

The COMMERCIAL and FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 163 Number 4462

New York, N. Y., Thursday, February 7, 1946

Price 60 Cents a Copy

Observations

By A. WILFRED MAY

Supporters of Russia's foreign policy have been, and still are, vociferously denouncing all those who are critical thereof as "fascist" and otherwise "reactionary." In line therewith a principal plea made to the electorate by the British Labor party for support in the recent campaign, was its alleged great superiority over the Tory Churchill Government in being able to live with the Soviet.

The successful accession to power of the Attlee-Bevin regime was volubly celebrated on both sides of the Atlantic on this score. Thus the "New Republic" of Aug. 6 hailed the election returns thus: "It is in the field of foreign affairs that the moral impact of Labor's great victory is strongest. Hope will run through the world as political and economic conservatism in the Big Three nations is suddenly reduced from a majority of two to a minority of one—the United States. Relations with Russia should certainly be bettered."

And Professor Laski, the Labor Party's chief Brain-Truster, interpreted the election results as furthering the international liberalization of his Government's foreign policy, saying: "The Soviet Union could, and I think will, draw the inference from the Labor party's victory that a great bastion of its military security has been gained, on which a stronger friendship between our peoples can be built."

It seems strange, therefore, that the subsequent honeymoon period did not even outlast the Foreign Ministers' Conference in London, where M. Molotov was reliably reported as telling the assuredly "un-Fascist" Mr. Bevin that he had been accustomed to deal with "gentlemen" like Messrs. Eden and Hull. And at the cradling of the peace-seeking UNO proceedings Mr. Bevin openly pronounces that "the danger to the peace of the world has been the incessant propaganda from Moscow against the British Commonwealth and the incessant utilization of the Communist parties in every country in the world as a means to attack the British people and the British Government, as if no friendship between us existed. That is the danger to the peace of the world."

Apparently Mr. Bevin feels even more than did Mr. Churchill that "Russian policy is a riddle, wrapped in a mystery, and enveloped by an enigma." In any event, it should be evident to all that even the most intense brand of leftist ideology is overshadowed by the desire for national protection as well as by a knowledge of geography.

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Federal Finance and the States

By HON. LINDSAY C. WARREN*
Comptroller General of the United States

In Pointing Out the Growth of Federal Functions and the Consequent Heavy Federal Spending, Mr. Warren Asserts That Much of This Is the Result of the People and the States Looking to Federal Government for Actions Not Taken by Themselves. He Advocates "Turning the Federal Government's Sails" and the Abolition of Unnecessary and Overlapping Federal Agencies as Called for in Recent Executive Reorganization Act. Stresses the Need for a Balanced Federal Budget and Holds "the Reckoning Period Is Now Coming On." Urges Revitalizing Power of Congress Over Purse and a Peacetime Balancing of Federal and State Powers. Sees Danger in State's Selling Their "Birthright for Federal Aid."

Never in all their history have our Chambers of Commerce been faced with more numerous and perplexing problems than today, in readjusting



Lindsay C. Warren

the life of their communities to a peacetime economy, with its changing business and manufacturing activities. Never has there been a greater need for their services in building solid foundations for civic welfare, and in guarding our democratic institutions, in defense of which so many of our dear ones have just given their lives or their health. I take it as self-evident that as citizens, businessmen, and taxpayers you are interested in the structure and efficiency of our national Government, and its relation with our own great State, and with the other States of the Union. No longer is this a remote and academic question. In one form or another it bears upon the daily lives of every one of us. Of late there has been much discussion of the expansion of the Federal Government, of its tremendous growth in bureaus, commis-

*An address by Mr. Warren before the Chamber of Commerce of Asheville, N. C., Jan. 17, 1946. (Continued on page 764)

'Little Investors'

Mr. Babson Calls Attention to the Fear of Big Investors That Stocks Are Too High and That There Will Be a Crash Similar to That of 1929. Points Out That Investors Today Are in a Better Position to Hold on to Securities Than in 1929 and That Small Investors Will Have an Opportunity, by Combining, to Control the Large Corporations. Says Strikes Merely Delay Prosperity and Do Not Destroy It.

For the first time in some years I find that the "big boys" of New York are bearish. They believe that stocks are too high and that the market has gone up too fast. This especially applies to those conservative bankers and brokers who are responsible for the funds of colleges, hospitals, trusts and large estates. They are mostly out of stocks and are very long of Government bonds.



Roger W. Babson

I also learn that many men have even sold stocks in their own companies believing that the prices are too high. They assume that the new purchasers of these stocks are speculators who will throw these stocks overboard when the next crash comes. The big boys then hope to buy these same stocks back again at 20 cents on the dollar as they have in the past. Now, will they be able to do so? Well, this question is the subject of my this week's column.

Stock market conditions are certainly very different today than in 1929. The people have (Continued on page 766)

The Financial Situation

When our postwar disappointments begin to arouse the rank and file, not so much against confusion, mismanagement and incompetency in Washington, as against Government intermeddling, we shall feel much encouraged no matter what the state of affairs then existing. Once it is generally understood that the difficulties by which we are at this moment confronted are an inevitable outgrowth of "planned economy," no matter whether by an able or a weak government, we shall be on the threshold of much better things. To attain that realization would be well worth vast cost and suffering if, as begins to appear to be the fact, it can not be reached in any other or cheaper way.

It seems to be the view in many quarters that the really vital issue now to the front in Washington is whether the Administration will gain its own consent to a more reasonable attitude toward business, particularly as respects prices to offset the claims of labor which it has endorsed. There can be no question of course that such a change of heart at the National Capital is greatly to be desired—if that is all that can be had at this time. The fact remains, however, that much more than this must be extracted from our present impasse if we are to make a really satisfactory start toward the postwar achievements we could easily reach under suitable circumstances.

Cost of "Control"

It is growing daily plainer that things are out of gear in the food situation. To us it appears difficult to see how any one can fail to understand that this is just another mess which grows directly out of attempts to control events according to some man-made "plan" rather than to permit the automatic controls to operate which nature has pro-

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From Washington Ahead of the News

By CARLISLE BARGERON

A friend of ours who is a gray lady and who in such capacity has been serving at St. Elizabeth's, our hospital for the insane, swears that she had this experience: An inmate came up to her and said: "Isn't that fellow Roosevelt a card, celebrating his birthday after he is dead?"

Our only point in passing this on is that, in spite of Mr. Truman's effort to get away from Mr. Roosevelt's personal leadership, we still have a personal leadership. Chester Bowles has succeeded him. If we are to believe the dire predictions which we read and hear, Mr. Bowles may have resigned before this is printed and left the American people in an awful predicament. It seems to be a terrible thing that the American people would let themselves in for such a calamity as this, but we are presented with this amazing spectacle, nevertheless: that practically all of official Washington, except Henry Wallace and his hordes of disciples, are against Mr. Bowles' attitude. In Congress it is difficult to say just what the feeling is. The great majority of the members are burning up about the complaints they get against Mr. Bowles on the one hand, and wary, on the other hand, about the effect of his propaganda to the housewives about how he alone, against greedy interests is protecting them. If the question of Mr. Bowles' OPA, the continuation of it beyond next June 30, were up tomorrow, our best informed opinion is that it would be approved with some modifications. Yet talking to the members privately, they agree with the members of the executive branch, except Mr. Wallace, that Chester Bowles is the day's greatest bottleneck to reconversion and that if something isn't done about him, we are in for an awful lot of trouble. Manifestly, we have got to do something soon to get production, and not even Mr. Bowles' threats have seemed to succeed in (Continued on page 763)



Carlisle Bargeron

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*These items appeared in our issue of Monday, Feb. 4, on pages indicated.

Administration's Policy For Small Business

By HON. HENRY A. WALLACE
Secretary of Commerce

Secretary Wallace, After Expounding the Important Role of Small Business in Our Economy, Particularly That of Combating Monopoly, Describes the Measures to Be Taken by the Department of Commerce to Aid Small and Moderate Sized Concerns. Says His Department Is in a Special Position to Handle This Program Effectively, Because It Has the Necessary Supporting Services, and Calls Attention to Proposed Provision for Additional Officers to Cover Work. Says Department Will Cooperate With Other Organizations and Plans a Comprehensive Program of Cooperation With Business and Engineering Colleges.

There has never been a more critical year in the peacetime history of the United States than the one that lies ahead. I strongly feel that this is the year for decisive action. What we do this year will determine the entire course of our postwar economy. Unless we now establish the foundations for future economic growth, the turn of the decade may find us again in a deflation whose cumulative power and destructive consequences are quite impossible to appraise, and which, in fact, may challenge the very existence of our free enterprise system. Tied up with the basic decisions which must be made to maintain full production and full employment are important policy determinations affecting the future of small business. Because of the vital role that small business plays in the operation and growth of our free enterprise economy it is of the greatest importance that this Committee carefully consider the place of small business in our postwar order and take such action as may be necessary to assure a favorable climate for its growth and development.



Henry A. Wallace

which the life of the free enterprise system depends. Opportunity and competition are the marks of health in our economy—the symbols by which a man evaluates both his chance to rise to a position of prominence and his ability to obtain on an equitable basis the things his family needs. Where there is no room for new enterprise, there is no room for free enterprise.

Small Business Combats Monopoly

There can be no more conclusive demonstration of opportunity in our economy than an increasing number of small businesses thriving in an environment of economic expansion. And there is no more effective means of combating the evils of monopoly than the promotion of new, small enterprises whose primary interest is to innovate, compete and expand, rather than to restrict production and protect a vested interest.

This is the perspective in which we view our small business program. Helping small business in its hazardous period of birth and helping it to keep healthy after it has survived its infancy are among the most important functions the Department of Commerce can perform. The need for a government program on behalf of small business is in a sense a symptom of weakness in our free enterprise system. It is a weakness, paradoxically, that grows out of strength, out of the tremendous size and specialization of our industrial distributive mechanism.

The disadvantageous position of the small business man in that mechanism has many aspects; and I am now speaking of inherent disadvantages, not of unfair competition and the coercive tactics of monopolists or corporations hoping to become monopolies. His product designs, his processing procedures, and his plant and equipment are unlikely to measure up to the efficiency standards of the larger firms. Similarly, he is not likely to be in as good a position effectively to plan other management policies and operating methods. He cannot afford up-to-date scientific and technological research facilities. His knowledge of markets is usually meager; he probably does not know where to look for new customers or how to go about adapting his operations to meet their special needs. His ability to explore alternative sources of supply is also limited; he cannot claim the advantages in financing, procurement, and distribution that accrue to his larger competitor. The banker is fearful about advancing him funds; the materials supplier sometimes just condescends to take his order; and the distributor is reluctant to "push" his product in competition with widely advertised brands.

A further difficulty arises from the fact that his business may run very efficiently in one department and just as inefficiently in another. The old concept of

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Govt. Anti-Trust Suit Against AP Ending

Three Federal Court judges signed an order in New York on Jan. 25 which closes the Government's civil anti-trust suit against the Associated Press, according to the New York "Times" on Jan. 6. Signed by Judges Augustus N. Hand, Learned Hand and Thomas W. Swan of the Circuit Court of Appeals, the order stays one injunction provision in the court's original mandate and lifts three others. The new order was signed with the consent of the Government, said the "Times" which noted that it followed the action of Associated Press members who last Nov. 28 amended the by-laws of the association to eliminate consideration of competitive factors in voting upon applicants for membership. The "Times" account went on to say:

This amendment to the by-laws brought them into conformity with the decree of the United States District Court, filed on Jan. 13, 1944, and subsequently upheld by the Supreme Court.

Yesterday's Order stayed the provision of the original decree enjoining The Associated Press from considering competitive factors in voting upon applicants for membership "so long as the by-laws of The Associated Press as amended on Nov. 28, 1945, remain in effect and so long as the by-laws are controlling over any contract that may be entered into between The Associated Press and any of its members."

Provisions of the decree that were lifted were those enjoining The Associated Press from withholding its news reports from nonmember newspapers, enjoining observance of a provision of the by-laws prohibiting members and employes from furnishing local news of spontaneous origin gathered by them to persons other than The Associated Press or its members, and canceling the exclusive provisions of the news agreement between The Associated Press and The Canadian Press.

The Court said in its original decree that if the by-laws were amended The Associated Press could apply for modification or termination of these three provisions.

The long legal fight of The Associated Press to defend itself against charges of monopoly ended on Oct. 9, when the Supreme Court of the United States denied a petition for a rehearing, an action that exhausted the court procedures available.

In recommending changes in the by-laws as more desirable than operating the cooperative newsgathering organization under a court decree, the board of directors recorded their unanimous belief as laymen "that the decision of both the lower court and that of the Supreme Court sustaining it constitute an unmistakable assumption of legislative power by the judiciary."

Gift Parcels for Italy

Postmaster Albert Goldman announced on Dec. 31, that information had been received from the Post Office Department at Washington, that pursuant to the regulations of the office of International Trade Operations, Department of Commerce (formerly the Foreign Economic Administration), a previous Order stated that gift parcels for civilians in the Vatican City State and certain localities of Italy as set forth in said order are limited to \$25 in value. The Dec. 31, Post Office advice stated that while gift parcels must continue to comply with the value limitations imposed on individual items by the Office of International Trade Operations, the value limit of \$25 per parcel has been removed by that office.

The State of Trade

Industrial production for the country as a whole suffered a slight decline the past week due to the effect of strikes. Total production, however, held at a high level and was almost 20% above the January, 1940, level. New order volume as in past weeks continued heavy.

Steel ingot output was comparable with the low level that obtained two weeks ago. New orders continued to be placed, but some decline was noted in order volume level from that prevailing before the strike. In most industries, it is reported, inventories were adequate to maintain production during the week.

Some increase was noted in the week in the production of nylon nose and insofar as the textile job-finishing industry was concerned, it operated at close to the same level as that of the previous week.

Skilled labor shortages proved to be an important factor in retarding production of carded and combed cotton yarns. As for coarse carded yarns, output was reported at a higher level than a month ago.

A very slight increase was noted in automobile output the past week, total production being about 30% of the output in the comparable week of 1939. Metal can production was at a high level, but raw material shortage worked to limit output.

On the strike front President Truman on Monday of this week met in conference with Secretary of Labor Schwellenbach and Philip Murray, President of the CIO, in an effort to break the present deadlock in the steel strike. It was reported the President is still holding to his proposal that the 750,000 striking steel workers be given an 18½-cent-an-hour increase and that current conferences apparently are for the purpose of reaching a decision on how much of an increase should be allowed manufacturers in the price of steel.

Discussing the wage controversy now in progress between labor and management, "Business Week" magazine in its "Outlook" the past week had this to say:

"The wage fight seems to be shaking down to a basis of increases which generally run in the neighborhood of 15% to 16%. Settlements have been made largely on pay and working conditions. The unions don't appear to have shorn management of any policy-making powers, as many businessmen had feared might happen.

"As things clear up, next question is how to make ends meet. The cost-price squeeze has been further tightened. And there is no certainty that the unions won't be around again in a few months for raises on either a cost-of-living or ability-to-pay basis.

"Corporations haven't yet enjoyed the full benefit that the end of the war was supposed to bring in labor costs. Overtime hasn't entirely disappeared. The labor market still is too tight to allow downgrading to run its full and logical course. These changes will come, though, and soon. Before long, wage costs will be down about 5% through elimination of overtime and almost as much by the drift of workers to their natural skill-levels and pay-levels. Thus a 15% rise in hourly pay won't cost, on the average, much more than 5% to 6%. If labor makes up 60% of total manufacturing costs, that means prices need rise only 3% to 4% to compensate.

"OPA will fight its typical rear-guard action on industrial prices. The price agency will seek to have some of the needed 3% or 4% from higher wages absorbed between manufacturing and retail levels. Also, in granting price boosts based on higher wages, it

will seek to forget the squeezes that existed before the pay bill went up.

"In other words, if the steel industry is entitled to \$2.50 or \$3 a ton to ease the present squeeze and \$2 more to meet a higher wage bill, OPA will be reluctant to grant the full relief. The agency is likely to squeeze the price rise down until there is danger of red ink.

"Businessmen will agree with the Civilian Production Administration chief, John D. Small, that prices are being held too inflexibly. In his report this week on December progress, Small argues that inflation is being fostered by price controls which hamper production, that we most need goods to damp down civilian demand.

"Some industrialists won't agree with Small that price controls must be retained. Many favor sweeping out the whole thing. If the Administration should agree to this, which is highly unlikely, the step should be sudden. There shouldn't be argument and delays which would cause manufacturers to hold goods off the market for higher prices."

Steel Industry—Fearful of the devastating effects of a long steel strike on reconversion, but reluctant to take over the steel industry, the Administration the past week again attempted to find some basis on which a settlement could be reached, states "The Iron Age," a national metalworking paper in its review of the steel trade. High Administration officials suspected of being the same ones who entertained hopes of averting the steel strike a few weeks ago, are believed to be seriously seeking a steel price basis which would allow the U. S. Steel Corp. to accept the President's compromise offer of 18.5¢ an hour.

Contrary to reports that steel industry leaders were to meet in Washington last week to find a means of settling the steel strike, "The Iron Age" states, it is much more likely that the Administration asked Benjamin F. Fairless, U. S. Steel President, to come to Washington and again talk over the steel price situation. This sudden trip by Mr. Fairless follows fairly well the same pattern of approach adopted by the Administration in its previous effort to forestall the steel strike.

Before the U. S. Steel attempts further negotiations with the union, it is expected that something better than a promise of a price increase will be demanded. Despite the steel firm's attitude that it did not want voluntarily to become a party to an 18.5¢ wage increase and a large increase in steel prices because of its possible inflationary effect, a request by the government to do so, supported by a big enough price increase to compensate for past costs and a new wage increase would probably be acceptable. Whether or not the steel strike is settled quickly apparently rests upon the attitude the government takes with respect to steel prices.

For the second week of the strike steel ingot production remains at the unprecedented low of 7% of rated capacity. Up to the end of the past week the country will have lost approximately 2,900,000 tons of steel ingots since the strike began. Much of this cannot be made up because before the strike most companies were operating at as high level as possible. (Continued on page 767)

*Statement of Secretary Wallace before the House Select Committee to Investigate and Study Small Business, Jan. 22 1946.

Items About Banks, Trust Companies

Frank K. Houston, Chairman of the Board of the Chemical Bank & Trust Company of New York announced on Jan. 31 that Francis J. McKenna, Vice-President of A. D. Julliard & Company, was elected to the Advisory Board of the Madison Avenue at 46th Street office of the Bank.

At the regular meeting of the Board of Directors of City Bank Farmers Trust Company of New York held on Feb. 5, E. Bates McKee was appointed an Assistant Vice-President. Formerly an Assistant Secretary of the Trust Company, he has returned from four years of active overseas service as a Lieutenant Commander in the Navy.

Upon completion of his terminal leave on Jan. 31, Major Sidney Mathews resumed his duties as Assistant Trust Officer of the Commercial National Bank and Trust Company of New York, after three and one-half years of service with the Army of the United States. For the past two years, Major Mathews has been stationed in India, screening military reverse Lend-Lease requirements for the China-Burma-India and the Southeast Asia Commands; and for his achievements, has been decorated with the Bronze Star Medal.

E. Chester Gersten, President of the Public National Bank & Trust Company of New York, has announced on Feb. 4 that George H. Arfman of the New Business Division at main office, has been appointed an Assistant Cashier and that Lt. (s.g.) Walter E. Thygeson, who returns to the Trust Department on Feb. 11 after four years in the United States Navy, was appointed an Assistant Trust Officer.

Frederick H. Allen, has resigned as Deputy Mortgage Officer of the Bowery Savings Bank of New York to assume his duties with the new firm of Harrison, Ballard & Allen, which, according to the New York "Herald Tribune" of Feb. 3 will resemble public housing authorities in scope of service, acting as owner's agents in the creation of multi-family housing developments.

The paper indicated added: "His associates in his new business are Allan S. Harrison, until last week director of Public Housing for New York City, and William F. R. Ballard, architect, retained by the New York City Housing Authority on several of its larger projects."

Mr. Allen during his connection with the Bowery Savings since 1932, is said to have handled a large volume of mortgage lending for the bank.

Colonial Trust Company of Rockefeller Center, New York, has sent to its Personal Checking Account customers an invitation to become members of "The Colonial Winter Reading Club". The Reading Club offers subscriptions to one of several popular monthly magazines for each new personal checking account introduced to the bank by a depositor. Cards of introduction have been furnished to the institution's clients to be given to their friends; these cards of introduction can be presented at any one of the bank's four offices, and when an account is opened through such an introduction, the magazine subscription selected by the customer will immediately be placed. The announcement of the trust company Jan. 30 added:

"There is no limit to the number of subscriptions it is possible

to receive, as each new checking account introduced by a client entitles him to an additional subscription. If he is already receiving all the magazines offered by the Reading Club, or if he is a subscriber to the magazines, he can request that the magazines be sent to friends as gifts, with his compliments."

Arthur S. Kleeman is President of the trust company.

At the annual organization meeting of the Board of Trustees of Brooklyn Trust Company of Brooklyn, N. Y., on Jan. 17, Thurlow Burgmyer was elected a Vice-President of the company, and Everett M. Clark, William J. Elster, Charles J. Mason, Frank G. Nash, Edwin D. Roulston, Daniel Schneider and Frederick H. Viemeister were appointed Assistant Vice-Presidents. Mr. Burgmyer was first employed by the Bank of Coney Island in November, 1917, and became an employee of Brooklyn Trust Company through a merger with the Bank of Coney Island in 1928, at which time he was manager of the Sea Gate office. He was appointed an Assistant Secretary in 1929 and placed in charge of the company's Avenue J office. In April, 1933, he became Regional Officer in charge of the company's branch offices in the Central Brooklyn region, and in December, 1938, was appointed Supervising Officer of branches in all regions. He served as Chairman of Selective Service Board Number 141 during World War II.

Mr. Clark has been on the staff of the company since 1941, and was appointed an Assistant Secretary in charge of customer relations in 1943. He is President of the Brooklyn Club, treasurer of Brooklyn War Memorial, Inc., and for many years has been active in civic and philanthropic organizations in Brooklyn.

Mr. Elster was employed by the Mechanics Bank in 1915 and was appointed an Assistant Secretary of Brooklyn Trust Company upon completion of a merger with the Mechanics Bank in 1929. He was in charge of the company's Broadway office until 1934, when he was transferred to its main office, and in 1938 was assigned as Regional Officer of branch offices in the central Brooklyn region. He served as a member of a local Selective Service Board during World War II.

