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Observations . . . .

By A. WILFRED MAY

The appointment of Edwin W. Pauley last April as American member of the International Reparations Commission, with the rank of Ambassador, involved no ethical factors arising from potential duality of interests, or from violation of "trustee conduct" in representing his country's welfare. But his assumption of that extremely important office was just as inexcusable as is now his explosive controversial pending appointment. The qualifications for party fund-raiser No. 1 surely were even more irrelevant to the highly specialized and technical reparations job, than they are to the comparatively administrative responsibilities of the Under-Secretary of the Navy.

Apparently Mr. Truman is now suffering some qualms over this earlier appointment, as evidenced at his last press conference by his attribution to Mr. Pauley of "the best deal ever reached on reparations in Germany and Japan". But what Mr. Pauley has actually accomplished along such lines is, to say the least, extremely obscure—particularly in Japan. He himself at the time of his appointment told journalists with the utmost frankness and modesty of his severe shortcomings for the position—emphasizing his intention to depend on the abilities of the Associate Member and Minister, Isador H. Lubin.

Basing an appointment to such an epochally important position in world affairs—which called for the equipment of an expert and a statesman—on party considerations in their most sordid phase, highlighted a long-term vital flaw in our political processes. Unfortunately the practice has become intensified; being epitomised—as was vigorously complained of in this column two months ago—in the politically-motivated appointments of ex-Senator Townsend, former Postmaster-General Walker et al., to the United States delegation to UNO. This kind of political plum-jugglery is particularly disgraceful when practised in international affairs; both because of the current world crisis, and because of the psychological effect on our foreign friends at this time when the democratic system is universally being put on the spot.

* * *

Quite the most perplexing feature connected with the lecture on the facts of economic life delivered to the House Banking and Currency Committee this week by Mr. Chester Bowles, Stabilization Administrator-designate and Maestro of Planning Self-designate, consists in discovering its greatest area of irrationality. After the most

(Continued on page 1013)

Wallace and Hoover

"Why, these (obsolete building) codes cost a home-builder an average of 3% on the price of a house. That's $150 on only a $5,000 dwelling. Multiply that just by the two and one-half million houses of the emergency housing program alone and the total extra cost is $375,000,000. And when you figure that on all the building to be done in the next few years, you'll begin to talk in billions instead of millions. . . .

Alfred Schindler

"There must be a thousand trade practices which increase the cost of a product, and not its value. The department hopes to see to it that a customer gets his full value for what he pays. This does not mean lowering profits. I'm a business man and I'm for good profits, I'm for good wages, too. But if you cut out the waste in the cost of an item, you can keep profits high and you also save the customer money which he can take somewhere else."—Alfred Schindler, Under-Secretary of Commerce, in announcing a Departmental campaign for reduction of waste in industry.

Mr. Schindler probably will not thank us for reminding him that he is apparently reviving one of Secretary Hoover's programs of the long ago.

We congratulate him and Secretary Wallace—or would congratulate them quite heartily if we supposed for a moment that either of them were prepared to go to the real heart of the matter of waste in industry.

But that would be anathema to the labor unions which must have their feather beds, and to politicians who must have their pseudo-reform and costly bureaucracy!

The Financial Situation

The situation by which the country is faced would be much simpler, and the problems confronting the business man would be much less troublesome, were it true that a new wage-price policy or program had sprung full blown from the brain of some Washington Jove, and that this plan of action really assured postwar prosperity. This is, of course, precisely what a good many politicians around the country would have the American people believe. Perhaps they themselves are fully convinced that such is the fact.

The truth remains that no such program has been devised. Save that the President now appears — we say **appears** advisedly because we are by no means certain that appearances are not deceiving in this case—to have come to some measure of realization that higher wages must of necessity be accompanied by higher prices, and, in general, that a reasonable opportunity to earn a profit is essential to full production, we are unable to see how the latest grave pronouncement of the Chief Executive on the question of wages and prices alters the situation in any essential way. This apparent slight progress in understanding seems to have led him to abolish the formal six months "waiting period" which had been required to establish a necessity of higher prices, but nothing else seems to be changed—and it must be said that it would be quite possible for the regulatory authorities to make this change more apparent than real if they are determined to do so.

Continued Uncertainty

Apart from certain special cases, such as steel, where specific dollar and cents price increases have been authorized, uncertainty would appear to be about as great as it has ever been. Indeed for a time this uncertainty concern-

(Continued on page 1008)

Senators Seek Foreign Loan Data

Eight Republican Senators, Headed by Sen. Bridges, Introduce Resolution Calling for Facts of American Loans Abroad. Complain Executive Branch Keeps Them in the Dark Regarding Negotiations and Commitments by "Secrecy, Double Talk and Exhortation" and Contends This Policy Amounts to a National Scandal.

On Feb. 15, Senator Styles Bridges (R.-N.H.), on behalf of himself and seven other Republican Senators, introduced a resolution in the Senate which would require the President to direct the Bureau of the Budget to submit to the Secretary of the Senate within 45 days detailed facts, figures, and other information relating to past loans and future commitments to foreign countries. In a statement made on the floor of the Senate, Senator Bridges characterized the lack of adequate and definitive information on these matters constituted "a national scandal" and he characterized the present policy of the Administration as "secrecy, double talk and exhortation," at the same time accusing it of resorting to outright propaganda in lieu of publicizing adequately the facts.

Sen. Styles Bridges

The text of Senator Bridges' statement follows:

Mr. President:

I wish to present a resolution calling upon the Executive branch of the government for more detailed information on the international economic position of the United States.

Minority members of the Senate Appropriations Committee joining with me in sponsoring this resolution are: the Senator from South Dakota (Mr. Gurney); the Senator from Illinois (Mr. Brooks) the Senator from Kansas (Mr. Reed); the Senator from Indiana (Mr. Willis); the Senator from Michigan (Mr. Ferguson); the Senator from Nebraska (Mr. Wherry); the Senator from Oregon (Mr. Cordon).

We might have sought this in-

(Continued on page 1014)

GENERAL CONTENTS

Editorial

The Modified Wage-Price Policy

President Truman Issues Order Permitting Wage and Price Increases Within Certain Limits. Prices to Be Fixed to Allow Profitable Operation at Full Volume, Without Waiting for Test Period, Providing Increases Have No "Unstabilizing Effect." Asks for Restoration of Collective Bargaining.

President Harry S. Truman, on Feb. 14, made public his awaited new wage-price policy. The Executive Order was accompanied by a statement of the President in which he called attention to the seriousness of the present labor troubles and reiterated his warning against inflationary pressures. He also cautioned that the revised policy "is not to be interpreted as permitting indiscriminate wage increases" and again called upon both labor and management to restore collective bargaining which has broken down in many industries.

President Truman

The text of the President's statement and the Executive Order follows:

Statement by the President

In my message to Congress on the State of the Union, I said:

". . . everyone who realizes the extreme need for a swift and orderly reconversion must feel a deep concern about the number of major strikes now in progress. If long continued, these strikes could put a heavy brake on our program."

These work stoppages have continued and some of them are serious enough to threaten our economy with almost complete paralysis.

They are accompanied by inflationary pressures that also threaten the stability of our economy.

Must Control Inflation

At such a time, it is necessary for the Government to bend every effort to put our economy back to work, to assert control over the forces of inflation in the interest of **all** the American people, and to remove any doubt that the government means to enforce its program. I call upon management, labor, farmers — the American people as a whole — and their representatives in Congress to

(Continued on page 1012)

The State of Trade

A slight decline occurred in industrial output the past week as many manufacturers curtailed production as a result of dwindling stocks of material. Nothwithstanding the slump to lower levels in industrial output, production figures were about 30% above those immediately before the war. Unemployment on the other hand continued to rise last week as evidenced by the increased number of initial unemployment compensation claims filed.

A few departments in tire plants found it necessary to curtail production and some food canning companies were unable to complete operations. Jewelry production too, continued to be hampered by shortages of silver and brass.

A strong demand was reported by the plastic industry for the week and most deliveries in that field are running 2 to 4 months behind orders. Radio production got underway in some plants the past week, but shortages of material remained limiting factors.

The conclusion of the long drawn out steel strike which industry so patiently waited for came with the announcement on Friday, last, by Reconversion Director John W. Snyder in President Truman's behalf. The 25-day-old strike had a paralyzing effect on business and industry throughout the nation and has seriously delayed our reconversion program and production aims by many months.

The strike at the United States Steel Corporation plants officially ended at 12:01 a. m. on Monday of this week, having started at the same hour on Jan. 21, last. Commenting on the settlement, Benjamin F. Fairless, President of the United States Steel Corporation had this to say:

"From the beginning of this wage dispute, we have taken the position that wages could not be separated from prices, and that present country-wide industrial strife could not be solved without the adoption by the Government of a fair overall wage-price policy.

"In our case, a wage increase was not possible without an increase in ceiling prices for steel products, because of steel prices having been frozen by the Government substantially at pre-war levels, although our labor and other costs have advanced greatly since 1940. The result of these mounting costs pressing against price ceilings has been that most of our steel tonnage has been sold during the recent months at a loss.

"This strike settlement has been made possible by the Government's action in authorizing an increase of $5 a ton in the ceiling prices for carbon and alloy steel mill products. A new governmental wage-price policy for industry in general was announced last night. We are hopeful that under this new policy, due consideration will be given, among other things, to the financial plight of the smaller non-integrated steel manufacturers, fabricators and processors, about whose hardships as a consequence of higher labor and other costs I have previously spoken."

Steel Industry—After a loss of approximately 6,000,000 tons of steel and $60,000,000 in wages of basic steel employees, the steel wage-price issue has been settled, "The Iron Age", national metalworking paper states in its review of the steel trade for the past week.

Steel workers will get their 18.5¢ an hour (President Truman's compromise) which represents a scaling down from the union's original demand of 25¢ an hour which was subsequently cut to 22.5¢, 20¢ and 19.5¢. The steel industry is to obtain an average increase of $5 a ton on carbon and alloy steels. Two weeks will be required to allocate $4.50 of the $5 advance among various steel products. Three weeks will be required to distribute the remaining 50¢ a ton among steel products, the magazine adds.

This price advance is not an across-the-board adjustment with the result that when final price details are worked out some products will be raised more than others. This method, "The Iron Age" points out, is for the purpose of attempting to restore or keep the basic relationship between the price of semifinished steel and finished steel in order to alleviate hardship for the small nonintegrated steel companies.

President Truman had set a retroactive date of Jan. 1 for the wage advance, but the steel industry held out for the date on which the men returned to work. (The official ending of the strike came at 12:01 a.m. on Monday, Feb. 18th.) Furthermore the price advance is to take effect officially the day the men return to their jobs. Since it will take some time to work out the details of allocating the price advance to various products, steel customers will receive an additional billing to take care of the difference between the old price and the new.

On the basis of 55,000,000 tons of finished steel per year (approximately the output for 1945) the price advance of an average $5 a ton will bring the industry about $275,000,000 a year, while a wage advance of 18.5¢ an hour will cost about $183,000,000, the above trade authority notes. The difference will fall far short of what the industry has claimed is necessary to make up for past accumulated costs. The OPA in 1945 consistently promised the industry that price relief would be granted for these accumulated costs.

It is to be expected that the steel wage-price settlement will not be satisfactory to all steel companies. However, the major agreement on prices between the government and the U. S. Steel Corp. and on wages between the Steel Corporation and the union will be accepted by the rest of the industry.

The length of time it will take for the industry to reach prestrike operation levels may run into weeks. Some companies will be able to step up their operations rapidly, while others may require from one to two months before the prestrike ingot rate is obtained, the magazine states.

A large number of steel producers accounting for a small proportion of total steel output may find the settlement made by the large steel companies difficult to digest. This is especially true on the basis of loss figures during the latter part of 1945. This outlook is believed to be one reason why the OPA consistently refused to agree to an across the board increase in steel prices which would have accentuated the disparity between the prices of semi-finished steel and finished steel products.

The American Iron and Steel Institute announced on Tuesday of this week the operating rate of steel companies having 94% of the steel capacity of the industry will be 15.2% of capacity for the week beginning Feb. 18, compared with 5.5% one week ago, 5.1% one month ago and 96.4% one year ago. This represents an increase of 9.7 points or 176.6% over that of the previous week.

This week's operating rate is equivalent to 268,000 tons of steel ingots and castings and compares with 96,900 tons one week ago 89,700 tons one month ago and 1,765,700 tons one year ago.

Electric Production—The Edison Electric Institute reports that

(Continued on page 1011)

Ickes Resigns From Truman Cabinet

The controversy over the nomination by President Truman of Edwin S. Pauley, California oil man, to be Under-Secretary of the Navy, resulted in the resignation on Feb. 13 of Harold L. Ickes from his post in the Truman cabinet, as Secretary of the Interior. Mr. Ickes had vigorously opposed the appointment of Mr. Pauley, and told the Senate Committee which was considering its confirmation that he regarded the President's nominee totally unsuited for the post, in spite of which Mr. Truman continued to firmly support Mr Pauley. The President had told a press conference, according to Associated Press Washington advices of Feb. 13, that, in his statements to the Senate Naval Affairs Committee concerning Mr. Pauley Mr. Ickes could have been wrong and this was the basis for Ickes advising the President in his letter of resignation that the latter had made his position as a Cabinet member "untenable."

In this 2,000-word letter Mr. Ickes declared:

"As to your statement that I might have been mistaken in my testimony, my feeling is that, since you were not present at the hearing and presumably had not read the record, it was not proper for you, even although you be the President of the United States, to pass judgment on a question of veracity between Mr. Pauley and myself. After all, I am a member of your Cabinet at your own request and I do not have a reputation for dealing recklessly with the truth. On the issue of veracity as between Mr. Pauley and myself, I am ready to appear before any competent tribunal at any time, although of course I should want one that would not announce or even form, its opinion in advance of a full and careful consideration of all of the evidence."

The same night, Feb. 13, Mr. Ickes went on the radio to explain to the public the reasons for the action he had taken.

Mr. Ickes had requested to be relieved on March 31 in order to leave the affairs of the Interior Department in shape for his successor, but the President in accepting the resignation made Feb. 15 the effective date. To take over the duties of the Department pending the appointment of a permanent Secretary, the President designated Oscar L. Chapman, who has served thirteen years as an Assistant Secretary.

As successor to Mr. Ickes, who on March 4 would have completed thirteen years as Secretary of the Interior, Justice William O. Douglas has been mentioned as the possible choice of the Democratic Committee Chairman Robert F. Hannegan, who is also Postmaster General in Mr. Truman's cabinet. Mr. Chapman has also been mentioned as a candidate; also Senator Joseph C. O'Mahoney (D.-Wyo.).

United Kingdom Currency Notes Not Legal Tender In Bermuda

The Foreign Exchange Committee in New York, through its Chairman, R. F. Loree made available on Feb. 13 the following circular of the Currency and Exchange Control Board at Hamilton, Bermuda, dated Jan. 1, 1946:

"United Kingdom Currency Notes are not legal tender in Bermuda, and the Banks are not permitted to accept them for deposit or exchange. Prospective visitors should be warned to this effect, in order to save them inconvenience and embarrassment.

"Signed—C. A. D. Talbort, Secretary."

Reports High Levels of Disbursements Abroad

Commerce Department Reveals $15 Billions Disbursed Since July 1, 1940. Scarce Commodities Continued to Be Purchased Abroad After V-J Day.

Since July 1, 1940—roughly the beginning of the United States war production program—the United States Government has disbursed in foreign lands nearly $15,000,000,000 and has received $5,000,000,000 as a result of foreign transactions, according to a compilation by the Clearing Office for Foreign Transactions, reported by the Department of Commerce.

In addition, the United State Government during this period ended Sept. 30, 1945, spent $1,842,000,000 abroad and received $1,900,000,000 in "special currencies" for which no United States dollars were paid out or received, the Clearing Office said. Such currencies (sometimes called "military" or "invasion" currencies) were used by the armed forces in liberated and occupied areas.

During the quarter ended Sept. 30, 1945, U. S. Government dollar disbursements and receipts abroad continued near fiscal 1945 levels with expenditures totaling $955,000,000 and receipts $362,000,000. Although military expenditures on troop pay and supplies will decline, the aggregate disbursements abroad during the fiscal years 1946 and 1947 will remain on a high level because of continued heavy purchases of scarce raw materials and sugar, and increasing United States loans abroad and payments to the International Fund, International Bank, and the United Nations Relief and Rehabilitation Administration.

Highlights of the September 30 quarter dollar transactions were the continued high level of payments abroad to U. S. troops totaling $341,000,000; $351,000,000 spent on supplies and materials abroad; a payment of $105,000,000 to China as financial aid; heavy remittances home by U. S. troops overseas totaling $73,000,000; a total of $77,000,000 of payments received for lend-lease goods; and $87,000,000 received from sales abroad, the Clearing Office said.

During the quarter about two-thirds of all non-military disbursements abroad were for the purchase of supplies and materials by the U. S. Commercial Company, the Department of Agriculture and the Metals Reserve Corporation, it was said. Western hemisphere countries supplied $200,000,000 or 75% of this total, with Cuban sugar, Canadian aluminum and Chilean copper the major items procured.

Most of the commodities purchased during the quarter were contracted for before VJ-Day, and many of these commodities are still in short supply and are needed either for immediate U. S. consumption or for reserve stocks, the Clearing Office said.

Sign Anglo-American Airlines Treaty

The Anglo - American Civil Aviation Conference, in session at Bermuda since Jan. 15, resulted in the signing on Feb. 11 by the United States and Great Britain of an agreement authorizing an unlimited number of flights between the two countries at economic rates to be fixed by inter-governmental action. Under the arrangement, the Associated Press reported in its advices from Hamilton, Bermuda, Feb. 12, the commercial planes of each country are permitted to use the airports of the other as stepping stones on global flights. There will be no restrictions on either country in determining the number of such flights to be made by its air lines.

So-called fifth freedom traffic is authorized, the Associated Press continued. This will allow an airliner en route between the two countries to pick up passengers and traffic bound for a third country, and will allow economic operation of the long-line services with which both Britain and the United States are planning to encircle the world. The Associated Press also said:

"A second agreement was reached opening to commercial traffic many of the military air bases built by the United States Government on territory leased from the British in Newfoundland, Bermuda and Caribbean areas. United States commercial planes will receive most favored nation treatment at these bases.

"The bases originally were leased with the understanding they would not be used by commercial planes, the agreement said, but there are now obvious advantages in opening to commercial traffic fields in territories in which no other satisfactory civil airfields are available.

"Leased bases in Bermuda, Antigua, St. Lucia and British Guiana thus were opened to airliners, and fields in Trindad and Jamaica will be available as alternates in case of bad weather."

The bilteral agreement will remain in effect indefinitely and may be terminated on one year's notice, according to the Associated Press. Thirteen global routes are planned by the United States, and seven by the British, on the basis of the arrangements.

United States cities at which British planes on world-wide hops would stop include New York, New Orleans, Baltimore, Washington, Miami, Palm Beach, San Francisco and Chicago.

