518	54,651	
N. Y., N. H. & Hartford	10,330	9,309	10,200	13,010	17,011	
New York, Ontario & Western	923	1,113	1,464	2,153	2,890	
New York, Chicago & St. Louis	6,411	7,401	7,308	10,569	14,824	
N. Y., Susquehanna & Western	383	529	658	1,442	2,270	
Pittsburgh & Lake Erie	4,262	7,862	8,027	4,806	7,565	
Pere Marquette	5,464	5,858	5,416	5,132	8,087	
Pittsburgh & Shawmut	557	798	971	58	20	
Pittsburgh, Shawmut & North	216	306	401	163	236	
Pittsburgh & West Virginia	1,029	1,136	1,236	1,845	2,975	
Rutland	438	387	388	1,060	1,212	
Wabash	6,604	6,847	7,403	9,547	13,156	
Wheeling & Lake Erie	3,939	5,453	5,532	3,068	4,401	
Total	140,787	165,902	172,649	158,085	223,450	
Allegheny District—						
Akron, Canton & Youngstown	583	785	802	644	1,280	
Baltimore & Ohio	35,191	47,492	45,645	20,566	28,635	
Essenmer & Lake Erie	3,308	5,397	6,112	1,063	1,763	
Buffalo Creek & Gauley	491	1	302	1	1	
Cambria & Indiana	262	1,672	1,750	9	10	
Central R. R. of New Jersey	6,246	6,690	7,507	13,789	19,024	
Conrail	645	543	632	41	43	
Cumberland & Pennsylvania	245	178	221	8	8	
Ligonier Valley	62	108	136	16	41	
Long Island	1,895	1,764	1,384	3,983	4,600	
Penn-Reading Seashore Lines	1,840	1,945	2,015	1,663	2,547	
Pennsylvania System	70,777	87,350	86,512	45,822	67,106	
Reading Co.	14,904	16,141	15,091	21,665	28,546	
Union (Pittsburgh)	8,504	20,257	20,526	3,347	5,981	
Western Maryland	3,210	3,973	4,360	10,099	13,236	
Total	147,518	194,293	192,977	122,695	172,820	
Peachontas District—						
Chesapeake & Ohio	9,911	28,734	28,096	9,450	13,383	
Norfolk & Western	9,498	20,943	22,447	6,135	8,092	
Virginian	1,303	4,128	4,625	1,721	2,346	
Total	20,712	53,805	55,168	17,306	23,821	