Mr. Mason was employed by the company in March, 1939, and in May, 1939, was appointed an Assistant Secretary in charge of the company's Manhattan office, 26 Broad Street, New York City, an assignment which he now holds. Prior to his connection with Brooklyn Trust Company he had been an Assistant Treasurer of the New York Trust Company for several years, and later he was for a time connected with White, Weld & Company. Mr. Nash was employed by the company in 1924 as a clerk at its main office. In 1930 he was appointed manager of its Schermerhorn office and in 1945 was appointed an Assistant Secretary and assigned as Regional Officer of branch offices in the Bay Ridge region of Brooklyn. Mr. Roulston was first employed by the Mechanics Bank in 1905. After the merger of that institution with Brooklyn Trust Company in 1929, he became assistant manager of its Fifth Avenue (Brooklyn) office, and in 1930 was appointed manager of that office. In 1941 he was appointed an Assistant Secretary and assigned as Regional Officer of branch offices in the Flatbush region.

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Activity of the UNO General Assembly

The 51-nation General Assembly of the United Nations Organization continues its meeting in London with every indication of steadfast purpose of making of the organization a vital body for maintaining peace with justice throughout the world. One of its most far-reaching accomplishments in recent days has been the establishing of a special commission to devise controls for atomic energy. By a vote of 47 to 0, with four nations abstaining, the Atomic Commission was set up under the World Security Council. United States Secretary of State Byrnes, who left London for Washington shortly afterward, declared in a speech before the Assembly that the Atomic Commission was necessary to save the world from an atomic armaments race. Later Mr. Byrnes, as reported by the Associated Press in its London dispatch of Jan. 24, said that his country's next move on the atomic question would be to urge the governments to appoint their members to the new commission as soon as possible, so that it can get organized at UNO headquarters in the United States.

The commission, according to the Associated Press, is to have no power to compel the United States or any other country to disclose any of its atomic energy secrets, according to the interpretation placed upon the proposal by Byrnes. Its responsibility will be to work out ways of keeping atomic energy from being used destructively. It will be composed of representatives of the eleven nations on the Security Council plus Canada, and will be responsible to the council for its work and policies.

Further business accomplished by the General Assembly was appointment of a Secretary-General of the UNO. After more than a week of argument and consideration of several possible candidates, the World Security Council, on Jan. 29, nominated Trygve Lie, Norwegian Foreign Minister, for the important post. Lie, a 50-year-old lawyer and diplomat, was, according to the Associated Press report from London, Moscow's candidate for president of the UNO, but lost to Paul-Henri Spaak, Foreign Minister of Belgium.

Evidence is being established of the authority of the UNO to maintain peaceful relations among the nations of the world in the action of its Security Council in the dispute between Russia and Iran. Although Russia had protested against a hearing on the situation by the Council, this was disregarded, and on Jan. 28, the Associated Press reported, heard the Iranian delegate to the UNO declare that "there have been a number of interventions in Iranian affairs by the Soviet authorities." Russia promptly challenged the validity of the appeal on the ground that a new government had just taken office in Iran (the new Premier is reported to be friendly to Russia) and that the claims against Russia had been raised by the old government, no longer in office. The Russians wanted all disputes between the two nations to be settled by direct negotiation and not under the auspices of the Council. Finally, on Jan. 30, the Security Council agreed to permit this, but with the proviso that the Council retained the right to supervise the conversations and to pass judgment on whatever agreement is finally reached.

Commons Asked to Approve Loan to Greece; Byrnes Statement on Aid

The British House of Commons was asked on Jan. 25 by Foreign Secretary Bevin to approve a £10,000,000 (\$40,000,000) stabilization loan to Greece, which he said had been arranged with the aid of an American representative. United Press advices from London on Jan. 25 reporting this added in part:

The loan is to be made as part of an Anglo-Greek agreement whereby Great Britain will cancel an outstanding \$184,000,000 Greek loan and make special currency stabilization and consumer goods credits available to Greece. In return, the Greek government will put into effect a comprehensive program to re-establish confidence, boost production and reduce its budget.

The exact nature of the United States' participation in negotiating the loan was not made clear but Mr. Bevin read a letter from Greek Vice-Premier Emmanuel Tsouderos expressing pleasure that "a United States citizen will also participate in our currency commission."

A close tie-up between the loan and the forthcoming Greek elections was seen in a report that the loan is to be made only on condition that the elections take place by the end of March. Americans are to play a leading role in these elections as "observers," although the Russians charge that this role is actually one of "supervision."

Under the loan agreement Greece would repay the \$40,000,000 stabilization credit in ten annual installments beginning July 1, 1951. Great Britain would also make available immediately, for sale to the Greek government at cost, \$2,000,000 worth of consumer goods, including clothing and agricultural implements, despite current shortages of such goods here.

Apparently on the basis of the loan announcement, Greek currency was established today at a rate of 20,000 drachmas to the pound sterling, or 5,000 drachmas to the dollar.

A statement bearing on the British financial assistance to Greece was made on Jan. 26 by Secretary of State James F. Byrnes at Washington, in which he said:

On Jan. 12, when a \$25,000,000 Export-Import Bank loan to Greece was announced, the United States Government addressed to the Greek Government a note expressing sympathetic interest in the financial and economic problems of Greek rehabilitation and the belief that a firm stabilization program instituted by the Greek Government could start the country on the admittedly difficult road to economic recovery. For this heavy task the Greek people can take hope from the knowledge of continuing outside assistance so richly deserved by a nation whose economy was deliberately shattered by the Axis occupation forces, against whom the Greek nation had offered such glorious resistance.

At the request of the Greek Government, conversations on methods of assisting Greek economy have been under way in London for the past several weeks between British and Greek officials. Representatives of the United States Government have been present at these meetings.

It is gratifying that the agreement on financial, economic and industrial matters concluded in London on January 24 between the British and Greek Governments offers substantial financial and economic assistance for the solution of some of the most pressing problems in Greece. I am also happy to find in the agreement the evidence of a determination on the part of the Greek Government to put into effect a series of remedial measures which should contribute to the long-term welfare of the Greek people by laying a solid basis for gradual improvement in the years ahead.

I have noted with particular interest the intention of the Greek

Government to invite an American citizen to become a member of the Currency Committee which will be set up by Greek law to have statutory management of the note issue.

The loan agreement between the Export-Import Bank of Washington and the Kingdom of Greece, providing for a line of credit of \$25,000,000 was referred to in our issue of Jan. 24, page 441.

U. S. Supreme Court Upholds N. Y. Rent Law

Appeal of the suit brought by Twentieth Century Associates, Inc., to collect \$133.34 for a month's rent from Adolph Waldman, occupant of factory space at 335 West 35th Street, New York, was rejected on Jan. 28 by the United States Supreme Court, it was stated in United Press Washington advices, which added that the Court refused to rule on the constitutionality of the New York State Emergency Commercial Rent Law. The Second District New York Municipal Court had ruled that the legal rent for the space under the State's commercial rent law, which was passed last year, was only \$86.25.

The New York Court of Appeals, the United Press continued, in affirming this ruling, upheld the validity of the commercial rent act. Twentieth Century then appealed to the Supreme Court.

The law freezes commercial rents at the levels paid on Mar. 1, 1943, plus 15%. It expires July 1. In special advices Jan. 28 to the New York "Times" from Washington, it was stated:

Twentieth Century Associates, in suing Mr. Waldman for rent payment under a new lease, attacked the retroactive features of the rent law, which made its provisions binding on leases made before the bill was enacted Jan. 24, 1945. The company's lease with Mr. Waldman, which increased his rent from \$75 a month to \$133.34, was signed on Nov. 28, 1944, to become effective Feb. 1, 1945.

Under the law commercial rents in New York City were to be limited to the level of March 1, 1943, plus 15%, and applied to all new leases regardless of when signed. In Mr. Waldman's case the allowable rent rise would have increased his rent to \$86.25.

Counsel for Twentieth Century Associates argued that this retroactive provision in the law violated the due process and equal protective provision of the Federal and State Constitutions and also violated Article 1, Section 10, of the Federal Constitution, prohibiting a State from enacting a law which impairs the obligations of contracts.

The State Court of Appeals upheld the constitutionality of the law in a 6-to-1 decision on July 19. Judge Thomas D. Thatcher, writing the majority opinion, denied the company's arguments, and, recalling the emergency state of housing in New York, asserted:

"The act seems clearly to prescribe a most reasonable and legitimate remedy, carefully designed as appropriate to the public ends in view and the accomplishment of the legislative purpose to curb serious public evils arising from the emergency."

The Financial Situation

(Continued from first page)

vided. Food is far from plentiful—at least in the retail stores. Why it should be is not very easily explained. It now begins to appear, moreover, that it may very well be much scarcer before it is more plentiful—and from Washington comes word that, as usual, the therapy being developed there is another and more extensive application of the hair of the dog that did the biting—that is, more control, more tinkering with prices, the markets, and the like. Of course, no cure will be found in this way.

But, generally speaking, it is probably true that the interest of the public at the moment is more directed toward the steps that are apparently being taken to bring wage policies and price policies into better coordination—or at all events, to give the impression that such is being done, and doubtless to do what the authors of public policy believe to be such. It is difficult to see how there can be left any substantial number of citizens who do not recognize as mere propaganda the assurances which for a long while past have been pouring out of certain offices in Washington to the effect that wages could be raised almost without practical limit, prices remain unchanged, and the employers make larger profits than ever before. It must now be realized in every cross-roads grocery store that this claim has always been nothing more or less than simple balderdash—no matter in what strange words and highfalutin charts and tables it is expressed.

Wages and Prices

It must long ago have become plain to one and all that if wages are to be substantially increased everywhere, prices must rise correspondingly. This simple fact appears to be overwhelming the Wallaces and the others in and outside the Department of Commerce. It seems to be finally taking hold of the "policy makers" in the Truman regime. They have been most reluctant to reach any such conclusion, and even more reluctant to admit it, but facts are stubborn things even when attacked by such inflexible propagandists as the OPA authorities. There is accordingly some evidence of a greater willingness to come to grips with this problem which the authorities have wished upon themselves. What the immediate practical results are to be remains to be seen.

But if the authorities have not already come to a realization of the fact they very shortly will fully understand that they have opened a Pandora's box of tormenting

questions. If only the matter were as simple as the crackpot economists would have the public believe! If only all that was really necessary was to raise the price of each product by the amount of labor cost added by wage increases granted to the workers who make it—assuming that the amount of such increase could be determined in advance! But a moment's consideration will convince even the man in the street, as it must by now have become clear to the "controllers" in Washington, that the situation is immensely more complex than would be thus indicated.

Mr. Ford has informed the political managers in Washington how much his company is losing on each car it now builds. The sum is much larger by reason of the low volume now being produced, but it is clear that the loss is of such magnitude that mere increase in volume will not eliminate it. Recent agreement by the company to pay its workmen much more in wages—an agreement which in substance the company could not well avoid in light of the position taken by the authorities in Washington—will without question very substantially increase the loss sustained by the company over that computed by the OPA on the basis of wages paid prior to this increase. But this is only the beginning. Mr. Ford finds that many of his suppliers can no longer furnish parts at current prices without sustaining a loss. They have ceased to produce them, or will cease shortly. There is no reason to suppose that the Ford organization could make them at such ceiling prices, certainly not without crippling delay entailed by the necessity of getting ready to produce them. This means that the OPA—if it is to continue to manage the automobile business for Mr. Ford and the others—must refigure the cost of making a Ford car.

Steel and Automobiles

But, of course, the end is not yet. There is no general agreement as to the amount which must be added to steel prices to provide wage increases which will bring the men back into the furnaces and mills. The industry's statement on the subject is doubtless based upon full access to the facts and upon long experience. But whatever the exact amount of such increase may eventually prove to be, there is no doubt whatever that it is substantial. Of course, here, too, is a change which impinges upon the cost of building a Ford automobile, and which must be added to the cost of such product

and to the price if the article is to be produced. Is there any one in Washington wise enough to know now what adjustments are necessary to make it possible for the Ford organization to continue indefinitely to function satisfactorily? Of course, not. Not even Mr. Ford himself can tell accurately in advance, but he must be assured now that he will be at liberty to make such adjustments as experience proves necessary—or he would be foolhardy indeed to give the signal for full speed ahead.

Of course, the increase in price which Mr. Ford must have will affect the costs of other industries and of consumers. The chain is endless, and of course, the Ford organization is merely an example selected for discussion at this time merely because it happens to be in the news. From what has been said about it the reader can easily apply the principles to the business situation as a whole.

And if he does he is not likely to escape the conclusion that Washington has bitten off more than any Government can chew—that what is needed is for government to let business solve its own problems.

Sav. Banks Retirement System Elects Diehl

Charles Diehl, President of the Empire City Savings Bank, of New York City, was elected Chairman of the Board of Trustees of the Savings Banks Retirement System at the Annual Meeting of the Board of Trustees on Jan. 25. Mr. Diehl who has been a Trustee since the inception of the System—May 1, 1941—succeeds Daniel T. Rowe, President of the Kings Highway Savings Bank of Brooklyn, who will remain as a Trustee. John S. Roberts, President of the Flatbush Savings Bank, of Brooklyn, was elected Vice-Chairman; Robert Matherson, Jr. and Walter R. Williams, Jr. were reappointed Executive Manager and Treasurer, and Secretary, respectively of the System.

The Trustees reported the System's assets, as of Dec. 31, 1945, of \$2,444,300 and participation in the plan by 54 banks and 2,359 employees. This participation represents increases during 1945 of 113% in assets, 38% in the number of participating banks and 39% in the number of participating employees. A continuing interest in the System is also reported by the Trustees in the addition of six participating banks as of Jan. 1, 1946.

Other Trustees of the System, in addition to Messrs. Diehl, Rowe and Roberts, are:

Charles W. Carson, Executive Vice-President of the Community Savings Bank of Rochester, Rochester, N. Y.; George C. Johnson, Treasurer of the Dime Savings Bank of Brooklyn, N. Y.; John F. Krepps, President of the Home Savings Bank, of White Plains, N. Y.; Thomas J. McCoulliff, President of the Oneida Savings Bank, of Oneida, N. Y.; Harold D. Rutan, Executive Vice-President of the Bank for Savings in the City of New York, New York City; Jacob H. Strong, President of the Rhinebeck Savings Bank, Rhinebeck, N. Y.

Wage-Rate Increases Highest in Three Years

Wage-rate increases during November, for workers in the 25 manufacturing industries surveyed each month by the National Industrial Conference Board, recorded the greatest monthly total in three years, the Conference Board reveals in a report issued on Jan. 21. The wage increases applied to 4.2% of workers in the 25 industries, the largest number since November, 1942, the Conference Board said. More than 90% of the workers in the northern cotton industry received wage increases in the seven months from May through November, according to the report. During November, it is indicated, 24.8% of the workers in the wool industry received wage increases averaging 10.6%.

Other industries in which workers received substantial pay boosts were lumber and millwork, silk and rayon, machinery and machine tools, furniture, and agricultural implements.

Hourly and weekly earnings of production and related workers in the 25 manufacturing industries rose during November, the Conference Board said. The average work week was reduced, however, and "real" weekly earnings remained unchanged from the preceding month's level. The Board further said:

The preliminary index of employment for November indicated a slight drop from the October level, but the change was so slight that the final figure could easily move in the opposite direction.

Hourly earnings of the manufacturing workers in November average \$1.089, or 0.9% more than in October. Only three industries showed lower hourly earnings. They were leather tanning and finishing, news and magazine printing, and heavy equipment. Weekly earnings of workers in the 25 industries averaged \$45.70 in November, an increase of 0.4% over the October figure.

The average work week for November was 42.1 hours, a decline of 0.2 hour from October, and was the shortest for any month since December, 1941. It was 3.5 hours shorter than a year previous. Average hours of women workers dropped below 40 a week for the first time since October, 1942.

Wide Authority for Housing Expediter

Wilson W. Wyatt, National Housing Administrator and Expediter, received new powers on Jan. 26 to speed a remedy of the nation-wide housing shortage, Associated Press Washington advices stated. The Housing power and authority of War Mobilization and Reconversion Director, John W. Snyder, were delegated to Mr. Wyatt, and President Truman directed the executive agencies of the Government to lend their aid to a solution of the problem. The President, by executive order, said the Associated Press, authorized, Mr. Wyatt to:

"1. Formulate plans and programs to provide an increased supply of housing of all kinds, particularly moderately priced homes for sale or rent to veterans.

"2. Issue orders to other Federal agencies and to co-ordinate the activities of such agencies regarding housing.

"3. Recommend to the President enactment of legislation.

"4. Consult and co-operate with other Federal agencies, state and local governments, industries, labor and other groups, regarding housing problems."

Cautions Urged for Loans On Real Estate

The prediction that trouble of much greater magnitude than in 1931-33 may develop three or four years from now unless caution is exercised by lenders on real estate and on housing, and also because the management of the national debt presents unprecedented problems coupled with an enormous accumulation of "wild money" was made on Jan. 24 by John H. Fahey, Administrator of the Federal Home Loan Bank system, in a brief address before the annual meeting of the Federal Home Loan Bank of New York in the Waldorf-Astoria. We quote the foregoing from the New York "Herald Tribune" of Jan. 25, which in part further reported:

Mr. Fahey told 400 savings and loan executives that "the housing needs of service men must be met first and you must use your discretion to tell other people that this is not the time to press home demands."

Nugent Fallon, President of the New York bank, announced his institution had enjoyed its most profitable year in 1945, with a gross income of \$1,007,904, against \$754,586 in 1944, and a net income of \$691,679, compared with \$479,198 in the preceding period.

Walter D. Schultz, President of the Federal Home Loan Bank of Cincinnati, who was the guest speaker at the meeting, said that the home loan bank system "has always operated on the right side of the ledger and has been self-supporting from the start.

These various central banks, he said, "have proven their worth by their works and they should be guarded and protected by the industry they serve, and they deserve the wholehearted support of all their members."

Truman to Fly to Florida

Plans of President Truman for a brief vacation in Florida were made known at Washington on Jan. 26. He will fly to Orlando, Fla., on Feb. 11, and on his arrival there will motor to Winter Park, Fla., where he will receive the honorary degree of doctor of humanities from Rollins College. He is expected to deliver an address with his acceptance of the degree. United Press advices Jan. 26 from Washington said:

"After this ceremony, Mr. Truman will return to Orlando by car, fly to Miami and, that same evening, board the Presidential Yacht Williamsburg for a cruise in Florida waters.

"On March 5 Mr. Truman is scheduled to introduce Winston Churchill for a speech at Westminster College at Fulton, Mo. The British war leader will receive an honorary degree at the Missouri ceremony.

"Today's announcement of the President's vacation plans brought immediate speculation that he might invite Mr. Churchill to visit him aboard the Williamsburg and that the two men might fly back to Washington together in time to leave for the Missouri trip.

"There was no announcement of the length of Mr. Truman's Florida vacation except a statement by White House Secretary Charles G. Ross that it would be brief.

"It was believed that Mr. Truman might invite Mr. Churchill aboard the Williamsburg for some fishing off the Florida coast.

Dir. Mpls. Reserve Branch

Announcement was made Jan. 24 by the Federal Reserve Bank of Minneapolis through its President, J. N. Peyton that board of directors has appointed B. M. Harris, President of the Yellowstone Bank, Columbus, Mont., as a director of the Helena Branch of the Federal Reserve Bank of Minneapolis for the two-year term ending Dec. 31, 1947.

Legislation Proposed by Pres. Truman Following Convening of Second Session of 79th Congress

In his annual message to Congress on the State of the Union, which he combined with his annual Budget Message, delivered on Jan. 21, President Truman, besides asking Congress to act on a revised 21-point legislative program heretofore submitted, recommended additional measures. These are summarized in Associated Press Washington advices, and given in the New York "Times" were:

1. Extension of the Price Control Act for one year from next June 30.
 2. Extension of the Second War Powers Act, including priority and inventory controls, beyond June 30, presumably another six months.
 3. Continuation of food subsidies beyond June 30 with the proviso that they stop if the cost of living declines below present levels.
 4. Legislation creating a permanent housing agency.
 5. Extension of the Selective Service Act beyond the present expiration date of May 16 "in case the campaign for volunteers does not produce" the needed number. The President called for action on this before April.
- The advices added:
- Here are the 21 measures which Mr. Truman listed by numbers:
1. A law to give fact-finding boards greater powers in labor disputes.
 2. A "full employment" bill such as that passed by Senate.
 3. Supplementing unemployment insurance benefits.
 4. A permanent Fair Employment Practices Committee.
 5. Raising the statutory minimum wage from 40 to 65 cents an hour now, to 70 cents after one year, and to 75 cents after two years.
 6. A scientific research agency.
 7. A health and pre-paid medical care program.
 8. Universal military training.
 9. Increased Federal salaries.
 10. Presidential succession legislation.
 11. Unification of the armed services.
 12. A law to cover domestic use and control of atomic energy.
 13. Retention of Federal control over the United States Employment Service at least until June 30, 1947.
 14. Increased unemployment allowances for veterans.
 15. Social security coverage for veterans for their term of military service.
 16. Extension of crop insurance.
 17. Authority to sell surplus merchant ships and to charter vessels both here and abroad.
 18. Stock-piling of strategic materials.
 19. Federal airport legislation.
 20. Repeal of the Johnson Act barring private loans to nations in default on their World War I debts to United States.
 21. Development of the Great Lakes-St. Lawrence Seaway.
- The full text of President Truman's message appeared in our Jan. 24 issue, beginning on page 437. The message was presented before the Second Session of the 79th Congress, which convened on Jan. 14, following its recess incident to the conclusion on Dec. 21 of the First Session of the 79th Congress.
- Regarding the opening of the Second Session United Press advices from Washington Jan. 14 said in part:
- Congress returned from its holiday vacation today to tackle the immediate problem of army demobilization protests and to face a possible showdown on the question of reconversion strikes.
- House and Senate were gavelled to order at noon for the second session of the 79th Congress.
- The session will test President Truman's party leadership on the issue of his legislative recommendations. Mr. Truman went directly to the people for support during the Congressional recess.
- One legislative issue is the President's request for a law to

create fact-finding boards to halt strikes.

The President wants Congress to impose a 30-day pre-strike cooling-off period on unions and to compel corporations to open their books to Government wage-scale boards. He asked for action before the Christmas recess began Dec. 22, but Congress ignored his plea.

Senators and Representatives have had a 23-day Christmas vacation.

Returning, they find hundreds of thousands of workers already on strike and thousands of others poised to walk out.

Congress will not be able to deal with any of its major problems this week.

A shower of labor, demobilization and other bills is expected this week. The Administration is hopeful that the appearance of General Eisenhower and Admiral Nimitz before members of Congress will check arbitrary action. On the labor front no action is likely until it is known whether there will be a steel strike.