FHA Applications For Dwelling Units

Applications covering 62,252 dwelling units were received by field offices of the Federal Housing Administration during the first 15 working days under the new preference rating system for veterans' housing, FHA Commissioner Raymond M. Foley announced on Feb. 8. During the same period, FHA offices processed and issued priorities covering 31,056 dwelling units with the requirement that construction must be started within 90 days. It is announced that of the applications received from Jan. 15, when the system went into effect, through Feb. 5, 45% were for units to sell for less than $7,500 or to rent for less than $60 a month. Of the total authorizations, however, 58% were for units to sell for less than $7,500 or to rent for less than $60 a month. These ratios have been fairly consistent since the first few days of the system's operation. The FHA advices also state:

A more detailed analysis shows that almost a fourth of the total number of units applied for were to sell for less than $5,500 or rent for less than $50 a month, while 28% of the units authorized were under these amounts.

Under the preference rating system, FHA acting under a delegation of authority from the Civilian Production Administration, issues priorities for 11 building materials now in short supply either to individual veterans or to builders who agree to construct housing to sell for less than $10,000 a unit or rental for less than $80 a month. The accommodations must be held for sale or rent to veterans of World War II during the course of construction and for a month thereafter.

Class I RR. Gross Earnings Off Over Half Billion Dollars in 1945—Net 23.2% Lower

The Class I railroads of the United States, representing a total of 221,868 miles, in the year ended Dec. 31, 1945, had an estimated net income, after interest and rentals, of $453,000,000, compared with $667,200,000 in 1944, according to reports filed by the carriers with the Bureau of Railway Economics of the Association of American Railroads, and made public on Feb. 11.

Net railway operating income, before interest and rentals, of those roads in 1945 amounted to $849,779,893, compared with $1,106,384,412 in 1944, adds the Association, which further reported as follows:

The decrease in net railway operating income in 1945 compared with 1944 was 23.2%. This decrease resulted largely from a decrease in traffic due to the cessation of hostilities in both Europe and the Pacific; increased operating costs due to higher wages and increased costs of fuel, materials and supplies used in connection with railroad operation; and increased charges to operating expenses for accelerated amortization of defense projects.

The rate of return earned on property investment averaged 3.05% in 1945, compared with a rate of return of 4.0% in 1944.

Property investment is the value of road and equipment as shown by the books of the railways including materials, supplies, and cash. The earnings reported above as net railway operating income represent the amount left after the payment of operating expenses and taxes, but before interest, rentals, and other fixed charges are paid.

Total operating revenues in 1945 amounted to $8,902,349,173 compared with $9,436,789,812 in 1944, a decrease of 5.7%. For the month of December alone, total operating revenues were $613,691,363, a decrease of $143,166,299, or 18.9%, under December, 1944. Operating expenses for the year 1945 amounted to $7,051,809,332 compared with $6,282,062,686 in 1944, an increase of 12.3%.

Twenty-eight Class I railroads failed to earn interest and rentals in 1945, of which 12 were in the Eastern District, five in the Southern Region, 11 in the Western District.

Eastern District

Class I railroads in the Eastern District in 1945 had an estimated net income after interest and rentals of $168,000,000, compared with $266,200,000 in 1944.

Those same roads in 1945 had a net railway operating income, before interest and rentals, of $342,624,211 compared with $455,399,130 in 1944.

Operating revenues of the Class I railroads in the Eastern District in 1945 totaled $3,765,751,253, a decrease of 7.8% compared with 1944, while operating expenses totaled $3,165,505,029, an increase of 9.3% above 1944.

Southern Region

Class I railroads in the Southern Region in 1945 had an estimated net income, after interest and rentals, of $50,000,000 compared with $97,200,000 in 1944.

Those same roads in 1945 had a net railway operating income before interest and rentals of $115,160,981 compared with $163,226,359 in 1944.

Operating revenues of the Class I railroads in the Southern Region in 1945 totaled $1,229,534,611, a decrease of 7.8% compared with 1944, while operating expenses totaled $950,069,777, an increase of 13.2% above 1944.

Western District

Class I railroads in the Western District in 1945 had an estimated net income after interest and rentals of $235,000,000 compared with $303,800,000 in 1944.

Those same roads in 1945 had a net railway operating income, before interest and rentals, of $391,994,701, compared with $487,758,923 in 1944.

Operating revenues of the Class I railroads in the Western District in 1945 totaled $3,907,063,309, a decrease of 2.8% compared with 1944, while operating expenses totaled $2,936,234,526, an increase of 15.2% above 1944.

CLASS I RAILROADS—UNITED STATES

Twelve Months Ended Dec. 31—	1945	1944
Total operating revenues	$8,902,349,173	$9,436,789,812
Total operating expenses	7,051,809,332	6,282,062,686
Operating ratio—per cent	79.21	66.57
Taxes	825,959,244	1,846,096,826
Net railway operating inc. (earnings before charges)	849,779,893	1,106,384,412
Net income, after charges (estimated)	453,000,000	667,200,000

Employment and Unemployment in January Reported by Commerce Dept.

The number of men employed increased by about 1,200,000 between December and January, while the number of women employed showed a decline of more than 800,000, according to Director J. C. Capt, Bureau of Census, Department of Commerce, who on Feb. 7 released preliminary estimates of employment and unemployment drived from the Monthly Report on Labor Force, a cross-section survey of the civilian population. As a result of these changes, total employment in January was estimated at 51,720,000, or almost 400,000 greater than in December.

The report from the Commerce Dept. continued:

The increase in male employment in January is accounted for by the fact that large numbers of veterans succeeded in finding jobs upon entering the labor market. The decline in female employment between December and January reflects the usual seasonal decrease in both agricultural and nonagricultural employment, although this year's crop was considerably larger than in former years.

Unemployment increased by slightly more than 300,000 from December, reaching 2,270,000 during the week of January 6-12. As in the past months since V-J Day, almost all of the increase in the number of persons looking for work occurred among men. Male unemployment was estimated at 1,770,000, and female unemployment at 500,000 during the January census week. The Census Bureau does not count as unemployed a person who was not looking for work because he had a job at which he did not work during the entire census week because of labor dispute, temporary lay-off with definite instructions to return to work within 30 days of lay-off, illness, vacation, or bad weather.

The December-January changes in employment and unemployment brought the civilian labor force to a level of 53,990,000, a figure almost 700,000 above December.

Persons 14 years of age and over outside the labor force numbered 45,780,000,—or more than a million above the estimate for December. The withdrawal of women from the labor force accounted for all but a small part of this increase.

Preliminary estimates for January and final estimates for December are shown in the following table:

Employment Status—	Persons 14 Years of Age and Over: December*	January*
Civilian labor force	53,310,000	53,990,000
Employed	51,360,000	51,720,000
Unemployed	1,950,000	2,270,000
Not in labor force	44,720,000	45,780,000

*These figures include an adjustment for the recently discharged veterans who had not yet returned to their homes and who were, therefore, not adequately represented in the sample (estimated at 1,300,000 in December and 750,000 in January). A statement of the procedures used in making this adjustment will be presented in the release when the final figures for January are published.

ABA Regional Savings And Mtg. Conference

Some of the most pressing problems confronting savings banks and savings departments of commercial banks will be discussed at the Eastern Regional Savings and Mortgage Conference to be held at the Hotel Statler, Boston, Mass., on Thursday and Friday, Mar. 7 and 8, according to Myron F. Converse, President of the Savings Division of the American Bankers Association. Mr. Converse, who is also President of the Worcester Five Cents Savings Bank, Worcester, Mass., announced on Feb. 8 the program for the conference, which is being resumed again this year. It was not held in 1945 because of wartime travel restrictions.

"Since the meeting will be a shirtsleeve, working conference," Mr. Converse says in a letter to the 2,200 banks in the conference area, "entertainment features usually connected with conventions will be omitted." The two-day conference will consist of morning and afternoon sessions. On Thursday the two sessions will be devoted primarily to savings management problems. On Friday the sessions are under the direction of the A.B.A. department of Research Mortgage and Real Estate Finance, and particular emphasis will be placed on merchandising of mortgages.

In keeping with A.B.A. policy to bring the Association to its membership, a representative group of the A.B.A. headquarters staff will be in attendance at the business conference. "I am anxious that our New England bankers take advantage of the convenient opportunity to talk with these men," Mr. Converse says. "I suggest that you come prepared to discuss specific problems, and that you arrange for a definite appointment with those with whom you wish to consult." The staff members will be available and appointments will be arranged at the conference registration headquarters.

The number of formal addresses at each session of the conference has been limited in order to provide time for a full and free discussion of the various subjects from the floor. The forum sessions have always been considered one of the most valuable features of the savings conferences.

Young Heads Federal Reserve of Chicago

The Board of Directors of the Federal Reserve Bank of Chicago announced on Feb. 11 the appointment of C. S. Young as President, and of Charles B. Dunn as First Vice-President, of the bank, each for a term of five years beginning March 1. These appointments have been approved by the Board of Governors of the Federal Reserve System.

Secret U. S.-British Yalta Pact With Russia—Kurile Islands Given to Soviet

The conditions made by Russia a year ago, through Premier Stalin at the Big Three meeting at Yalta, for entering the war against Japan were disclosed on Feb. 11 when the text of the secret agreement between the leaders of the United States, Great Britain and Russia was made public simultaneously in Washington, London and Moscow. Commenting on the secret pact, Secretary of State Byrnes declared that it was the last of the wartime arrangements of its kind heretofore withheld from publication.

Mr. Byrnes, who said that he himself had learned of the existence of the agreement only on Sept. 2 last, insisted that it had been necessary to hold the document a secret until the defeat of Japan as that nation would have immediately attacked Russia if the arrangement had been revealed. A month ago President Truman asserted that he himself had been informed of the terms of the pact a short time before leaving for the Big Three conference at Potsdam last July.

A statement from Secretary Byrnes accompanied the Feb. 11 release of the agreement. The text of the agreement and of Mr. Byrnes' statement, as given by the Associated Press in its Washington dispatch, are given below:

Secret Agreement

"The leaders of the three great powers—the Soviet Union, the United States of America and Great Britain—have agreed that in two or three months after Germany has surrendered and the war in Europe has terminated the Soviet Union shall enter into the war against Japan on the side of the Allies on condition that:

"1. The status quo in Outer Mongolia (the Mongolian People's Republic) shall be preserved;

"2. The former rights of Russia violated by the treacherous attack of Japan in 1904 shall be restored, viz:

"(a) The southern part of Sakhalin as well as all the islands adjacent to it shall be returned to the Soviet Union;

"(b) The commercial port of Dairen shall be internationalized, the pre-eminent interests of the Soviet Union in this port being safeguarded, and the lease of Port Arthur as a naval base of the U. S. S. R. restored;

"(c) The Chinese-Eastern Railroad and the South-Manchurian Railroad which provides an outlet to Dairen shall be jointly operated by the establishment of a joint Soviet-Chinese company, it being understood that the pre-eminent interests of the Soviet Union shall be safeguarded and that China shall retain full sovereignty in Manchuria;

"3. The Kurile Islands shall be handed over to the Soviet Union.

"It is understood, that the agreement concerning Outer Mongolia and the ports and railroads referred to above will require concurrence of Generalissimo Chiang Kai-shek. The President will take measures in order to obtain this concurrence on advice from Marshal Stalin.

"The heads of the three great powers have agreed that these claims of the Soviet Union shall be unquestionably fulfilled after Japan has been defeated.

"For its part the Soviet Union expresses its readiness to conclude with the National Government of China a pact of friendship and alliance between the U. S. S. R. and China in order to render assistance to China with its armed forces for the purpose of liberating China from the Japanese yoke.

"February 11, 1945.

"J. STALIN

"FRANKLIN D. ROOSEVELT

"WINSTON S. CHURCHILL."

Mr. Byrnes' Statement

"The text of the agreement between the President of the United States, Franklin D. Roosevelt, the Prime Minister of Great Britain, Winston Churchill, and Generalissimo Stalin, signed at Yalta on Feb. 11, 1945, has been released today.

"In making public this agreement the Secretary of State called attention to the fact that the Government of the Chinese Republic was not a party to the agreement and that the relations between China and the Soviet Republics are in no way controlled by this memorandum but are governed entirely by the provisions of the treaty between China and the Soviet Republics signed at Moscow on Aug. 14 and subsequent agreements between those two governments.

"The Secretary further stated that it is evident that this agreement was regarded by President Roosevelt, Prime Minister Churchill and Generalissimo Stalin as a military agreement and was marked top secret. The agreements were based upon Russia's entering the war. The Soviet military leaders advised our military leaders that Russia could not enter the war until 90 days after the surrender of Germany; that it would take them that time to move their arms to the Japanese front. At that time, Feb. 11, 1945, our armies were attacking on the Western Front. They needed all the assistance that could come from a simultaneous attack from the Soviet armies on the Eastern Front. Had the Japanese learned of this agreement they would have immediately attacked Russia. That would have necessitated the removal of Russian troops from the German front toward Japan at a time when Russia was starting the final drive which brought about the collapse of the German Army on that front.

"The Secretary stated he learned that an agreement had been reached on this subject on Sept. 2, after the Japanese surrender on Aug. 12, and at his press conference on Sept. 4 announced the existence of such an agreement."

House Group Approves Postal-Treasury Supply

The House Appropriations Committee approved and sent to the floor for debate on Feb. 12 a bill to finance operations of the Treasury and Post Office Departments for the fiscal year commencing July 1, in the amount of $1,604,556,904, according to Associated Press Washington advices of that date, which added that the actual cash provided is $29,660,250 below budget estimates and represents only about 10% of the total funds handled by the two departments. Of the actual new cash, $1,279,061,440 was earmarked for the Post Office Department, and $325,495,500 for the Treasury.

A large part of the Treasury's fund, said the Associated Press, is designed to finance a drive against what has been called "black market operators and others with war-swollen incomes" on which they have evaded taxes. It was added that Fred M. Vinson, Secretary of the Treasury, told the Committee there is "growing evidence of widespread tax evasion" and asked for funds to recruit 5,000 additional workers, largely war veterans, to handle the situation.

William T. Sherwood, Assistant Commissioner of the Internal Revenue Bureau, estimated that at least $1,000,000,000 in additional taxes will flow into the Treasury in one year as a result of the drive.

The Financial Situation

(Continued from first page)

ing the real attitude of the Federal authorities may prove greater than in the past. Surely, the transfer of Mr. Bowles, the anomalous official position of that gentleman in relation to his putative adversary in inner Washington politics, and various indications which have very recently come out of the Office of Price Administration, hardly suggest a clearly defined policy with respect to prices which the ordinary business man faced with the necessity of paying higher wages for less work could well find particularly reassuring. We think that the President, in a sense, is quite correct in describing the action which has been forced upon him as a sort of "Battle of the Bulge" retreat, although we are quite certain that the legions of his adversary (in this case, natural economic forces) will not be "contained" and ultimately pushed back in defeat as the President says he hopes. Whether the President realizes it or not, he and Mr. Bowles are really fighting a rear-guard action, which at best can but retard the progress of their adversaries.

Lack of Understanding

And what disturbs us most about all this is precisely that the Washington authorities *do not really appear to understand their position.* They seem, on the contrary, determined to "fight on to the last man"—which can only in the end mean tremendous damage and a great many casualties in industry and trade as well as heavy loss to the consuming public. The most disheartening sentences in the entire statement of the President, as muddled and discouraging as most of it is, are those in which he demands that Congress perpetuate wartime controls. Here is what he says:

I trust that the Congress will: (1) extend the stabilization statutes without amendment and will do so with all possible speed so that there may be no question in anyone's mind concerning the determination of the Congress to see the fight against inflation through to the finish; (2) extend the subsidy program for another full year; (3) enact promptly the Patman bill to establish price controls over housing (present speculation in the real estate market is one of the most dangerous aspects of the present situation and one which works particular hardship on our millions of returning veterans and their families); (4) extend promptly the Second War Powers Act, so that the emergency powers we found necessary during the war may continue to be exercised wherever necessary in dealing with the economic aftermath of war.

Only by measures such as these can we hope to retain our controls as a people over our own economic future. But even these measures will fail us unless the American people dedicate themselves to support of the national economic stabilization program.

I welcome this because I am determined that this country shall avoid the misery and disaster of inflation and that our vast resources of purchasing power shall be a stepping-stone to a fuller, richer life rather than be permitted to spend themselves in a brief orgy of inflation and disaster.

A vicious battle is supposed to have been in progress behind the scenes in Washington between the extremists headed by Mr. Bowles and somewhat more moderate elements which are presumably more disposed to free American industry in a measure at least from the shackles of government control, regulation and intermeddling. The extremists are currently credited with winning the fight. However that may be, it is clear that the President is now a very definite advocate of postwar controls under formulae which offer absolutely no prospect of termination within the foreseeable future. Far from growing less managed-economy minded, he seems to grow steadily more inclined to join forces with New Deal elements which have no intention of returning business to business men if it can be avoided—either at this or any other time.

Up to Congress

It is now up to Congress. In its ranks, too, a struggle has been in progress, and doubtless is still in progress, between those who would revert promptly to a way of life more in keeping with American traditions and those on the other hand who would establish permanently a sort of Tugwellian socialism in this country. It is difficult at this time to be certain just how this battle is going. It is the most vital controversy of the day. If the President, or any other force or forces can prevail upon Congress at this time to continue the war powers of the Executive in the way that the President now asks, then we are headed for a long, long period of difficulty, vexations, and want of progress—but not, as the President would have us believe, of price stability.

If the people of the United States can be convinced that stable prices (in theory at least) are to be preferred to adequate supplies of goods; if the public can be frightened out of its wits by the inflation calamity howlings among the professional howlers; and if the rank and file can be led to believe that economic equilibrium and smooth functioning in general can be ordered by official fiat, then we may as well reconcile ourselves to much that is unpleasant for a long while to come, for if this can be accomplished now there is little or no reason to hope that six months hence or a year hence it could not be done again. If this type of bosh can be made to prevail now, it would appear that about the only way in which we shall ever be saved is the hard way—paying through the nose badly enough and long enough to bring us to our senses. That, of course, would be a long-drawn-out and costly way to learn what should be obvious to begin with.

Feeding the Flame

All this is disheartening enough in its own right, but it is not the full story. Once the public is convinced that what is called "inflation" can be prevented by fiat, and that the wages of economic sin need not be paid, provided some Chester Bowles stands guard over his own, then what is there to warn the rank and file effectively against further feeding the flames of inflation through endless—and we had almost said boundless — budgetary deficits? Or by permitting the worship of a vanishing interest rate to lead to larger and larger holdings of government obligations by the commercial banks? Or by perpetual subsidies paid indirectly to pampered labor out of funds created by fiat?

The hope of the people now is in Congress, and if that hope, too, is not to be blasted the people must make themselves heard in the legislative hall of Congress during the next three or four months.

Mfrs. Trust Booklet On Pension Plans

Manufacturers Trust Company, New York, is distributing copies of its new booklet, "Pension and Profit-Sharing Plans." The bank's previous booklet on this subject was brought out in September, 1944. Since that time, the Treasury has issued many new rulings on the law relating to employee benefit plans and for that reason Manufacturers Trust Company realized the need for up-to-date material which would include these later developments. In the booklets will be found the text of the law and the regulations on Pension and Profit - Sharing Trusts, an analysis thereof, and model forms of Trust Agreements, all of which should prove especially helpful to everyone interested in this currently important subject.