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1945	1944	1943	1945	1944	1943
Southern District—						
Alabama, Tennessee & Northern	487	319	273	176	344	
Atl. & W. P.—W. R. R. of Ala.	323	794	642	1,879	2,805	
Atlanta, Birmingham & Coast	811	779	695	1,206	1,418	
Atlantic Coast Line	10,993	9,869	12,368	7,516	9,957	
Central of Georgia	4,197	3,493	3,855	4,131	4,803	
Charleston & Western Carolina	459	382	436	1,424	1,688	
Cinchfield	1,669	1,779	1,674	2,271	3,007	
Columbus & Greenville	405	375	340	268	321	
Durham & Southern	119	148	109	353	320	
Florida East Coast	783	652	1,356	1,211	1,201	
Gainesville Midland	84	73	36	113	88	
Georgia & Florida	1,318	1,324	1,258	2,071	2,352	
Gulf, Mobile & Ohio	387	313	479	668	667	
Illinois Central System	5,182	5,344	4,100	4,540	4,147	
Louisville & Nashville	28,545	30,547	30,532	16,077	18,511	
Macon, Dublin & Savannah	17,418	25,643	24,376	9,951	11,390	
Mississippi Central	236	206	174	809	764	
Nashville, Chattanooga & St. L.	273	352	263	380	565	
Norfolk Southern	1,175	3,662	3,657	4,170	4,841	
Piedmont Northern	1,430	964	1,200	1,572	1,840	
Richmond, Fred. & Potomac	460	431	369	1,237	1,410	
Seaboard Air Line	10,056	8,766	10,789	7,744	9,835	
Southern System	24,710	24,014	23,070	20,257	24,727	
Tennessee Central	530	684	563	917	1,121	
Winston-Salem Southbound	139	144	165	908	1,317	
Total	115,049	121,464	123,216	99,279	118,311	
Northwestern District—						
Chicago & North Western	21,291	21,954	21,251	14,510	15,023	
Chicago Great Western	2,693	2,795	3,114	3,580	3,731	
Chicago, Milw., St. P. & Pac.	21,718	24,043	22,213	10,027	11,061	
Chicago, St. Paul, Minn. & Omaha	4,155	3,577	4,204	5,102	4,373	
Duluth, Missabe & Iron Range	23,829	23,882	24,135	332	206	
Duluth, South Shore & Atlantic	1,196	655	1,270	459	499	
Elgin, Joliet & Eastern	6,910	9,687	9,142	7,207	10,086	
Ft. Dodge, Des Moines & South	429	447	451	109	109	
Great Northern	25,201	25,176	26,908	6,575	6,959	
Green Bay & Western	640	711	711	835	1,050	
Lake Superior & Ishpeming	2,009	1,339	1,417	100	57	
Minneapolis & St. Louis	2,544	2,570	2,394	2,881	3,017	
Minn., St. Paul & S. S. M.	8,638	7,705	8,901	3,223	3,219	
Northern Pacific	14,051	14,348	14,691	4,774	6,347	
Spokane International	174	203	108	386	435	
Spokane, Portland & Seattle	2,298	2,590	2,609	2,448	3,451	
Total	137,776	141,682	143,519	62,548	69,623	
Central Western District—						
Ath., Top. & Santa Fe System	26,583	27,775	25,330	12,058	16,375	
Chicago & Great Western	3,595	3,583	3,705	3,453	4,586	
Bingham & Garfield	273	350	560	45	54	
Chicago, Burlington & Quincy	23,826	23,373	22,352	12,386	15,602	
Chicago & Illinois Midland	3,175	2,997	3,094	863	837	
Chicago, Rock Island & Pacific	13,749	13,128	13,935	13,210	14,040	
Chicago & Eastern Illinois	2,722	3,155	2,685	2,954	5,295	
Denver & Southern	1,507	1,406	1,428	2,276	3,480	
Denver & Rio Grande Western	5,345	5,315	4,757	5,980	7,092	
Fort Worth & Salt Lake	813	836	617	75	17	
Fort Worth & Denver City	1,193	1,054	1,368	1,983	2,662	
Illinois Terminal	1,821	2,379	1,935	1,951	2,439	
Missouri-Illinois	1,557	1,308	1,322	622	669	
Nevada Northern	1,376	1,543	2,098	127	81	
North Western Pacific	1,163	1,075	956	749	850	
Peoria & Pekin Union	12	6	14	0	0	
Southern Pacific (Pacific)	32,149	33,751	31,558	12,033	15,074	
Toledo, Peoria & Western	0	353	477	0	2,044	
Union Pacific System	23,228	24,400	20,488	16,264	19,731	
Utah	728	353	486	14	4	
Western Pacific	2,520	2,281	2,229	4,483	5,492	
Total	147,335	150,420	141,394	91,526	116,424	
Southwestern District—						
Burlington-Rock Island	332	824	326	390	678	
Gulf Coast Lines	3,431	6,294	6,556	2,340	2,395	
International-Great Northern	2,175	2,603	2,571	2,946	4,152	
Kansas, Oklahoma & Gulf	2	2	253	1	1	
Kansas City Southern	2,905	5,232	5,263	2,523	3,	

Items About Banks, Trust Companies

The trustees of the United States Trust Co. of New York have approved an increase in the company's capital stock from \$2,000,000 to \$4,000,000 by the issuance of 20,000 additional shares in the form of a 100% stock dividend, according to an announcement made by Williamson Pell, President. Stockholders will be asked to ratify the proposed increase at a special meeting to be held on Nov. 21. The capital increase will be effected by transferring \$2,000,000 from surplus to capital, and the par value will remain unchanged at \$100 per share. Mr. Pell stated that it would be the present intention of the board to establish a regular annual dividend rate of \$35 per share on the 40,000 shares to be outstanding, which would be equivalent to \$70 per share on the present capitalization of 20,000 shares. Dividends on the present shares are being paid at the rate of \$60 annually plus \$10 extra. After giving effect to the proposed stock dividend the company's capital funds will consist of \$4,000,000 in capital, \$24,000,000 in surplus, and \$2,606,545.43 in undivided profits.

Percy H. Johnston, Chairman of the Chemical Bank & Trust Co. of New York, announces the appointment of J. Kenneth Townsend as Assistant Personnel Director. Mr. Townsend graduated from St. Stephens College in 1923 and entered the bank in 1929, becoming Assistant Credit Manager in 1944.