The New York "Journal of Commerce" in advices from its Washington bureau on Jan. 15 had the following to say regarding the combined address of President Truman:

It was the first time in the memory of Washington reporters that a President has combined the two important messages.

The President explained that after much study he had decided that the problems of the Union and of the budget this year are so closely bound together that a single message would be preferable. He emphasized that his decision to send only one message had no connection with the labor situation or other pending national affairs.

The President said he would have a special message on the proposed \$3,750,000,000 British loan which would go to Congress sometime after his combined legislative-budget message.

Volume of Strikes Since Wagner Act

According to special advices to the New York "Sun" from its Washington bureau on Jan. 31 strikes which have plagued American industry since the passage of the Wagner act have been three times as numerous, three times as widespread and one and a quarter times as costly to the national economy as they were before that law was enacted, records compiled by the U. S. Department of Labor revealed on Jan. 31. The special advices to the "Sun" by Phelps Adams, stated that "while the Department, of course, did not attribute this tremendous upsurge of industrial strife to the operation of the Wagner act which has been in force for more than a decade, figures which it supplied to the New York "Sun" today disclosed that the average number of strikes each year since the law was adopted has been 237% higher; the average number of workers affected has been 177% higher and the average number of man-days of labor lost has been 26% higher.

The "Sun" advices by Mr. Adams, stated that "this evidence of the failure of the Wagner act to abate industrial strife and to supply an adequate, peaceful method of settling labor disputes was expected to influence strongly the growing demand in Congress for

the amendment and revision of the entire basic labor law.

Referring to the actual strike record compiled by the Bureau of Labor Statistics, the "Sun" account states that it affords a comparison from the year 1927, when the Department first began to gather accurate figures on this subject, down to the present date. Continuing, the "Sun" advices added, it shows, for example, that in 1935, when the Wagner act was spread on the statute books, the number of strikes crossed the 2,000 mark for the first time since the Department began to assemble accurate records.

It shows that in 1937, when the Supreme Court upheld the constitutionality of the law, strikes rose to an all-time peace-time peak of 4,740 that the number of workers affected reached a new high, and that there were more man-days of idleness than ever before in history.

Supporters of the Wagner act argued that this was only natural—that labor, emancipated for the first time, was asserting its newly won powers, and that it was all part of the process of industrial education.

This argument, however, suffered a serious setback during the war, when labor and management had joined in a solemn no-strike, no-lockout pledge to the President, and when the Wagner act might have been expected to foster industrial peace if it ever could do so.

The record shows, however, that during the war industrial discord rose to a new all-time high. In the three years from 1942 to 1944 inclusive, when America was fighting for survival both in Europe and in the Pacific, there were 11,676 strikes—more than ever occurred in any other three year period in history. These strikes involved 4,937,000 workers—more than were ever affected in any other three year period in history.

The total number of man-days lost—26,400,000—was relatively moderate, thanks presumably to the fact that the Government maintained absolute control over wages and working conditions and freely exercised its right to seize industrial properties made idle by labor disputes.

The Smith-Connally act, under which the President enjoyed the seizure power, provided heavy penalties consisting of fines and imprisonment for continuing a strike after the Government had taken possession of a property. While it did not abridge the right of labor to strike, it definitely did abridge the right to remain on strike after the Government intervened.

This act has been denounced by Wagner act supporters as a total failure, but the figures presented by the Labor Department again provide strong circumstantial evidence to indicate that it was far more successful in keeping the wheels of industry rolling by confining walkouts to short duration, than was the Wagner act.

Finally the record shows that industrial strife reached a new record-shattering peak of intensity last year during two-thirds of which the United States was still at war. Never before, so far as is known, have 35,000,000 man-days of labor been lost through strikes in a single year; and if the present strike wave of 1946 continues, that record will be shattered again in a few short months.

So after more than ten years of experience under the Wagner act, the industrial situation in the United States has degenerated to an unparalleled degree, and the forces in Congress which are striving to correct the law are gaining new strength daily.

British Loan Proposal Before Congress

Opposition has been evident in both Houses of Congress to the Administration's proposal that early approval be given of the \$3,750,000 loan to Great Britain. Concern was felt among proponents of the loan that its total might be seriously reduced. A House resolution authorizing the loan was assigned to the Banking & Currency Committee, whose Chairman, Representative Brent Spence (D.-Ky.) had sponsored the resolution. Although action in the Senate was temporarily hampered by the anti-F. E. P. C. filibuster, it was felt that hearings might begin in the Senate committee before they did in the House, as the House Banking and Currency Committee was scheduling the beginning of its sessions on price control law renewal.

On Jan. 31 a resolution to put in effect the proposed \$3,750,000,000 loan to Britain was introduced in the Senate and immediately encountered threats of bitter opposition and even a filibuster, said special Washington advices to the New York "Herald Tribune" which also had the following to say:

The resolution, offered by the Senate Majority Leader, Senator Alben W. Barkley, of Kentucky, was accepted after Senator William Langer, Republican, of North Dakota, withdrew an objection he made yesterday. A point of order had required unanimous consent to get the measure before the Senate during the filibuster on the bill to set up a permanent Fair Employment Practices Commission.

The North Dakotan agreed after he was assured that he would have ample opportunity to oppose the bill in hearings before the Senate Committee on Banking and Currency, of which he is not a member.

Senator Theodore G. Bilbo, Democrat, of Mississippi, said he intended to fight the loan plan. Senator Bilbo, who currently holds the floor in the filibuster against the F. E. P. C. measure said he would use the same tactics against the British loan.

Senator Bilbo said that if Great Britain receives the proposed loan "then Russia will want six billions, France will want two or three billions, Belgium several billions and so on. I'm willing to be a cousin to the British, I believe in good fellowship, and I'm pro-British, but I'm tired of Uncle Sam being a Santa Claus," he said.

President Truman, in his message to Congress on the British loan program ("Chronicle", Jan. 31 issue, page 518), stressed its relationship to the Bretton Woods monetary institutions, which, as the "Journal of Commerce" pointed out in its Washington advices of Jan. 30, Congress adopted overwhelmingly last year. He reminded members of Congress—probably having Republican advocates for British aid at that time particularly in mind—that many complaints about the Bretton Woods measures had been based on the fact that additional steps would be required to make the monetary plans work.

"Britain needs this credit and she needs it now", President Truman stated in asking the legislators to make the loan program the first order of international business.

"The problems involved, which are severe but not insoluble, are direct consequences of the war. They are matters of great urgency and I believe that the financial agreement that I am transmitting herewith furnishes a real basis for their solution. It is my earnest hope that the Congress will implement the financial agreement as speedily as is consistent with careful legislative consideration."

Representative Spence said it was the legislators' "job to find out what this agreement means for the United States", and that hearings would be "fair and full." "We have no wish," he said, according to the "Journal of Commerce," "to delay consideration of the legislation by Congress

but we are determined to bring out all the facts," he said.

Mr. Spence said the legislators wanted to know just what the British commitments under the loan agreement are and "whether they give us the protection we need for American industry and agriculture."

Security Board Plan For Vets' Credit

The Federal Security Agency on Jan. 28 submitted to Congress its tenth annual report which included recommendations for expansion of the program. Under these recommendations, the Associated Press reported from Washington, insurance credits would be given to war veterans for their time in service. The broader "national system of social insurance" outlined by the Board included, (we quote from the Associated Press) in addition to the proposals for veterans' old-age and survivors' insurance credits:

1. Federal insurance against medical-care costs, including payments to doctors and hospitals.
2. Establishment of a single national program of unemployment insurance to replace existing Federal-state programs.
3. Extension of jobless-benefit rights to all employes in industries covered, and to as many non-covered groups "as is administratively feasible."
4. Maximum weekly unemployment benefits of at least \$25, payable for up to 26 weeks.
5. Expansion of the old-age and survivors' insurance program to cover "all gainful workers," including agricultural, domestic and public service employes, as well as those in business for themselves.
6. Liberalization of these benefits, particularly for low-paid workers.
7. Benefits payments for both permanent and temporary disabilities.
8. Expansion of Federal-state programs of general public assistance to cover "all needy persons . . . and so that payments may be more adequate."

In urging a more comprehensive National Social Security program, the Board said, the Associated Press continued:

"It would be designed to close existing gaps in the coverage of both persons and risks, and to remove present inequities in the protection of workers and the financial burdens of employers.

"It would greatly strengthen protection against want and dependency at a minimum cost."

Under the old-age insurance program the board urged that the qualifying age for all women be set at 60 rather than 65. It also called for an increase from \$3,000 to \$3,600 a year in the amount of earnings subject to contribution and counted in the calculation of benefits.

Rochester "Times-Union" Increases Price

In its Feb. 1 issue the Rochester New York "Times-Union" made the following announcement:

Starting Monday, Feb. 4, the carrier-delivered price of the Rochester Times-Union will be 24 cents a week. The single copy price will be 5 cents.

"All of the costs involved in the publication of a newspaper have risen abruptly during the past four years and continue to rise."

Industrial Activity in December Reported By Federal Reserve Board

Industrial output declined slightly in December and, with new strikes occurring recently, a large decrease is indicated in January, according to a summary of general business and financial conditions in the United States, based upon statistics for December and the first half of January, issued on Jan. 26 by the Board of Governors of the Federal Reserve System. The Board added that "the value of retail trade in December and the early part of January was maintained at record levels, after allowing for seasonal changes." The announcement continued:

Industrial Production

"The Board's seasonally adjusted index of industrial production decreased from 168% of the 1935-39 average in November to 164 in December. The decline was due mainly to the stoppage of work at leading automobile plants and to holiday influences on activity in the steel, textile, paper, and mining industries.

"Output of most types of producers' equipment and of many consumer durable goods showed further gains in December and increases also occurred in output of construction materials. These gains, however, were more than offset by suspension of operations at automobile plants and total durable goods output declined by 3%, reflecting decreases not only in output of automobiles and parts but also of such other metal products as diesel locomotives and refrigerators.

"Steel production declined slightly in December owing to most plants being shut down for two days in observance of the Christmas holiday. In the first three weeks of the month steel production was above the November rate and output was resumed at a high level during the first three weeks of January. In the following week, however, steel output dropped to 5% of capacity as negotiations for a new wage contract collapsed.

"Output of non-durable goods in December was maintained at about the level of the preceding month. Meat production continued at a high level in December and the early part of January. Activity at most meat-packing plants was suspended in the latter part of January due to an industrial dispute. Production of cigarettes declined considerably, reflecting an accumulation of stocks resulting from increased output for civilian use since the end of the war. Output of tires for civilians increased substantially in November and December and rationing was eliminated on Jan. 1. Cotton consumption declined in December, reflecting holiday influences.

"Coal production in December was about 10% below the November level because of reduced operations at mines around the Christmas holiday. A high rate of output was maintained in both bituminous and anthracite coal mines in the early part of January. Output of crude petroleum and of metals was generally maintained in December.

"Awards for private construction, especially contracts for manufacturing and commercial buildings and those for residential building for sale or rent, continued to advance sharply in November and the early part of December.

Employment

"Employment in most lines of activity continued to rise in December, after allowing for seasonal changes. Gains in employment in trade, transportation, construction, and most durable and non-durable goods industries were offset in part by the loss in employment due to the automobile strike.

Distribution

"Sales at department stores were about 10% larger in December than a year ago, and in the first three weeks of January sales continued to show about the same increase above the relatively high level in the corresponding period

of 1945. Most other types of stores in recent months have shown even larger increases in sales than department stores, and the total value of retail trade has been running 12 to 15% above year-ago levels.

Commodity Prices

"Prices of most farm products and foods were maintained at advanced levels in December and the early part of January. Ceiling prices were reestablished for citrus fruits; egg prices also declined, reflecting seasonal increases in supplies.

"Price ceilings for furniture, printing machinery, furnaces, and various other manufactured products were advanced and there were indications that the general level of steel prices would be raised.

Security Markets

"Prices of Treasury bonds have risen sharply in recent weeks with the result that yields are now at the lowest levels on record. Stock market prices rose sharply in January to the highest levels for a number of stocks since 1930. Effective Jan. 21, the Board of Governors of the Federal Reserve System raised margin requirements for listed stocks to 100%.

Bank Credit

"Return flow of currency of almost 700 million dollars, following the Christmas rise, together with a reduction of Treasury deposits at Federal Reserve Banks early in January, provided member banks with substantial amounts of reserve funds. At the same time, bank loans made for purchasing and carrying Government securities during the Victory Loan Drive were reduced. Member banks continued to increase their holdings of Government securities, while the Federal Reserve Banks reduced their portfolio. Bank deposits have shown little change since the sharp decline in demand deposits adjusted and the increase in U. S. Government deposits during the Victory Loan Drive."

Manufacturers Trust Distributes 1946 Withholding Tax Chart

Manufacturers Trust Company, New York, is distributing in limited quantity copies of their new 1946 Income Tax Withholding Chart Book. This book contains a series of charts covering standard payroll periods and shows the amount of Federal Income Tax to be withheld from salaries paid during 1946. All figures shown represent an exact calculation and are identical with the results produced by using the "Percentage Method" of computation. The advices in the matter also state:

The book points out that the Internal Revenue Code authorizes employers to compute withholdings by either of two systems—the "Wage Bracket Method" or the "Percentage Method." The latter procedure is admittedly the more accurate. Moreover, the amounts to be withheld under it are frequently less than the withholdings indicated by the Treasury's "Wage Bracket Tables." Under the statute relating to Federal Income Tax Withholding, an employer may change at will from one method to the other in respect to any or all employees. Moreover, it is permissible to use the two systems simultaneously for the salaries of different persons."

Stillman Again Heads Newark Clearing House

W. Paul Stillman, President of the National State Bank, of Newark, N. J., was reelected President of the Newark Clearing House Association at the annual meeting held on Jan. 15. Other officers reelected were: Vice-President, Robert G. Cowan, President of the National Newark and Essex Banking Company; Treasurer, Carl K. Withers, President of the Lincoln National Bank; and Secretary, Thomas L. R. Crooks, President of the Clinton Trust Company. Ray E. Mayham, President of the West Side Trust Company was elected a member of the Clearing House Committee for a four year term to succeed himself. Roy F. Duke, First Vice-President of the Fidelity Union Trust Company was reappointed Chairman of the Managing Committee to serve with the following other members for 1946: David J. Connolly, Vice-President of the Federal Trust Company and Stanley J. Marek, Secretary-Treasurer of the Franklin Washington Trust Company. Ralph W. Crum, President of the United States Trust Company was reappointed as Chairman of the Committee on Admissions with Frederick J. Kugelmann, Vice-President of the National State Bank and Francis R. Steyert, President of the South Orange Trust Company as the other members. Arthur E. Kean, Jr., Vice-President and Cashier of the Lincoln National Bank and Gustave E. Wiedenmayer, Vice-President and Cashier of the National Newark and Essex Banking Company were reappointed to the Advisory Committee.

The annual report of Russel W. Lynn, Manager-Examiner of the Association showed total exchanges of \$1,549,557,000 for 1945, an increase of \$95,448,000 over 1944. Total bank debits of \$7,689,854,000 compared with \$7,499,014,000 in 1944. The largest daily exchange during the year was \$12,497,506, on June 29, 1945. The Association is composed of 13 member and associated members in Newark and 17 special members throughout Essex County.

NYSE Short Interest To Jan. 15 Reported

The New York Stock Exchange made public on Jan. 19 the following:

The short interest as of the close of business on the Jan. 15, 1946 settlement date, as compiled from information obtained by the New York Stock Exchange from its members and member firms, was 1,270,098 shares, compared with 1,465,798 shares on Dec. 14, 1945, both totals excluding short positions carried in the odd-lot accounts of all odd-lot dealers. As of the Jan. 15, 1946 settlement date, the total short interest in all odd-lot dealers' accounts was 50,207 shares, compared with 44,869 shares on Dec. 14, 1945.

The Exchange report added: Of the 1,272 individual stock issues listed on the Exchange on Jan. 15, 1946, there were 73 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.

The following table compiled by us shows the amount of short interest during the past year:

1945—	
Jan. 31	1,475,441
Feb. 15	1,582,647
Mar. 15	1,520,384
Apr. 15	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	1,404,483
Nov. 15	1,566,015
Dec. 15	1,465,798
1946—	
Jan. 15	1,270,098

Mass Picketing at Steel Plant Enjoined By Pennsylvania Court

The granting of a preliminary injunction on Feb. 2 by Judge Sara M. Soffel of the Allegheny County Common Pleas Court, in Pittsburgh, against mass picketing or interference with persons entering or leaving the Carnegie-Illinois Steel Corporation's struck plant in Homestead, Pa., was made known in Associated Press advices from Pittsburgh. In granting the injunction to the Corporation Judge Soffel held that:

"Access to property, whether owned by an individual or a corporation is a fundamental right that cannot be denied nor abridged by unions during a strike."

The Associated Press account from Pittsburgh, published in the New York "Herald Tribune" of Feb. 3 went on to say:

The Court issued an order stipulating that the United Steelworkers' Union local in the community restrict picketing at the works to ten men on a line at the main gate and to keep in motion in single file, ten feet apart.

Judge Soffel declared: "Adequate maintenance of property subject to a strike is important not only to industry, not only to the workers, but also to a third group, to wit: those who own the property by reason of their investment."

"It is our considered judgment that management acting as the agents of the owners of the property has the sole decision as to the personnel required for maintenance during the period of the strike."

The Court set Feb. 11 for a hearing on a permanent injunction. Lee Pressman, counsel for the C. I. O. union, challenged the order, declaring in a statement that the picketing "has been peaceful and orderly throughout the country in the largest single strike in the nation's history."

He said the union at Homestead "has at all times been completely co-operative," and that it had sent maintenance men into the plant from among its members to assure proper care of the premises.

Mr. Pressman asserted the Court's order "embodies serious interference with the employees' constitutional rights," that it had been issued "solely on affidavits filed by the company," and that every possible legal step to secure a reversal would be taken.

RFC Flour Payment Plan

Announcing on Jan. 31 that the present flour subsidy program would end March 1, the Reconstruction Finance Corporation stated that it would be supplanted by a new arrangement under which payment would be made on all flour ground before June 30, on which a subsidy is not paid under RFC regulation No. 4 concerning the existing subsidy. Mills will be required to give an inventory of flour and wheat on hand at the close of business Feb. 28; those paid on a forward sales basis will be required to take inventory of unfilled orders and flour on hand at the close of business Feb. 18.

Also announced by the RFC, according to the Associated Press report from Washington on Jan. 31, was the statement that wheat subsidies for February would be the same as for the preceding month. Wheat subsidies are: All wheat ground outside the Pacific Coast area, except wheat originating in that coast area, 31½ cents a bushel; all wheat ground in the Pacific Coast area and all wheat originating there and ground outside, 34½ cents a bushel.

U. S. Chamber Urges British Loan Approval

The Board of Directors of the Chamber of Commerce of the United States on Feb. 1, urged approval of the British loan. The Board at its regular February meeting, issued this statement:

"The Board of Directors of the Chamber of Commerce of the United States urges approval by the Congress of the financial agreement with the United Kingdom. The Board is convinced that the proposed credit and related understandings respecting commercial policies would be to the advantage of the United States. No other program offers equal assurance of an expansion of world trade on a multilateral and non-discriminatory basis, an objective to which member organizations of the Chamber are committed. The alternative is extensive and harmful economic warfare among rival groups of nations.

"The credit by itself does not solve British problems. The United Kingdom must find a way to expand export trade and services to the level of essential imports. Responsibilities also rest upon the United States.

"The commitments of the United Kingdom in the financial agreement assure early elimination of the dollar pool and other sterling area restrictions which now impose obstacles to an expansion of American export trade.

"The further commitments in connection with an International Conference on Trade and Employment and the working out of common principles for removal of present trade barriers are added reason for hope of attainment of the goal of multilateral, non-discriminatory trade.

"The wider distribution of American products and the larger volume of desirable imports received in exchange should contribute to a more prosperous domestic economy and higher standards of living.

"Willingness on the part of the United States to accept goods in repayment of the credit is a prerequisite to fulfillment by the United Kingdom of its obligations. Adjustments in domestic policies of the United States are unavoidable as part of its broadened responsibility in world leadership. In such adjustments it is of the utmost importance that needless injury to American industry and agriculture be avoided.

"The credit makes possible a relaxation of governmental controls and thus marks a reversal of trends of recent years. It cannot be considered as aiding the spread of socialism. The dollars require by the United Kingdom for external purposes have no direct bearing on any plans for socialization of industry.

"In connection with the enabling legislation Congress could make it clear that the United Kingdom is not to have priority of purchases as against the needs of the American economy. Safeguards may be necessary to prevent an inflationary rise in prices or interference with the reconversion program by diversion of needed commodities. Congress also should give careful consideration to fiscal and monetary aspects of the mounting costs of international projects of various kinds. Nothing will be gained either from foreign lending beyond the productive requirements of borrowers or from an excessive drain upon American resources.

"The United Kingdom occupies a unique position in world trade which makes a credit by the United States advantageous to us and to all the trading nations of the world. The amount or terms of this credit should not become a precedent for transactions with other nations whose particular situation may justify assistance by the United States."

Eisenhower Gives Demobilization Plans; MacArthur Warns Against Drastic Reduction

General Dwight D. Eisenhower, Army Chief of Staff, told Congress, at an informal joint session on Jan. 15, that the War Department had issued a recent order stipulating that all enlisted men with forty points or two years of service to their credit be discharged or on their way home by June 30. Stating that the slowdown in demobilization had been necessitated in order to prevent "a collapse" of the Army whose numbers would have been seriously depleted by the rate at which discharges were taking place, the General asserted, however, that strength would be reduced to 1,500,000 by next July 1.

The Chief of Naval Operations, Admiral Chester W. Nimitz, at the same informal session of Congress, according to Associated Press Washington advices, gave the information that the Navy's demobilization is going forward as scheduled and will probably be completed by Sept. 1.

On Jan. 17, General Eisenhower appeared before a special Senate Military subcommittee, the Associated Press further reported, to continue his explanation of the Army's demobilization policies, and presented the Senators with a cabled dispatch from General Douglas MacArthur in which the latter warned that any attempt to cut Pacific forces below the 400,000 strength contemplated by July 1 would "weaken to a dangerous degree" military controls over Japan and Korea. The Associated Press added:

Gen. MacArthur reported there were 1,168,000 soldiers under his command in December, that this will be reduced to 660,000 by Jan. 20, and then gradually cut to 400,000 on July 1. This would include the 200,000 in Japan and Korea.

The MacArthur message gave assurance that his command would follow Eisenhower's new order for return of men with 45 points or thirty months service by April 30, and of those with 40 points and 24 months by June 30.

Loss of key men, Gen. MacArthur added, already has hindered such operations as signal communications.