European Food Shortage Critical

Truman Directs Emergency Measures

The Emergency Economic Committee for Europe, an inter-governmental body under the Chairmanship of Philip Noel-Baker of Great Britain, issued a report on Feb. 6 of its study of food conditions in Europe and the resultant estimates of food available for consumption in the next few months. According to the Committee, whose members are Belgium, Denmark, Greece, Luxembourg, The Netherlands, Norway, Turkey, the United Kingdom and the United States, for several months 140,000,000 persons will have to subsist on an average total diet of 2,000 calories a day, and about 100,000,000 will receive only an average of 1,500 or less per person. In the special dispatch from Washington to the New York "Times" reporting the committee's findings, it is pointed out that an average of 2,000 calories per day is ragarded as a minimum for safety.

The "Times" advices from Washington added:

The estimates take into account all home-grown and imported food supplies available or in sight.

While the study upon which the estimates were made covered only calories, adequate supplies of other nutritional elements, such as proteins, fats, vitamins and minerals which are also essential, are even a less satisfactory prospect than are calories.

It was pointed out that an average diet of 2,650 calories in addition to necessary quantity of other nutritional elements has been recommended by the UNRRA Food Committee as necesary for full health and efficiency. The report warned:

"A serious gap between food supplies and minimum requirements remains for many millions of people in Europe."

The same day, Feb. 6, President Truman issued a statement in which he declared that food shortages in Europe were so acute that only through "superhuman eforts" could mass starvation be averted. The President declared that it was incumbent upon the American people to cooperate in emergency measures which it was hoped might relieve the situation, and outlined measures which the Government would take, as follows, according to Associated Press Washington advices:

1. The appropriate agencies of this Government will immediately inaugurate a vigorous campaign to secure the full cooperation of all consumers in conserving food, particularly bread. Additional emphasis will be placed upon the cooperation of bakers and retailers in reducing waste of bread in distribution channels.

2. The use of wheat in the direct production of alcohol and beer will be discontinued; the use of other grains for the production of beverage alcohol will be limited, beginning March 1, to five days' consumption a month; and the use of other grains for the production of beer will be limited to an aggregate quantity equal to that used for this purpose in 1940, which was 30% less than the quantity used in 1945. This will save for food about 20 million bushels of grain by June 30, 1946.

3. The wheat flour extraction rate (the quantity of flour produced from each bushel of wheat) will be raised to 80% for the duration of the emergency. Also, steps will be taken to limit the distribution of flour to amounts essential for current civilian distribution. This will save about 25 million bushels of wheat during the first half of 1946.

4. The Department of Agriculture will control millers' inventories of wheat and bakers' and distributors' inventories of flour. The inventory controls will be designed to maintain the wheat and flour being held for civilian use at the minimum necessary for distribution purposes.

5. Specific preference will be given to the rail movement of wheat, corn, meat and other essential foods in order promptly to export maximum quantities to the destinations where most needed.

6. The Department of Agriculture will exercise direct control over exports of wheat and flour to facilitate movement to destinations of greatest need.

7. Necessary steps will be taken to export during this calendar year 375,000 tons of fats and oils, 1.6 billion pounds of meat, of which one billion pounds is to be made available during the first half of 1946, and to increase the exports of dairy products, particularly cheese and evaporated milk.

8. The War and Navy Departments already have aided materially the movement of Philippine copra (the raw material from which cocoanut oil is produced) by releasing 200 LCM and J boats for the inter-island trade in the Philippines. These departments and the War Shipping Administration will take immediate steps to make available the additional ships needed for this purpose.

The Secretaries of War and Navy will release for the movement of food to Europe all refrigerated ships not essential to the maintenance of the flow of food to the armed forces.

9. The Department of Agriculture will develop additional ways in which grain now being used in the feeding of livestock and poultry could be conserved for use as human food.

These steps may include means to obtain the rapid marketing of heavy hogs, preferably all those over 225 pounds, and of beef cattle with a moderate rather than a high degree of finsih; to encourage the culling of poultry flocks; to prevent excessive chick production; and to encourage more economical feeding of dairy cattle. Regulations to limit wheat inventories of feed manufacturers and to restrict the use of wheat in feed will be prepared.

The President added in part:

"The measures which I have directed will no doubt cause some inconvenience to many of us. Millers and bakers, for example, will have to adapt their operations to produce and to use flour of a higher extraction rate while consumers may not be able to get exactly the kind of bread they may prefer. We will not have as large a selection of meats, cheese, evaporated milk, ice cream, margarine and salad dressing as we may like. However, these inconveniences will be a small price to pay for saving lives, mitigating suffering in liberated countries and helping to establish a firmer foundation for peace.

"In attempting to alleviate the shortages abroad, this country will adhere to the policy of giving preference to the liberated peoples and to those who have fought beside us, but we shall also do our utmost to prevent starvation among our former enemies.

"I am confident that every citizen will co-operate wholeheartedly in the complete and immediate mobilization of this country's tremendous resources to win this world-wide war against mass starvation."

House to Check 41 Federal Corporations

In order to keep a check on government corporation spending, the House Appropriations Committee on Feb. 9 appointed a subcommittee of five of its members to review annually all transactions and operations of 41 Federal agencies. Representative George H. Mahon (D.-Tex.) is Chairman of the subcommittee, according to Associated Press advices from Washington which stated that he had told reporters the new group would "keep under close and constant Congressional scrutiny the activities of government corporations." The Associated Press also said:

The 41 corporations which Representative Mahon's subcommittee will scrutinize on behalf of Congress are the Commodity Credit Corporation, Federal Intermediate Credit Banks, Production Credit Corporations, Regional Agricultural Credit Corporations, Farmers Home Corporation, Federal Crop Insurance Corporation, Federal Farm Mortgage Corporation, Federal Surplus Commodities Corporation, Reconstruction Finance Corporation, Defense Plant Corporation, Defense Supplies Corporation, Metals Reserve Company, Rubber Reserve Company, War Damage Corporation, Federal National Mortgage Association, the RFC Mortgage Company, Disaster Loan Corporation, Inland Waterways Corporation, Warrior River Terminal Company, The Virgin Island Company, Federal Prison Industries, Inc., United States Spruce Production Corporation, Institute of Inter-American Affairs, Institute of Inter-American Transportation, Inter-American Navigation Corporation, Inter-American Educational Foundation, Inc., Prencinradio, Inc., Cargoes, Inc., Export-Import Bank of Washington.

Also the Petroleum Reserves Corporation, Rubber Development Corporation, U. S. Commercial Company, Smaller War Plants Corporation, Federal Public Housing Authority, Defense Homes Corporation, Federal Savings and Loan Insurance Corporation, Home Owners' Loan Corporation, United States Housing Corporation, Panama Railroad Company, Tennessee Valley Authority and Tennessee Valley Associated Cooperatives, Inc.

In the past these corporations have obtained approval of Congress for administrative expenses generally appropriated out of their capital. Scattered Appropriations subcommittees have studied their needs, but none has ever had jurisdiction over all 41. Last December, the Associated Press continued, Congress enacted a law requiring each corporation to prepare annually a "business-type budget," containing estimates of "the financial condition and operations of the corporation for the current and ensuing fiscal years and the actual condition and results of operation for the last completed fiscal year." The press advices added:

The law was known as the "financial control of government corporations" act and was the authority for creation of the new subcommittee.

By having exclusive jurisdiction over the activities of the corporations, Representative Mahon believes his group will be able to familiarize itself with each of them "and keep a better control over their operations on behalf of Congress."

"This is something entirely new," he said, "and we will have to move slowly on it. Hereafter the corporations are going to have to justify before the same committee each year not only their administrative expenses but all their other far-flung operations. They are handling billions of public funds and we intend to carefully review their operations."

Administration's Housing Plan Wins Wide Approval: Congress to Cooperate

The nation's new housing plan, drawn up by Housing Administrator Wilson S. Wyatt and endorsed by President Truman who announced it on Feb. 7 (Chronicle, Feb. 14, p. 877), won the immediate approval of numerous groups and individuals who sent to the capital messages of praise and offers of cooperation within a short time of the plan's publication, according to Associated Press Washington advices of Feb. 9.

Congress appeared to be eager to implement the plan with adequate legislation, but, in spite of Mr. Wyatt's pleas for price ceilings on old houses, the House Banking Committee would not agree to include the provision in the legislation which had already gotten under way. However, Committee leaders promised to amend the bill approved for floor consideration a week earlier by the inclusion of a provision for $600,000,000 in Federal subsidies to stimulate the output of scarce building material, the Associated Press reported on Feb. 12.

The pending bill, sponsored by Representative Patman (D.-Tex.), provides for establishment of an over-all Office of Housing Stabilization; the continuation of authority to allocate building materials for a year beyond the June 30 expiration date; price control on new dwellings, and stipulates that veterans shall have the first chance to buy new homes.

The administration's request for $250,000,000 for direct Government construction of homes will be referred to the Building and Grounds Committee, since the banking group in the House decided it lacked jurisdiction, the Feb. 12 dispatch of the Associated Press added.

For the most part, according to the Associated Press, the Wyatt plan has the approval of the housing industry, with two parts drawing opposition. The National Association of Real Estate Boards disapproved price control provisions. The Producers Council, Inc., representing materials manufacturers, opposed subsidies to expand the production of supplies. It recommended a 10% increase in prices of materials instead. West Coast lumber interests talked about price increases to boost production. The Associated Press further said:

The CIO said in a statement that the program "is in the best interest of the veteran and all citizens who want a prosperous American economy."

In a message to Mr. Truman, William Green, President of the AFL and Chairman Harry C. Bates, of the AFL housing committee promised that organized labor would help.

Senator James M. Mead (D.-NY) introduced a bill to raise from $160,000,000 to $410,000,000 appropriations authorized for emergency housing for veterans.

League of Nations To Dissolve

A final League of Nations Assembly is to open on April 8, according to United Press Geneva advices of Feb. 9, at which the League will be dissolved under a method of procedure worked out by the League Council which will meet for that purpose three days ahead of the Assembly. Invitations to member nations to attend the Assembly have been issued by the League; the last previous meeting was Dec. 14, 1939.

Taylor Quits Export-Import B'k—Succeeded By W. McC. Martin

The Board of Directors of the Export-Import Bank announced on Feb. 7 the resignation of Wayne C. Taylor as President of the Bank. The board simultaneously announced that William McC. Martin, Jr., Chairman of the Board, will assume the duties previously assigned to the president in addition to his duties as Chairman.

The Export-Import Bank Act of 1945, passed last July, provided that the management of the bank would be vested in a Board of Directors consisting of the Secretary of State an four full-time directors appointed by the President, by and with the advice and consent of the Senate. Mr. Martin was appointed chairman of the board last fall. Mr. Taylor had remained as presidennt of the bank to assist in the transition of the bank to its present form of management.

In accepting Mr. Taylor's resignation, the Board of Directors adopted the following resolution:

"Resolved, That the Board of Directors of the Export-Import Bank express their sincere appreciation and deep gratitude to Mr. Taylor for his able administration of the bank during the difficult period of the past year and in the transition to the new form of management. His deep interest and complete cooperation have been of inestimable value in aiding the board in the assumption of its duties. His departure is cause for sincere regret on the part of each of the members of the board."

In a letter to President Truman on Feb. 6 Mr. Taylor said:

"In accordance with the recommendation which I made to you last Wednesday, (Jan. 30) this morning I presented my resignation to the Board of Directors of Export-Import Bank. As Mr. Martin and I explained to you, the basic organizational defect in the Export-Import Bank can only be corrected if the duties of the president are combined with those of the chairman of the board of directors.

"The new board of directors is now fully organized, the bank has an excellent staff, and contracts have been signed covering the bulk of the urgent business which was presented to the bank following the cessation of hostilities, so that I am confident that the work of the bank will be admirably handled. Naturally, I have informed the board that I will be available at any time if there are any matters which the board members or the staff wish to discuss with me."

Berle Resigns Brazil Post

Adolph Berle, Jr., announced from Rio de Janeiro on Feb. 8 his resignation as United States Ambassador to Brazil, the Associated Press reported, adding that the resignation had been put off until now at the request of President Truman who agreed to release Mr. Berle as soon as the new Brazilian Government had taken office. The new President of Brazil, Gen. Eurico Gaspar Dutra, having been installed on Jan. 31, Mr. Berle's resignation followed. In his letter to President Truman, the retiring Ambassador expressed appreciation of the former's request that he remain in the Brazilian post indefinitely, but stated his desire to leave. Mr. Berle was one of the few early New Deal supporters of President Roosevelt remaining in office under the Truman administration.

House and Senate Pass Compromise "Full Employment" Bill

Compromise legislation which would make maintenance of maximum employment a Government responsibility was approved by the House on Feb. 6, and by the Senate on Feb. 8. The bill was a substitute for the full employment measure asked for by President Truman, but it was predicted that if approved by Congress the President would sign it. The compromise measure, approved by the House by a vote of 220 to 84, was agreed to by the Senate by a voice vote. The bill finally accepted was drawn by a conference committee to reconcile differences between versions adopted by the Senate and House. According to Associated Press advices from Washington Feb. 9, President Truman had urged passage of what he regarded as the stronger Senate bill. What he got, however, was legislation much modified in wording, including omission of the phrase "full employment." The Associated Press added:

Senate Majority Leader Barkley (Ky.) said the idea was to eliminate an "implied guaranty that the Government would keep in and make jobs for any and all unemployed."

The bill, as passed, says "there will be afforded useful employment opportunities, including self-employment, for those able, willing and seeking to work, and to promote maximum employment, production and purchasing power." It sets up a council of three economic advisers receiving $15,000 a year each who will help the President prepare an annual economic report for Congress.

A joint Congressional "committee on the economic report," consisting of seven Senators and seven Representatives, is authorized to study the recommendations and seek ways to put them into effect.

The compromise bill was sharply criticized during short debate in the House as a "watered-down version" of the job assurance sought by Mr. Truman. It declares, according to the Associated Press, that it is the "continuing policy and responsibility" of the Federal Government to promote maximum employment production and purchasing power. The Press advices Feb. 6 added:

The phrase "full employment" appears nowhere in the rewritten measure, though it did in the Senate-passed bill. Neither does the milder "high level of employment" language approved earlier by the House appear.

The compromise calls for an annual economic report by the President to Congress, presenting his recommendations regarding how to achieve the bill's objectives.

Kosciuszko Honored

President Truman on Feb. 11 issued a statement honoring the memory of the Polish hero of the American Revolution, General Thaddeus Kosciuszko, whose 200th birthday anniversary occured on Feb. 12. Said the President, as reported by the Associated Press in its Washington dispatch: "The American nation will never forget the prominent role he played in the early history of this country. . . . But even more important than this Kosciuszko will be remembered by the people of America, as well as by the people of Poland and many other lands, for his unflagging devotion to the ideals of liberty, freedom and justice to all mankind. To the attainment of these ideals Kosciuszko throughout his lifetime devoted all his energies and talents. His heroic efforts in the cause of liberty have served as an inspiration to all peoples.

"It is most fitting that on Feb. 12 the people of the United States join with the people of Poland—bound together as they are by historical ties—in honoring the memory of one of Poland's brave and gallant sons and one of America's great heroes."

House Passes Bill for More OPA Agents

A bill to provide funds for 1,585 new enforcement officers for the Office of Price Administration's war against black market operations in meat, building materials and construction was passed by the House on Feb. 14; it was approved by the House Appropriations Committee on Feb. 12, after Chester Bowles, OPA chief, had told the Committee during hearings that the problem was acute and necessitated the added control. The $1,854,000 in funds for new OPA work during the remaining four and one-half months of the current fiscal year is part of a $3,523,000 deficiency supply measure sent to the House floor, the Associated Press reported from Washington.

In approving the bill, the Committee stressed the necessity for dealing with shortages of materials that have continued beyond earlier expectations and with heavy inflationary pressures. The House vote on Feb. 14 was close enough to presage a battle later when a measure to continue the agency beyond June 30 comes before Congress, said the Associated Press accounts from Washington Feb. 14, which further stated:

A Republican drive to strike $1,854,000 of OPA funds from an appropriation bill fell short by a roll-call vote of 185 to 108. It missed by only 13 votes on an earlier test.

Ill.-Wisc. Home Loans Up in Year

A gain of 9.12% in the 1945 advances made by the Federal Home Loan Bank of Chicago over the 1944 figure was reported on Jan. 24 to the Federal Home Loan Bank Administration at Washington by A. R. Gardner, President of the Chicago Bank. He said that the 1945 outflow to savings, building and loan associations in its Illinois-Wisconsin district reached the record high of $51,073,775. The year ended with loans outstanding at $34,432,585, one of the top totals for this item in 13 years of operation.

As of Dec. 31, 1945, this regional unit of the nationwide Federal Home Loan Bank system was a $42,376,327 institution, Mr. Gardner said, with capital stock of $22,166,600, and $12,500,000 participation in the outstanding Consolidated Debentures of the Federal Home Loan Bank system as a whole. Its other principal item of liabilities at the year's end comprised time deposits of member savings and loan associations and deposits from other Federal Home Loan Banks situated in districts where the demand for funds by the member home lending institutions is not so heavy as here.

Nat'l Advertisers Meeting in April

The semi-annual meeting of the Association of National Advertisers will be held on April 15, 16, 17 and 18 at the Westchester Country Club, Rye, N. Y., it is announced by the association. The meeting will be open only to executives of A. N. A. member companies. Thomas H. Young, United States Rubber Company, Vice-Chairman of the association, is chairman of the program committee.

Amendments to Federal Income, Estate, and Gift Tax Laws Proposed by ABA Trust Division

The time has arrived when in the interest of the general welfare the trend toward imposing greater tax burdens on trusts and estates should be stopped and, in some cases, reversed, according to the Committee on Taxation of the Trust Division of the American Bankers Association.

In a "Report Proposing Amendments to Federal Income, Estate, and Gift Tax Laws," mailed on Jan. 26 to all members of the Trust Division and to appropriate government officials, the committee said:

"With the emphasis which is being placed today on social security and the encouragement which our laws are giving to pension funds, sickness benefits, and other provisions for the security and welfare of employees, it is important that there be no discrimination against the personal trust, which is one of the very oldest means of providing for the security of persons otherwise likely to become dependent on public or private charity.

"Much of the damage done to personal trusts through the tax laws and their administration has been accomplished under the guise of preventing tax avoidance. Undoubtedly some trusts have been used by individuals to avoid taxes. In their zeal to prevent this, revenue agents in many cases have asserted claims and established principles which have adversely affected many bona fide existing trusts created without thought or purpose of tax avoidance and have effectively prevented the creation of legitimate new trusts. The tendency of many revenue officials has been to ignore the historical background of trusts and to think of them merely as 'devices' to avoid taxes."

The report of the Taxation Committee of the Trust Division is a result of two years of intensive study of Federal estate and gift tax laws and income tax laws pertaining to estates and trusts. "This report constitutes one of the most complete studies to date in this field of taxation," James W. Allison, President of the Trust Division, who is also Vice-President of the Equitable Trust Company, Wilmington, Del., said.

"The trend toward increased tax burdens has been so marked in recent years," the report asserts, "that many students of the subject believe it threatens the preservation of Anglo-Saxon concepts of property and property rights and the use of trusts as a means of providing for the security and protection of beneficiaries."

The report is submitted in two parts. Part I contains suggested changes in existing laws which are of a fundamental nature and of broad general application, and Part II proposes changes which are of a more technical and narrow application.