The National City Bank of New York on Oct. 30 received advice that three of its officers, Samuel S. Church, Iver O. Musgerd and Ira Crocker, have arrived in Hongkong. They report that the essential records of the branch appear intact and working conditions are described as satisfactory. The branch is prepared to open officially and will operate, for the present, within limits imposed by the military government. National City, it is announced, will accept deposits, but in all probability general banking business will not be resumed until the administration of Hongkong is transferred from the military to the civil authorities. The bank adds that the Hongkong dollar has been reinstated at its pre-war parity with sterling of one shilling and three pence. Cable communications with Hongkong have been restored, but mail facilities are not yet available.

At the regular meeting of the board of directors of the City Bank Farmers Trust Co., held Oct. 30, Edward C. Smith was reelected a Vice-President and C. Warfield Hobbs III was reelected an Assistant Vice-President. Both have been serving as Lieutenant-Colonels in the Army and have just returned to the company.

Stockholders of the Continental Bank & Trust Co. of New York, at a special meeting held at 30 Broad Street on Oct. 30, voted unanimously to increase the capital stock from \$4,000,000 to \$5,000,000. The change in the capital structure will be effected by the payment of a 25% stock dividend to stockholders of record at the close of business on Oct. 15, last. The dividend, consisting of 100,000 shares of the \$10 par value capital stock, will be paid Nov. 1 by the distribution of one share of stock for each four shares which were held on the record date. Script certificates will be issued for fractional shares. Frederick E. Hasler, President of the bank, presided at the meeting, at which 2,877 proxies, representing 276,975 shares, were voted. Mr. Hasler said that the directors are of the opinion that after giving effect to the stock dividend the current dividend rate of 80

cents per share per annum will be maintained. The capital structure of the bank, as approved by the action of the stockholders, now is: Capital, \$5,000,000; surplus, \$5,000,000; undivided profits (approximate), \$1,210,000; unallocated reserves (approximate), \$500,000, making a total of \$11,710,000.

A. Schwartz, formerly Manager of the publicity department of Manufacturers Trust Co. of New York, has been appointed Advertising Manager of Sterling National Bank & Trust Co. of New York. Mr. Schwartz will be located at the bank's main office, Broadway and 39th Street.

Thomas J. Shanahan, President of the Federation Bank and Trust Company, of New York, announces that at a special meeting of the stockholders on Oct. 30, an increase was approved in the capital of the bank from \$1,000,000 to \$1,500,000. Thereafter, the Board of Directors declared a stock dividend of 25,000 shares payable Nov. 5, 1945, to be distributed on the basis of one share of stock for each four shares held, to stockholders of record on Oct. 30, 1945, and further authorized the sale of 25,000 shares of stock at \$20 per share pro rata to stockholders of the same record date.

According to the Brooklyn "Eagle" of Oct. 27, Philip A. Benson, President of the Dime Savings Bank of Brooklyn, N. Y., announced that on that day Amos W. Williams has been appointed the bank's new appraiser of Westchester real estate. The bank recently extended its home loan and mortgage services to that county. From the "Eagle" we quote:

"Mr. Williams, a specialist in this field for 19 years, was chief appraiser for the Lawyers Title Corp., and for the Title & Mortgage Co. of White Plains. He was also the property manager for trustees appointed to liquidate the certificated issues of the New York Title Co. and Westchester Title Co.

The National Bronx Bank of New York announces that Thomas V. Kennedy, former Executive Vice-President of the Bank of Westchester, has been elected a Vice-President of the organization. Mr. Kennedy was formerly Assistant to the President of the Brooklyn unit of the Todd Shipyards Corp., and recently acted as the corporation's representative in Washington and Rio de Janeiro.

Frank R. Collins, Vice-President of the Marine Trust Co., Buffalo, N. Y., now is in charge of the bank's Buffalo trust office in the Rand Building, the bank's largest branch. It was announced on Oct. 23 by President Charles H. Diefendorf. The Buffalo "Evening News," from which this is learned, further said:

"Mr. Collins succeeds Ralph Croy, who will retire Jan. 1 and who is now on a leave of absence. Mr. Collins's banking career started in 1908 with the Fidelity Trust Co. Five years later he joined the Buffalo Trust Co. He was Vice-President and Secretary of the Buffalo Trust when it merged with the Marine Trust in 1926."