Call Wheat Loans

Commodity Credit Corporation loans to farmers on about 13,000,000 bushels of wheat are to be called March 1 instead of May 1, the original date, Associated Press Washington advices stated on Jan. 31, adding that the move was designed to make more of the grain available in trade channels during February to meet domestic and foreign requirements. From the Associated Press we also quote:

"States in which wheat loans will be called on March 1 include Colorado, Kansas, Missouri, Nebraska, New Mexico, Oklahoma, Texas, Wyoming, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Tennessee and Virginia.

"The Department of Agriculture will offer to buy this loan wheat at 15 cents a bushel above the applicable loan value, less charges. The charges include interest to date of purchase and accrued unpaid warehouse charges through the storage year under the Government's grain uniform storage agreement.

"Farm-stored wheat as well as warehouse-stored wheat in the affected States will be callable on March 1.

"The Government made the loans on this wheat at rates averaging \$1.38 a bushel on 90% of the July 1, 1945, parity price. The price at which it offered to buy the loan wheat is within the OPA ceiling."

At the same time, working under direction from President Truman, cabinet officials were attempting to ascertain whether it may be possible for the United States to carry out its promise to make 400,000,000 bushels of wheat available to needy countries in Europe, North Africa and Asia. Added to transportation difficulties are those brought about by an acute shortage in the world's supply due to severe drought in Southern Hemisphere countries during the present growing season.

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Vinson Named to Two Bretton Woods Posts

The nomination by President Truman of Secretary of the Treasury Fred M. Vinson to be United States Governor of the International Monetary Fund and of the International Bank for Reconstruction and Development for a five-year term was made known in Associated Press advices from Washington Jan. 23, which stated that Mr. Vinson will also retain the Treasury Secretaryship.

The appointment, Associated Press advices noted, is the principal one to be made for the United States under the Bretton Woods plan for stabilization of international currencies and reconstruction of war-torn areas.

From the Associated Press Washington accounts Jan. 23, we also quote:

William L. Clayton of Texas, Assistant Secretary of State, was nominated alternate Governor of the monetary fund and bank for a term of five years.

Harry D. White of Maryland, Assistant Secretary of the Treasury, was nominated to be United States Executive Director of the International Monetary Fund for a term of two years.

Emilio G. Collado of New York, now attached to the State Treasury, was nominated to be United States Executive Director of the International Bank for Reconstruction and Development, for a term of two years.

The belief was expressed by some officials, it is stated, that Messrs. White and Collado may have to resign their current jobs because the articles of agreement provide that executive directors shall function "in continuous session" at the principal office of the fund and bank. The Associated Press added:

Headquarters of each will be in the United States, the principal subscriber to the bank (\$3,175,000,000) and to the fund (\$2,750,000,000).

Alternate executive directors for Messrs. White and Collado remain to be selected.

Mr. Vinson and Mr. White said recently that the two organizations would not actually start operations until next summer.

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From Washington Ahead of The News

(Continued from first page) making people produce unless they can make a profit in so doing.

We are in an amazing battle of personalities in Washington in which economics or reason seem to have little play. The dramatics of it have been, as this is written, that John W. Snyder, Fred Vinson, Jimmy Byrnes and Mr. Small, all want Steel to be given a price increase to justify them in granting a wage increase that will break the Steel strike. Mr. Bowles is represented as thinking that the increase should go no further than \$2.50 per ton, as being willing, under duress, to go to \$4 a ton, but if we go further than that, then the inflationary dam has been broken. Looking around, one wonders just what so-called inflationary dam it is that would be broken. We read of the stories of people having money to burn and of their burning it. Everywhere there seems to be an inflationary, or as we would prefer to say, a loose money attitude on the part of the people. The New Dealers coined the current use of the word "inflation" for political purposes back in 1943. They wanted to show not only an accomplishment but to establish another fear. Now they are stuck with the term and they try to keep their heads in the sands as to what is actually happening. Bowles has become a symbol in their politics and he knows it. They want to go before the country in the Congressional campaigns this year and say that aside from winning the war and other things, they prevented inflation. Bowles is their symbol for this purpose.

A canny fellow, if one ever lived, Bowles knows this. What is sad, however, is that the same Leftists who have dominated OPA ever since it was created under Leon Henderson, are still in control. What Bowles has done has been to sell these fellows on the advisability of not shooting off their mouths and not sticking their necks out, and let him, an old conservative advertising man, be the front. He has "accomplished" orderliness in a very dangerous agency. This "accomplishment" has given him tremendous pride. A very wealthy man, he is in the mood of wanting to do something for the people, and that is just what Mr. Roosevelt in his kingly mood, thought he was doing when he gave the Russians the title to the Kuriles, on an understanding, not yet found in black and white, that they would join us in the war against Japan, which they did after the war was over. We say it was over because the Japs had been seeking peace and the Russians were holding up the overtures until they could "get in."

Mr. Bowles is a study in what happens to a man of energy, getting into a position of Government power. Certainly he is a Conservative. He would be righteously shocked at any suggestion that he is a Leftist. Yet it is the Leftist game he is playing. And he is a splendid help to them. He is using all of the wiles which made him a successful advertising man to sell the predominance of OPA in our transition from war to peace. To show you that his vanity has intervened ahead of his thinking, you can appreciate that the wage increases which Mr. Truman is advocating and which he is supporting, are far more inflationary than the price of a product because it is difficult to think of a single product in which wages are not at least 70% of the cost of production. It is, or if something has happened to Mr. Bowles before this appears, has been a striking commentary on the influence one man can have over our fortunes even though he is not in the Presidency.

World Bank Meeting

The State Department at Washington announced on Jan. 23 that 34 countries have been invited by the United States to send representatives to the first meeting of the Board of Governors of the World Bank and Stabilization Fund, March 8. It was disclosed that ten additional nations, which have not yet officially become members of the monetary organizations, have been invited to send observers to the meetings, to be held at Wilmington Island, near Savannah, Ga. President Truman has appointed Secretary of the Treasury Fred M. Vinson to be United States Governor of both the Fund and the Bank for a five-year term, with Assistant Secretary of State William L. Clayton as alternate, also for a five-year term, according to the Associated Press report of the announcement from Washington, which continued:

"The \$9,100,000,000 World Bank and \$8,800,000,000 International Stabilization Fund, projected at an international conference at Bretton Woods, N. H., in 1944, formally came into existence Dec. 28, when participating nations signed the articles of agreement at the State Department.

"Actually, however, the two institutions will be established at the March meeting on Wilmington Island.

"Russia, the only one of the major Allies which has refrained from joining the Bank and Fund to date, was one of the ten nations invited to send observers to the Georgia sessions.

"The nine others are Australia, New Zealand, Venezuela, Panama, Nicaragua, El Salvador, Denmark, Haiti and Liberia.

"Member nations invited to attend are Belgium, Bolivia, Brazil, Canada, Chile, China, Colombia, Costa Rica, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Egypt, Ethiopia, France, Greece, Guatemala, Honduras, Iceland, India, Iran, Iraq, Luxembourg, Mexico, Netherlands, Norway, Paraguay, Peru, The Philippines, Poland, The Union of South Africa, Britain, Uruguay, Yugoslavia and the United States."

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Dime Savings Booth At Wanamakers for Prospective Home Buyers

Furthering its program of service to Home Owners, Home Buyers and Veterans, the Dime Savings Bank of Brooklyn (Fulton Street and DeKalb Avenue) has arranged a special booth at the "Village of Vision" (on the 8th floor) in Wanamaker's Home Store, Broadway and 9th Street. At the "Dime" booth, prospective home buyers will be given complete information on home loans and mortgage financing. Sound financing arrangements it is stated will be immediately available to qualified purchasers of Johnson Quality Homes in approved areas. A free booklet will be distributed—"Six Ways to Borrow Mortgage Money," including FHA and Veteran Loans.

The "Village of Vision," a dramatic exhibition of several full sized, ready-to-live-in homes, completely furnished, is keyed, it is stated, to the home needs of today.

India Currency Notes

The Federal Reserve Bank of New York on Jan. 17 announced the receipt of the following cablegram dated Jan. 16, from the Reserve Bank of India, Bombay:

"Under an ordinance issued by Government of India, Indian currency notes of denominations of Rupees 500, 1,000 and 10,000 ceased to be legal tender on 13th instant. No further exchange of notes of these denominations should be made.

Glenn Honored at Trade Board Dinner

John B. Glenn, Chairman of the Board of the New York Board of Trade, was tendered a testimonial dinner on Feb. 1 at the Hotel Pierre, New York, by the directors of the board—with 36 of the directors in attendance. A sterling silver tray, inscribed with the signature of each of the directors, was presented to Mr. Glenn in appreciation of his successful efforts in promoting the Board's growth and usefulness. Ralph E. Dorland, President of the New York Board of Trade, presided, and Percy C. Magnus, past President, acted as toastmaster.

Mr. Glenn served as President last year, and during his administration the Board's roster increased by more than 19%. He organized and served as Chairman of the Latin-American Section, which enlarged its work and is now called the International Trade Section.

Crocheron Elected Pres. Technical Valuation Society

Clarence Crocheron, Vice-President of the American Appraisal Co., has been elected President of the Technical Valuation Society for the current year, it was announced on Jan. 28. Dr. J. R. Foster, consultant to the New Jersey Public Service Commission, C. G. Cloudman of the Ebasco Service, A. C. Gate and J. J. Polachek have been elected Vice-Presidents. R. H. Celandier of the Consolidated Edison Co., was elected Treasurer.

Arnold Acting Director Of Small Business

Secretary of Commerce Henry A. Wallace announced on Jan. 29 the appointment of Laurence F. Arnold as Acting Director of the newly organized Office of Small Business. Mr. Arnold has been serving as a director and as acting executive head of the Smaller War Plants Corporation, whose operating functions and personnel—exclusive of those concerned with lending activities—have just been absorbed by the Department of Commerce under Executive Order dated Dec. 27. Mr. Arnold is a native of Newton, Ill. For 22 years, he was engaged in the wholesale hay and grain business. He has been President of the Peoples State Bank of Newton since 1932. While serving as President of the bank and prior to that as Chairman of its Board of Directors, he gained wide experience in dealing with small business. Mr. Arnold was a member of the Illinois General Assembly from 1923 to 1927 and again from 1933 to 1937. In 1936, he was elected to Congress, where he served three terms. He was a member of the Committee for the District of Columbia, Committee on Foreign Affairs, Committee on Expenditures in Executive Departments, and other committees.

Mail to East Indies

Postmaster Albert Goldman announced on Dec. 31 that effective immediately, mail service to Brunei, Burma, French Indo-China, Hong Kong, Macao, Malay States (Federated and Nonfederated), North Borneo, Sarawak, Siam, and Straits Settlements was extended to comprise all classes of regular (Postal Union) mails, that is to say, letters, postcards, printed matter in general, printed matter for the blind, commercial papers, samples of merchandise and small packets, as set forth in Part II of the current Official Postal Guide. The advices state:

"It is to be observed that Burma, Macao, the Malay States (Federated and Nonfederated), and Straits Settlements do not accept articles mailed under the classification of small packets.

"Air mail, registration, special delivery, money order, and parcel post services are not available at this time.

"The export control regulations of the Office of International Trade Operations, Department of Commerce (formerly the Foreign Economic Administration) are applicable to mail for these destinations.

"Business and financial communications are subject to the requirements of the freezing control regulations of the Treasury Department, information concerning which may be secured by prospective mailers from the nearest Federal Reserve Bank or the Treasury Department."

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Federal Finance and the States

(Continued from first page)
 sions, and boards. Our people are beginning to be concerned. They are beginning to wonder when and where this expansion will end, what it will cost them, and what will be its effect upon the States and their subdivisions. I have decided, therefore, to speak to you in a somewhat general way upon the subject of the Federal Government, its finances, and its relation to the States. This relationship is the jugular vein of our system of government.

If I am at all qualified to speak upon this subject, it is due to the fact that I have looked at the problem from both sides, having served a number of years in the North Carolina General Assembly and in the National Congress. In my present official position, I have, of course, had a wonderful opportunity to study the structure and the functioning of the Federal Government. It is part of my job to see that Federal agencies stay within the limits laid down by Congress in their use of public funds. In so doing, it is often my duty to rule upon problems that affect both Federal and State Governments. In an impartial and dispassionate manner, I thought it might be worthwhile here tonight to make a few suggestions as to our future goals in these fields.

When our Constitution was written in 1787, the prime problem was how to combine the 13 original States into one union. Many of the States were fearful that they would lose their character and liberties if they came into the Union under the new Constitution. North Carolina did not enter the Union until after the new government was well under way. After first rejecting the new Constitution it waited until Nov. 21, 1789, to ratify it, too late to participate in the first election of Washington, because of the lack of a Bill of Rights and the fear that a strong national government would in time overbear state authority.

This attitude was natural. When the Constitution was written, there were no great industries. There were no great systems of communication or transportation. Our people for the most part lived a rural life. The frontier spirit ruled the new nation, and our people looked to themselves rather than to government for aid. A slogan of the times, made popular by Jefferson, was to the effect that those people are best governed that are the least governed.

Expansion of Federal Powers

It was inevitable that conflicts would arise as to where the powers of the States were to end and where the power of the Federal Government was to begin, and vice versa. It is well known that there have always been a few overly ambitious men in Washington who love power, and who are forever trying to extend their own influence, but in my opinion this enormous growth of Federal authority can only in a small degree be attributed to greed and thirst for power in the Nation's Capital. Much of it has surged up from the people and the States themselves, because of either the financial inability of the States or their failure to give their citizens the necessary state functions of government.

The industrial revolution, with all of its implications in the field of big business and of transportation and communication, has made necessary and logical some extensions of the arm of the Federal Government. Bigness in commerce and industry has made necessary some bigness in government. You cannot set up great corporate powers that reach out into 48 States and even into foreign countries, without also leading out of this financial mor-

ting up great power in government, to see that there is fair play in the land. Railways, highways, and skyways—the telephone, the radio, and now television—have themselves brought about “a more perfect union” in this country.

Also, in times of great national emergency the people (who after all are the final arbiters of all things in a democracy) demand prompt action of a kind and character that can be performed more quickly and more satisfactorily by the Federal Government. The great depression of the thirties was an emergency of this character. Economic chaos was threatening the country. Bankruptcy and poverty were staring our people in the face. In response to the cry of distress and the demand for relief throughout this nation, the Federal Government went into action through both old and new agencies. This meant a tremendous expansion of our Federal Government. It meant the extending of the Federal hand into almost every home and every business in the country. It meant that the Federal Government would become concerned with prices paid, with wages fixed, and with what crops were to be planted. The framers of the Constitution would have been shocked and amazed at such a demonstration of Federal activity. But no person who lived through that hectic period has any doubt as to why the Federal Government took such extraordinary steps. It was in response to the dire need and the cry for help that went up from the people of the United States to their government at Washington!

But the greatest centralizer of power in Washington is war! Under the influence of World War I, the Federal Government grew mightily and we now see, as the result of World War II, that the Federal Government towers above the States with unprecedented prestige.

Naturally my own concern has been directed to the fantastic fiscal effect of that trend. Through ten years of plodding escape from the slough of depression, through four years of underwriting, then actively waging history's greatest war, your Federal balance sheet has reached such a state as any honest man must call an alarming one. Do you know for example that the yearly bill for interest alone is greater than the entire Government budget a few short years ago? In fact, our own State's annual share of the interest charges on the national debt would operate the whole State government for well over a year.

The free spending philosophers who insist that an enormous, backbreaking national mortgage is a good thing call anyone an alarmist who is brazen enough to recite the facts. What are the facts? To speak in billions of dollars and nationwide totals (now 280 billions) is only a way to escape the uncomfortable realities, to lull us into the feeling it will be somebody else's burden. Let us put the facts a little closer to home. Simply spreading the total figure among the number of employed persons in the country tells us that you and I (and every other person employed—the people who must pay the debt) owe in round figures \$4,000 as our share which we personally or our sons or our grandsons must somehow produce and pay. Furthermore, recently I ran across the even more startling comparison that the Government debt is three times as great as all private long-term debt in this country. What would thrifty old Benjamin Franklin, whose birthday this is, say to all of this?

Trim Government Sails

There are five particular avenues which I want to suggest as leading out of this financial mor-

ass. The first task is an examination of the Government itself. The Government's sails must be trimmed. The tools for this reappraisal of the Federal Government's set-up were given to the President last month when the Reorganization Bill became a law. It is the best measure of its kind ever passed by Congress. There is a great opportunity for the President to do an outstanding job.

I was asked to testify before the Congressional Committee which formulated the bill and I took advantage of the opportunity then to point out dozens of specific situations of apparent overlapping and duplications, situations that cried out for a restudy of the Federal organization, followed up by fearless and vigorous action. The Act tells the President not only that he may revise the executive organization but that he may actually abolish any particular function of the Government.

You and I know that there can be no real economy unless there be weeded out and completely abolished those governmental functions which, perhaps well-advised at their inception, have long since outlived their usefulness. But any reform can become effective only after Congress has had an opportunity to examine the plan and veto it, if it so desires. There will be ample demands from the special groups and from what are called the “pressure boys” that Congress vote down any plan which abolishes somebody's project. Most of the Members of Congress want economy as much as you. What Congress should have, and is entitled to have, from the body of the citizens at large is some fair expression that the people do want economy, that they will back up the Members who have the fortitude to support the common benefit of all instead of the special benefit of the few. If “eternal vigilance is the price of liberty,” I say to you that even more so is it the price of economy.

However, the efficiencies and economies to be wrung out of reorganization, as necessary as they are, do not approach the larger problem. As emphasized by President Truman in signing the bill, substantial savings can come only by reducing governmental programs which were and are being created by Congress.

Needed: A Balanced Budget

That brings me to my second point. Twenty-five years ago the Budget and Accounting Act of 1921 became a part of the law of the land. One of the principles of that act was that the national expenditures and the national income should be estimated in advance, and that the expenditures should be balanced against the income. That is still a good principle.

For years I have carried in my pocket this recipe:

“Annual income twenty pounds, annual expenditure nineteen nineteen six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six, result misery.”

That homely truism Mr. Micawber gave David Copperfield nearly 100 years ago is just as appropriate today as it was then. That recipe must be applied to the Nation unless we are to resign ourselves to continuous deficit spending. Any reasonable person must know that with a low national income and widespread unemployment large deficits were inevitable in efforts to combat the great depression. So were they more than necessary to wage an all-out, total and victorious war. The aftermath of war also calls for more vast appropriations, for as a conquering but a Christian and humane people we have

vast charitable and moral obligations. The highest obligation of all, however, is to see that our returning veterans are cared for in proportion to their needs and reestablished in their proper places in our communities. But with all of that, and with a national debt that staggers the imagination, should we not have an appraisal of the never ending succession of new programs proposing large drains upon the Federal Treasury?

While some of these programs may be promoted from Washington, too often does Congress mistake as “the voice of the people” the urgings of special pleaders, blocs, privilege seekers and treasury raiders. It is fashionable to blame Congress for all the ills of the body politic. They are only human and are merely a good cross section of the Nation. The fact is they have been propagandized and lobbied so much that a good part of their resistance has been broken down. What encouragement in a legislative way do they get from home? Everyone has an advocate in Washington except the people. It would be news indeed if a Chamber of Commerce commended a Congressman for his statesmanship or for a negative vote rather than praising him for some Federal money he had secured for his section. I know from experience how sweet it is to the ears of a Congressman to hear the plaudits of those who wanted Federal money, and who didn't stop to think it had to be paid back. We justified a lot of this in an era of big spending but the reckoning period is now coming on.

Business, agriculture, and labor have a tremendous and equal stake in a balanced budget, for after all they are the ones who must pay on the barrel head.

Next, the mounting complexity of our national life has led the Congress to delegate more and more of its responsibility to executive agencies. As a corollary to keeping within the national income, those who spend the people's money should be impressed that it is not their money and that extravagance and profligacy on the part of public officials will not be tolerated. There is no reason why the public dollar should not be of the same value and purchasing power as the private dollar. All this means that we must insist upon having capable and efficient administrators. In my official position it has been my pleasure to deal with many such men. However, we have not reached the millenium, and there are others who through carelessness or ambition do not hesitate to place personal interest ahead of the public weal. That is the area where there is much room for improvement in higher standards of administration and more conscientious attention to the Nation's business.

Revitalize Congress' Power over Purse

Fourth, Congress should revitalize its power over the purse, a fundamental legislative prerogative under our form of government. It should reexamine the large grants of unusual administrative authority over expenditures, much of which originated in the stress and strain of war. An example of the alertness of Congress in drawing back some of this financial power to itself is the Byrd-Butler-Whittington Act approved by the President last month. That act calls for an annual scrutiny and control by the Congress of the vast and farflung financial operations of our Government corporations such as the Reconstruction Finance Corporation, Commodity Credit Corporation, and dozens of others.

A Peacetime Balance of State and Federal Powers

Finally, we should return as quickly as possible to a proper

peacetime balance between the Federal Government and the States. I spurn the doctrine advocated by many that each State should be considered like a county in its relationship to the Federal Government. On the other hand, we should not be blind to the fact, already accomplished, that many of the things we regarded as sacred and as belonging exclusively to the States have gone out in the twinkling of an eye in a fast expanding nation with a Constitution whose Commerce and General Welfare clauses seem to know no bounds. We cannot return to the simple idea of government as expounded by Jefferson, as beautiful as his conception was. We cannot turn back the clock even if we would!

In the face of today's conditions, the cry of States' Rights can indeed become a hollow cry, utterly meaningless, going back to issues long fought over and decided. Therefore, I do not come to you tonight to make a fetish of States' Rights.

What then is to be left to the States? Will they in time become merely convenient areas to divide Federal activity? If this should come to pass, this nation will cease to have the kind of government described in the Constitution. Frankly, there are many who doubt that our nation could long survive under those circumstances as a great democracy. The history of nations tends to show that when all power and authority have been concentrated in the central government, the nation becomes ripe for regimentation and dictatorship.

I, for one, still believe that there are important functions to be exercised by the States and their subdivisions. There are highly proper and necessary contributions that the Federal Government should make, but if the States, in order to obtain Federal funds, surrender too many of their rights and functions to the Federal Government, something very precious, something very valuable and democratic and something uniquely American will have gone out of our public service. The danger is that our people, looking to Washington indiscriminately, for aid, will sell their political birthright for a mess of Federal pottage. Moreover, the States are now, for the most part, in excellent financial condition. Their budgets, unlike that of the Federal Government, are in balance and most of them have comfortable reserves. If the States wish to assert their leadership in their proper sphere, there will be less incentive for further expansion of Federal power. If the States wish to retain power and prestige they must assume their full responsibilities and render to their people a high quality of public service that cannot be duplicated by the Federal Government.