Members of the Committee on Taxation of the Trust Division are: Lee P. Miller, Vice-President, Citizens Fidelity Bank and Trust Company, Louisville, Ky., Chairman; H. M. Bardt, Vice-President and Trust Officer, Bank of America N.T. & S.A., Los Angeles, Cal.; Paul E. Farrier, Assistant Vice-President, First National Bank, Chicago, Ill.; A. G. Quaremba, Vice-President, City Bank Farmers Trust Company, New York, N. Y.; S. P. Ryland, Vice-President and Trust Officer, First and Merchants National Bank, Richmond, Va.; William A. Stark, Vice-President and Trust Officer, The Fifth Third Union Trust Company, Cincinnati, Ohio; and Merle E. Selecman, Deputy Manager in charge of the Trust Division, ABA, New York, N. Y.

President Praises Welfare Unit on Refugee Resettling

As the fourteenth general assembly of the Council of Jewish Federations and Welfare Funds held its closing session, it heard a letter of appreciation from President Truman to William Rosenwald, Honorary President of the National Refugee Service on the occasion of the closing of the Emergency Refugee Shelter at Oswego, N. Y., and resettlement of its 924 residents in the country. Mr. Rosenwald, who read the letter from the President, praised Mr. Truman's humanitarian attitude in issuing his recent directive to facilitate the immigration of refugees and displaced persons from the American occupied zones in Europe, a special dispatch from Detroit to the New York "Times" stated, Feb. 11.

The National Refugee Service, the "Times" continued, was designated by the Government to carry out the task of resettling the Oswego refugees and arranging for them a new start in life as prospective Americans. The "Times" added:

Mr. Rosenwald told the President that these operations were completed within four weeks in 65 cities and towns in almost every State, and Mr. Truman replied:

"I appreciated very much your letter of the second, and I am most happy that the refugees at Oswego have been taken care of. It seemed to be the best manner in which to handle it.

"I appreciated also your contribution to the public service in acting as honorary president of the National Refugee Service, Inc."

H. L. Lurie, executive director of the Council of Jewish Federations and Welfare Funds, said in his report that from 40 Jewish Federations and welfare funds in 1930 there had been an increase to some form of central Jewish organization in more than 300 cities.

Judge Louis E. Levinthal of Philadelphia, Vice President of the American Association for Jewish Education, reported a marked trend toward the intensification of Jewish religious education in this country.

Recalling that Jewish educational institutions spent more than $10,000,000 in 1945, he predicted an even greater expansion this year. Many communities, he added, have increased their appropriation for this purpose by more than 50%.

Senate Group Refuses White House Addition

In revising the provisions of the Independent Offices Appropriations bill, the Senate Appropriations Commitee followed the lead of the House in denying funds for the $1,650,000 addition to the White House sought by President Truman. The Senate Committee, however, restored a House-withheld $5,000,000 emergency fund for the President, according to Associated Press Washington advices of Feb. 7, and added $780,000 for White House improvements other than the proposed addition.

As submitted by the President, the original budget estimate for the whole bill amounted to $5,640,876,502, which the House reduced to $5,594,146,286.

1945 Rayon Output At Record Level

Domestic production of rayon totalled 792,100,000 pounds in 1945, exceeding the 1944 output of 723,900,000 pounds by 10%, states the "Rayon Organon," published by the Textile Economics Bureau, Inc., and issued on Feb. 1.

Viscose+cuprammonium rayon yarn production, says the report, in 1945 at 448,800,000 pounds represented an increase of 17% over the previous year, while acetate rayon yarn output last year at 174,900,000 pounds showed an increase of 2% over 1944. Rayon staple fiber production in 1945 amounted to 168,400,000 pounds, a slight decline from the 1944 level. Viscose staple fiber accounted for 75% of the total output, the remaining 25% being acetate staple fiber production.

The principal increase in 1945 rayon production, states the "Organon," took place in viscose filament yarn and was due to the greatly expanded output of high tenacity yarn, the great bulk of which is used to make tire cord and fabric.

The advices add:

An analysis of the rated vs. the "free" uses of rayon yarn during the war and prewar periods reveals the great expansion of the rated high tenacity viscose yarn shipments, mainly for the tire cord program. For example, 195 million pounds of rated high tenacity viscose yarn were shipped by producers during 1945 compared with a 1941 prewar level of 18 million pounds. This large tire cord program, had a comparatively small effect on the total shipments of regular and intermediate tenacity viscose yarn, these viscose+cupra non-tire shipments being at a peak of 281 million pounds in 1943 and declining by only 10% to a low of 252 million pounds in 1945; but the rated uses of regular and intermediate yarns amounted to as high as 33% during the war, which considerably reduced the amount of "free" yarn available for non-rated purposes.

The 1945 pattern of rayon yarn distribution by principal consuming trades showed the effects of wartime operations and reconversion. As compared with 1944, the 1945 distribution of total rayon yarn shipments to domestic trades showed the following changes: shipments to full-fashioned hosiery —25%, seamless hosiery —13%, circular knitting —2%, warp knitting +7%, broad woven +½%, narrow woven +12%, miscellaneous uses —22%, and shipments to tire manufacturers +62%.

The publication also points out that, on the basis of a preliminary estimate, 1945 world rayon yarn and staple fiber production totalled 1,700,000,000 pounds. Thus the United States produced approximately 60% of the world's output of rayon filament yarn and 25% of the rayon staple fiber during 1945.

Churchill Visits Truman

Winston Churchill, wartime British Prime Minister, made a flying trip from Miami, Fla., to Washington, D. C., for a visit with President Truman, on Feb. 10. Arriving at the Washington airport in the late afternoon, after an exceptionally rough air passage, Mr. Churchilll was greeted by a waiting crowd of several hundred persons, then driven to the British Embassy where he was to spend the night. The same evening he went to the White House for more than an hour's talk with the President, who had been obliged because of domestic conditions to cancel the vacation trip to Florida during which he had planned to see Mr. Churchill. The subjects of the talks between the two men were not disclosed. Mr. Churchill left Washington by airplane for Miami, on Feb. 12 following his talk with the President.

Court Rules Newspapers Under Wage-Hour Law

Brushing aside contentions that newspapers are constitutionally exempt from the Wage-Hour Law, the United States Supreme Court, on Feb. 11, ruled that Labor Department investigators have the right to inspect relevant books, records and papers of newspaper corporations to decide whether the newspapers are subject to provisions of the Fair Labor Standard Act.

Two publishers, the Oklahoma Press Publishing Co., and the Evening News Printing Co., Inc., of Paterson, N. J., contended, said advices to the "Wall Street Journal" from its Washington bureau, that the act was not applicable to them and that the question of such coverage must be decided before subpoenas permitting examination of their records could be enforced.

But the Court's decision, as the "Wall Street Journal" stated in its Washington advices, left the way open for determination of the extent of coverage by the wage-hour administrator himself. The two papers had claimed immunity under the First and Fourth Amendments, which, respectively, the "Wall Street Journal" continued, forbid Congress to abridge freedom of the press and protect citizens from "unreasonable searches and seizures" of their property.

Justice Rutledge, speaking for the majority, declared that the argument that newspapers are "beyond the reach of Congressional and judicial power" because of constitutional guarantees of freedom of the press "only raises the ghost of controversy long since settled adversely to their claim."

United Press Washington advices Feb. 11 stated:

Associate Justice Wiley B. Rutledge, reading a 7-to-1 opinion, said there is "no room for intimation" that the wage-hour administration had proceeded in a manner "contrary to petitioners' fundamental rights or otherwise than strictly according to law."

"We think, therefore," Justice Rutledge wrote, "that the courts of appeals were correct in the view that Congress has authorized the administrator, rather than the district courts in the first instance, to determine the question of coverage in the preliminary investigation of possibly existing violations; in doing so to exercise his subpoena power for securing evidence upon that question, by seeking the production of petitioners' relevant books, records and papers; and, in case of refusal to obey his subpoena, issued according to the statute's authorization, to have the aid of the district court in enforcing it.

"No constitutional provision forbids Congress to do this."

Justice Rutledge labeled as "without merit" the argument that freedom of press guaranteed in the First Amendment granted the newspapers exemption.

"What petitioners seek is not to prevent an unlawful search and seizure. It is rather a total immunity to the act's provisions, applicable to all others similarly situated, requiring them to submit their pertinent records for the administrator's inspection under every judicial safeguard, after and only after an order of court made pursuant to and in exact compliance with authority granted by Congress."

Associate Justice Frank Murphy, dissenting, said he was "unable to approve the use of non-judicial subpoenas issued by administrative agents."

"Many invasions of private rights thus occur without the restraining hand of the judiciary ever intervening," Justice Murphy said.

The United Press reported that: Justice William O. Douglas, in a 7-to-1 opinion clarified the wage-hour law standing of daily newspapers with small out-of-state circulations. Ruling in a case involving the White Plains (N. Y.) "Daily Reporter," Justice Douglas said that wage-hour law exemption had been granted only to weeklies and semi-weeklies under 3,000 circulation.

The United Press also said:

Associate Justice William O. Douglas in the White Plains case, said:

"We hold that respondent ("The Daily Reporter") is engaged in the production of goods for commerce.

"That, of course, does not mean that these petitioners, its employees, are covered by the act.

"The applicability of the act to them is dependent on the character of their work.

"We express no opinion on that phase of the case, as the New York Appellate Courts did not pass on it.

"Since the judgment below must be reversed, the question whether the act is applicable to these employees will be open on the remand of the case."

Justice Murphy dissented.

The court reviewed the case on an appeal by the employees over the question of whether the paper was engaged in interstate commerce sufficiently enough to be covered by the Fair Labor Standards act.

"The Daily Reporter" suspended publication in February, 1941. The employees sued for back overtime 18 months after the paper went out of business. Their appeal was filed with the Supreme Court after the New York Court of Appeals reversed an award of $42,010 made to them in the Westchester County, N.Y., Supreme Court.

The State Appellate Court ruled that the paper's out-of-state business was too small to bring it under the act. In appealing, the employees contended the handling of news through interstate communication channels constituted business of an interstate character.

World News Plan of State Dept. Sidetracked

Legislation which the State Department has sought to permit it to operate a world-wide news and cultural program was postponed indefinitely on Feb. 14 when the House Rules Committee adjourned without acting on the plea of Representative Sol Bloom (D.-N.Y.), chairman of the House Foreign Affairs Committee, which had already approved the bill and sought to have it sent to the House floor for early debate. The rules committee set no date for anothter meeting, according to the report sent to the Associated Press from Washington.

The State Department's proposal and its acceptance by the Foreign Affairs Committee were criticized by Representative E. E. Cox (D.-Ga.) and Clarence Brown (R.-Ohio). Representative Brown contended, according to the Associated Press, that the legislation would permit the State Department to construct buildings, radio stations, schools and "anything they want" all over the world without limitation, and likewise criticized the Foreign Affairs Committee for its readiness to accept the measure. Representative Bloom declared that the committee had considered the bill carefully and had weighed all the objections of committee members before approving the legislation without a recorded vote.

He insisted the legislation was intended to provide for an exchange of information among the people of the world in order to promote permanent peace and a better understanding among nations.

The State of Trade

(Continued from page 1006)

the output of electricity increased to 3,983,493,000 kwh. in the week ended Feb. 9, 1946, from 3,982,-775,000 (revised figure) kwh. in the preceding week. Output for the week ended Feb. 9, 1946, however, was 11.6% below that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports System output of 191,200,000 kwh. in the week ended Feb. 10, 1946, comparing with 192,900,000 kwh. for the corresponding week of 1945, or a decrease of 0.9%. Local distribution of electricity amounted to 188,700,000 kwh., compared with 178,200,000 kwh. for the corresponding week of last year, an increase of 5.9%.

Railroad Freight Loadings—Carloadings of revenue freight for the week ended Feb. 9, 1946, totaled 713,240 cars, the Association of American Railroads announced. This was a decrease of 9,895 cars (or 1.4%) below the preceding week and 42,592 cars, or 5.6% below the corresponding week of 1945. Compared with the similar period of 1944, a decrease of 79,941 cars, or 10.1%, is shown.

Railroad Earnings for 1945—Class I railroads for the United States in the year ended Dec. 31, 1945, had an estimated net income, after interest and rentals, of $453,000,000, according to reports filed by the carriers with the Bureau of Railway Economics of the Association of American Railroads. For the year 1944, net income of those roads, after interest and rentals was $667,200,000.

Net railway operating income, before interest and rentals, in 1945 amounted to $849,779,893, compared with $1,106,384,412 in 1944. The rate of return earned on property investment averaged 3.05% in 1945, compared with a rate of return of 4.00% in 1944.

Total operating revenues in 1945 amounted to $8,902,349,173 compared with $9,436,789,812 in 1944, a decrease of 5.7%.

Paper and Paperboard Production—Paper production in the United States for the week ending Feb. 9 was 99.7% of mill capacity, against 101.5% in the preceding week and 90.1% in the like 1945 week, according to the American Paper & Pulp Association. Paperboard output for the current week was 97%, compared with 95% in the preceding week and 93% in the like 1945 week.

Business Failures Show Slight Decline—For the second consecutive week, commercial and industrial failures showed a small decrease. Dun & Bradstreet, Inc., reports 25 concerns failing in the week ending Feb. 14 as compared with 27 in the previous week and 23 in the corresponding week of 1945. The week just ended marked the fifth straight week this year that failures have exceeded those in the comparable week of last year.

Large failures involving liabilities of $5,000 or more remained at 19, the same as a week ago, but one and one-half times the 13 occurring in the corresponding week of 1945. During the three weeks in which large failures have remained at a constant level, small failures have shown a small yet steady decline. This week there were only 6 concerns failing with losses under $5,000.

One-half of this week's failures occurred in manufacturing where failures at 13 were two times as numerous as in last week and in the same week a year ago. On the other hand, retail failures fell off to a third the number a week ago and were lower than in 1945's comparable week. While no failures were reported in construction in the week just ended, increases appeared in concerns failing in commercial service.

No Canadian failures occurred, as compared with 3 both in the previous week and in the corresponding week of 1945.

Wholesale Commodity Price Index—Continuing its upward trend, the Daily Wholesale Commodity Price Index, compiled by Dun & Bradstreet, Inc., advanced to a new postwar peak of 184.52 on Feb. 11. This was a rise of 0.6% over the 183.40 recorded a week previous and compared with 175.50 a year ago, a gain of 5.1%.

Grain markets maintained a firm tone. Activity in May rye was again a leading feature with prices moving over a considerable range during the week. The situation in wheat remained very tight. There was an excellent demand for wheat from various sources but trading in both cash and futures markets was light as prices pressed hard against ceilings. Corn held firm at permissible ceilings despite more liberal receipts of cash corn at terminal markets. Receipts of hogs failed to equal demand and prices remained strong at ceilings. Trading in lard was somewhat slow although hog slaughtering was reported back to normal.

Steady gains during the week in cotton futures brought prices to the highest level since the 1924-1925 season. Trade price-fixing and commission house buying absorbed all offerings. Supporting influences in the strength shown were the general inflationary tendencies surrounding the market, the feeling that wage-price policies will result in higher ceilings for cotton and other goods, and expected increases in both foreign trade and domestic consumption.

The Department of Agriculture has established the 1946 goal for planting cotton at 20,200,000 acres. Price supports and steadily rising prices as incentives to planting, however, will be largely counteracted by labor, machinery, seed, and fertilizer shortages.

Volume of trading in domestic wools in the Boston market continued limited during the week, although inquiries increased with the mounting uncertainty of the availability of foreign wools. There was some fill-in buying of domestic wools to stretch out the supplies of existing foreign wools. Buyers of replacement supplies from South America found prices there rising steadily. Continued delays were reported in allocations of orders in Australia, which totalled 102,318 bales for December. Prices in wool noil markets were strong although shortages curtailed volume. Trading in wool tops consisted of small orders for first-half 1946 delivery.

The Commodity Credit Corporation appraised for purchase 2,-757,125 pounds of domestic wools during the week ended Feb. 1, making a total of 335,961,832 pounds appraised to date, compared with 375,467,309 appraised to the corresponding 1945 date. It is reported that many mills will introduce men's wear Fall fabric lines during the last half of this month.

Wholesale Food Price Index Rises—Advances in farm commodities carried the wholesale food price index, compiled by Dun & Bradstreet, Inc., to $4.13 for Feb. 12. This marked an increase of 0.5% over last year's $4.11, and a gain of 2.5% over the $4.03 registered for the comparable 1944 week. Commodities moving upward in price were eggs, potatoes, sheep and lambs. There was a slight decline for rye. The index represents the sum total of the price per pound of 31 foods in general use.

Wholesale and Retail Trade—Reports on consumer buying in the country last week were the most varied in several weeks, reports Dun & Bradstreet, Inc., in its current survey of retail trade. Overall retail volume was slightly above the previous week and it was moderately above that of the corresponding week a year ago. There was little evidence generally of a slackening in retail business in many strike areas as demand persisted at a very lively pace. Retail inventories were at a low level in a good many lines.

Total furniture and houseware volume this week was moderately above that of a week ago and the similar week a year ago. Volume of tables, lamps, and small rugs increased slightly this week. The supply of bedroom and living room furniture has eased while that of dinette suites remained low. There were scattered promotions in new houseware items and appliances, although on a much smaller scale than usual at this time. Electric irons were obtainable in some stores and orders for most other appliances were taken; the volume of advanced orders has slackened in some stores.

There was no abatement in consumer demand for men's and women's apparel. Most types of men's wear, women's hosiery, lingerie, and children's clothes continued somewhat scarce. Consumer buying was particularly heavy in those departments that carried items suitable for Valentine's Day gifts; lingerie, neckwear, cosmetics, handbags, and gloves were popular.

Fabrics of all types continued to be in demand. The supply of fine cottons and rayon prints was very low, while that of woolens was more easily available. Demand ran heavy for stationery, silverware and jewelry.

Retail food volume the past week was moderately above the week previous and was about 10% above the similar week a year ago. The supply of most products was adequate. Shortages still persisted in beef, shortening, soap and sugar. There was a big spurt in the demand for flour and most meats. The volume of baked goods and confections was high.

Retail volume for the country was estimated at from 9 to 13% above the corresponding week a year ago. Regional percentage increases were: New England 9 to 14, East 12 to 16, Middle West 6 to 10, Northwest and Pacific Coast 8 to 12, South 12 to 16, Southwest 7 to 11.

While the volume of wholesale trade this week was little changed from that of last week, it continued to be slightly above the volume of the corresponding week a year ago. There was in increased demand for staple articles with a tendency toward the acceptance of new orders on an allotment basis. Available stocks remained limited.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended Feb. 9, 1946, increased by 25% above the same period of last year. This compared with an increase of 20% in the preceding week. For the four weeks ended Feb. 9, 1946, sales increased by 20% and for the year to date by 15%.

Retail trade volume here in New York the past week increased over a similar period last year notwithstanding the emergency order of Mayor O'Dwyer on Tuesday, last. The sales volume for department stores showed an estimated increase of about 10%.

Buyer attendance in wholesale markets declined for the week, but the pressure exerted upon wholesalers for delivery of goods on order continued as great as in the past.