The discontinuance on Oct. 3 of the Blackstone Canal National Bank, the second oldest National bank in Providence, R. I., to effect a consolidation with the Providence National Bank, the State's oldest National bank and the second oldest banking institution in the United States, was reported in the Providence "Journal" of Oct. 14, from which we also quote, in part:

"During the week-end the Blackstone bank is moving into the Providence National Bank

Building at 100 Westminster Street, and tomorrow morning personnel of both banks will be on hand at that location conducting the business of both banks under one roof.

"The consolidation, approved by the directors of both banks late in August, and ratified by the shareholders of each at separate meetings Sept. 26, brings together two banking institutions whose names have been individually associated with the earliest beginnings of commercial history in the State and nation.

"The combined bank, to be known as the Providence National Bank, will have a capital of \$2,000,000, consisting of 80,000 shares of \$25 par value stock, 20,000 of which will be distributed to Blackstone Canal shareholders on a share-for-share exchange, there having been 20,000 shares of Blackstone Canal \$25 par value stock outstanding.

"Providence National shareholders get the remaining 60,000 shares of the new stock. Since there are now 15,000 shares of \$100 par value stock outstanding, the distribution to the Providence National shareholders will involve a split of the present stock on a four shares for one share basis.

"The \$5,250,000 capital surplus of the consolidated bank will give it the second largest loan limit in the State. The 10% limit to one borrower will make the loan limit of the combined bank \$525,000.

"The combined institution will have total resources in excess of \$67,000,000, of which the Blackstone bank contributes about \$17,000,000 based on June 30 figures.

"The board of directors of the consolidated bank will include most of those who have been serving on the separate boards. Other personnel will be combined to form the continuing organization. There will be no dislodging of personnel as the result of the union. Some retirements are taking place at this time, and a few separations are occurring, but for the most part the staffs of both banks will continue to serve their clients under the new setup, the only difference being that the business of Blackstone bank will henceforth be conducted in the quarters of Providence National Bank.

"Rupert C. Thompson Jr., President of the Providence National Bank, and Albert R. Plant, President of the Blackstone bank, will share top positions in the merged institution. Mr. Thompson will serve as President and Mr. Plant as Chairman of the board of directors. Charles B. McGowan, Vice-President and Trust Officer of the Blackstone bank, will hold the same office in the merged bank. With few exceptions, other officers of the two banks will hold the same posts they have been holding."

Ralph A. McIninch, formerly with the Bank Examiner Department of the Federal Reserve Bank of Philadelphia, Pa., was elected an Assistant Trust Officer of the Union Trust Co. of Providence, R. I., at a meeting of the bank's directors, according to the Providence "Journal" of Oct. 24, which notes that his appointment, President Walter F. Farrell reports, is to an additional Assistant Trust Officer position and not to fill a vacancy.

The West Side Trust Co. of Newark, N. J., has announced appointment of Rodney A. Van Ness, formerly of General Motors Acceptance Corp., as a Manager of its time sales and personal loan departments, it was recently stated in the Newark "Evening News."

The Equitable Trust Co. of Baltimore, Md., announced on Oct. 25 the election of John A. Luetkemeyer as a Vice-President of the institution. In making this known in its issue of Oct. 23, the Baltimore "Sun" stated:

"Mr. Luetkemeyer recently re-

tired as a Major in the Marine Air Force, in which he saw action in the Philippines. Prior to his enlistment in the Marines he was a Second Vice-President of the Equitable Trust Co."

Directors of the Union Bank of Commerce of Cleveland on Oct. 25 authorized the transfer of \$1,000,000 into surplus, President John K. Thompson announced. Half of the amount was transferred from reserves and half from the undivided profits account. The increase brings surplus to \$4,530,000 which, with capital of \$3,530,000, gives the Union Commerce total capital and surplus amounting to \$8,060,000.

Stockholders of the National Bank of Hyde Park, Chicago, voted on Oct. 23 to increase the capital stock of the bank from \$250,000 to \$400,000 by the sale of 7,500 additional \$20 par value shares at \$30 each. The Chicago "Daily Tribune" of Oct. 24, reporting this, said:

"Of the proceeds \$150,000 will be added to capital and \$75,000 to surplus. Stockholders will receive rights to buy six additional shares for each 10 shares held.

"Since 1940 the bank's deposits have increased from \$3,600,000 to more than \$17,000,000. The directors said they recommended the increase in stock to provide a more adequate relationship between capital structure and deposit volume. The bank said the present annual dividend rate of \$1 a share probably will be increased to \$1.20 next year."