Can the States do this? Of that I have no doubt. Take our own State of North Carolina. I do not believe that there exists anywhere in this union a higher quality of public servant or a better brand of public service than we have here in our beloved State. As I go about my Federal duties, it is a source of pride to me to be continually told by people from other States that North Carolina is one of the best governed and one of the most progressive States in the Union.

Governor Cherrv, like other Governors before him, is known personally by thousands upon thousands of our citizens. In whatever town or community he goes, there are scores of our people who call him by his first name and feel that he is their neighbor. North Carolina is not too large to be considered a neighborhood. If a citizen has a grievance, he knows where to go and what to do about it. He can talk to a public official in his community or in Raleigh who understands the background of the whole affair

and is in sympathy with our traditions and our way of life. Also, if mistakes are made, our people know where to place the blame and, when credit is due, they know whom to commend.

We people here in North Carolina are so accustomed to good government in our State that we take it for granted. We should prize it greatly and not give it up lightly. In my opinion, if all the States of the Union had taken the initiative as much as North Carolina, and if all had given uniformly as good a brand of public service, there would have been less tendency to look to Washington and there would be less encroachment on the States by the Federal Government. Moreover, as to those activities that are to be carried on in the future jointly and concurrently by the Federal and State Governments, I think there should be a genuine partnership existing between the two levels of authority.

We have still much more to do in North Carolina. It can be done if we continue in our course of planning and spending wisely and within our income. We shall never tolerate a static State. In all proper functions of the State, we must keep alert and progressive, we must streamline and keep modern our governmental processes and our laws. We must promote a healthy condition of industry, labor and agriculture, upon which the prosperity of our people depends. We, in North Carolina, under great State administration, have met those responsibilities and we must continue to do so. In that path lies the integrity of our institutions, the vitality of our government and the prosperity and freedom of our people.

And then, above all, I believe we should begin to teach our people to be more self-reliant, more independent, more anxious to do things for themselves, and not to always be looking for aid from Government. This nation has become great because of its self-reliant frontier spirit. There is a school of thought today that would have us believe that this nation has grown old, that we have lost the spirit of adventure and daring, in which we have carved out a great republic and a great destiny for our people. I repudiate such a philosophy. There may be no great West to develop, but we still have within us great undeveloped resources. There are today great frontiers of the mind and the spirit which challenge youth forever to go forward, and in my humble judgment, this nation is still young! To those who think in such narrow and restricted terms, I commend the exploration of the undeveloped natural resources of western North Carolina. If I had any criticism to make of the past history of your wonderful section, it would be that you have put too much emphasis upon your marvelous climate and too little emphasis upon the boundless energies and adaptability of your people and your multi-natured, God-given resources.

While the so-called "Good Old Days" are gone and will never return as we knew them, we should never forget that this country was built for permanence, and our institutions reflect that spirit. We must ever remain a nation of freedom, of liberty, of faith and of hope that the Fathers gave us.

When James Russell Lowell, the American poet and statesman, was visiting in France 80 years ago, he had a talk with a former Prime Minister of that Country. He asked Lowell how long the American Republic would endure. Lowell answered him very aptly: "As long as the principles of its founders remain dominant in the hearts of its people."

You will recall that George Washington in his Farewell Address uttered words that were

Russian Claims to Kuriles Had FDR Support at Yalta

Secretary of State Byrnes revealed at a news conference on Jan. 29 that a secret agreement had been reached at the Yalta conference between President Roosevelt, Premier Stalin and Prime Minister Churchill, February, 1945, for British-American support of the Russian claims to Japan's Kurile Islands, with full knowledge of United States military leaders. Saying that he himself had no knowledge of the agreement until a few days after Japan's surrender, Mr. Byrnes said that he now approved of publication of the agreement, which had to be classified as a military secret while the war was still in progress.

The Associated Press Washington advices Jan. 29 further stated: "Mr. Byrnes added that he believed there was a very good reason that it should have been so classified. He said that at the time of the conference it was agreed that Russia would eventually enter the Pacific war, but the Russians said that it would take much time to move troops from the western to the eastern front.

"Publication of the agreement, the Secretary asserted, would have provided a tip-off to Japan.

"Under the agreement Russia would receive Southern Sakhalin and the Kuriles, a chain of islands stretching across the entrance of the Okhotsk Sea, which laps Russia's eastern shores. It was from the Kuriles that the Japanese launched their assault against the Aleutians early in the war.

"Mr. Byrnes said that he understood that the agreement also covered the post-war status of Port Arthur and Darien, which already has been formalized in a treaty between Russia and China. The cession of any territory such as permanent Russian possession of both Southern Sakhalin and the Kuriles will have to be formalized too in a treaty."

Jenkins on ABA Bank Management Commission

The appointment of Ben N. Jenkins, Assistant Vice-President of the First National Bank and Trust Co. of Oklahoma City, Okla., as an ex-officio member for the current year of the Bank Management Commission of the American Bankers Association, was announced in New York on Jan. 30 by ABA President Frank C. Rathje. Mr. Jenkins is also President of the National Association of Bank Auditors and Comptrollers. Since the Bank Management Commission and the Association of Bank Auditors and Comptrollers are both concerned with the operational aspects of the banking business, Mr. Jenkins' appointment to the Commission was a recognition of this common interest and a step in the direction of achieving appropriate cooperation between the activities of the two groups.

practically prophetic when he stated that the time might come in this country when some would rise seeking to undermine what they could not overthrow. I am glad the people are beginning to understand more of the history of our country and the worth of our institutions, and may you and I keep it true to those great principles upon which it was founded.

In closing, I hope it is not too out-moded to repeat what Jefferson said way back in 1802:

"Let us deserve well of our Country by making her interests the end of all of our plans and not our own pomp, patronage and irresponsibility."

Administration's Policy For Small Business

(Continued from page 758)

Jack-of-All-Trades is definitely one of our cherished by-gones. No matter how smart Jack might be, he can't compete all along the line with the specialized efficiencies of the modern corporation. Nor can he afford the cost of those specialized services out of the limited revenues his business is able to command.

The Help of the Department of Commerce

It is easy to point to ways in which the Department of Commerce can help the small business men to overcome these difficulties. Under our proposed reorganization and program of action we have planned a number of specific services: First, we plan to have the best business information and consulting services in the world. The small business man should be able to come to us and to find out at least a good part of what he wants to know about the business outlook, potential industrial and consumer markets at home and abroad, and the special position of his particular industry, business, or region. Second, we have drawn a blueprint for a program of scientific and technological services that should enable the small business man who cannot afford any expensive scientific and engineering staff or laboratory facilities to compete on a more equal basis with larger corporate enterprises. He should be able to get answers to his particular questions about his products, about the most efficient specifications, materials and processing techniques, or any of the multitude of other technical problems that come up in his day-to-day affairs. Third, we plan to serve as a central point in the Government to whom the small business man can refer for assistance, as may be necessary, in his relations with the various Government agencies—whether they be on problems of taxation, finance, unfair competition, foreign trade, subcontracting, or for the time being, wartime problems of regulation and control. The small business man has frequently been at a complete loss in trying to deal with specific problems arising out of the activities of Government and he deserves the service the Department plans to establish for him as information center, guide and counselor. Fourth, we plan to have a decentralized field setup which will bring these essential services to the small business man in the location in which he operates. He shouldn't have to come to Washington for these various services. They should be made available to him in the field where he needs them and can have easy access to them.

I know all of you must be thinking that this is a pretty big order. Without trying to minimize the difficulties of the task, I am prepared to state unequivocally that given the necessary backing and cooperation it can be done. I say this on the basis of my experience as Secretary of Agriculture. There, the Government has been supplying necessary information and technical services to meet the needs of a very large group of small business men—the operators of family farms. The result has been an enormous increase in productivity, which has enabled us to more than overcome the adverse effects of our declining soil resources, and perpetuate the relatively strong position of family farms in American agriculture. We should be able to do for other types of small business what the Department of Agriculture and the cooperating State agricultural agencies have done for our farm operators.

Cooperating Departments

The Department of Commerce is in a special position to handle

this program effectively, because it already has the beginnings of many of the necessary supporting services:

The Bureau of Standards carries out scientific and technological research that can contribute greatly to increased efficiency in production and distribution. Its facilities could be used to stimulate competition and equalize the opportunity of small and large businesses by providing scientific and technological services to the small business man.

The Office of Declassification and Technical Services is engaged in the declassification and dissemination to industry of the secret scientific and technological information developed during the war by our enemies and by ourselves; and is also serving as a clearing house for industrial needs on the one hand and invention on the other.

The Patent Office, in conjunction with a committee appointed at the instance of the President, is working on the modernization of patent procedures which will help small business obtain more nearly equal access to new technological developments, and new techniques or inventions would of course serve not only small business, but also the public interest.

Through the activities of the Civil Aeronautics Administration, the Coast and Geodetic Survey and the Weather Bureau, the Department not only performs specialized technical services to commerce industry, agriculture and transportation, but also contributes to specialized basic research and technological development.

The Bureau of the Census will be collecting basic statistical data useful to almost every kind of business operation and will make those data available in sufficient detail to meet specific industrial and business needs, without, however, disclosing the operations of any individual concern.

The general aids to business including the promotion of foreign and domestic trade, the analysis of current business conditions and the business outlook, and the provision of services to small business are at present concentrated in the Bureau of Foreign and Domestic Commerce. It is planned to expand the present inadequate services in the Bureau. After getting advice of both large and small business men, we have reorganized the Bureau of Foreign and Domestic Commerce into five offices as follows: The Office of Business Economics; The Office of International Trade; The Office of Domestic Commerce; The Office of Small Business, and The Office of Field Operations.

The Office of Business Economics will pursue a program designed to provide the business community with analyses of the economic situation and the business outlook which will enable the business man, and especially the small business man, more effectively to exercise his own judgment in planning his operations. The Office of International Trade, combining the foreign trade functions of the Bureau of Foreign and Domestic Commerce with those of the Foreign Economic Administration transferred to the Department of Commerce, will pursue a program calculated to develop and maintain a large volume of foreign trade on a "sustained yield" basis. The Office of Domestic Commerce will stimulate and promote industry and trade and maintain close working relations with business and industrial organizations.

Takes Over Smaller War Plants Corporation

The Office of Small Business will combine the small business activities of the Bureau of Foreign and Domestic Commerce and those transferred to the Department from the Smaller War Plants

Corporation. It will be the function of this office to pursue a vigorous policy of providing services to small business. This office will be the focal point in the Department through which all of its aids can be made available to the small business man. Finally, the Office of Field Operations will make the services of the Department, including those of the Office of Small Business, directly available to the business man in the locality in which his business is located.

Legislation is now pending in the Congress which would authorize the appointment of three new assistant Secretaries of Commerce and the reassignment within the Department of the functions of the Bureau of Foreign and Domestic Commerce. If passed, one of the new Assistant Secretaries of Commerce will be in charge of the Office of Small Business. The other two will be placed in charge, respectively, of the Office of International Trade and the Office of Domestic Commerce. This legislation would enable the Department to obtain a man of outstanding competence and leadership to head up its small business activities.

The appropriations request of the Department of Commerce for fiscal year 1947—hearings on which will be held later this week by the House Appropriations Committee—will enable the Department to carry out most of the program I have outlined. I should point out, however, that even though this request calls for a sizeable increase in appropriations for the Department, as compared with fiscal year 1946, it will require supplementation on at least two points. We are planning to request additional funds for the National Bureau of Standards and for the Patent Office, as a supplement for fiscal year 1947, to enable these agencies to carry out plans laid out to improve aids to the small business man.

Cooperation With Colleges and Schools

It will also be of interest to this Committee to point out that the Department is planning a comprehensive program of cooperation with University Schools of Business and Schools of Engineering to the end that the services of these institutions are also focused on the problem of providing services to business and especially small business. Provision for the National Science Foundation as outlined by the Kilgore Bill, and passage of the Fulbright Bill providing for an Office of Technical Services in the Department of Commerce, would greatly stimulate development of this type. In closing, there is one other point I should like to put forward for the consideration of the Committee, because I think it is of fundamental importance for the success of the whole small business program. Any business, to be successful, needs a profitable volume of sales. When the overall level of national income and demand is low, small businesses are bound to be squeezed, no matter how accurate their information or how adequate their technical and advisory services. The assurance which small business needs most of all is the assurance of sustained prosperity—full production, full employment and high purchasing power. The Department of Commerce will therefore continue to devote its energies toward the adoption of policies and programs for maintaining full profitable production and full gainful employment; and for ensuring all that full employment mean in terms of markets for our business men and farmers and improved standards of living for our consumers. In such a climate, and only in such a climate, can small business be assured of an opportunity to grow and to prosper.

Observations

(Continued from first page)

Wholly apart from questions of local incidence—such as injustice to existing home-owners and businesses, the blocking of New York City's expansion, etc.—the demand of the United Nations Organization's permanent headquarters for 42-plus square miles of space seems unwarranted and fraught with potential harm to the UNO itself. The Report and Recommendations of the UNO inspection group states that "a very substantial amount of land will be required for the inclusion of office accommodation for the United Nations and the specialized agencies, facilities for assembly and council meetings, residences for, at any rate, a high proportion of the staff and their families, and an airport, radio station, and perhaps certain public services."

The League of Nations at Geneva, with its \$26,000,000 of buildings and performing services of every kind for over 20 years, occupied only 18,000 square meters for its buildings. Including even the vast tract given to it by the municipality of Geneva with the unoccupied Park Ariana grounds, only 18.4 square miles were covered.

The contrast with the United Nations Conference at San Francisco is interesting. That city's Opera House, Veterans' Building, three clubs, portions of scattered hotels and a few barracks sufficed to take care of the living and working quarters of the individual staffs and secretariats of the 50 nations, the General Conference's secretariat and multitudinous departments, and the assemblies. Persons having connections with the Conference, numbering 2,000—the same as is contemplated for the prospective UNO secretariat—were housed without "roughing it" in 1,500 hotel rooms; and comfortable enough office space for the various delegations was furnished by 300 hotel bed rooms and parlors. The main offices of the Conference occupied only about 75,000 square feet. The relatively compact space devoted to the secretariat was sufficient to permit a speedy and enormous output of over 5,000 documentary assignments, including continual transcriptions by 120 interpreters and translators, totaling an average of a half-million sheets daily; and the publication of many bound volumes.

If space and expense were the effective instruments for furthering world peace, the devotion thereto of even thousands of miles of land and buildings, and millions of dollars, would of course be unquestioned. But just the opposite effect is likely to result from over-expansion. A surplus of space and money can be affirmatively harmful in creating the enervating effects of bureaucracy on an international scale; and a huge plant might, in the unexpected event of abortive results during the five-year interim which its construction will require, prove to be an unwelcome monument to the world's discord.

Too bad that in the voluminous and many-angled public discussion of labor, production and prices, use of the word "inflation" cannot be completely eliminated! The bandying-about of the term was well illustrated in Mr. Truman's recent colloquy with Henry Ford 2d. The latter gave a closely reasoned and clear explanation to Mr. Snyder how, despite his company's conciliation of labor, its great efforts to get into full production have been frustrated by inability to secure supplies because of governmental fixing of prices at less than production costs. Yet he drew forth nothing less superficial than the President's red-herring that the desired change in price control policy would "incite wild inflation."

Actually "wild inflation" is being caused directly by the governmental price-control policy which is forcing manufacturers, particularly those of medium and small size, out of production of everything from lawn mowers to drinking cups. The extension of the so-called "anti-inflationary policy" ad absurdum, with its accentuation of under-supply, is seen in the textile field. For example, manufacturers are unable to ship literally millions of white shirts which they have on hand, because of the MAP regulation which imposes a penalty of triple the amount by which the selling price exceeds the insufficient figure fixed by the OPA.

A small and exceptional ray of clarification has been shed by the recent (audacious if unpopular) statement of Civilian Production Administrator John D. Small, in which he said: "There has been a growing feeling throughout the world that price increases would be the worst thing that could happen. To my mind, lack of production is the worst."

The bluest of blue ribbons for economic obfuscation (self-interested) goes to Walther Reuther, International Vice-President of United Automobile Workers, CIO. In his telegram of Feb. 2 to Mr. Truman he stated that "the picket lines of the General Motors workers are the front-line defenses against industry's assault on our price structure and on the wage-price policy established by your Administration." Actually, of course, the self-sacrificing picketers, in estopping production, are directly carrying the great offensive against the price stricture.

Residential Construction Volume Shows Sharp Increase

Gains in the number of new dwelling units involved in construction contracts awarded in the 37 States east of the Rocky Mountains in the fourth quarter of 1945 were reported on Jan. 28 by F. W. Dodge Corp.

The comparative figures of new dwelling units for the final quarters of 1945 and 1944 were 28,180 and 12,268, a report prepared by the corporation's statistical division reveals.

The sharp and contraseasonal gains in the final quarter were sufficient to make the total of new dwellings for the year 21% in ex-

cess of those provided in 1944, the 1945 total being 76,495 units, a spokesman for the corporation said. Approximately one out of every seven dollars involved in the 1945 residential contracts was for public housing, an analysis of the figures shows.

Increases in commercial, manufacturing, educational, hospital and religious building during the year were also reported.

The total of all construction contracts awarded in the 37 States during the year 1945 was \$3,299,303,000 compared with \$1,994,016,000 in the previous year. The volume in 1945 exceeded that for 1943 also, and was at a level slightly in excess of that for 1938, the corporation's statistics show.

"Little Investors"

(Continued from first page)

much more money; there are fewer securities to buy; banks are paying almost no interest on deposits; bonds yield very little; stocks are a good inflation hedge, and the SEC is giving small investors real protection. As a result, most people are no longer buying stocks on margin or borrowed money, but are paying for their shares outright and putting them in safe deposit boxes.

1946 Investors Unlike Those of 1929

Experience shows that when stocks get into safe deposit boxes it is hard to get them out. So long as stocks pay a dividend, investors quickly forget prices paid or even fail to look at current prices. Even some of the big investment trusts now ignore market prices so long as dividends are paid. The "open end" trusts especially want a good income. This they can get only by holding stocks. Surely, small investors are much wiser today than they were in 1928-1932.

What of the Future?

This change of ownership has great social and economic possibilities. It may mean that the control of American corporations is changing from the rich men of the country to ordinary people like you and me. Of course, the tax situation is helping bring about this change by penalizing the rich in favor of John Q. Public. If labor would get busy and quietly buy up shares of corporations, they could attain their goals far quicker than by their present silly strikes. This means we should not sell stocks for fear of labor troubles. Strikes merely delay prosperity; they do not destroy it.

Instead of yelling "Help the small business man," if each of these little fellows would buy a few shares of stock in the big companies, they could easily control these companies which they now fear. Well, think this over also! Some day a powerful leader may arise who will get all these small investors together and throw out some of the present managements. They would need no legislation to do this. It is rumored that John L. Lewis has been pondering over this opportunity. One thing is certain. Before you or I sell stocks just because they are "high," we should carefully consider what we will do with our money when we do sell. Also, we should remember that it is purchasing power which we really want. Hence, idle bank accounts do not look too good. Let "little investors" consider this.

Dec. Dividend Payments

The U. S. Department of Commerce announced on Jan. 28 that publicly reported dividend payments totaled \$745,600,000 in December, or 7.2% lower than in December 1944. The shrinkage reflected declines in profits occasioned by reconversion to peacetime production. The Department's advices added:

"Dividends for the entire year 1945 amounted to \$3,794,700,000, or only fractionally more than the \$3,782,200,000 paid in 1944. Trade up 8.1% and finance up 6.2% were the only industrial divisions with advances. Declines in other major divisions were generally small; railroad dividends receded 3.3% and the miscellaneous group, dominated by other transportation, as much as 4.3%.

"Within the manufacturing division, which dropped 1%, textiles and leather made the largest gain (7.4%). Dividends contracted in all metal groups except electrical machinery, falling as far as 9% in the case of transportation equipment."

Anticipate Revision Of Lira by Italy

The possibility that the dollars which Americans have been sending to relatives and friends in Italy may soon be worth twice as many lire as they are now was indicated in the New York "Sun" of Jan. 31, in which, however, it was noted that the authorities are still paying off in lira at 1 cent each.

The "Sun" added:

According to gossip in financial circles a new official rate soon is to be fixed at 225 lire to the dollar, the rate available to United States diplomatic personnel. The story is that this rate soon will be applied to all Italian remittances from this country. The official rate remains until further notice at 100 to the dollar.

The black market in Rome will pay from 350 to 412 lire to the dollar, which is a better indicator of the depreciation that has occurred in Italian exchange.

A minor feature of the foreign exchange market here has been the appearance of some French franc thirty-day futures at 0.83 3/4 cents a franc. The spot rate for francs remains at 0.84 1/2 cents a franc.

In the New York "Journal of Commerce" of Jan. 31 it was stated that the creation of a special lire exchange rate will apply only to Italian export transactions. In that paper it was also stated:

The volume of Italian exports over the next several months will be very small as compared with the extremely large import needs, it is pointed out. Accordingly, it is thought that the Italian Government would be most reluctant to devalue the lira at this time. However, to facilitate sale of some few products that are available for export, it is believed that the lire may be reduced in value by more than one half to create a special exchange rate. The Italians feel that their biggest export opportunity at the present time lies in getting their virtually undamaged textile mills in operation.

Prompt ratification of a \$25,000,000 Export-Import Bank cotton loan to Italy is expected. This will provide the Italian mills with needed raw cotton. Italian objections to the conditions of this cotton loan are understood to have delayed its approval. The Italians, however, are understood to be ready to overlook their initial objections to the terms of the loan in the light of the benefits they expect from being able to finance cotton imports.

Results of Treasury Bill Offering

The Secretary of the Treasury announced on Feb. 4 that the tenders for \$1,300,000,000 or thereabout of 91-day Treasury bills to be dated Feb. 7 and to mature May 9, which were offered on Feb. 1, were opened at the Federal Reserve Banks on Feb. 4.

Total applied for, \$1,928,073,000.

Total accepted, \$1,314,673,000 (includes \$46,572,000 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, 99.505; equivalent rate of discount approximately 0.376% per annum.

(65% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Feb. 7 in the amount of \$1,316,726,000.

Lewis Rejoins AFL

John L. Lewis has joined forces with the American Federation of Labor by leading his United Mine Workers of America back into the Federation. Re-admission was voted unanimously by the AFL Executive Council, according to a special Miami, Fla., dispatch from Harold B. Hinton to the New York "Times" on Jan. 25. The Council then elected Mr. Lewis unanimously as one of the 13 Vice-Presidents who, with William Green, President, and George Meany, Secretary-Treasurer, compose the AFL Council, which is the organization's governing body. This was in accordance with terms outlined by Lewis. This, it is noted, is the newest chapter in American labor annals, stemming from a division of ranks which began in 1934, leading to the formation in 1938 of the Congress of Industrial Organizations, of which the United Mine Workers and John L. Lewis were early backers. Since then the CIO has been an independent body rivaling the AFL. Shortly after his election to the AFL Council, Mr. Lewis drove to Miami, where the Executive Council is meeting, Mr. Hinton reported from there to the "Times" on the 27th, to assume his seat.