Some increase was also noted in the level of food sales over a week ago, presumably because of a larger supply of meat on hand following the conclusion of the meat packers strike.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Feb. 9, 1946, increased 37% above the same period last year. This compared with an increase of 27% in the preceding week. For the four weeks ended Feb. 9, 1946, sales rose by 30% and for the year to date by 23%.

President Reports Lend Lease to Congress

President Truman, on Jan. 31, sent the 21st report on lend-lease to Congress in which he revealed that aid to other nations totaled $46,040,000,000 from March 1941, to Oct. 1, 1945, with reverse lend-lease, i.e., aid given the United States by other nations, totaling $6,256,871,000 through July 1, 1945, according to Associated Press dispatches from Washington. Settlement of all lend-lease operations is expected by next July 1, the President added.

In summarizing settlement progress, the Presient said that after the Japanese capitulation "prompt steps were taken to insure a rapid but orderly reduction of Lend-Lease expenditures and to bring to a close the employment of Lend-Lease procedures in supplying essential war needs of our Allies."

The Associated Press further said:

"Negotiations for settlement of accounts, he said, have begun with many countries. A settlement already has been made with Great Britain. The report said most of the agreements will be completed by the end of this fiscal year "although it should be understood that in many instances the agreements will require subsequent accounting and fiscal operations to determine the exact amounts due in particular cases."

The President explained that the master Lend-Lease agreements contain a pledge that final settlements are not to burden commerce between United States and other countries. In terminating Lend-Lease aid, he said, this principle "will be before us as a reminder of the goal which this Government must constantly seek."

From the Associated Press Washington advices Jan. 31 we also quote.

Total Lend-Lease aid charged to foreign governments was listed at $43,950,000,000, of which 69% was furnished to the British Empire and 25% to Russia.

Here are the totals by countries:

British Empire, $30,269,210,000; Russia $10,801,131,000; France, $1,406,600,000; China, $631,509,000; American republics, $421,467,000; Netherlands, $162,157,000 Greece, $75,416,000 Belgium $52,443,000; Norway $34,640,000; Turkey, $28,-063,000; Yugoslavia, $25,885,000; other countries, $43,284,000.

Aid not charged to foreign governments, such as amounts credited to production facilities in the United States, amounted to $2,-088,249,000, bringing the overall total to $46,040,054,000.

The following is the itemized account in the report, according to the Associated Press, of reverse Lend-Lease through last July 1, the latest date for which information is available: United Kingdom $4,241,139,000; Australia, $835,004,000; New Zealand, $204,-566,000; India, $639,443,000; Union of South Africa $885,000, France (to Feb. 1, 1945), $200,615,000; French Africa, $70,358,000; French New Caledonia, $1,171,000; Belgium, $55,646,000; Belgian Congo, $182,000; Netherlands, $1,133,000; Dutch Curacao and Surinam, $917,000; China, $2,672,000, and Russia, $2,139,000.

Reverse Ruling on Disqualifying Bank Directors

Reversing a ruling of the United States District Court for the District of Columbia, the Court of Appeals, at Washington, on Feb. 13, held, in a two-to-one decision, according to Associated Press Washington advices, that the Federal Reserve Board had violated the intent of Congress giving it the right to disqualify bank officials also engaged in the underwriting of securities when it ordered the removal of two directors of Paterson (N. J.) National Bank because they were employees of the New York securities firm of Eastman, Dillon & Co. Stating that underwriting did not comprise the largest volume of that firm's business, the majority opinion of the court, written by Justice H. Barrett Prettyman, said that underwriting comprised 32% of Eastman, Dillon & Co.'s gross business in the year ended Feb. 29, 1944, while the brokerage business amounted to 47% of the gross. The Associated Press added:

"Underwriting and brokerage, although both concerned with securities, are vastly different operations," Justice Prettyman's decision said. "By no quantitative test shown in this record can Eastman, Dillon & Co. be held to be principally or chiefly engaged in underwriting.

"Whether measured by volume, by income, or by number of transactions, its business is principally brokerage."

Justice Henry W. Edgerton, in a brief but strongly worded dissent, contended that the lower court's judgment should be affirmed.

The majority opinion, said the Associated Press, found that the phrase "primarily engaged," used in the statute "is an ordinary one, and in ordinary usage certainly refers to the chief or principal activity in which the company is engaged. The press advices further said:

"In dealing with practical matters, Congress does not consciously utilize obscure meanings of ordinary words to convey its intent. We should not impute to it either an ineptitude or a departure from its custom. * * * the Board strains at the language in order to achieve a result which it believes to be desirable.

"It may be, as the Board urges, that as a matter of policy, the National Banking System should be divorced completely from concerns engaged in underwriting," Justice Prettyman commented.

"But that question is not for the courts. Our function is merely to determine what Congress actually did in the statute before us. The Board could, and if it so feels, should, present to the Congress its views on the problem of policy."

At the Federal Reserve Board, the Associated Press continued, attorneys said they had not yet seen the opinion and could not say whether it will be appealed to the Supreme Court. "We will certainly have to consider it," they added.

Funds in Savs. & Loan Assns. Increased in '45

During 1945 funds of the public invested in the 3658 member savings and loan associations of the Federal Home Loan Bank System increased by $973,000,000 or about 18%, Ralph H. Richards, Acting Governor of the System, reported from Washington on Feb. 16. This compares with a 17% rise in 1944 and 14% in 1943, Mr. Richards said. Estimated assets of the savings and loan associations in the System at the end of 1945 totalled $7,664,000,000, representing a 17% gain in the year. The further advices stated:

Home mortgage lending by the same institutions amounted to $1,748,545,000 in the year, an increase of about a third over the 1944 total. Of this amount, some $1,223,000,000 was to finance the purchase of homes, a 28% increase in this category over 1944. The remaining loans largely were for the construction, reconditioning and refinancing of homes.

By the Federal Home Loan Bank districts, the largest increase in 1945 lending activity was in the Topeka bank region, embracing Colorado, Kansas, Nebraska and Oklahoma, where the gain was 44%.

Truman Endorses McMahon Atom Bill

As Senate atomic energy committee hearings proceeded on the bill introduced by its Chairman, Brien McMahon (D-Conn.), for the control of atomic power, President Truman came forward as a firm supporter of the legislation in a letter addressed to Senator McMahon, which concluded, according to Associated Press Washington advices of Feb. 2, by stating:

"I feel it is a matter of urgency that sound domestic legislation on atomic energy be enacted with utmost speed. Domestic and international issues of the first importance wait upon this action.

"To your Committee, pioneers in legislation of vast promise for our people and all people, there beckons a place of honor in history."

Designed to place atomic energy in the hands of a civilian-controlled Government monopoly, the McMahon bill would place all atomic energy patents under Government ownership. President Truman concurred with this provision, stating that "the disadvantages of Government monopoly are small compared to the danger of permitting any one other than the Government to own or produce these crucial substances, the use of which affects the safety of the entire nation."

Mr. Truman said, however, that the devices for using atomic energy should be made available for private development through the licensing of any private patents that might arise and the regulation of royalty fees.

On Feb. 4, William H. Davis, former Director of Economic Stabilization, who is now a patent attorney, told a press conference, according to the United Press, that manufacture of inventions using atomic energy would be hampered rather than helped by the Senate bill, and gave it as his opinion that the idea behind the bill "is an attractive notion, but unsound." Stating that the industrial use of atomic inventions should not be hampered by "compulsory licensing" of all atomic patents as provided in the bill, Mr. Davis went on to say that the patent laws were drawn up to protect the manufacturer putting money into a new enterprise.

Low-Cost Housing to Have First Priority

The Government's homes-for-veterans program calls for the channeling of most of the building materials set aside for houses into homes costing no more than $6,000, according to statements made by Housing Administrator Wilson W. Wyatt, who on Feb. 11 went on to say that present priority regulations are to be changed in the near future so that the 50% of scarce building materials now set aside for homes under $10,000 will go mostly into dwellings designed to sell for less than $6,000 or rent for less than $50. It had earlier been announced, according to advices from Washington, Feb. 11, to the Associated Press, that the civilian production administration would drastically curtail commercial and industrial building and would limit the use of building materials to Government - improved projects. The Associated Press added:

Residential building outside the veterans' program also will be pared down, said CPA Administrator John D. Small. He warned: "Any one who now starts construction runs the risk of not being permitted to finish the job unless he is able to prove that the project cannot be deferred and that it is sufficiently essential to be approved under the (forthcoming) regulations."

The Modified Wage-Price Policy

(Continued from first page)

give this effort their unqualified support.

Let me review some of the recent developments. Last August I announced a wage-price policy under which the determination of wages was returned to free collective bargaining within the framework of the present price level. Labor and management were set free to adjust wage rates to whatever extent was possible without raising prices. I urged industry to negotiate wage adjustments in order to cushion the reduction in the take-home pay of millions of American workers resulting from the loss of overtime, downgrading, and other factors. I emphasized that wage adjustments would have to vary from industry to industry, or firm to firm, according to the merits of each situation.

I had confidentially hoped that, as a result of free and sincere collective bargaining, our reconversion program would proceed vigorously and in an orderly fashion. And, indeed, under this policy many thousands of wage adjustments have been made by mutual agreement without affecting prices. Nonetheless, collective bargaining has broken down in many important situations. Several major strikes are in progress. Vitally needed production is lagging.

Vital Production Lagging

It is imperative that production in great volume be accomplished. We face real difficulties. Many workers have found their weekly pay greatly reduced. Many companies, squeezed between costs and prices, are not in a position to wait through a six months' period as heretofore required before seeking price adjustments. This is especially true in some instances where there is a complete change from war production to civilian production. It is likewise true in the case of small companies which lack the ample reserves of many large corporation. Many small businesses were at a disadvantage during the war. They must not be so in peace.

I am now modifying our wage-price policy to permit wage increases within certain limits and to permit any industry placed in a hardship position by an approved increase to seek price adjustments without waiting until the end of a six months' test period, as previously required.

If the general level of prices is to remain stable in the next few critical months, the immediate price relief in such cases must be conservatively appraised. It must, however, be sufficient to assure profitable operation in the test period to an industry not producing at low volume. If the expected improvement in earnings should fail to materialize in any industry, OPA will move promptly to review its action. Appropriate relief in line with the modified policy may be accorded, where practicable, to individual firms.

The New Wage Policy

I am authorizing the National Wage Stabilization Board to approve any wage or salary increase, or part thereof, which is found to be consistent with the general pattern of wage or salary adjustments established in the industry or local labor market area since August 18, 1945. Where there is no such general pattern, provision is made for the approval of increases found necessary to eliminate gross inequities as between related industries, plants, or job classifications, or to correct substandards of living, or to correct disparities between the increase in wage or salary rates since January, 1941, and the increase in the cost of living between that date and September, 1945.

This wage program, therefore, takes into account the thousands of wage agreements reached before and after VJ-Day. While many groups of wage and salary earners may qualify for increases under this policy, in order to bring their pay into line with the increased cost of living, or with the existing wage levels of the industry or area, the program is not to be interpreted as permitting indiscriminate wage increases. The executive order provides that the Stabilization Administrator shall determine those classes of cases in which a wage increase may be put into effect without requiring prior Wage Stabilization Board approval and without any waiver of any rights to ask for price relief. These cases will include all those in which the increase will clearly not have an unstabilizing effect. It is contemplated that many of those increases coming within the present pattern of wage increases will not have to have individual approval. I hope that free collective bargaining will be used to the fullest possible extent.

Increases outside and beyond this general policy cannot be approved without subjecting the workers and the public to the danger of inflation. It is to the best advantage of the American worker, above all other groups, that the price line be held.

The change now being made in our wage and pricing standards can succeed only with the support of business, labor, Congress, all the agencies of the Administration, and the rank and file of the American people.

I am directing that all administrative agencies use their full legal powers, including emergency powers delegated to them under the Second War Powers Act, to assist the Office of Price Administration in meeting the government's responsibility for retaining control over the forces of inflation.

Priorities a Factor

Priorities and allocations powers will be used vigorously wherever necessary to prevent increases in prices. There will be a strict enforcement of inventory controls. The resources of the Treasury and Justice Departments will be called upon when necessary to assist in enforcing these controls.

Role of Congress

I trust that Congress will: (1) extend the stabilization statutes without amendment and will do so with all possible speed so that there may be no question in anyone's mind concerning the determination of the Congress to see the fight against inflation through to the finish; (2) extend the subsidy program for another full year; (3) enact promptly the Patman Bill to establish price controls over housing (present speculation in the real estate market is one of the most dangerous aspects of the present situation and one which works particular hardship on our millions of returning veterans and their families); (4) extend promptly the Second War Powers Act, so that the emergency powers we found necessary during the war may continue to be exercised wherever necessary in dealing with the economic aftermath of war.

Only by measures such as these can we hope to retain our controls as a people over our own economic future. But even these measures will fail us unless the American people dedicate themselves to support of the national economic stabilization program.

I welcome this because I am determined that this country shall avoid the misery and disaster of inflation and that our vast resources of purchasing power shall be a stepping stone to a fuller, richer life rather than be permitted to spend themselves in a brief orgy of inflation and disaster.

I call upon both management and labor to proceed with production. Production is our salvation. Production is the basis of high wages and profits and high standards of living for us all. Production will do away with the necessity of government controls.

I call upon the American people to close ranks in the face of a common enemy—the enemy which after the last war turned our military victory into economic defeat. I call upon every citizen of this great Nation to join in a united effort to consolidate our military victories this time by winning through to final victory over inflation.

EXECUTIVE ORDER 9697

Providing for the Continued Stabilization of the National Economy During the Transition From War to Peace

By virtue of the authority vested in me by the Constitution and statutes of the United States and particularly by the First War Powers Act of 1941, the Second War Powers Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for the purpose of maintaining the stabilization of the economy in the present emergency, it is hereby ordered:

1. For the duration of the existing emergency, all departments and agencies of the Government shall, in any matter affecting the stabilization of the economy in which they have discretion in the use of their powers, exercise such discretion in such manner as will best promote the continued stabilization of the economy. It is the policy of the Government, in order so far as possible to prevent price increases, that there be prompt and firm enforcement, during the present emergency, of Government controls over scarce materials and facilities.

2. (a) Notwithstanding the provisions of Executive Order 9599 of August 18, 1945, as amended, and of the regulations issued thereunder, the Price Administrator shall promptly provide for the adjustment of price ceilings in any case in which he finds that an industry is in a position of hardship as a consequence of an approved increase in wages or salaries, as defined herein. An industry shall be considered to be in hardship if, after taking the entire amount of such wage or salary increase into consideration, the Administrator finds that the industry's current ceiling prices will leave it in an overall loss position or in an earnings position requiring adjustment on the basis provided in this section.

Price Adjustment Policy

(b) The adjustment to be provided shall be such as, in the judgment of the Price Administrator, will be sufficient, for the twelve months following the adjustment, to enable the industry, unless operating at a temporary low volume, to earn an average rate of profit equal as nearly as may be to the rate of return on net worth earned by the industry in the peacetime base period applicable to that industry, and, in the case of commodities which are the subject of special statutory requirements, to a rate of return sufficient to satisfy such requirements. Except to the extent necessary to reflect the abnormal costs and of reduced earnings incident to temporary operation at low volume, in no case shall the Administrator provide an adjustment insufficient in amount to prevent loss operation at the time of the adjustment.

(c) The Price Administrator shall develop standards of adjustment consistent with the purposes of this order to be applied in the case of an industry-wide action affecting an industry operating at temporary low volume.

(d) In those cases in which the price regulations provide for the establishment or adjustment of ceiling prices on an individual-firm basis the Price Administrator shall establish such standards of adjustment as in his judgment are administratively workable and consistent with the purposes of this order. He shall establish similar standards to be applied in the case of the establishment or adjustment of rent ceilings.

(e) The Stabilization Administrator shall by regulation or order establish such standards as in his judgment are administratively workable and consistent with the purposes of this order for determining the extent to which wage or salary increases in excess of the standards for approval of such increases prevailing prior to this order may be used, in the case of products or services being furnished under contract with a Federal procurement agency, as a basis for increasing costs to the United States.

Salary Increases

3. (a) The National Wage Stabilization Board or other wage or salary stabilization agency having jurisdiction with respect to the wages or salaries involved shall approve any wage or salary increase, or part thereof, which it finds is consistent with the general pattern of wage or salary adjustments which has been established in the industry or local labor market area, between August 18, 1945, and the effective date of this order, or, where there is no such general pattern, which it finds necessary to eliminate gross inequities as between related industries, plants or job classifications, to correct sub-standards of living, or to correct disparities between the increase in wage or salary rates in the appropriate unit since January 1941 and the increase in the cost of living between January 1941 and September 1945. The Board or other designated agency shall have authority, with the approval of the Stabilization Administrator, to establish special standards for approval of wage or salary increases, differing from the foregoing general standards, to be applied in particular industries or classes of cases if it finds that such action is necessary to effectuate the purposes of this order.

(b) The Stabilization Administrator may, by regulation, specify classes of wage or salary increases which will in his judgment, have no unstabilizing consequences and which may be deemed approved within the meaning of this order without prior consideration by the wage or salary stabilization agencies. Such regulations may make special provision for cases, among others, in which (1) the increase is to be of limited amount, or (2) a small number of employees will be involved, or (3) there will be in all probability no substantial effect upon price or rent ceilings or costs to the United States.

Illegal Increments

(c) Except as the Stabilization Administrator may by regulation otherwise provide, the making, after the effective date of this order, of any wage or salary increase pursuant to Part IV, section 1, of Executive Order 9599, without the prior approval of the National Wage Stabilization Board or other designated wage or salary stabilization agency having jurisdiction with respect to the wages or salaries involved, shall constitute a waiver of any right of the empoyer to use such increase, at any time during the continuation of the stabilization laws, as a basis for seeking an increase in price or rent ceilings or, in the case of products or services being furnished under contract with a Federal procurement agency, as a basis for increasing costs to the United States. The Stabilization

Administrator shall have authority to provide by regulation that wage or salary increases of a particular class shall be unlawful unless made with the prior approval of the Board, or other designated agency, if in his judgment such action is necesary to prevent wage or salary increases inconsistent with the purposes of the stabilization laws.

(d) In accordance with and subject to the provisions of section 2 of this order, any wage or salary increases heretofore lawfully made, or made in accordance with a governmental recommendation in a wage controversy announced prior to the effective date of this order, shall be deemed to have been approved within the meaning of this order, and may be taken into account as a basis for increasing price or rent ceilings or, in the case of products or services being furnished under contract with a Federal procurement agency, as a basis for increasing costs to the United States.

(e) All arbitration awards, and all recommendations of publicly-appointed fact-finding panels, with respect to wage or salary issues shall conform with the standards of this order and the regulations and directives issued thereunder. No wage or salary increases shall be put into effect in accordance with any such awards or recommendations, hereafter announced, unless and until approved by the appropriate wage or salary stabilization agency, or unless such awards or recommendations are voluntarily accepted by the parties on the basis stated in the first sentence of subsection (c) of this section.

4. The Stabilization Administrator, in the Office of War Mobilization and Reconversion, shall have full authority to issue such orders and directives as may be necessary, in his judgment, to carry out the purposes of this order.

5. Any provision of any prior Executive Order in conflict herewith is hereby superseded to the extent of such conflict.

6. This order shall become effective February 14, 1946.

HARRY S. TRUMAN

The White House
February 14, 1946.