The Mercantile-Commerce Bank & Trust Co. of St. Louis announces the election of John L. Wilson, President of St. Louis Public Service Co., as a member of the bank's board of directors. Mr. Wilson, says the St. Louis "Globe-Democrat" is also President of the American City Lines.

Promotions in the Mississippi Valley Trust Co. of St. Louis were announced as follows, it was indicated in the St. Louis "Globe-Democrat" on Oct. 18: Clifford L. Moore, Comptroller; Raymond H. Rulkoetter, Assistant Comptroller; and Chester L. Richards, Savings Manager.

Major Robert L. Thornton Jr., who has recently been honorably relieved from active duty with the Army Air Forces, has been elected a Vice-President of the Mercantile National Bank at Dallas, Tex. Before entering the Army Mr. Thornton had been in the banking and bond business in Dallas.

The Anglo California National Bank of San Francisco, Calif., has acquired control of the Palo Alto National Bank and will convert it into a branch, it was jointly announced by Anglo President W. H. Thompson and Charles J. Cray, President of the Palo Alto bank. It was stated in the San Francisco "Chronicle" of Oct. 16, which added that with this addition the Anglo will have 22 offices in northern and central California and deposits exceeding \$420,000,000. It was further stated:

"The Palo Alto bank has deposits totaling more than \$8,000,000. Personnel of the Palo Alto bank will continue in the employ of the Anglo."

The election of R. H. Carscadden and O. W. Frieberg as Assistant Vice-Presidents by the American Trust Co. of San Francisco, Calif., was reported in the San Francisco "Chronicle" of Oct. 16, which also announced:

"F. C. Erickson, Sacramento; Joseph L. Nessler, San Jose; Walter F. Neill, Richmond, and W. I. Nicholas, Alameda, have been elected Assistant Cashiers."

At the meeting of the Board of Directors of the Bank of Nova Scotia held on Oct. 30, the fol-

Treasury to Release Frozen Belgian and Dutch Funds

The early release of hundreds of millions of dollars in Belgian and Dutch funds frozen in the United States when the Nazis occupied those countries, will shortly occur, it was stated on Oct. 27 by Treasury Department officials, it is learned from Associated Press accounts from Washington on Oct. 27, which as given in the New York "Times" said:

Belgian assets totaling about \$400,000,000, according to the last published figures, may be released within a few weeks, they said.

Unblocking of the \$1,400,000,000 in Netherlands and East Indies assets will take longer because negotiations with the Dutch are reported not as far advanced, although progressing smoothly.

Treasury officials declined to disclose the present-day total of the funds involved, but said Belgium's totals were "a little higher" if gold were included, and the Dutch figure somewhat lower.

Of these amounts, \$140,000,000 in short-term balances will become immediately available to the Belgians on unfreezing and \$210,000,000 to the Dutch. The rest of the funds represent Government and privately owned investments, real estate and other negotiable assets.

Under the Treasury Department formula announced for unfreezing when an estimated \$1,000,000,000 in French funds was released several weeks ago, the Belgian and Dutch Governments first must determine whether any Axis nations are involved in ownerships. They also must unblock all American assets held in their countries.

The United States will then agree with Belgium and Holland to liberalize exchange controls on trade to pave the way for resumption of normal trade between the countries.

NYSE Rules on Margin During V-Loan Drive

In advices on Oct. 23 to members and member firms of the New York Stock Exchange, Edward C. Gray, Director of the Department of Member Firms, says:

"In conformance with the spirit of the statement issued by the Secretary of the Treasury announcing the Victory Loan Drive, the New York Stock Exchange has ruled that prior to Dec. 31, 1945, no member firm may carry on margin Government securities offered during the Victory Loan Drive unless the customer

"(1) Has no debit balance against war loan bonds previously subscribed for and he agrees to pay off the debit balance against the Victory Loan securities within a period of six months or less, and

"(2) Does not contemplate selling the securities prior to making such full payment.

"The spirit of this ruling applies also to speculative purchases of members, partners and member firms."

Following appointments were announced:

J. A. McLeod was elected Chairman of the Board, succeeding S. J. Moore, who has retired. Mr. Moore continues a member of the Board; H. D. Burns was elected President, succeeding J. A. McLeod; E. Crockett, former Assistant General Manager, was elected Executive Vice-President. H. L. Enman was appointed General Manager, succeeding H. D. Burns.

L. T. Carmichael, for reasons of health, has resigned from the board of the National Bank of India, Ltd., as of Sept. 30.