Roumanian American Chamber of Commerce

A Roumanian American Chamber of Commerce and Industry has been formed in Bucharest (Roumania) under the presidency of the well known Roumanian Industrialist, Max Ausnit, and with the cooperation of prominent personalities of Roumanian Economic Life. We were advised on Jan. 25 that the Chamber has been set up in agreement with the U. S. Authorities in Roumania for the purpose of furthering Roumanian-U. S. trade-relations and supplying commercial, financial and industrial information to its members and any U. S. exporters, desirous of establishing connections in Roumania.

U. S. manufacturers, exporters and importer firms are asked to make full use of the services of the Chamber, and U. S. manufacturers interested in establishing business relations with Roumania, are invited to send offers, catalogues and any material suitable. The address is: The Roumanian American Chamber of Commerce and Industry, Calea Victoriei 153, Bucharest (Roumania).

Harry Hopkins Dies

Harry L. Hopkins, friend, adviser and special assistant to the late President Roosevelt, died in Memorial Hospital, New York, on Jan. 29. Mr. Hopkins, who left the service of the Government last July, had been in poor health for a long time. In spite of this, last May he went to Russia as President Truman's personal representative, to discuss inter-Allied relations with Marshal Stalin. Later the President awarded him the Distinguished Service Medal.

Mr. Hopkins was 55 years old at the time of his death. From his early career as a social worker, when he went to Washington during the Roosevelt Administration, he undertook numerous international missions and held several important posts in the Government. Lauding his memory, former British Prime Minister Winston Churchill, vacationing in Florida, said of Mr. Hopkins: "He was a true leader of men, and alike in ardor and in wisdom in time of crisis, he has rarely been excelled. . . . To dynamic, compulsive and persuasive force he added humor and charm in an exceptional degree."

Steel Operations Still Near Bottom—Users Continue to Seek Place on Mill Books

"Collective bargaining' between the United States Steel Corp. and the Government as to how much of a price advance shall be given for an 18½ cents an hour wage settlement, was gathering momentum this week" states "The Iron Age" in its issue of today (Feb. 7), which further adds: "Whether or not this type of bargaining will have any more success than that between the steel company and the union remains to be seen.

"The complex relationship between steel prices and prices of items made from steel is so intricate that to find a solution over the next few days seems unlikely. If the Government, as now appears probable, has decided not to clean up the steel situation on an expediency basis, there is more than a 50-50 chance that the steel strike will not be settled this week and maybe not next week.

"Chester Bowles is still a dominant figure in Government price policies. He is reported to be reconciled to a steel price increase up to about \$4.50 a ton, but may oppose anything beyond that figure. Unless his viewpoint is changed, a Government-industry stalemate on prices may develop in view of the position taken by United States Steel that a price of much more than \$6.25 a ton would be necessary to compensate for the 18½ cents an hour increase plus past accumulated increases in steel-making costs.

"It is no longer believed that the steel price advance when it comes will be a simple across-the-board move for carbon steel products. Rather, it is expected that the inequities between the prices of some steel products and others will be straightened out by a varying adjustment on some items. This method would also tend to alleviate the hardship which small non-integrated mills have complained of on the basis that an identical advance on semi-finished steel and finished steel products does not give them relief.

"After the steel strike has been settled it will be some time before steel deliveries reach their pre-strike volume. Some companies are tentatively anticipating operating rates of as low as 50% of capacity for two or three weeks after the strike is settled. Despite precautions taken for maintenance of equipment some damage has been caused by the shutdown. This must be repaired before full-time operations can be resumed.

"It is estimated that by the end of this week steel lost because of the strike will amount to about 4,500,000 tons, or at the rate of about 1,500,000 tons a week. Since the resumption of steel output to pre-strike levels after a settlement is made will take some time, it is already evident that reconversion has been set back weeks and possibly months.

"One by-product of the steel strike has been the elimination of steel shipments to Europe and to the Philippines for rehabilitation purposes. It is expected that the tentative allocation plans set up by the Civilian Production Administration for shipment of 850,000 tons of steel over the next six months to Europe will be drastically altered. So far, no actual allocations had been made on steel companies, but the directives were in the process of being issued. Shipment of steel abroad will not be resumed to the pre-strike volume for weeks and possibly months after production gets underway.

"Since there is no indication of an early settlement of the strike it is expected that the rate next week will be no greater than 7%.

"Steel workers so far, because of their long war grind, have looked upon the shutdown as more or less of a vacation, but with the strike winding up its third week this attitude may change. Up to this weekend, and considering only the basic steel industry and not steel fabricating and

processing firms, the loss in wages since the strike began will be more than \$45,000,000."

The American Iron and Steel Institute on Feb. 4 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 5.8% of capacity for the week beginning Feb. 4, compared with 5.7% one week ago, 82.0% one month ago and 87.9% one year ago. This represents an increase of 0.1 point or 1.7% from the preceding week. The operating rate for the week beginning Feb. 4 is equivalent to 106,200 tons of steel ingots and castings, compared to 104,400 tons one week ago, 1,502,000 tons one month ago and 1,610,800 tons one year ago.

"Steel" in its summary of the iron and steel markets, on Feb. 4, said in part as follows:

"Steel inquiry has been fairly sustained at the sharply reduced rate that developed after the steel strike started, with consumers continuing efforts to get on mill books, regardless of producers' inability to promise anything like definite shipping schedules.

"Meanwhile, consumers' inventories are shrinking and metal-working operations are declining at accelerated rate. Sheet mills selling on a quarterly basis are being pressed by many customers for word on second quarter quotas. Sellers still find it impossible to give any ideas as to what they will be able to provide, except to point out that tonnage carried over from the present quarter will have preference and that they have no way at present of knowing what that will be.

"Also unsettled is the tonnage of export steel they will have to accept under government directives when the labor situation is stabilized. The entire program for exporting about 850,000 tons of steel during first half under government directives to countries in urgent need of rehabilitation has been canceled. Whether the program will come up for review after the steel strike remains to be seen. However, it seems certain the program will be drastically reduced if it is set up again. It originally involved 929,700 tons, including 215,500 tons of tin plate, 185,000 tons of bars, 150,000 tons of sheets and strip, 138,000 tons of wire products, 132,500 tons of shapes, 95,000 tons of sheet bars and 12,700 tons of pipe. The total later was reduced to 850,000 tons and quotas were to have been set up by an industry advisory committee on the basis of estimated production for first half. Only quotas set were on tin plate when the steel strike intervened.

"There is little likelihood of hot-rolled carbon bar tonnage being scheduled before well into third quarter for large sizes and fourth quarter in small sizes.

"Bethlehem Steel Co. has made Sparrows Point, Md., a basing point on tin plate, at \$5.10 per base box, following similar action in January by Tennessee Coal, Iron & Railroad Co. in making Birmingham a base on tin mill products. This is 10 cents higher than the base at Pittsburgh and Gary and the same as the Granite City, Ill., base.

"Pig iron supply is small, although a few blast furnaces not connected with steel plants continue production.

"Scrap continues scarce and steelmakers, even where strike-bound, continue to take all tonnage offered, as far as they are able to arrange storage."

The State of Trade

(Continued from page 758)

sible. On the other hand, including only the hourly employees in the steel producing companies, more than \$30,000,000 in wages will have been lost by the end of last week.

During the first week of the strike most steel consumers were unaffected by lack of steel production because of inventories and because of steel already on the way to their plants. A week ago the number of steel users affected was slightly larger but had by no means reached serious proportions. It is expected, "The Iron Age" points out, that the real pinch in steel supplies will come after the steel strike goes into its third week with far more serious repercussions if it lasts four weeks or longer.

The American Iron and Steel Institute announced on Monday of this week the opening rate of steel companies having 94% of the steel capacity of the industry will be 5.8% of capacity for the week beginning Feb. 4, compared with 5.7% one week ago, 82.0% one month ago and 87.9% one year ago. This represents an increase of 0.1 point or 1.7% from that of the previous week.

This week's operating rate is equivalent to 106,200 tons of steel ingots and castings and compares with 104,400 tons one week ago, 1,502,000 tons one month ago and 1,610,800 tons one year ago.

Electric Production—The Edison Electric Institute reports that the output of electricity increased to 4,034,365,000 kwh. (revised figure) in the week ended Jan. 26, 1946, from 4,145,116,000 kwh. in the preceding week. Output for the week ended Jan. 26, 1946, however, was 11.9% below that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports System output of 200,300,000 kwh. in the week ended Jan. 27, 1946, comparing with 200,600,000 kwh. for the corresponding week of 1945, or a decrease of 0.2%. Local distribution of electricity amounted to 193,200,000 kwh., compared with 186,700,000 kwh. for the corresponding week of last year, an increase of 3.5%.

Railroad Freight Loadings—Carloadings of revenue freight for the week ended Jan. 26, 1946, total 709,130 cars, the Association of American Railroads announced. This was a decrease of 40,345 cars (or 5.4%) below the preceding week and 50,495 cars, or 6.6% below the corresponding week of 1945. Compared with the similar period of 1944, a decrease of 101,760 cars, or 12.5%, is shown.

Paper and Paperboard Production—Paper production in the United States for the week ending Jan. 26 was 94.5% of mill capacity, against 94.4% in the preceding week and 88.4% in the like 1945 week, according to the American Paper & Pulp Association. Paperboard output for the current week was 94%, compared with 93% in the preceding week and 95% in the like 1945 week.

Business Failures Higher—Rising for the third consecutive week, commercial and industrial failures in the week ending Jan. 31 were not only more numerous than in any other week of 1946 to date but also were higher than in any week of 1945. Concerns failing numbered 31, as compared with 24 in the previous week and 16 in the corresponding week of last year.

Two Canadian failures were reported as compared with 4 in the previous week and 5 in the corresponding week of last year.

Wholesale Commodity Price Index—Commodity prices again moved upward last week, reflecting a slight improvement noted in

the labor situation and renewed talk of inflation. The daily wholesale commodity price index, compiled by Dun & Bradstreet, Inc., reached a new post-war peak of 183.85 on Monday, closing at 183.80 on Jan. 29. This contrasted with 183.38 a week earlier and with 175.22 on the corresponding 1945 date.

Activity in grain markets increased somewhat last week. All futures deliveries of wheat sold at maximum ceiling levels, reflecting the extreme tightness of cash wheat supplies and the persistent demand for wheat and flour from both domestic and foreign sources. With the rapid disappearance of wheat during the past six months, the carryover at the end of the season is expected to be much smaller than earlier anticipated. Oats were in more liberal supply and demand and sales increased due to the shortage of cash corn and barley. Strong demand for rye sent prices to new high ground since July, 1920. Flour export inquiries continued active but offerings remained limited. Many reported a substantial reduction in backlogs during the past few weeks. Hog prices held steady under good demand. Receipts during the week exceeded those of a year ago despite strike conditions. Trading in cash lard was slower last week due to curtailed production.

Cotton markets were active last week with prices rising to the highest levels in over 20 years. The New York spot quotation advanced to 26.17 cents as against 22.01 a year ago. Buying was stimulated to a large extent by the OPA announcement that the proposed ceiling of 24.09 cents on the 1946 crop was the minimum ceiling that might be imposed, and not a maximum. Cotton ginnings continued to lag and were reported at 8,027,000 bales by Jan. 16, or about 90% of the indicated crop of 8,960,000 bales. This compared with 1,114,000 bales, or 94%, ginned to approximately the same date last year. Cotton consumed in December, according to the Census Bureau, was placed at 651,784 bales, compared with 758,809 in December, 1944. Trade volume in carded gray cotton goods was moderate with activity centered mostly in print cloths and sheetings. Textile production generally was said to be still hindered by lack of adequate ceilings on cotton goods and continued labor shortages.

Volume of trade in domestic wools in the Boston market last week was restricted by limited supplies of desired types. The possibility of a strike of wool textile workers, also, contributed towards the contraction of buying. Demand for fine spot foreign wools remained strong. Strikes and delayed allocations in Australia, however, coupled with drought and limitations of types on the Cape made it difficult to satisfy demand. Census Bureau figures showed consumption of apparel wools in October to be 81,190,000 pounds, greasy basis, of which more than 90% was of foreign origin. The monthly average of consumption for the third quarter of 1945 was 72,000,000 pounds.

Wholesale Food Price Index Unchanged—The wholesale food price index, compiled by Dun & Bradstreet, Inc., for Jan. 29 held steady at the previous week's figure of 4.12. This was 0.7% above last year's level of \$4.09 and 2.2% higher than the \$4.03 recorded two years ago. Commodities showing advances during the week were rye, potatoes, sheep and lambs. Declines were listed for eggs and steers. The index represents the sum total of the price per pound of 31 foods in general use.

Wholesale and Retail Trade—Retail volume this week for the country at large remained about even with last week and was slightly over a year ago, Dun & Bradstreet, Inc., reports in its current survey of trade. Several cities reported volume below a year ago. There was an increase noted in credit sales generally.

Buying of spring styles lifted volume in apparel and accessories this week; dresses, scarfs and gilets were popular. Cotton dresses were in heavy demand. Sportswear, beachwear and junior departments were very active. Flowered and half hats were often purchased. Suit volume was over a year ago and gabardine continued as a favored fabric. Women's and men's shoe volume increased during the week.

New items aided in lifting volume in housewares. Turnover of available durable goods was rapid as some stores offered electrical cookers. Mark-down sales of substitute household merchandise were held. Volume of hardware, especially heavy hardware, increased somewhat. Furniture volume continued at a high level, exceeding that of a year ago.

Food volume remained high this week and was above that of a week and a year ago. Meat stocks varied throughout the country with supplies of some stores adequate. Housekeepers continued to buy a large volume of canned goods. Cabbage, celery and kale were reported plentiful. Demand for dehydrated soups continued to rise. Retail liquor, soft drinks and bakery volume increased over the previous week.

Retail volume for the country was estimated to be from 5 to 9% over a year ago. Regional percentage increases were: New England, 6 to 9; East, 8 to 12; Middle West, 4 to 7; Northwest, 7 to 11; South, 3 to 6; Southwest, 0 to 4, and Pacific Coast, 5 to 9.

Wholesale volume this week continued unchanged from last week and was slightly above the comparable week a year ago. Stocks of most merchandise remained limited and deliveries generally were uncertain and small.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended Jan. 26, 1946, increased by 17% above the same period of last year. This compared with an increase of 19% in the preceding week. For the four weeks ended Jan. 26, 1946, sales increased by 11%.

The pace of retail trade here in New York the past week continued very active with average gains estimated at 20% above the like week of last year. Shortages of merchandise continued to have the effect of holding down volume. Some improvement in inventories of men's and women's apparel was reported, however; stocks are much below the levels needed to fill present requirements. Housefurnishings and appliance departments were under heavy pressure as a result of strong demands. Food sales continued steady the past week.

Heavy requests for scarce lines also featured the wholesale market with men's apparel and all types of women's hosiery especially in demand. The widespread shortage of stockings has made retailers anxious to purchase rayon and cotton hosiery as they were nylons in past weeks.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Jan. 26, 1946, increased 27% above the same period last year. This compared with an increase of 30% in the preceding week. For the four weeks ended Jan. 26, 1946, sales rose by 19%.

Woody'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) and MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices). Tables showing bond prices and yields for various categories from 1946 to 1944.

Electric Output for Week Ended Feb. 2, 1946 12.3% Below That for Same Week a Year Ago

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 Feb. 2, 1946, was approximately 3,980,000,000 kwh., which compares with 4,538,552,000 kwh. in the corresponding week a year ago, and 4,034,365,000 kwh. in the week ended Jan. 26, 1946.

PERCENTAGE DECREASE UNDER SAME WEEK LAST YEAR. Table showing percentage decrease for Major Geographical Divisions: New England, Middle Atlantic, Central Industrial, West Central, Southern States, Rocky Mountain, Pacific Coast, and Total United States.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours). Table comparing electricity output for weeks ended from Oct. 6 to Dec. 29, 1945, with 1944 and 1943 data.

Mutual Savs. Deposits Increased in 1945

Record totals in amounts of deposits and number of depositors are shown in the annual reports of the National Association of Mutual Savings Banks, issued on Feb. 1. As of Jan. 1, 1946, total deposits in the mutual savings banks of the country reached \$15,332,202,146, representing an increase of \$2,000,391,516 over a year ago.

Total assets kept pace with deposits and now amount to \$17,013,451,176, an increase during 1945 of \$2,200,799,979. The number of mutual depositors increased by 581,533 during the year, making a record total of 16,902,762 accounts.

National Fertilizer Association Commodity Price Index Advances

The weekly wholesale commodity price index compiled by The National Fertilizer Association and made public on Feb. 4, advanced in the week ended Feb. 2, 1946 to 142.0, from 141.8 in the preceding week.

Two of the composite groups of the index advanced during the latest week and two declined. The fuel index advanced due to higher prices for anthracite coal. The textile index advanced fractionally. The farm products group declined slightly.

During the week 9 price series in the index advanced and 2 declined; in the preceding week 5 advanced and 6 declined; in the second preceding week 7 advanced and the same number declined.

WEEKLY WHOLESALE COMMODITY PRICE INDEX. Table showing price index for various commodity groups (Foods, Cotton, Grains, Livestock, Fuels, etc.) from Feb. 2, 1946, to Feb. 3, 1945.

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices). Table showing bond yield averages for various categories from 1946 to 1944.

Lie to Accept UNO Post

Norway's Trygve Lie flew to London on Jan. 30 to be available for his new post of Secretary General of the United Nations Organization if his unanimous nomination by the Security Council is confirmed by the General Assembly of the UNO.

"Mr. Lie was selected as a compromise candidate for the \$20,000-a-year post after a session of delegates of the five principal powers in the hotel room of the American representative, Edward R. Stettinius, Jr., last night.

"Lie, a 50-year-old lawyer and diplomat, was Moscow's candidate for President of the UNO, but lost to Paul-Henri Spaak, the Foreign Minister of Belgium.

Registered Mail in Far East

According to information received on Jan. 30 by Postmaster Albert Goldman from the Post Office Department at Washington, effective at once, regular (Postal Union) mail for Brunei, Burma, French Indo-China, Hong Kong, Macao, Malay States (Federated and Nonfederated), North Borneo, Sarawak, Siam, and Straits Settlements may be registered upon payment of the 20-cent fee.

Moody's Daily Commodity Index

Table showing Moody's Daily Commodity Index for various days from Tuesday, Jan. 29, 1946, to Low, Jan. 28, 1946.

NOTE—The list used in compiling the averages was given in the Nov. 22, 1945 issue of the "Chronicle" on page 2508.

Trading on New York Exchanges

The Securities and Exchange Commission made public on Jan. 30 1946, 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 Jan. 12, 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 Jan. 12 (in round-lot transactions) totaled 4,221,146 shares, which amount was 15.59% of the total transactions on the Exchange of 13,541,850 shares. This compares with member trading during the week ended Jan. 5 of 1,179,789 shares, or 16.42% of the total trading of 5,480,400 shares. On the New York Curb Exchange, member trading during the week ended Jan. 12, amounted to 1,127,430 shares or 14.77% of the total volume on that Exchange of 3,816,265 shares. During the week ended Jan. 5 trading for the account of Curb members of 555,635 shares was 27.66% of the total trading of 2,006,465 shares.

Total Round-Lot Stock Sales on the New York Stock Exchange and Round-Lot Stock Transactions for Account of Members* (Shares)
WEEK ENDED JAN. 12, 1946

A. Total Round-Lot Sales:	Total for Week	%
Short sales.....	514,910	
†Other sales.....	13,026,940	
Total sales.....	13,541,850	
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	1,191,540	
Short sales.....	210,500	
†Other sales.....	1,085,010	
Total sales.....	1,295,510	9.18
2. Other transactions initiated on the floor—		
Total purchases.....	257,530	
Short sales.....	13,600	
†Other sales.....	237,020	
Total sales.....	250,620	1.88
3. Other transactions initiated off the floor—		
Total purchases.....	485,732	
Short sales.....	62,090	
†Other sales.....	678,324	
Total sales.....	740,414	4.53
4. Total—		
Total purchases.....	1,934,602	
Short sales.....	286,190	
†Other sales.....	2,060,354	
Total sales.....	2,286,544	15.59

Total Round-Lot Stock Sales on the New York Curb Exchange and Stock Transactions for Account of Members* (Shares)
WEEK ENDED JAN. 12, 1946

A. Total Round-Lot Sales:	Total for Week	%
Short sales.....	55,270	
†Other sales.....	3,760,995	
Total sales.....	3,816,265	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	399,655	
Short sales.....	36,245	
†Other sales.....	325,500	
Total sales.....	362,145	9.98
2. Other transactions initiated on the floor—		
Total purchases.....	40,165	
Short sales.....	5,100	
†Other sales.....	59,890	
Total sales.....	64,990	1.38
3. Other transactions initiated off the floor—		
Total purchases.....	114,145	
Short sales.....	8,075	
†Other sales.....	138,255	
Total sales.....	143,330	3.41
4. Total—		
Total purchases.....	553,965	
Short sales.....	49,420	
†Other sales.....	524,045	
Total sales.....	573,465	14.77
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales.....	0	
†Customers' other sales.....	144,885	
Total purchases.....	144,885	
Total sales.....	144,885	

*The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners, compared with twice the total round-lot volume on the Exchange for the reason that the Exchange volume includes only sales.
†In calculating these percentages the total of members' purchases and sales is
‡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."

Civil Engineering Construction Totals \$70,197,000 for Week

Civil engineering construction volume in continental United States totals \$70,197,000 for the week ending Jan. 31, 1946, as reported to "Engineering News-Record." This volume while 31% below the previous week is 144% greater than the week last year, and 8% below the previous four-week moving average of \$76,245,000. The report made public on Jan. 31, added:

Private construction is 18% below the previous week, but is 610% above the corresponding week of 1945. Public construction is 53% below last week and 17% below the week last year. State and municipal construction gained 3% over last week and 516% over the week of last year. Federal construction continued to drop and is 86% below the previous week and 82% below the week last year.

The five-week cumulative figures show the total for 1946, \$348,277,000, 198% greater than the total for a like period of 1945, as the private construction total for 1946, \$237,463,000, recorded a 497% increase over 1944. The cumulative total for state and municipal construction in 1946, 315% over 1945, more than offset the 33% drop in

federal work and resulted in a 43% increase in public construction over the five-week period of 1945.