New Staff Heads Franklin Institute Labs

Appointment of a new administrative staff to head the Franklin Institute Laboratories for industrial research was announced recently by Dr. Henry Butler Allen, Secretary and Director of the Institute. On or about April 1, Lt. Col. Charles H. Greenall, now director of research at Frankford Arsenal, will take up duties as executive director of the Laboratories, assisting Dr. Allen who will continue in overall charge of the research work at the Laboratories, which are located in The Franklin Institute in Philadelphia. Col. Greenall, a mechanical engineer specializing in materials development, was formerly supervisor in charge of metallic materials at the Bell Telephone Laboratories. In 1936, he was named Chairman of the Committee on Copper Base Alloys of the American Society for Testing Materials. In 1940, he was called to serve as consultant to the director of research at Frankford Arsenal. In February 1942, he became executive officer and in October of the same year he was named director and officer in charge.

Acting as senior consultants to Dr. Allen will be Dr. Rupen Eksergian and Dr. W. F. G. Swann. Further administrative personnel of the Laboratories, Dr. Allen said, will be Dr. Nicol H. Smith, director of the division of chemical engineering and physics; Ralph H. McClarren, division of electronics and instruments; and George S. Hoell, division of mechanical engineering.

Observations

(Continued from first page)

careful scrutiny we can report that we decisively award the palm for imperspicuity, as well as for flippancy and superficiality unprecedented on the part of government officials anywhere at anytime, to his citation of the stock market as authority for his industrial principles and prognostications. Midst the several aspersions on the market as harboring deluded bettors on inflation and profiteers, which ran through his speech, he nevertheless saw fit to bring in "booming stock market action to prove generally that reconversion companies can make big profits under his price policies, and specifically, that they can afford to wait for price relief.

So we have the anomolous situation that in addition to Wall Street having since 1933 danced the tune as played by Washington, the administration will now conversely take its cue from Wall Street. At best a thoroughly dangerous technique of reciprocal propping-up! And in view of the market's subsequent decisive movement of "self-correction" that greeted Mr. Bowles pronunciamentos, will he now make a return appearance before the Congress to revise his policies which he based on "bull-market economics"?

* * *

Along with many other government acts which entail results vitiating its professed aims, the Federal Reserve Board's recent abolition of all margin operations is affirmatively *increasing* stock market speculation—and inflation. The new application to all stocks of the prohibition against margins, which since March 1945 had covered only under-$10 shares, eliminates that discriminatory penalty against the latter. This accentuates the relative volume of trading in the low-price stocks, which of course comprise the most speculative segment of the market.

Now the public is diverted into the low-price stocks both because of the disqualification of *all* securities from credit facilities, as well as its traditional illusion that lowness of price is the same as "cheapness". People have an ingrained psychological quirk—frequently self-admitted— to the effect that 100 shares of a $10 stock give more value (or/and excitement) than do 10 shares of the equivalent company at $100 each. Indiscriminate speculation is rampant in low-price television, sugar, gold, and oil stocks and in warrants of various kinds, sometimes without the semblance of intrinsic value. Several under-$10 investment companies on the New York Stock Exchange, despite low leverage, are selling at double and triple their asset values. Such purchases provide more pieces of paper—or chips, besides harboring the tempting penny-to-riches, oil-strike kind of motif.

Thus it is that since the onset of the current bull market in 1942 the public has boosted the Barron index of 30 low-price stocks by a full 600% against a rise of but 121% in the Dow Jones index of representative companies. A compilation of "the tortoises versus the hares" of this bull market, recently appearing in The Monthly Stock Digest shows that each one of the 20 "hares" which recorded the greatest percentage advances, had started from under the $5 mark. They show an average appreciation of no less than 3200% against an advance of but 72% for a representative group of blue chip "tortoises." (Presumably the eventual downhill race will have a similar result). An exhaustive study in the current Journal of the American Statistical Association, THE RELATIONSHIP BETWEEN PRICE CHANGE AND PRICE LEVEL FOR COMMON STOCKS, shows that low-price stocks habitually fluctuate more widely than do the high-price ones. This the author, Zenon Szatrowski, ascribes partly to speculators' underestimation of the possibility of business failure, and partly to the high proportion of costs to sales in the case of marginal companies.

The prejudice toward more certificates for one's money has again stimulated the *split-up*, a process rife in American markets. The foolish element here is not so much that the split units find a new category of buyers, as that the very rumor that one piece of paper may be divided into three thirds, is sufficient to promote anticipatory buying on the theory that the whole is less than the sum of its parts.

The removal of credit privileges uniformly from all stocks similarly will stimulate public entry into over-the-counter securities into speculative new issues frequently at premiums, and into other unlisted securities; through the consequent removal of the discrimination against them.

The eliminitation of credit facilities accentuates both undesired inflation and deflation in the market by increasing "thin-ness" on the up-and down-sides. Stocks already held on margin are frozen in the hands of those unwilling to dilute their buying power; and the cushion of selling and buying orders is generally lessened.

Truman Announces Personnel Changes Coincident With New Wage-Price Policy

On Feb. 14 President Truman announced the new wage-price policy which would govern the administration in its program of reconversion to peacetime production which has been hampered by continued striving on the part of labor for higher wages and resistance by management to increases in production costs. Personnel changes, designed to aid the modification of policy, were announced by the President at the same time. The shake-up, as reported to the New York "Times" from Washington, provides for re-establishing the Office of Economic Stabilization with Chester Bowles as its director, and transferring Paul A. Porter, Federal Communications Commission chairman, to the post of OPA Administrator. Mr. Bowles succeeds John C. Collet, present Stabilization Director, who is expected to return to his post as a district judge in Missouri, from which he was "borrowed" temporarily. To be acting Chairman of the FCC, Charles E. Denny, Jr., now a member of the Commission, was named. The exact authority accorded to Mr. Bowles was not perfectly clear, the "Times" pointed out, because the Office of Economic Stabilization, which is re-established as it was under William H. Davis but with greatly enlarged powers, is still lodged in the Office of War Mobilization and Reconversion. The "Times" added:

The long battle between John W. Snyder, OWMR Chief, and Mr. Bowles on the authority over prices, while settled apparently to Mr. Bowles' satisfaction, also gives some authority to Mr. Snyder.

A compromise in this struggle was arranged by Mr. Collet who acted as mediator. Mr. Bowles had previously served an "ultimatum" on the President through Mr. Porter. This "ultimatum" was in the form of a draft of a proposed executive order stripping Mr. Snyder and John D. Small, civilian production administrator, of all authority over prices.

First UNO Session Comes to Close

After 37 days of deliberations, the General Assembly of the United Nations, during the early hours of Feb. 15, brought to a close its historic first session, which has been held in London and adjourned until Sept. 3, when it is scheduled to reconvene at New York, its new temporary headquarters. The Security Council and the Economic and Social Council still had work to complete.

British Prime Minister Attlee addressed the delegates before the proceedings came to an end, and among other things expressed the opinion that the success of the meetings had been "very remarkable." Trygve Lie, the new Secretary General, and Paul-Henri Spaak, President of the General Assembly, also gave expression to the general satisfaction with the manner in which the new world body had met its initial test.

One of the final acts of the Assembly before adjournment was to approve unanimously the site which was the first choice of the visiting commission in the United States for the UNO permanent headquarters, the Westchester-Fairfield area of New York and Connecticut. This was in spite of the opposition within the Assembly itself, especially from the French, to the site chosen and particularly to final selection at this time; and in spite of the loudly voiced disapproval of many residents of the proposed area.

The Assembly also voted by acclamation, in the closing minutes of its meeting, for New York City as its choice as the temporary headquarters of the world's peace agency, the Associated Press stated in its account of the meeting from London, adopting an amendment defining New York City interim headquarters as meaning within its immediate vicinity as well as within its legal limits. The headquarters planning commission, as approved to survey the permanent site area, is to consist of Australia, China, France, Iraq, the Netherlands, Britain, Russia, Yugoslavia and Uruguay.

Other last minute business of the Assembly was the adoption, by roll call vote, of a resolution naming equal consultative status for the World Federation of Trade Unions, the American Federation of Labor and the International Cooperative Alliance, in the United Nations Economic and Social Council. The Soviet Union had fought for the exclusive right of the WFTU to participate in the Economic Council in an "advisory capacity," a wireless dispatch informed the New York "Times" from London, Feb. 12. It added that the United States delegates, however, mindful of the political implications involved in the fact that the Congress of Industrial Organizations is a member of the World Federation of Trade Unions while the AFL is not, were equally insistent on equality of participation.

The United Nations Security Council ended its London meeting on Feb. 16 in an air of general dissatisfaction over the failure to reach agreement ending the dispute over the proposed withdrawal of British and French troops from Syria and Lebanon, the rules to govern such withdrawal, and a plan providing for responsibility of the security of the Near and Middle East. Before the meeting closed, Britain and France were ready to agree to withdraw their troops, but the Soviet Union vetoed the proposed arrangement on the ground that it did not like the wording of the agreement.

The Russians had sought to have a commission of inquiry sent to Indonesia to investigate the Soviet's charges that British troops there were a threat to world peace, but the proposal met strong disapproval from the United States.

Russian proposals which also met defeat were those to the Social Committee of the General Assembly to allow the eastern European countries to control the refugee problem and to enforce repatriation. As reported to the New York "Times," Mrs. Eleanor Roosevelt led the forces opposed to these Russian ideas. On Feb. 10, according to the Associated Press, the Committee adopted the "no force" provision, making it unnecessary for a refugee to return to his native country if he has valid objections.

The Soviet assertion that British troops in Greece had created a situation that was a threat to world peace, with an immediate denial by British Foreign Secretary Ernest Bevin, ended in compromise on Feb. 6 in the Security Council when the Soviet Vice Commissar of Foreign Affairs, Andrei Y. Vishinsky, agreed not to press his charges and Mr. Bevin offered to retract his earlier demand that the Council issue a formal declaration acquitting Britain of Russia's charges. The conciliation, arranged in private meetings beforehand, closed the issue with Mr. Bevin and Mr. Vishinsky shaking hands in the committee room.

At a plenary meeting of the UNO General Assembly on Feb. 9, Gen. Francisco Franco's Spain was excluded by unanimous vote from membership. The resolution had been introduced by Panama. The French Foreign Minister, Georges Bidault, remarked that France "hopes soon to see Spain on the road to freedom," and added that France "cruelly felt the sufferings of her neighbor and friend—the noble Spanish nation." In reporting the Assembly's resolution, the Associated Press pointed out that Franco's Government had never applied for membership in the United Nations Organization.

On Feb. 14, the General Assembly unanimously adopted a five-power resolution moved by Mr. Bevin on behalf of Britain, the United States, China, France and the Soviet Union aimed at inaugurating a campaign to meet the critical world food shortages and alleviate the consequent threat of famine in certain areas.

With the closing of the Assembly's first session, the appointment of Adrian Pelt of the Netherlands, former Director of the League of Nations Information Section as Assistant Secretary General in charge of United Nations conferences and services, has been announced. Also announced is the appointment of David K. Owen, of Great Britain, as Executive Assistant to Secretary General Trygve Lie. Mr. Owen is scheduled to arrive shortly in the United States with an advance party of the secretariat, and with the American adviser, A. H. Feller of New Haven, Conn., general counsel to the Secretary General, will seek quarters for the UNO interim activities.

Saudi Envoy Presents Credentials

Asad Al Faqih, first diplomatic representative from Saudi Arabia to the United States, told President Truman on Feb. 8 in presenting his credentials that "the main aim of the Arab League is to cooperate fully in safeguarding the world's stabilization and security."

Senators Seek Foreign Loan Data

(Continued from first page)

formation through a Congressional investigation, but instead we have chosen the simpler method of requesting the Executive Department to furnish the facts. We extend a cordial invitation to all other Senators, regardless of partisanship, to join with us in this effort to secure for Congress more information on American commitments to foreign nations.

Mr. President, on my own behalf I wish to make some observations on the conditions intended to be reached by this resolution. Congress faces the most singular situation in the history of this country. From 1940-1945, expenditures by the Federal Government on rearmament and war totalled $323 billions—one-third of a trillion dollars. For purposes of contrast this is almost equal to our entire national wealth at its prewar peak in 1929, estimated at $363 billion.

Only one-third of this enormous amount spent on war was covered by taxes. The bulk of it was obtained by government borrowing with the result that on Jan. 30, 1946 the gross federal debt exceeded $278 billion—a mortgage of over $2,100 on every citizen of the country, including those who also risked their lives in defense of the nation and who now will have to begin paying the bill. They will also have to pay the current expenses for the swollen activities of the Federal Government estimated at over $36 billion for the first full peacetime year. In other words, we are planning to spend in this single peacetime year exactly what it cost us to fight the whole of World War I. A totally outrageous amount for a peacetime budget.

It is in these circumstances, that the Federal Government has embarked upon a vast program of expenditures in foreign affairs. Within the past year we have committed ourselves in various ways—under 3 (c) of the Lend-Lease agreements, the Bretton Woods program, Export-Import Bank, UNRRA, the International Food and Agricultural Organization, and on other international accounts. The State Department has just negotiated a large loan to Great Britain. In some reliable quarters, the total of our present commitments abroad has been estimated to exceed $20 billion. From other reliable sources come reports that loans to other nations may soon follow.

U. S. the World's Banker

Mr. President, transactions of this magnitude go far beyond the simple desire of our people to cooperate with other nations of the world. These transactions raise profound problems in our domestic life. The British Loan Agreement, for example, practically sets the pattern for lend-lease settlements of over $42 billions in foreign obligations. It determines what we shall do about the billions of dollars of American-owned installations abroad. It sets a policy on disposal of American surplus property in foreign countries. It is also another link in the chain of financial commitments abroad by which America is thrust into the role of world's banker.

The manner in which many of these transactions have come before Congress is astounding. The process begins with rumors (some of them undoubtedly planted) that the Government is about to make some loan or commitment to one or more foreign countries. If the reaction to these rumors is favorable we are soon confronted with the fact itself. If the reaction appears to be unfavorable, the rumor is denied in official quarters. In any case, experience with Bretton Woods, Export-Import Bank, the British Loan and other transactions, confirms the fact that rumors of this kind soon blossom into negotiations.

Congress Receives No Official Information

In most cases these negotiations are secret. In some, the press merely gets innocuous handouts in the form of cheerful communiques. Congress, of course, receives no official information. We are persuaded to accept all this on the theory that negotiations between the Executive and foreign nations must have some privacy. Although we are apprehensive of what commitments are being made to bind the interests and future conduct of the United States, we console ourselves with the thought that when the secret negotiations are over, the Executive Departments will give us the information we need to exercise our judgment as representatives of the American people.

At that point we are made participants in a most astonishing game. The Executive Department responsible for the foreign transaction presents us only with the end product in the form of general agreement. The action is accompanied by a fanfare of publicity that amounts to little more than outright propaganda for the transaction.

Part of the transaction is in the form of outright commitments on which we can have nothing to say. They are hard and fast obligations and no matter how far-reaching they are, they are accomplished facts. We do not even have the option of judging them on a "take-it-or-leave-it" basis. The commitments are made for us; they bind the country; and there they are. This is certainly the case with certain aspects of the British loan.

We are consulted only on such parts of these transactions which the Executive Departments cannot carry out on their own. Usually they involve an appropriation of funds which the Executive Departments cannot possibly maneuver out of existing appropriations or by strained constructions of past law. To that small extent then, Congress gets a voice in these foreign transactions which are so important to the future of our people.

When we turn to consider the transactions to the extent permitted us, we soon find we lack the information indispensable to sound judgment. We get statements and speeches about the transaction—thousands of words telling us that it is a fine transaction, that we have solemn obligations to carry it out, that we shall gain untold benefits from it, that it meets the highest aspirations of mankind, and that it means peace and plenty to all.

This is accompanied by advance refutations of anticipated objections and criticisms, often couched in terms designed to squelch all opposition, as if there could not possibly be the slightest legitimate objection to the transaction.

Precise Factual Data Lacking

The entire performance is almost wholly a show of words—of more assertions unsupported by the facts with which we might reach conclusions of our own. In the British loan agreements, for example, we were given only the text of the documents. Almost every paragraph cries out for explanation, precise factual data and information; yet no facts were offered.

The State Department, the Treasury, and other Executive Departments appear as vigorous advocates of transactions each or all of them negotiable. They approach their job as if they were hired to "sell" the transaction to Congress in a game where secrecy, double talk and exhortation rather than facts are considered the most effective methods. They forget and we in Congress permit them to forget, that they are employees of the American people, responsible to Congress, and that their first duty is to present the full facts to Congress on the transactions they negotiate and to allow us to come to our own conclusions. In place of that, we the principals have to pry out the facts bit by bit from our own agents in an atmosphere that often reaches the absurdity of a game of wits—we, to get the facts; they, to evade disclosing them. It almost seems, at times, that the Executive Departments act upon the principle that they are to give us the least information possible and to make that as confusing as human ingenuity can contrive. The object seems to be to keep the issues on the vague general plane on which it is easy to mobilize and direct opinion in desired directions. Thus we get reams of propaganda, but few facts. I recall distinctly how the Senator from Ohio (Mr. Taft) described this situation in connection with the debate on Bretton Woods. Many other have observed the same process at work.

Here we are setting a pattern for the settlement of lend-lease, for the disposal of untold billions of American installations and surplus property abroad. We are embarking on a new policy involving government lending abroad on a vast scale. We are formulating far-reaching policies concerning all other economic relations with the rest of the world.

Our Entire Economy Affected

Transactions like these cannot be weighed only with the dollar sign. Our entire economy will be changed by these policies. Our people will be undertaking burdens for generations to come. The effects will show up in the taxes we pay. We have become so accustomed to dealing lightly with billions of dollars that we have lost sight of realities that lie behind the dollar sign. When we pour forth billions of dollars in foreign loans and other transactions what is it we export? Certainly not paper dollars. We are exporting the resources of this country—the timber of our forests, the minerals from our mines, the fertility of our soil, the vast range of products from our shops and factories. We are exporting the genius of our scientists, the skill of our technicians and the labor of millions of our workmen. These are the things that stand behind the dollar sign in these transactions with foreign countries.

Is it too much to ask that we be fully informed with hard facts about what we are doing, why we are doing it, and what we may expect will come of policies which export the substance of America to foreign parts?

Yet what do we know of the facts involved? How can be judge the wisdom of such policies?

We do not know the total of the loans, investments and other obligations to which we are already committed. We do not know what the Executive Department has yet in store for us in this regard. Projects have been presented to us piecemeal. Each has been offered on its own merits; and even here the full implications of our obligations have been obscured by technical features on which the Executive Departments have been less than candid.

No Information on Past Loans

Nowhere do we have the full picture of what foreign countries already owe us on past loans and investments, public and private. We know little or nothing about the capacity of the outside world to repay this country's past, current and contemplated loans and other obligations. We have no idea what assets they have here. We have yet to be informed on what has happened to the billions of dollars of American investments in foreign securities and properties since World War I. We have reports from Europe and elsewhere are being taken over, and that some are being dismantled and moved elsewhere. What are the facts about these conditions? Do they not have a bearing on any new policy of American loans and investments abroad? The State Department has hundreds of representatives abroad who certainly should be reporting these developments. What do they say? The State Department has yet to tell us.

For thirty years, from 1914 to 1944, we have been exporting goods and services abroad and foreign countries have sent us goods and services in return. What are the facts about this trade? Have we shipped more abroad than has been returned to us? Has the exchange been a fair one on balance, or have we shipped more of the substance and labor of this country abroad than we have received back from the world? What are the facts? Are we not entitled to know where we stand in this respect before we get too far along on much more of the same thing?

How Are We to Be Repaid?

How are foreign nations going to repay us for the billions we propose to pour out in foreign transactions? What gold reserves do they have? What dollar balance have they accumulated? What further changes will we have to make in our tariff policies to insure repayment for goods we now propose to ship in such large volume? How can nations in debt to us pile up these dollar balances as fresh purchasing power without applying them on past obligations to us, long overdue and unpaid? Why should we not have the facts on these conditions so that we might consider them before we adopt policies not tempered with past experiences?

Why should we not have factual comparisons of the public debt, tax burden and income between the people of our country and those of foreign countries seeking loans, investments and economic aid from us? Why should we not know how they propose to apply the money and goods we give to them? We sought to find this out in connection with UNRRA because we had reliable reports that our aid was being misdirected, but we only got general vagaries in reply.

A National Scandal

The condition of American Government accounting in our foreign transactions is a national scandal. It took months to get some proper accounting detail on lend-lease and to this day (as shown by the lack of proper data on lend-lease to the United Kingdom) we do not know the true state of affairs.

We have the most unbusinesslike detail on American installations, surplus property and Army supplies abroad, although it is rumored that we will be requested to transfer a great deal of this property to foreign countries without payment. The information I have seen on the kind and value of this property abroad would not stand up for one minute on an accountant's tally sheet.

We have no working data on the economic facts and conditions necessary for us to form intelligent judgments on loan agreements with foreign countries. I could show this in detail in the matter of the British loan agreement, but I do not wish to dwell on this single transaction as if I were hostile to it. The condition I am discussing is far broader than that. It goes to the whole field of our economic relations with foreign countries. It goes to the whole practice of the Executive Departments of the Government in keeping us in the dark and confusing us.

Mr. President, I say this is a scandal in a Government which demands the most meticulous information in its dealings with its own people. If a manufacturer of baby's pants wants to change his price, the OPA compels him to present elaborate cost figures. If a corporation has a stock issue to market, the SEC requires it to file its life history and operations in full detail. The income tax division of our Revenue Bureau makes every taxpaying corporation and individual set forth the innermost details of business and private affairs.

There are no glittering generalities, no vagaries, no slipshod methods permitted here. In every transaction between the Federal Government and our people, the full, unadorned figures and information are compelled. Yet in its dealings with Congress, these same Executive Departments hand us loose inadequate figures, the minimum of information, and facts qualified to the point of uselessness. They are only generous with their propaganda.

Frankness, Not Secrecy Called For

Mr. President, I would not have you believe that the resolution we offer is an idea newly conceived. It is the result of patience held to the point of exasperation. So long as the war was on we recognized that much of the information we seek was either not obtainable, or best kept confidential for security reasons. But the war is over and we are now formulating policies of the greatest importance to the American people. Frankness, not secrecy, is the order of the day. Public opinion will only support future policies if the public is reliably informed.

Many months ago the distinguished Senator from Michigan (Mr. Vandenberg) called precisely for this information on the over-all economic position of the United States relative to foreign loans, investments and commitments. Displaying the sober judgment of a great statesman, Mr. Herbert Hoover called publicly for the same information. Mr. Bernard Baruch whose sound business sense and good judgment we have all learned to respect had this to say only a few months ago. I quote:

"Before we can decide the question of inflation and all other economic problems, domestic and foreign, facing us, we must get an over-all picture of the balance sheet of the country."

Senate and House committees have repeatedly reported lack of information. In debates on American foreign policies over the last year I have heard many senators and representatives, Republicans and Democrats alike, call for a realistic display of facts on our commitments abroad.

If necessary I can produce yards of newspaper editorials and magazine articles calling for the same data. I have letters in my files from prominent and reliable private research organizations indicating a pressing need for full data on the American position relative to its dealings with foreign countries.

What is the corollary for this authoritative, wide-spread, insistent demand for information? It is this: that the Executive Departments of our Government are not providing this information in the volume, in the form and with the attention to detail that is required by the American people to enable them to form intelligent opinions on our current and future policies.

What irony it is that we should be asked for appropriations of millions of dollars to finance a public relations agency in the State Department to tell the world about America, when this same State Department compels us to force them to give us the elementary facts about our own affairs? How long are we, who vote these huge sums, willing to be kept in the dark about the business our agents conduct for us?

The resolution I now present and ask to have printed in full immediately following my remarks has one prime purpose: to ask from authoritative sources of Government full data pertinent to

America's economic policies relative to foreign countries.

It involves no investigation. It involves no money. It sets forth eighteen specific kinds of information we need for a better understanding of American foreign policy. No secrecy need shroud any of this data. Some of the information already exists and has been put out piecemeal to a limited extent. Other items can be quickly compiled by departments thoroughly conversant with what we seek.

We want this information in a form useful to us. We do not want it scattered through a score of references, or delivered bit by bit uncoordinated and over long lapses of time. We want it brought together in one document where we can see our situation as a whole. That is why our resolution asks that the data be reported to the Secretary of the Senate and directs him to print and publish the same in a document publicly available. We have consulted with technically competent persons who inform us that the bulk of the information we want can be brought together in forty-five days or less and we have asked that it be produced in that time.

Certainly Congress would be ill-advised to implement our foreign economic policies with appropriations or otherwise without having this data to guide it. Policies not grounded in the full understanding of our people soon turn out to be costly delusions. We can only reach this understanding by a full report of the facts.

The following is the text of the resolution:

79th Congress, 2nd Session
S. RESOLUTION 231

IN THE SENATE OF THE UNITED STATES

Senator Styles Bridges, for himself, and for Senators Chan Gurney, C. Wayland Brooks, Clyde M. Reed, Raymond E. Willis, Homer Ferguson, Kenneth S. Wherry, Guy Cordon, submitted the following resolution; which was

RESOLUTION

Resolved, by the Senate of the United States of America in Congress assembled, That, WHEREAS, the United States Government is already committed to large scale financial and economic aid to certain foreign countries and to international organizations to a total of billions of dollars, and

Whereas in the course of World War II, the United States at its own expense made vast installations in many foreign countries and now owns great quantities of goods and property abroad, the nature and extent of which is not adequately known to Congress, and

Whereas the United States is now engaged in settling certain of its accounts with other countries such as lend-lease, surplus property, and American installations abroad including the extension of credit, and

Whereas additional commitments and requests for assistance are constantly rumored, and

Whereas Congress is lacking information as to the current and probable future total of such requests and commitments, and

Whereas the outside world is already a large debtor to this country on account of past investments and loans made by the American Government and by American citizens, and

Whereas information is lacking as to the capacity of the outside world to repay to this country past, current and contemplated loans, investments and other obligations, and

Whereas availbale reports of American loans and economic aid to foreign countries, such as lend-lease, have been lacking in adequate accounting detail, and

Whereas reports from responsible official departments of Government call attention to the rapid depletion of the nation's resources, and

Whereas the question has been raised as to the ability of the United States to meet all the demands arising from existing international commitments and from future requests from abroad for financial and economic assistance, and

Whereas a coordinated policy as to loans and other economic aid to foreign countries is highly desirable, and

Whereas any policy of loans and economic aid by the United States to other nations is of the highest importance to the American people, requiring detailed information and most careful consideration.

NOW, THEREFORE, BE IT RESOLVED:

That the President be and is hereby respectfully requested to direct the Bureau of the Budget, within forty-five days of the adoption of this resolution, to report in detail:

1. The grand total of indebtedness on loans, investments, commitments or other obligations outstanding as of Dec. 31, 1945 of all foreign governments, their agencies and their private citizens to the United States Government, its agencies and its private citizens; and the same shown separately for public indebtedness and for private indebtedness.

2. The total loans made by the United States Government to foreign governments and agencies thereof from 1914 to 1932, inclusive, and from 1933 to the date hereof; itemized for each country, with the repayment history of each.

3. Existing commitments of the United States Government or representatives thereof, including alleged moral commitments, to extend American financial and economic aid to foreign countries and international organizations.

4. The amounts of American portfolio and direct investments abroad, by country, as of the end of 1914, 1932, 1939, and 1945.

5. The amount of foreign portfolio and direct investments in the United States, by country at the end of 1914, 1932, 1939, and 1945.

6. Gold reserves, dollar balances, and other hard-money assets of countries whose governments are now in debt to the United States Government or with whom loan and investment discussions have been held by any American official since 1939.

7. The full status of lend-lease obligations; showing with proper accounting detail shipments of goods, loading and unloading charges, transportation, storage, maintenance and other charges, including services, in the case of each country obligated to the United States on lend-lease; with the corresponding accounting detail on reverse lend-lease.

8. The legal and actual status of American direct investments under the laws and current practices of the respective foreign countries in which such investments have been made.

9. The value, classification, and location of United States Government-owned property in foreign countries to Dec. 31, 1945, including installations and "surplus" property.

10. So far as possible, the total value of American goods exported and services performed for foreigners, excluding re-exports and financial and security transfers, annually from 1914 to 1945 together with the corresponding items supplied by foreigners to the United States in the same period.

11. The effects of the war on the public debt of the United States.

12. The per capita tax burden of the people of the United States classified as (1) Federal, (2) state and local, and (3) total; and the total per capita tax burden of the people of each of the countries now in debt to the United States or with whom loan and investment discussions have been held by any American official since 1939.

13. The total per capita debt burden for each of the countries mentioned in item 12.

14. The latest reasonably-reliable report on the national income, reduced to a per capita basis, for each of the countries mentioned in item 12.

15. The average interest rates for government borrowing, according to the latest reasonably-reliable report, in each of the countries mentioned in item 12.

16. An estimate year by year of the probable expenditures of foreign countries for American goods and services as a result of the loans and credit contracted with this country publicly or privately since V-E Day and including transactions under 3 (c) of lend-lease, the Bretton Woods program, Export-Import Bank program, and all other extensions of credit to foreign countries.

17. Assuming the ultimate necessity of gold settlements under estimated total economic transactions (exclusive of extensions of American loans and credits) between foreign countries and the United States within the next five years, what gold is available for such settlements and how is it distributed so that nations likely to be liable for gold settlements to the United States will have the gold to make them?

18. What changes are necessary in this country's import tariffs to make possible the repayment of the loans and investment already made and contemplated by the United States and by private American interest.

BE IT FURTHER RESOLVED:

That immediately upon the receipt of the foregoing data and information from the Bureau of the Budget, the Secretary of the Senate shall cause the same to be printed and published as a Senate document in the number of 2,500 copies for the use of the Congress and the public.

Treasury Thaws Blocked Netherlands Accounts

The unfreezing of Netherlands blocked accounts was announced on Feb. 12 by Secretary of the Treasury Vinson. The announcement stated.

By amending General License No. 95 to include the Netherlands, the release of blocked Netherlands accounts is provided for through the certification procedure already in effect for French, Belgian, Norwegian and Finnish assets. The Netherlands Government has designated the Nederlandsche Bank as the certifying agent under the license.

Substantially all restrictions on current transactions with the Netherlands were removed early in December by General License No. 94. Accounts certified under the arrangement announced today will also be freely available for use under that license.

General License No. 95 was made available to the Netherlands after an exchange of letters between the Netherlands Minister of Finance and Secretary Vinson similar to those written in connection with the defrosting of the countries previously included in the license. Copies of the letters are available at the Federal Reserve Banks of New York, Chicago, and San Francisco.

The Netherlands Minister of Finance has informed Secretary Vinson that the sequestration measures imposed on property of United States nationals during the German occupation have been abrogated and that a procedure has been established under which absent owners can be reinstated in their rights. Treatment accorded to assets in the Netherlands of United States nationals will be as favorable as that accorded to assets of nationals of any other country. Transfers of funds from the Netherlands to the United States will be permitted to the fullest extent consistent with the Netherlands foreign exchange position.

Steel Mills Resume Production as Strikes End—Wage Increases Granted—Prices Rise

Difficulties involved in returning struck steel plants to operation, coupled with uncertainty as to price advances for specific steel products, kept both operating and sales departments of the steel industry in confusion this week, according to "The Iron Age," national metalworking paper. "Little finished steel was produced in the early part of the week as mills awaited coke oven gas necessary for operation of soaking pits and accessory heating equipment," states this publication in its issue of today (Feb. 21), which further adds:

"No steel deliveries of consequence were expected to be made until the announcement of new prices. Steel companies this week notified their customers that the price advance was effective Feb. 15. Until the various adjustments are made on many steel products to arrive at an average increase price of $5 a ton, steel shipped will be billed at the old price. When the new quotations have been announced, an additional billing will be made to the customer for material shipped after Feb. 15 for any difference between the old and new price.

The steel industry and the OPA have until Mar. 1 to allocate $4.50 of the $5 a ton price increase among various steel products and until March 8 to allocate the balance. While it may not take that long before prices are announced considerable difficulty may be encountered in arriving at steel price advances designed to alleviate the hardships of the small nonintegrated steel mills. Paradoxically the products on which many of the larger steel companies are losing money are the semifinished steels which the small nonintegrated steel maker uses as raw material for turning out finished steel products.

If the advance on semifinished steel were to be too great in relation to the advance on finished steel products, the nonintegrated maker would be in such a squeeze that the general price increase would place him in a worse position than he was before the strike because of the 18½ cents an hour wage increase. While the steel industry and the OPA finally reached an agreement on the amount of the average increase in steel prices there was at midweek no evidence that the allocation of the $5 a ton advance would be a simple matter. Previous price meetings with the OPA have at times been anything but tranquil, although every effort was being made this week to reach a speedy settlement.

One thing seems certain this week unless some form of government priority control is instituted (and it can only be considered an outside possibility) most steel mills will be faced with the necessity of sharply reducing future customer tonnage quotas. Already behind schedule, a month or more on some products before the strike, and with a month's production lost during the strike and the possibility of losing more time as mills resume production, some firms may have to set aside a full calendar quarter in which to catch up.

Philip Murray has definitely stated that the union has re-empasized its agreement with the objective of increased productivity. He also says that since the contracts run for a full year, uninterrupted steel production will be possible.

Despite the pessimism of steel producers in many areas concerning the return of production to pre-strike operating rates, recovery likely will be speedy.

The American Iron and Steel Institute this week 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 15.2% of capacity for the week beginning Feb. 18, compared with 5.5% one week ago, 5.1% one month ago and 96.4% one year ago. This represents an increase of 9.7 points or 176.6% over the preceding week. The operating rate for the week beginning Feb. 18 is equivalent to 268,000 tons of steel ingots and castings, compared to 96,900 tons one week ago, 89,700 tons one month ago and 1,765,700 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets on Feb. 18 stated in part as follows:

"Late estimates indicate that steel producers will require an average of three weeks to a month to get back to normal production after the strike and in the case of some large units where management has not been permitted by strikers to provide maintenance much longer will be required, two months in some instances.

"So uncertain is the nature of damage incurred that some producers will not know definitely how long will be required to make repairs until they are actually in production. Where mills produce only one product, plates for instance, normal operations may be restored within a couple of weeks, but as to the industry in general estimates are less optimistic than recently.

"While steel producers will have many problems when labor peace is restored they will be flooded with demands from their own customers for steel already on order. Mills had relatively little finished tonnage unshipped when the strike was called and while stocks of *semi-finished* and steel in process were substantially larger it will require some time before even these can be converted into finished products. As a result tonnage available for fabrication during the first month or so will be light and pressure from consumers strong. Some producers of diversified products declare they are out of the market for the entire year on everything except a few specialties and are booking nothing for 1947. One producer who has been able to operate through the strike appears to be in this position, among others.

"Plate demand has eased as impossibility of obtaining delivery promises has become more evident but some producers have booked tonnage greater than capacity lost during the strike. Deliveries now possible vary from six months to first quarter next year. Inquiry for 34,500 tons of plates for three Maritime Commission ships has met refusal by some producers to bid, as firm prices are asked and under present circumstances this is difficult.

"Sheetmakers are slow to make definite commitments on future shipments, nearest approach being to name a period of months after the end of the steel strike, some not being able to do even that. Some producers are covered for the remainder of the year."

Filing Assn. Meeting

The Filing Association of New York held its regular monthly meeting on Feb. 11, at 7.30 p.m. in the Panel Room of the Hotel New Yorker. The speaker for the evening was Harry D. O'Neill, special agent of the Federal Bureau of Investigation, who gave an informal talk covering the work of the FBI and the way records facilitate the work of this bureau.

National Fertilizer Association Commodity Price Index Advances Slightly

The weekly wholesale commodity price index compiled by The National Fertilizer Association and made public on Feb. 18, advanced slightly to 142.1 in the week ended Feb. 16, 1946, from 142.0 (revised from 142.4) in the preceding week. A month ago the index stood at the same level of 142.1, and a year ago at 140.0, all based on the 1935-1939 average as 100. The Association's report added:

Three of the composite groups of the index advanced during the latest week and two declined. The farm products group advanced moderately with all of the subgroups sharing in the advance. The cotton index reached another new high peak. In 18 of the past 20 weeks, the cotton index has risen; in one of the weeks there was no change and in the other there was a small decline. The grain index advanced slightly because of higher rye quotations. The livestock index advanced moderately with higher prices for good cattle, lambs, sheep and eggs; prices for choice cattle were down. The food index advanced principally because of higher potato quotations. The textile index showed a small advance. The fuel index declined due to lower prices for gasoline. The building material index declined because of lower prices for crushed stone. All other groups of the index remained unchanged.

During the week 7 price series in the index advanced and 3 declined; in the preceding week 5 advanced and 6 declined; in the second preceding week 9 advanced and 2 declined.

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

% Each Group Bears to the Total Index	Group	Latest Week Feb. 16, 1946	Preceding Week Feb. 9, 1946	Month Ago Jan. 19, 1946	Year Ago Feb. 17, 1945
25.3	Foods	141.5	†140.9	142.5	142.7
	Fats and Oils	146.6	146.6	146.6	145.3
	Cottonseed Oil	163.1	163.1	163.1	163.1
23.0	Farm Products	170.1	†169.1	170.5	164.6
	Cotton	245.7	241.7	232.9	205.8
	Grains	169.8	169.7	169.6	162.9
	Livestock	158.3	†157.5	161.7	158.8
17.3	Fuels	128.7	129.3	129.4	130.4
10.8	Miscellaneous commodities	133.9	133.9	133.5	133.4
8.2	Textiles	161.0	160.4	159.0	155.9
7.1	Metals	110.2	110.2	110.2	106.4
6.1	Building materials	160.1	160.4	160.4	154.1
1.3	Chemicals and drugs	127.0	127.0	127.0	125.4
.3	Fertilizer materials	118.2	118.2	118.2	118.3
.3	Fertilizers	119.8	119.8	119.8	119.9
.3	Farm machinery	105.2	105.2	105.2	104.8
100.0	All groups combined	142.1	†142.0	142.1	140.0

*Indexes on 1926-1928 base were: Feb. 16, 1946, 110.7; Feb. 9, 1946, ‡110.6; and Feb. 17, 1945, 109.1.
†Revised.