Civil engineering construction volume for the current week, last week and the 1945 week are:

	Jan. 31, '46	Jan. 24, '46	Feb. 1, '45
Total U. S. Construction.....	\$70,197,000	\$101,433,000	\$28,716,000
Private Construction.....	52,555,000	64,234,000	7,403,000
Public Construction.....	17,642,000	37,199,000	21,313,000
State and Municipal.....	14,285,000	13,835,000	2,317,000
Federal.....	3,357,000	23,364,000	18,996,000

In the classified construction groups, four of the nine classes recorded gains this week over last week as follows: sewerage, bridges, highways and public buildings. Six of the nine classes gained over the week last year as follows: waterworks, bridges, highways, earth-work and drainage, industrial buildings and commercial buildings.

New Capital

New capital for construction purposes this week totals \$16,008,000 and is made up of \$8,008,000 in state and municipal bond sales and \$8,000,000 in corporate security issues. The current week's new financing brings the 1946 cumulative total for five weeks to \$250,786,000, 35% greater than the amount reported for a like period of 1945.

Weekly Coal and Coke Production Statistics

The total production of bituminous coal and lignite in the week ended Jan. 26, 1946, as estimated by the United States Bureau of Mines, amounted to 12,250,000 net tons, a decrease of 614,000 tons, or 4.8%, from the preceding week. Output in the corresponding week of 1945 was 11,680,000 tons. For the year to Jan. 26, 1946, soft coal production was estimated at 45,294,000 net tons, a decrease of 2.3% when compared with the 46,365,000 tons produced from Jan. 1 to Jan. 27, 1945.

Production of Pennsylvania anthracite for the week ended Jan. 26, 1946, as estimated by the Bureau of Mines, was 1,213,000 tons, an increase of 83,000 tons (7.3%) over the preceding week. When compared with the output in the corresponding week of 1945 there was an increase of 263,000 tons, or 27.7%. For the calendar year to date, anthracite production amounted to 4,153,000 tons, an increase of 8.4% over the 3,831,000 tons produced in the corresponding period of 1945.

The Bureau also reported that the estimated production of beehive coke in the United States for the week ended Jan. 26, 1946 showed a decrease of 17,400 tons when compared with the output for the week ended Jan. 19, 1946; and was 20,800 tons less than for the corresponding week of 1945.

ESTIMATED UNITED STATES PRODUCTION OF BITUMINOUS COAL AND LIGNITE (In Net Tons)

	Week Ended			Jan. 1 to Date	
	Jan. 26, 1946	Jan. 19, 1946	Jan. 27, 1945	Jan. 26, 1946	Jan. 27, 1945
Bituminous coal & lignite.....	12,250,000	12,864,000	11,680,000	45,294,000	46,365,000
Total, including mine fuel.....	2,042,000	2,144,000	1,947,000	2,050,000	1,965,000
Daily average.....	213,390	214,880	193,635	762,852	769,978
Number of cars loaded, f.o.b. mines.....					

*Revised. †Subject to current adjustment.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE (In Net Tons)

	Week Ended			Calendar Year to Date		
	Jan. 26, 1946	Jan. 19, 1946	Jan. 27, 1945	Jan. 26, 1946	Jan. 27, 1945	Jan. 30, 1937
Penn. Anthracite.....	1,213,000	1,130,000	950,000	4,153,000	3,831,000	4,236,000
Total incl. coll. fuel.....	1,164,000	1,085,000	912,000	3,386,000	3,678,000	4,024,000
Commercial Prod. Beehive coke.....						
United States total.....	74,600	92,000	95,400	325,500	383,600	272,700

*Includes washery and dregge coal and coal shipped by truck from authorized operations. †Excludes colliery coal. ‡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.)

	Week Ended		
	Jan. 19, 1946	Jan. 12, 1946	Jan. 20, 1945
State—			
Alabama.....	373,000	356,000	376,000
Alaska.....	6,000	6,000	7,000
Arkansas and Oklahoma.....	105,000	92,000	107,000
Colorado.....	160,000	168,000	171,000
Georgia and North Carolina.....	1,000	1,000	1,000
Illinois.....	1,564,000	1,477,000	1,495,000
Indiana.....	570,000	536,000	578,000
Iowa.....	45,000	46,000	63,000
Kansas and Missouri.....	114,000	98,000	176,000
Kentucky—Eastern.....	1,076,000	772,000	1,030,000
Kentucky—Western.....	442,000	382,000	354,000
Maryland.....	55,000	37,000	36,000
Michigan.....	3,000	3,000	2,000
Montana (bitum. & lignite).....	80,000	91,000	110,000
New Mexico.....	30,000	32,000	35,000
North & South Dakota (lignite).....	98,000	77,000	79,000
Ohio.....	833,000	720,000	670,000
Pennsylvania (bituminous).....	3,064,000	2,660,000	2,715,000
Tennessee.....	134,000	126,000	143,000
Texas (bituminous & lignite).....	2,000	2,000	4,000
Utah.....	150,000	145,000	140,000
Virginia.....	376,000	307,000	385,000
Washington.....	30,000	31,000	35,000
West Virginia—Southern.....	2,240,000	2,201,000	2,145,000
West Virginia—Northern.....	1,090,000	1,017,000	888,000
Wyoming.....	221,000	215,000	214,000
Other Western States.....	2,000	1,000	1,000
Total bituminous & lignite.....	12,864,000	11,600,000	11,960,000

*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.

Fairchild Index Shows Advance in Retail Prices in December

For the first time in months retail prices based on the Fairchild Publications Retail Price Index advanced in December. The index showed a fractional increase of 0.1% during the month as compared with November and an increase of 0.2% as compared with the corresponding period a year ago. The gain during the month was due to fractional advances in sheets, furs, shirts and neckwear.

The Fairchild report issued Jan. 17 continued: The increase in the index as compared with a year ago has been due to the gain in women's apparel and home furnishings. Men's apparel and infants' wear showed fractional declines. The increase, as compared with the

immediate period preceding the outbreak of the war, has been marked in piece goods, women's apparel and home furnishings.

An analysis of the individual commodities contained in the Index shows some very sharp advances as compared with the period immediately preceding the outbreak of the war. The greatest gains were recorded in silk piece goods, cotton wash goods, sheets and pillow cases, blankets, women's aprons and house dresses, furs, floor coverings and furniture. The smallest advances were recorded in women's hosiery, corsets and brassieres, women's underwear, and men's shoes, infants' clothing, underwear and shoes as well as in electrical appliances and china.

The fractional decline in the Index of aprons and house dresses during December must be explained by pre-ticketing. Pre-ticketing means a lower margin and thus a lower selling price to the consumer. Its effect may have a marked influence on post war merchandising of those items which take pre-ticketing.

According to A. W. Zelomek, Economist under whose supervision the Index is compiled, retail prices for the rest of the year should tend higher, although the gain will be slight. This will be due to the advance to be recorded at wholesale, most of which will be passed at retail.

Distribution to Mexican Bondholders Recommended

The International Committee of Bankers on Mexico is notifying bondholders and all other parties interested in the funds held by the committee that the Referees have filed their report approving the committee's amounts and recommending a present distribution to bondholders of \$4,702,028.35. The report is available for inspection at the office of the committee, 14 Wall Street, at Continental Illinois National Bank & Trust Co. of Chicago, and at offices in various cities abroad. The committee will apply to the New York Supreme Court on March 4 for a decree confirming the Referees' report.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Jan. 30, a summary for the week ended Jan. 19 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 Jan. 19, 1946	
Odd-Lot Sales by Dealers—	Total
(Customers' purchases)	For Week
Number of orders.....	62,676
Number of shares.....	1,874,133
Dollar value.....	\$74,875,115
Odd-Lot Purchases by Dealers—	
(Customers' sales)	
Number of Orders:	
Customers' short sales.....	183
Customers' other sales.....	53,552
Customers' total sales.....	53,735
Number of Shares:	
Customers' short sales.....	5,948
Customers' other sales.....	1,538,023
Customers' total sales.....	1,543,971
Dollar value.....	\$63,058,396

Round-Lot Sales by Dealers—	
Number of Shares:	Total
short sales.....	140
†Other sales.....	279,900
Total sales.....	280,040
Round-Lot Purchases by Dealers—	
Number of Shares.....	
Number of shares.....	590,880
*Sales marked "short exempt" are reported with "other sales." †Sales to offset customers' odd-lot orders and sales to liquidate a long position which is less than a round lot are reported with "other sales."	

Daily Average Crude Oil Production for Week Ended Jan. 26, 1946 Increased 20,350 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Jan. 26, 1946 was 4,626,300 barrels, an increase of 20,350 barrels per day over the preceding week and 126,300 barrels in excess of the daily average figure of 4,500,000 barrels estimated by the United States Bureau of Mines as the requirements for the month of January, 1946.

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,553,000 barrels of crude oil daily and produced 13,622,000 barrels of gasoline; 2,195,000 barrels of kerosine; 5,720,000 barrels of distillate fuel, and 8,411,000 barrels of residual fuel oil during the week ended Jan. 26, 1946; and had in storage at the end of that week 101,737,000 barrels of finished and unfinished gasoline; 8,759,000 barrels of kerosine; 29,498,000 barrels of distillate fuel, and 39,722,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

Table with columns: State, B. of M. Calculated Requirements, State Allowables, Actual Production, Change from Previous Week, 4 Weeks Ended, Week Ended. Rows include Oklahoma, Kansas, Nebraska, Texas, Louisiana, Arkansas, Mississippi, Alabama, Florida, Illinois, Indiana, Kentucky, Michigan, Wyoming, Montana, Colorado, New Mexico, and Total United States.

*These are Bureau of Mines calculations of the requirements of domestic crude oil (after deductions of condensate and natural gas derivatives) based upon certain premises outlined in its detailed forecast for the month of January. As requirements may be supplied either from stocks or from new production, contemplated withdrawals from crude oil inventories must be deducted from the Bureau's estimated requirements to determine the amount of new crude to be produced.

†This is the net basic allowable as of Jan. 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 1 to 12 days, the entire state was ordered shut down for 5 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 5 days shutdown time during the calendar month.

‡Recommendation of Conservation Committee of California Oil Producers. CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, KEROSENE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED JAN. 26, 1946

Table with columns: District, % Daily Report, Crude Runs, Gasoline to Still, Product'n and Stocks, % of Gasoline, % of Kerosine, % of Fuel Oil, % of Residual. Rows include East Coast, Appalachian, District No. 1, District No. 2, Ind., Ill., Ky., Okla., Kan., Mo., Texas, Texas Gulf Coast, Louisiana Gulf Coast, No. La. & Arkansas, Rocky Mountain, District No. 3, District No. 4, California.

*Includes 8,604,000 barrels of unfinished gasoline stocks. †Includes 12,611,000 barrels of unfinished gasoline stocks. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 2,195,000 barrels of kerosine, 5,720,000 barrels of gas oil and distillate fuel oil and 8,411,000 barrels of residual fuel oil produced during the week ended Jan. 26, 1946, which compares with 2,198,000 barrels, 5,295,000 barrels and 8,563,000 barrels, respectively, in the preceding week and 1,639,000 barrels, 4,864,000 barrels and 9,528,000 barrels, respectively, in the week ended Jan. 27, 1945.

Wholesale Prices Up 0.1% in Week Ended Jan. 26, Labor Department Reports

"Primary market prices averaged slightly higher (0.1%) during the week ended Jan. 26, 1946," according to the Bureau of Labor Statistics, U. S. Department of Labor. At 106.8% of the 1926 average, 0.2% below the peak level of four weeks ago, the index of commodity prices prepared by the Bureau of Labor Statistics, U. S. Department of Labor, was 2.0% above the corresponding week of 1945, says the Bureau in its advices of Jan. 31, which continued:

"Farm Products and Foods—Average prices for farm products advanced 0.5% during the week chiefly because of higher quotations for livestock and poultry. Prices of most grades of cattle and sheep increased as the result of reduced receipts following the strike of workers in large meat packing plants, and live poultry was higher in New York and Chicago. Grains were slightly higher on the average with rye quotations reaching a 25 year peak in a speculative market, and wheat prices up fractionally. Oats were slightly lower. Cotton quotations advanced more than 2% on speculative buying and the expectation of renewed Congressional action to revise the parity formula. Eggs prices dropped more than seasonally in most cities with increased supply. Prices of lemons declined seasonally while oranges were higher with better quality offerings. White potatoes were lower in Eastern markets because of poor demand for the old crop. Onions and sweetpotatoes increased while prices of apples declined. The group index for farm products was 2.1% below a month ago and 3.3% higher than a year ago.

"Average prices of foods increased 0.5% as substantially higher asking prices for rye flour and higher prices for fresh fruits and vegetables more than offset the declines for eggs. Foods were 2.5% lower than late December 1945 and 2.3% above late January, 1945.

"Other Commodities—Average prices for all commodities other than farm products and foods rose 0.1% during the week to a new peak 0.3% above a month ago and 1.6% higher than late January, 1945. Prices of window glass advanced following upward adjustments of manufacturers' ceilings by OPA and cement was fractionally higher. Quotations for mercury were lower. Competitive price reductions were reported for natural gasoline, tartaric acid and cream of tartar."

The following tables show (1) indexes for the past three weeks, for Dec. 29, 1945 and Jan. 27, 1946 and (2) percentage changes in subgroup indexes from Jan. 19, 1946 to Jan. 26, 1946.

WHOLESALE PRICES FOR WEEK ENDED JAN. 26, 1946 (1926=100)

Table with columns: Commodity group, 1-26, 1-19, 1-12, 12-29, 1-27, 1-19, 1-12, 12-29, 1-27. Rows include All commodities, Farm products, Foods, Hides and leather products, Textile products, Fuel and lighting materials, Metals and metal products, Building materials, Chemicals and allied products, Housefurnishing goods, Miscellaneous commodities, Raw materials, Semi-manufactured articles, Manufactured products, All commodities other than farm products, All commodities other than farm products and foods.

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM JAN. 19, 1946 TO JAN. 26, 1946

Table with columns: Group, Increase, Decrease. Rows include Livestock and Poultry, Iron and Steel, Fruits and Vegetables, Grains, Other Foods, Drugs and Pharmaceuticals, Chemicals, Other Building Materials, Cement, Cereal Products, Other Farm Products, Petroleum and Products.

Non-Ferrous Metals—Foreign Copper Buying Resumed by Government—Cadmium Use Limited

"E. & M. J. Metal and Mineral Markets," in its issue of Jan. 31, stated: "Though the strike situation in various sections of the non-ferrous metals industry failed to improve during the last week, the fact that the Government is making a strong drive to end the stoppage of work at the steel plants made most observers feel hopeful that a general settlement of the labor difficulties is not far off. It was stated officially that buying of foreign copper by Metals Reserve is being resumed. The expected limitation order on cadmium was issued by CPA, effective Feb. 1. There were no new developments in the lead situation, with consumers disturbed because of shrinking supplies." The publication further went on to say in part as follows:

Copper

The Reconstruction Finance Corporation announced Jan. 29 that the Office of Metals Reserve is renewing its purchases of foreign copper. At the recommendation of the Civilian Production Administration, the buying program involves 20,000 tons a month over the first half of 1946. It was stated that this tonnage is in addition to commitments presently outstanding. The purchase price was not disclosed. The statistics of the fabricating division of the copper industry in-

Lead

In the absence of official word from authorities in Washington on the recent proposals by members of the industry to raise the price of lead, the trade last week just about concluded that the suggestions will not be recognized until the supply situation becomes more acute. The Government is ready to purchase foreign lead at the so-called world price of 7c. With the strike in Mexico still in progress, metal from that source is being offered sparingly. Sales of lead in the domestic

market last week totaled 6,682 tons.

Production of lead at refineries operating in the United States came to 45,399 tons in December, making the total for last year 524,328 tons. Production totaled 538,618 tons in 1944 and 546,673 tons in 1943.

Zinc

Demand for Special High Grade continues active, and some producers are sold up so far as February metal is concerned. Others, however, were in a position to take on additional business. Prime Western has suffered a little recently because of the steel strike.

The British Ministry of Supply has purchased Special High Grade from Canadian producers at the equivalent of 9c per pound, delivered. This has improved the outlook for zinc in the Canadian market.

Work stoppage at three plants of the American Zinc, Lead & Smelting Co. ended Jan. 26. Workers were granted a wage increase of 12 1/2c an hour, and operations were resumed at Fairmont City and Hillsboro, Ill., and at Columbus, Ohio. Production at the company's electrolytic zinc refinery at Monsanto, Ill., was resumed earlier in the month.

Cadmium

Effective Feb. 1, 1946, manufacturers will be permitted to use 90% of the amount of cadmium they used in 1941, CPA rules. Revised inventory restrictions now limit consumers to a 30-day reserve supply instead of 45 days, as formerly. Restrictions on use are contained in Order M-389. Inventory restrictions were imposed under Priorities Regulation 32, Table 1.

Tin

A small shipment (14 tons) of tin arrived from Batavia last week. Though additional shipments are expected from time to time, an easing of the supply situation is unlikely until production is resumed later this year. Stocks of tin found in the Far East are being distributed by the Tin Committee of the Combined Materials Board.

The Currency and Banking Committee of the House has reported favorably on maintaining production at the Texas City smelter and extending contracts for the purchase of tin concentrates. Existing contracts expire June 30, 1946.

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

Table with columns: Date, Feb., March, April. Rows include Jan. 24, Jan. 25, Jan. 26, Jan. 28, Jan. 29, Jan. 30.

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

Quicksilver

The mercury oxide battery, also known as the "tropical dry cell," is in commercial production, according to an announcement by the P. R. Mallory Co., Indianapolis, last week. First application in the peacetime market is in the production of hearing aids. Several manufacturers of portable radio sets are experimenting with the mercury oxide battery, it was revealed. Makers hope to expand the market for the new cell until it accounts for 10% to 15% of the total dry-cell business.

The position of the market was unchanged last week. There was no pressure to sell and sales of moderate quantities sufficed to steady quotations at \$103 to \$106 per flask.

Silver

Senator McCarran, of Nevada, informed those attending the recent meeting of the Colorado Mining Association that he and other Western Senators would filibuster if necessary to defeat such legislation as the Green bill.

The New York Official for foreign silver was unchanged at 70 3/4c an ounce troy. London was steady at 44d all week.

Revenue Freight Car Loadings During Week Ended Jan. 26, 1946, Decreased 40,345 Cars

Loading of revenue freight for the week ended Jan. 26, 1946 totaled 709,130 cars. The Association of American Railroads announced on Jan. 31. This was a decrease below the corresponding week of 1945 of 50,495 cars, or 6.6%, and a decrease below the same week in 1944 of 101,760 cars or 12.5%.

Loading of revenue freight for the week of Jan. 26, decreased 40,345 cars, or 5.4% below the preceding week.

Miscellaneous freight loading totaled 290,353 cars, a decrease of 38,615 cars below the preceding week, and a decrease of 82,228 cars below the corresponding week in 1945.

Loading of merchandise less than carload lot freight totaled 116,811 cars, a decrease of 578 cars below the preceding week, but an increase of 20,373 cars above the corresponding week in 1945.

Coal loading amounted to 184,046 cars, a decrease of 679 cars below the preceding week, but an increase of 18,597 cars above the corresponding week in 1945.

Grain and grain products loading totaled 53,868 cars, a decrease of 1,057 cars below the preceding week but an increase of 10,112 cars above the corresponding week in 1945. In the Western Districts alone, grain and grain products loading for the week of Jan. 26 totaled 35,819 cars, a decrease of 780 cars below the preceding week but an increase of 6,191 cars above the corresponding week in 1945.

Livestock loading amounted to 14,940 cars, an increase of 3,913 cars above the preceding week and an increase of 332 cars above the corresponding week in 1945. In the Western Districts alone loading of livestock for the week of Jan. 26 totaled 10,761 cars, an increase of 2,990 cars above the preceding week, and an increase of 135 cars above the corresponding week in 1945.

Forest products loading totaled 35,589 cars, an increase of 2,519 cars above the preceding week, but a decrease of 5,183 cars below the corresponding week in 1945.

Ore loading amounted to 6,078 cars, a decrease of 3,222 cars below the preceding week and a decrease of 5,551 cars below the corresponding week in 1945.

Coke loading amounted to 7,445 cars, a decrease of 2,626 cars below the preceding week, and a decrease of 6,947 cars below the corresponding week in 1945.

All districts reported decreases compared with the corresponding week in 1945 except the Eastern, Pocahontas, and Southern and all reported decreases compared with 1944, except the Pocahontas.

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Jan. 26, 1946. During this period 62 roads reported gains over the week ended Jan. 27, 1945.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED JAN. 26

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1946	1945	1944	1946	1945	1944
Eastern District—						
Ann Arbor	341	294	250	1,650	1,486	380
Bangor & Aroostook	2,691	2,494	2,713	393	380	21,817
Boston & Maine	6,984	6,077	6,841	12,961	12,917	2,336
Chicago, Indianapolis & Louisville	1,166	1,201	1,410	1,893	2,336	47
Central Indiana	43	38	43	52	2,228	47
Central Vermont	1,133	972	1,098	2,251	12,104	12,104
Delaware & Hudson	4,095	4,228	5,691	10,618	8,361	3,361
Delaware, Lackawanna & Western	7,253	6,550	7,593	8,840	1,715	2,356
Detroit & Mackinac	233	189	162	194	118	118
Detroit & Ironton	2,006	1,694	2,198	1,715	3,946	3,946
Detroit, Toledo & Ironton	308	380	363	3,228	16,902	16,902
Detroit & Toledo Shore Line	10,490	11,215	12,486	14,228	10,349	10,349
Erie	2,963	4,063	3,694	5,578	3,052	3,052
Grand Trunk Western	152	128	172	2,352	1,477	1,409
Lehigh & Hudson River	1,716	1,466	1,861	1,715	10,545	10,545
Lehigh & New England	8,064	6,593	8,948	7,510	4,583	3,977
Lehigh Valley	2,232	2,315	2,525	2,525	250	342
Maine Central	6,730	3,626	6,516	483	17	20
Monongahela	2,631	2,163	2,643	17	20	20
Montour	41,358	41,857	48,451	48,913	48,712	48,712
New York Central Lines	10,337	9,014	10,118	13,943	15,959	15,959
N. Y., N. H. & Hartford	617	650	981	2,410	2,976	2,976
New York, Ontario & Western	4,867	5,991	6,706	12,716	15,435	15,435
New York, Chicago & St. Louis	454	423	637	1,852	2,074	2,074
N. Y., Susquehanna & Western	2,651	6,696	8,114	7,142	6,706	6,706
Pittsburgh & Lake Erie	4,777	4,638	4,607	6,872	8,735	8,735
Pere Marquette	940	801	899	16	9	232
Pittsburgh & Shawmut	227	222	383	251	298	298
Pittsburgh, Shawmut & North	822	772	1,166	1,319	754	754
Pittsburgh & West Virginia	353	306	385	1,220	13,063	13,063
Rutland	5,733	5,664	6,567	11,903	5,443	5,443
Wabash	3,474	5,450	4,932	2,903		
Wheeling & Lake Erie						
Total	133,640	138,459	161,135	194,358	215,860	

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Jan. 26, 1946. During this period 62 roads reported gains over the week ended Jan. 27, 1945.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED JAN. 26

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1946	1945	1944	1946	1945	1944
Allegany District—						
Akron, Canton & Youngstown	486	892	798	1,243	1,697	1,697
Baltimore & Ohio	35,362	38,671	43,097	22,627	29,723	29,723
Bessemer & Lake Erie	872	2,082	2,975	832	1,419	1,419
Cambria & Indiana	1,603	965	1,902	10	8	8
Central R. R. of New Jersey	5,524	5,856	6,567	16,161	19,168	19,168
Cornwall	4	348	624	42	40	40
Cumberland & Pennsylvania	245	100	161	6	26	26
Ligonier Valley	32	187	236	6	8	8
Long Island	1,471	1,668	1,651	1,949	2,316	2,316
Penn-Reading Seashore Lines	82,973	69,687	79,240	51,850	63,431	63,431
Pennsylvania System	11,833	12,858	14,787	25,087	27,930	27,930
Reading Co.	1,403	18,541	19,812	1,170	3,654	3,654
Union (Pittsburgh)	3,875	3,919	4,294	10,881	14,623	14,623
Western Maryland						
Total	127,464	157,267	177,624	136,199	167,857	
Pocahontas District—						
Chesapeake & Ohio	30,415	29,072	29,474	9,909	13,058	13,058
Norfolk & Western	21,221	21,972	22,818	6,004	10,653	10,653
Virginian	5,423	4,739	4,699	2,540	2,541	2,541
Total	57,059	55,783	56,991	18,453	26,252	

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1946	1945	1944	1946	1945	1944
Southern District—						
Alabama, Tennessee & Northern	375	460	314	247	414	414
Atl. & W. P.—W. R. R. of Ala.	754	782	794	1,821	2,802	2,802
Atlanta, Birmingham & Coast	1	1	784	1	1	1
Atlantic Coast Line	13,973	13,645	13,601	9,996	15,192	15,192
Central of Georgia	4,046	3,512	3,988	4,539	5,985	5,985
Charleston & Western Carolina	353	403	430	1,428	1,873	1,873
Clinchfield	1,806	1,615	1,618	3,394	3,743	3,743
Columbus & Greenville	357	291	299	306	372	372
Durham & Southern	72	120	105	640	933	933
Florida East Coast	3,061	2,956	3,387	1,609	1,501	1,501
Gainesville Midland	69	43	48	136	150	150
Georgia	1,123	936	1,051	2,048	2,781	2,781
Georgia & Florida	461	514	452	775	852	852
Gulf, Mobile & Ohio	4,680	4,631	4,005	4,052	4,343	4,343
Illinois Central System	25,962	26,958	29,322	14,024	17,757	17,757
Louisville & Nashville	26,114	26,903	25,806	9,224	12,671	12,671
Macon, Dublin & Savannah	261	196	161	893	843	843
Mississippi Central	289	271	225	457	537	537
Nashville, Chattanooga & St. L.	2,750	3,122	3,428	3,728	4,993	4,993
Norfolk Southern	1,130	830	965	1,495	1,670	1,670
Piedmont Northern	414	352	435	1,535	1,354	1,354
Richmond, Fred. & Potomac	365	384	452	8,967	10,518	10,518
Seaboard Air Line	10,374	9,946	10,944	7,736	8,504	8,504
Southern System	24,318	23,629	23,758	24,280	26,892	26,892
Tennessee Central	538	561	628	850	892	892
Winston-Salem Southbound	136	145	137	1,060	1,551	1,551
Total	123,781	123,205	127,137	105,240	129,123	
Northwestern District—						
Chicago & North Western	16,212	15,451	15,883	13,415	14,369	14,369
Chicago Great Western	2,473	2,774	2,702	3,175	3,561	3,561
Chicago, Milw., St. P. & Pac.	20,409	21,388	21,847	10,752	11,452	11,452
Chicago, St. Paul, Minn. & Omaha	3,720	3,258	3,842	3,956	3,909	3,909
Duluth, Missabe & Iron Range	1,168	1,227	1,305	313	229	229
Duluth, South Shore & Atlantic	767	642	701	600	638	638
Elgin, Joliet & Eastern	2,559	8,810	8,781	8,740	12,962	12,962
Ft. Dodge, Des Moines & South	458	315	437	124	106	106
Great Northern	11,655	11,403	12,548	4,729	5,341	5,341
Green Bay & Western	492	450	520	1,020	1,019	1,019
Lake Superior & Ishpeming	325	264	309	60	64	64
Minneapolis & St. Louis	2,228	1,906	2,346	2,488	2,497	2,497
Minn., St. Paul & S. S. M.	5,581	4,537	5,690	3,697	3,331	3,331
Northern Pacific	9,679	10,041	10,541	4,771	5,724	5,724
Spokane International	98	160	112	368	566	566
Spokane, Portland & Seattle	2,181	2,318	2,231	2,255	3,778	3,778
Total	80,005	84,944	89,795	60,461	69,546	
Central Western District—						
Atch., Top. & Santa Fe System	23,035	24,080	22,128	9,671	14,892	14,892
Alton	2,660	3,445	3,066	2,975	5,030	5,030
Bingham & Garfield	131	377	466	12	65	65
Chicago, Burlington & Quincy	20,360	19,814	21,027	11,515	12,739	12,739
Chicago & Illinois Midland	3,320	3,231	2,891	751	942	942
Chicago, Rock Island & Pacific	12,427	12,255	12,052	12,038	14,641	14,641
Chicago & Eastern Illinois	2,927	2,785	3,049	2,866	5,483	5,483
Colorado & Southern	640	744	769	1,202	2,083	2,083
Denver & Rio Grande Western	3,100	3,966	3,565	4,341	6,023	6,023
Denver & Salt Lake	788	791	875	50	24	24
Ft. Worth & Denver City	1,011	756	1,007	1,275	1,366	1,366
Illinois Terminal	1,989	2,497	2,317	1,642	2,162	2,162
Missouri-Illinois	792	856	955	537	745	745
Nevada Northern	1,358	1,461	1,821	142	103	103
North Western Pacific	614	697	719	616	1,009	1,009
Peoria & Pekin Union	48	5	16	0	0	0
Southern Pacific (Pacific)	28,311	28,064	29,676	9,638	15,260	15,260
Toledo, Peoria & Western	0	253	595	0	2,253	2,253
Union Pacific System	16,233	17,189	16,224	11,651	16,498	16,498
Utah	929	618	679	3	3	3
Western Pacific	1,948	1,853	1,605	3,338	4,263	4,263
Total	122,621	125,737	125,502	74,263	105,584	
Southwestern District—						
Burlington-Rock Island	315	367	306	505	1,077	1,077
Gulf Coast Lines	5,049	6,830	7,041	2,336	2,821	2,821
International-Great Northern	1,784	2,854	1,			

Items About Banks, Trust Companies

(Continued from page 759)

Mr. Schmeidler was employed by the State Bank of Richmond County in 1920, and in January, 1930, as a result of a merger, he became an Assistant Secretary of Brooklyn Trust Company and remained at its Port Richmond (Staten Island) office for several years. In December, 1938, he was assigned as Regional Officer of branch offices in the shore region of Brooklyn (Coney Island and adjacent areas), an assignment which he still holds. Mr. Viemeister was first employed by the Bank of Coney Island in 1919, and became assistant manager of the Coney Island office of Brooklyn Trust Company in 1928 as a result of a merger. He was later appointed manager of that office, and in 1929 was appointed an Assistant Secretary. In 1933 he was assigned as Regional Officer of branch offices in the shore region, and in 1938 was transferred to the Broadway (Brooklyn) office as Regional Officer in charge of offices in that region. He is a director of the East Brooklyn Savings & Loan Association.

Warren E. Garretson, Comptroller of the Brooklyn Savings Bank of Brooklyn, N. Y., since 1944, was elected Vice-President and Comptroller at the most recent meeting of the Board of Trustees, it was announced on Jan. 24 by Adrian Van Sinderen, President. Mr. Garretson has been associated with the bank since 1913.

Edward A. Baily was elected a trustee of the Brooklyn Savings Bank at the recent meeting of the Board of Trustees, President Van Sinderen announced on Jan. 28. Mr. Baily is Vice-President of the Consolidated Edison Company and a Director of the Brooklyn Chamber of Commerce.

In his report to stockholders at the annual meeting of the County Trust Company at White Plains, N. Y., Andrew Wilson, Jr., President, stated that net current operating earnings for the year 1945, after providing for taxes, amounted to \$273,939, compared with \$200,783 for the year 1944. Additional profits from the sale of securities and other sources amounted to \$218,200, making total profits of \$492,139. Of this amount \$66,376 was paid out in dividends; \$34,700 in interest on debentures; \$135,128 was added to undivided profits and the balance was transferred to various allocated reserves. Deposits on Dec. 31 amounted to \$54,481,288 compared with \$41,773,703 at the beginning of the year. Total assets on Dec. 31 were \$57,771,821 compared with \$44,354,202 last January. On Dec. 31, 1945, the stated capital funds of the bank amounted to \$2,707,496, exclusive of \$125,000 reserve for contingencies. The following were re-elected as Directors: Charles C. Fagg, Arthur C. Hoyt, Austin K. Griffen, Edwin O. Ramsdell, Seabury C. Mastick, and Andrew Wilson, Jr.

All of the present officers of the County Trust Company were reappointed and, in addition, the following were made officers:

Alfred E. Stam, Trust Officer; Raymond V. Newman, Assistant Treasurer; E. J. O'Neill, Assistant Secretary; Burton F. Langworthy, Assistant Treasurer; Gomer Reese, Jr., Assistant Secretary.

The proposed merger of the Ossining Trust Company into the County Trust Company was approved by the stockholders and as similar action was taken at the annual meeting of the Ossining Trust Company, this merger has become effective. Officials of the Ossining Trust Company were made officers of the County Trust Company as follows:

Harry C. White, who has been made a Vice-President, has been President of the Ossining Trust Company since 1941, prior to which he was an officer of the Bank of the Manhattan Company

in New York City. Mr. White is a member of the New York State bar; Percy H. Dowden was appointed Assistant Secretary-Treasurer; Albert G. Brieant and A. Fraser MacCammond were made Assistant Treasurers.

The proposal to merge the Fleetwood Bank was also approved at the meeting. The stockholders also took action to increase the par value of the capital stock of The County Trust Company from \$10 to \$12 a share and authorized the issue of 16,125 additional shares to be offered to stockholders for subscription on the basis of one new share for each four shares now owned, at a price of \$35 a share.

Organization of Waltham Citizens National Bank, the new commercial banking institution to serve Waltham, Mass., and vicinity, has now been completed it was indicated in the Boston "News Bureau" of Jan. 30, which further stated:

Subscriptions to the capital stock have been accepted, and a call for payment voted. Upon receipt of this money, the bank will have \$375,000 of capital funds, including \$150,000 in capital stock and \$150,000 of surplus.

Harry H. Pond was elected Chairman of the Board and De Witt Hubbell, executive Vice-President on Jan. 15 was elected to succeed Mr. Pond as President at the board of directors organization meeting of the Plainfield Trust Co. of Plainfield, N. J., according to the Newark "News."

Union County Trust Co. of Elizabeth, N. J., Board of Directors reelected the bank's officers and appointed four new assistant vice-presidents at the organization meeting on Jan. 15.

The Newark "News" stated that Fred W. Styler, Jr., William A. Kunc, H. L. Dimmick and John V. Nostrant are the four new Assistant Vice-Presidents.

William A. Gieb, Cashier of the First National Bank of West Orange, N. J., was named Vice-President of the bank at the recent meeting of the directors. According to the Newark "News," Fred Herman was named to succeed Mr. Gieb as Cashier. He had been Assistant Cashier.

Succeeding W. M. Orr, who has been named Chairman of the Board, E. E. Zimmerman has recently been elected President of the Bank of Ohio Valley, Pittsburgh, Pa. The Pittsburgh "Post Gazette" on Jan. 28, in reporting this said, that Mr. Zimmerman is President of E. E. Zimmerman Company, brokers in paint supplies.

A merger of the Peoples-Pittsburgh Trust Company and the First National Bank at Pittsburgh, Pa., to form an institution with resources in excess of \$400,000,000 has been approved by directors of the respective institutions, it was announced on Jan. 10.

The Pittsburgh "Post Gazette" said: The third largest bank in Pittsburgh, to be known as the Peoples First National Bank and Trust Company, will be headed by F. F. Brooks as Chairman of the Board and Colonel Robert C. Downie as President. Mr. Brooks is President of the First National and Colonel Downie, President of Peoples-Pittsburgh.

The Milwaukee Avenue National Bank of Chicago changed its name on Feb. 1 to the Manufacturers National Bank of Chicago it is learned from the Chicago "Journal of Commerce" which reports C. D. Oakley, Vice-President and Cashier, as making the announcement on Jan. 31. There

will be no change in ownership, directors or officers, it is stated.

Promotion of six members of the staff of Lincoln Bank & Trust Company of Louisville, Ky., three to vice presidencies, were announced Jan. 15 by Noel Rush, President, following a meeting of the board of directors.

The three new Vice Presidents are Hugh E. Powers, former Cashier; J. Garnett Cook, former Secretary, and Fred Betz, former Assistant Cashier.

The Louisville "Courier-Journal" from which this is learned also said:

C. Norton Hassenmiller advanced from Assistant Cashier to Cashier. A. E. Cabbell became Secretary after service as assistant. Thomas W. Gaines was promoted to Assistant Cashier.

At the annual meeting of the stockholders of the Union Planters National Bank and Trust Co., Memphis, Tenn., held on Jan. 10, approval was given to increase the capital from \$3,500,000 to \$4,000,000 by declaring a \$500,000 stock dividend. At the same time the surplus account was increased from \$5,500,000 to \$6,000,000 leaving the undivided profits account at approximately \$2,000,000.

The bank's Board made the following promotions:

Russell B. Biddle from Assistant Vice-President to Vice-President; T. Joseph Pond and H. D. Beasley from Assistant Cashiers to Assistant Vice-Presidents. Mr. Beasley is also to be manager of the branch office at Highland Heights, Tenn.; also appointed Assistant Cashiers were, W. B. Clark, E. G. Brady, N. G. DeLaHunt, Van B. Martin, and P. B. Whittenton.

The First National Bank, Memphis, Tenn., recently announced the following changes in the official staff, according to the Memphis "Appeal":

Promoted were Allen Morgan, advanced from Vice-President to Executive Vice-President; F. E. Maxwell, Vice-President, formerly in charge of the Crosstown Branch of the bank, named Vice-President and Cashier; Ira Denton, promoted from Assistant Trust Officer to Trust Officer, and E. G. Crossett and E. F. Mitchell, elevated from Assistant Managers of the bond department to Assistant Vice-Presidents.

New officers are Marvin H. Brooks Jr., George W. Nash, William C. Dotson and Henry Haizlip, all named Assistant Cashiers.

Col. J. W. Beretta, who has recently been released from the armed forces, has been elected President of the First National Bank of San Antonio, Tex., succeeding T. D. Anderson. Mr. Anderson, according to the Dallas "Times Herald" has become Chairman of the San Antonio Loan and Trust Company.

The directors of the Texas Bank & Trust Co., of Dallas, Tex., on Jan. 24, voted to submit to the shareholders a proposal to increase the capital shares of the bank from \$350,000 to \$500,000 and to create a surplus of \$500,000, according to the Dallas "Times Herald" which said: The proposed increase, together with setting up \$100,000 undivided profits, will bring the bank's assets to \$1,100,000. The action will be submitted to the shareholders on Feb. 25.

The increase is to be effected by raising the number of shares outstanding from 17,500 to 25,000, par value to remain at \$20. A total of 7,500 new shares will be sold at \$45 each, with \$150,000 to go to capital stock and \$187,500 to surplus or undivided profits.

Total resources of the Texas Bank & Trust Co. on Dec. 31, 1944, were \$11,340,605. On Dec. 31, 1945, they were \$18,627,609, an increase during 1945 of 64%. With the proposed capital increase, the bank will have increased its capi-

tal surplus and undivided profits by 185% since Dec. 31, 1944.

The Anglo California National Bank of San Francisco on Jan. 18 retired its entire outstanding preferred capital stock with a cash payment of \$15,000,000, President W. H. Thomson announced. We quote the San Francisco "Chronicle" of Jan. 20, which further said:

This concludes the preferred stock retirement program inaugurated in 1939 and marks the return of full ownership and control of the bank to its common shareholders. The preferred was held almost entirely by the RFC, and was the remaining part outstanding of an original issue of \$20,000,000 in 1938.

Retirement was accomplished by issuance and sale of 250,000 additional shares of common stock, par value \$20, at a price of \$30 a share to shareholders, and by applying excess reserves and undivided profits and other available funds of the bank to make up the balance. Shareholders subscribed for over 247,000 shares of the 250,000 offered, and the remainder was purchased by a syndicate headed by Blyth & Co.

The Anglo Bank capital position now consists of \$15,000,000 of common stock, \$5,000,000 in surplus, and more than \$4,000,000 in undivided profits and unallocated reserves. As of Dec. 31 the bank had deposits of \$481,553,686 and total resources of \$519,462,930.

At the annual meeting of the Bank of California National Association of San Francisco on Jan. 8, stockholders voted to transfer \$1,700,000 from surplus to capital and increasing the par value of our common stock from \$80 to \$100 per share subject to approval of the Comptroller of the Currency. On Nov. 13, last, the bank transferred \$2,000,000 from reserves to surplus raising capital and surplus to a total of \$17,000,000. We have been later advised (Jan. 23) that approval was granted as of Jan. 16, making capital \$8,500,000 and surplus \$8,500,000.

Promotions and revisions of title of officers and members of the administrative personnel of the National Bank of Commerce of Seattle, Wash., were announced on Jan. 9 by President Andrew Price in submitting the 56th annual report to stockholders for the year ending Dec. 31, 1945. His statement showed that resources of the bank had increased to \$446,294,098 and deposits in the last year increased \$90,071,081 to a total of \$430,150,369. His report pointed out that the bank has aided the Government's war financing by the sale of \$443,000,000 in U. S. bonds during eight loan campaigns. The foregoing is from the Seattle "Daily Journal of Commerce" of Jan. 10 in which it was also stated:

"Mr. Price announced that Carl L. Phillips, formerly Vice-President and Manager of the central branch, becomes Vice-President and Manager of the main office.

"Ralph J. Stowell, formerly Assistant Vice-President and Manager, Ballard branch, becomes Assistant Vice-President and Manager, central branch.

"C. P. Kirtland, formerly Assistant Vice-President and Manager, Alaska department, main office, becomes Assistant Vice-President and Manager, Ballard branch.

"William C. Estep becomes Assistant Cashier, Ballard branch.

"At the head office of the bank, changes are as follows:

"Maxwell Carlson, formerly Assistant Vice-President, becomes Vice-President in charge of operations.

"A. A. Hoerr, formerly Assistant Vice-President, becomes Vice-President in charge of banks and bankers division.

"Wendell Sizemore, formerly Assistant Vice-President, becomes

Vice-President in charge of installment loan division.

"E. A. Ruth, formerly Assistant Cashier, becomes Assistant Vice-President, installment loan division.

"L. E. Younger, formerly Assistant Vice-President and Auditor, Marine Bancorporation, becomes Assistant Vice-President, Marine Bancorporation and, in addition, comptroller of the bank.

"Thomas R. Richards, formerly Assistant Auditor, Marine Bancorporation, becomes Auditor.

"Foster L. McGovern, formerly Assistant Vice-President, becomes Assistant Vice-President and Manager, Alaska department.

"Willard Maxwell, formerly Manager, investment department, becomes Assistant Vice-President, bond division.

"C. G. MacMillan, formerly Assistant Manager, investment department, becomes Assistant Cashier, bond division.

"E. C. Reynard becomes Assistant Cashier in charge of customers' securities department.

"L. Wallace Graves, formerly Assistant Trust Officer, becomes Trust Officer.

"In out-of-Seattle branches, Roy S. Graham becomes Assistant Cashier, Capital branch, Olympia.

"R. B. Kemp, formerly Assistant Manager, Montesano branch, becomes Manager, Montesano branch.

"John Schutt becomes Assistant Cashier, Vancouver branch, Vancouver."

President Price's annual report in part said:

"At the end of the year, capital stock amounted to \$3,000,000; surplus, \$5,000,000; undivided profits, \$2,623,290, and contingent reserves, \$3,622,902, a total of \$14,246,192.

"Deposits were \$430,150,369, compared with \$340,079,288 a year ago. Included therein are War Loan deposits of \$92,809,245 and \$57,958,830 on the respective dates. Savings deposits increased from \$65,177,436 to \$85,655,856."

Barclays Bank (Dominion, Colonial and Overseas) announces that Marshall of the Royal Air Force, Hon. Viscount Portal of Hungerford, GCB ON DSO MC has been elected a director.

The Swiss Bank Corporation announces with regret the retirement on Dec. 31 of S. Lorisignol who had been a Manager of the London office since 1924. Mr. Pierre de Wolff, hitherto a Manager, becomes Chief Manager in London, while Mr. H. W. Comfort and Mr. Marc Spitzer, hitherto Deputy-Managers, become Managers.

Treasury 7/8% Cfs. Subscriptions, Allotments

The Secretary of the Treasury announced on Jan. 31 the final subscription and allotment figures with respect to the current offering of 7/8% Treasury Certificates of Indebtedness of Series B-1947 offered on Jan. 21.

Subscriptions and allotments were divided among the several Federal Reserve Districts and the Treasury as follows:

Federal Reserve District	Total Subscriptions Received and Allotted
Boston	\$122,269,000
New York	3,012,254,000
Philadelphia	84,604,000
Cleveland	199,144,000
Richmond	61,406,000
Atlanta	94,736,000
Chicago	498,520,000
St. Louis	104,419,000
Minneapolis	63,785,000
Kansas City	147,475,000
Dallas	81,011,000
San Francisco	479,010,000
Treasury	4,316,000

Total \$4,952,949,000
The offering was referred to in our issue of Jan. 31, page 532.