Moody's Bond Prices and Bond Yield Averages

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

MOODY'S BOND PRICES
(Based on Average Yields)

1946— Daily Averages	U. S. Govt. Bonds	Avge. Corporate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus.
Feb. 19	126.02	119.61	123.56	121.88	119.20	114.27	116.61	120.22	122.29
18	126.12	119.61	123.56	121.88	119.20	114.27	116.61	120.22	122.29
16	126.14	119.61	123.56	121.88	119.20	114.27	116.61	120.02	122.2
15	126.14	119.61	123.56	121.88	119.20	114.27	116.80	120.02	122.29
14	126.15	119.61	123.56	122.09	119.20	114.27	116.61	120.02	122.2
13	126.15	119.61	123.34	121.88	119.00	114.27	116.61	120.02	122.29
12	Stock Exchange Closed								
11	126.12	119.61	123.34	121.88	119.00	114.27	116.41	120.02	122.2
9	126.15	119.61	123.56	121.67	119.20	114.27	116.61	120.02	122.29
8	126.15	119.61	123.34	121.83	119.20	114.27	116.41	120.02	122.2
7	126.09	119.61	123.56	121.67	119.00	114.27	116.41	119.82	122.29
6	126.06	119.41	123.56	121.67	119.00	113.89	116.22	119.82	122.2
5	125.98	119.20	123.34	121.46	118.80	113.70	116.02	119.61	122.2
4	125.97	118.20	123.34	121.46	118.80	113.70	116.02	119.41	122.2
2	126.05	119.20	123.34	121.46	118.80	113.50	115.82	119.41	122.29
1	126.05	119.20	123.34	121.46	118.80	113.50	115.82	119.41	122.2
Jan. 25	126.28	119.00	123.12	121.25	119.00	113.31	115.63	119.41	122.0
18	126.06	118.60	122.50	120.84	118.60	112.93	115.24	118.80	121.8
11	126.11	118.20	122.09	120.63	118.20	112.56	115.04	118.40	121.4
4	125.18	117.80	121.67	119.82	117.60	112.37	114.66	117.80	120.8
High 1946	126.28	119.61	123.56	122.09	119.20	114.27	116.80	120.22	122.29
Low 1946	124.97	117.60	121.46	119.82	117.40	112.19	114.46	117.80	120.63
1 Year Ago Feb. 19, 1945	121.94	114.46	120.02	118.60	114.27	105.86	110.34	114.27	119.20
2 Years Ago Feb. 19, 1944	119.96	111.25	118.20	116.41	111.07	100.49	104.31	113.50	116.41

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

1946— Daily Averages	U. S. Govt. Bonds	Avge. Corporate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus
Feb. 19	1.33	2.67	2.48	2.56	2.69	2.94	2.82	2.64	2.54
18	1.32	2.67	2.48	2.56	2.69	2.94	2.82	2.64	2.54
16	1.32	2.67	2.48	2.56	2.69	2.94	2.82	2.65	2.54
15	1.32	2.67	2.48	2.56	2.69	2.94	2.81	2.65	2.54
14	1.32	2.67	2.48	2.55	2.69	2.94	2.82	2.65	2.54
13	1.32	2.67	2.49	2.56	2.70	2.94	2.82	2.65	2.54
12	Stock Exchange Closed								
11	1.32	2.67	2.49	2.56	2.70	2.94	2.83	2.65	2.54
9	1.32	2.67	2.48	2.57	2.69	2.94	2.82	2.65	2.54
8	1.32	2.67	2.49	2.56	2.69	2.94	2.83	2.65	2.54
7	1.32	2.67	2.48	2.57	2.70	2.94	2.83	2.66	2.54
6	1.33	2.68	2.48	2.57	2.70	2.96	2.84	2.66	2.54
5	1.33	2.69	2.49	2.58	2.71	2.97	2.85	2.67	2.54
4	1.33	2.69	2.49	2.58	2.71	2.98	2.85	2.68	2.54
2	1.33	2.69	2.49	2.58	2.71	2.98	2.86	2.68	2.54
1	1.33	2.69	2.49	2.58	2.71	2.98	2.86	2.68	2.54
Jan. 25	1.31	2.70	2.50	2.59	2.70	2.99	2.87	2.68	2.55
18	1.33	2.72	2.53	2.61	2.72	3.01	2.89	2.71	2.56
11	1.32	2.74	2.55	2.62	2.74	3.03	2.90	2.73	2.58
4	1.38	2.76	2.57	2.66	2.77	3.04	2.92	2.76	2.61
High 1946	1.40	2.77	2.58	2.66	2.78	3.05	2.93	2.76	2.62
Low 1946	1.31	2.67	2.48	2.55	2.69	2.94	2.81	2.64	2.54
1 Year Ago Feb. 19, 1945	1.69	2.93	2.65	2.72	2.94	3.40	3.15	2.94	2.69
2 Years Ago Feb. 19, 1944	1.83	3.10	2.74	2.83	3.11	3.72	3.49	2.98	2.83

*These prices are computed from average yields on the basis of one "typical" bond (3¾% coupon, maturing in 25 years) and do not purport to show either the average level or the average movement of actual price quotations. They merely serve to illustrate in a more comprehensive way the relative levels and the relative movement of yield averages, the latter being the true picture of the bond market.

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

Weekly Coal and Coke Production Statistics

The total production of soft coal in the week ended Feb. 9, 1946, as estimated by the United States Bureau of Mines, amounted to 12,450,000 net tons, a decrease of 180,000 tons, or 1.4%, from the preceding week. Output in the corresponding week of 1945 amounted to 12,280,000 tons. From Jan. 1 to Feb. 9, 1946, soft coal production totaled 70,649,000 net tons, an increase of 1.0% when compared with the 69,935,000 tons produced from Jan. 1 to Feb. 10, 1945.

Production of Pennsylvania anthracite for the week ended Feb. 9, 1946, as estimated by the Bureau of Mines, was 1,165,000 tons, a decrease of 82,000 tons (6.6%) from the preceding week. When compared with the output in the corresponding week of 1945 there was an increase of 51,000 tons, or 4.6%. The calendar year to date shows an increase of 13.5% when compared with the corresponding week of 1945.

The Bureau of Mines also reported that the estimated production of beehive coke in the United States for the week ended Feb. 9, 1946 showed an increase of 10,600 tons when compared with the output for the week ended Feb. 2, 1946; but was 24,100 tons less than for the corresponding week of 1945.

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

Bituminous coal & lignite—	Week Ended Feb. 9, 1946	Feb. 2, 1946	Feb. 10, 1945	Jan. 1 to Date *Feb. 9, 1946	Feb. 10, 1945
Total, including mine fuel	12,450,000	12,630,000	12,280,000	70,649,000	69,935,000
Daily average	2,075,000	2,105,000	2,047,000	2,072,000	1,964,000
Number of cars loaded, f. o. b. mines	213,002	216,022	203,196	1,192,520	1,161,269

*Subject to current adjustment.

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

Penn. Anthracite—	Week Ended ‡Feb. 9, 1946	§Feb. 2, 1946	Feb. 10, 1945	Calendar Year to Date Feb. 9, 1946	Feb. 10, 1945	Feb. 13, 1937
*Total incl. coll. fuel	1,165,000	1,247,000	1,114,000	6,565,000	5,782,000	6,357,000
†Commercial produc.	1,118,000	1,197,000	1,069,000	6,301,000	5,551,000	6,039,000
Beehive coke— United States total	95,600	85,000	119,700	506,600	602,400	409,000

*Includes washery and dredge 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.)

State—	Week Ended Feb. 2, 1946	Jan. 26, 1946	Feb. 3, 1945
Alabama	323,000	327,000	385,000
Alaska	6,000	6,000	7,000
Arkansas and Oklahoma	120,000	115,000	106,000
Colorado	152,000	137,000	172,000
Georgia and North Carolina	1,000	1,000	*
Illinois	1,539,000	1,563,000	1,516,000
Indiana	578,000	556,000	572,000
Iowa	42,000	45,000	56,000
Kansas and Missouri	124,000	135,000	183,000
Kentucky—Eastern	1,095,000	1,144,000	1,013,000
Kentucky—Western	475,000	464,000	393,000
Maryland	55,000	55,000	30,000
Michigan	3,000	3,000	2,000
Montana (bitum. & lignite)	99,000	94,000	105,000
New Mexico	28,000	30,000	31,00
North & South Dakota (lignite)	64,000	73,000	67,000
Ohio	830,000	787,000	626,00
Pennsylvania (bituminous)	2,876,000	2,726,000	2,218,000
Tennessee	152,000	156,000	153,000
Texas (bituminous & lignite)	2,000	2,000	4,00
Utah	151,000	159,000	150,00
Virginia	377,000	395,000	395,000
Washington	29,000	25,000	31,000
†West Virginia—Southern	2,254,000	2,314,000	2,12[illegible]
‡West Virginia—Northern	1,020,000	963,000	757,000
Wyoming	233,000	250,000	194,000
§Other Western States	1,000	*	*
Total bituminous & lignite	12,630,000	12,525,000	11,290,000

†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.

President Cancels Florida Trip

The White House announced on Feb. 8 that President Truman's plans for a vacation in Florida had been cancelled because of "the immediate critical situation involving problems requiring his personal attention," according to Associated Press Washington dispatches which added that it had been learned unofficially that the labor crises and the related wage-price policy question were involved in the decision. The announcement came as a surprise, as the President had told his news conference a day earlier that the projected trip would proceed and that all necessary business could be done by telephone. Government and labor officials were said to be bending every effort to bring the steel strike to a halt, but that failure so far to accomplish this had led to the President's decision to remain in Washington. Definite steps still remained to be accomplished also in the formulation of the new wage-price policy.

President Truman is still expected to make his scheduled flight to Fulton, Mo., on March 5, to introduce former British Prime Minister Winston Churchill for a foreign affairs speech at Westminster College.

Merchant Marine Stamp

Postmaster Albert Goldman announced on Feb. 6 that information has been received from the Post Office Department at Washington, relative to the issuance of the 3-cent Merchant Marine stamp of the Armed Forces Series, to be first placed on sale at the Washington, D. C., Post Office on Feb. 26, and made available to post offices throughout the country as soon thereafter as production facilities will permit. The advices state:

The Merchant Marine stamp will be of special delivery size, arranged horizontally. It will be printed by the rotary process in blue, electric-eye perforated, and issued in sheets of 50 subjects. The central design shows a Liberty ship unloading cargo. In the upper left corner is the wording "U. S. Merchant Marine" in white face gothic lettering, comprising three lines. In the upper right corner in a similar arrangement and style is the wording "United States Postage," arranged in three lines, below which is the symbol "3¢" in white gothic lettering. At the top and centered between these groups of lettering appears the wording "Peace and War" in white face architectural roman lettering, in one line. All lettering is arranged horizontally.

Morgan to Keep Post

Lieut. Gen. Sir Frederick E. Morgan, head of the United Nations Relief and Rehabilitation Administration in Germany, who had been under fire since his remarks early in January in Frankfort-on-the-Main concerning the exodus of Jews from Poland and was reported to have been asked to resign from UNRRA, has been officially restored to his post by Herbert H. Lehman, head of UNRRA, to whom the General appealed for a personal hearing to determine the correctness of his original statement and the propriety of his having made his views public.

Mr. Lehman announced on Jan. 29, after several talks with General Morgan who came to the United States for conference, that he felt "justified in continuing to place confidence in the officer", according to a special dispatch from Washington to the New York "Times". The UNRRA director said that he had "given the most serious consideration to all the circumstances," and that General Morgan "did not intend to impute sinister motives to individuals or organizations seeking to improve the . . . plight . . . of displaced persons." Saying that he had "also been impressed with Lieut. General Morgan's deep concern for his work", Mr. Lehman finished by stating that he had decided to restore him "to duty as chief of UNRRA operations in Germany", and that the General would "return to his post in Germany as promptly as possible."

Lt. Gen. Morgan, just before leaving La Guardia Airport for England, reiterated on Feb. 3 that he was never out of UNRRA. The "Times" in thus reporting him, quoted the General as saying:

"There was never any question of reinstatement involved. I was never out of UNRRA."

Results Of Treasury Bill Offering

The Secretary of the Treasury announced on Feb. 18 that the tenders for $1,300,000,000 or thereabout of 91-day Treasury bills to be dated Feb. 21 and to mature May 23, which were offered on Feb. 15, were opened at the Federal Reserve Banks on Feb. 18.

Total applied for, $2,037,113,000.

Total accepted, $1,301,118,000 (includes $47,991,000 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.

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

There was a maturity of a similar issue on bills on Feb. 21 in the amount of $1,302,106,000.

Moody's Daily Commodity Index

Tuesday, Feb. 12, 1946	*
Wednesday, Feb. 13	267.4
Thursday, Feb. 14	267.5
Friday, Feb. 15	268.4
Saturday Feb. 16	268.3
Monday Feb. 18	269.3
Tuesday, Feb. 19	268.7
Two weeks ago, Feb. 5	266.1
Month ago, Jan. 19	264.9
Year ago, Feb. 19, 1945	254.6
1945 High, Dec. 27	265.0
Low, Jan. 24	252.1
1946 High, Feb. 18	269.3
Low, Jan. 2	264.7

*Holiday.

Trading on New York Exchanges

The Securities and Exchange Commission made public on Feb. 13, 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. 26, 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. 26 (in round-lot transactions) totaled 3,401,203 shares, which amount was 14.33% of the total transactions on the Exchange of 11,873,690 shares. This compares with member trading during the week ended Jan. 19 of 4,844,248 shares, or 14.47% of the total trading of 16,454,020 shares.

On the New York Curb Exchange, member trading during the week ended Jan. 26, amounted to 1,071,760 shares or 13.16% of the total volume on that Exchange of 4,073,445 shares. During the week ended Jan. 19 trading for the account of Curb members of 1,516,760 shares was 13.85% of the total trading of 5,474,400 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. 26, 1946

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	290,760	
‡Other sales	11,582,930	
Total sales	11,873,690	
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	990,700	
Short sales	164,380	
‡Other sales	862,950	
Total sales	1,027,330	8.50
2. Other transactions initiated on the floor—		
Total purchases	181,400	
Short sales	8,100	
‡Other sales	203,990	
Total sales	212,090	1.66
3. Other transactions initiated off the floor—		
Total purchases	398,713	
Short sales	63,130	
‡Other sales	527,750	
Total sales	590,880	4.17
4. Total—		
Total purchases	1,570,903	
Short sales	235,610	
‡Other sales	1,594,690	
Total sales	1,830,300	14.33

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

WEEK ENDED JAN. 26, 1946

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	47,175	
‡Other sales	4,026,270	
Total sales	4,073,445	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	339,505	
Short sales	26,500	
‡Other sales	291,660	
Total sales	318,160	8.07
2. Other transactions initiated on the floor—		
Total purchases	40,675	
Short sales	2,100	
‡Other sales	62,270	
Total sales	64,370	1.30
3. Other transactions initiated off the floor—		
Total purchases	67,375	
Short sales	12,950	
‡Other sales	228,725	
Total sales	241,675	3.79
4. Total—	447,555	
Total purchases	41,550	
Short sales	582,655	
‡Other sales	624,205	13.16
Total sales		
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
§Customers' other sales	126,154	
Total purchases	126,154	
Total sales	148,413	

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

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

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

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

Wholesale Prices Increased 0.3% in Week Ended February 9, Labor Dept. Reports

Higher prices for both agricultural and industrial commodities during the week ended Feb. 9, 1946 raised average primary market prices 0.3% it was made known on Feb. 14 by the Bureau of Labor Statistics, U. S. Department of Labor, which said that at 107.1% of the 1926 average, the index of commodity prices in primary markets prepared by the Bureau, was at a new postwar peak. It was 2.1% above the corresponding week of 1945. The Bureau's advices continued:

"Farm Products and Foods—The group index for farm products rose 0.5% with generally higher prices for agricultural commodities, to a level 2.8% above early February, 1945. Among the grains, rye quotations advanced reflecting low stocks, and wheat prices were higher with increased protein content of grains available. Oat prices dropped fractionally as the result of poorer quality grain marketed. Cattle quotations rose following resumption of operations by packing plants, and sheep prices moved up on strong demand and low supplies. Live poultry prices were higher seasonally. Average prices for eggs increased contraseasonally, following the abnormal price declines in some markets in previous weeks. Apples were higher on good demand and continuing low stocks, and citrus fruit prices advanced as better qualities moved to market. Onions and sweet-potatoes rose with light supplies. New crop potatoes were higher, but potatoes from the old crop were lower in price.

"The higher prices for fruits and vegetables were primarily responsible for the advance of 0.4% in average food prices. In addition cheese quotations advanced, reflecting first effects of the removal of subsidies of Feb. 1, with equivalent increases in ceiling prices. Oatmeal prices moved to ceiling, and dressed poultry quotations rose seasonally. Sharply higher prices for dried apples reflected increased ceilings for the new pack. Average prices for foods during the week were 2.1% above the corresponding week of last year.

"Other Commodities—Average prices for all commodities other than farm products and foods continued to advance, rising 0.2% during the week. Shoe prices rose fractionally as additional manufacturers moved to higher ceilings previously allowed. Mid-western refinery prices for fuel oil advanced with ceiling increases granted to equalize mid-western and eastern prices. Gasoline quotations continued to move downward with large stocks. Portland cement quotations in southern cities rose to higher ceilings previously allowed. Higher mill realizations for western pine raised lumber quotations fractionally. Paper and pulp quotations moved up 1.8% with higher prices for book paper following ceiling increases to encourage finishing by mills, and ceiling adjustments for paperboard to stimulate production of standard grades.

The Labor Department included the following notation in its report:

The Bureau of Labor Statistics' wholesale price data, for the most part, represent prices in primary markets. In general, the prices are those charged by manufacturers or producers or are those prevailing on commodity exchanges. The weekly index is calculated from one-day-a-week prices. It is designed as an indicator of week to week changes and should not be compared directly with the monthly index.

The following tables show (1) indexes for the past three weeks, for Jan. 12, 1946 and Feb. 10, 1945 and (2) percent changes in subgroup indexes from Feb. 2, 1946 to Feb. 9, 1946.

WHOLESALE PRICES FOR WEEK ENDED FEB. 9, 1946
(1926 = 100)
(Indexes for the last eight weeks are preliminary)

Commodity group—	2-9 1946	2-2 1946	1-26 1946	1-12 1946	2-10 1945	Percentage changes to Feb. 9, 1946 from— 2-2 1946	1-12 1946	2-10 1945
All commodities	107.1	106.8	106.8	106.7	104.9	+0.3	+0.4	+2.1
Farm products	130.4	129.7	129.9	130.0	126.8	+0.5	+0.3	+2.8
Foods	107.1	106.7	106.8	107.6	104.9	+0.4	—0.5	+2.1
Hides and leather products	120.0	119.8	119.4	119.4	118.0	+0.2	+0.5	+1.7
Textile products	101.1	101.1	101.1	101.0	99.1	0	+0.1	+2.0
Fuel and lighting materials	85.8	85.4	85.4	85.5	84.0	+0.5	+0.4	+2.1
Metal and metal products	105.8	105.8	105.8	105.4	104.2	0	+0.4	+1.5
Building materials	119.9	119.9	119.9	119.2	116.7	0	+0.6	+2.7
Chemicals and allied products	96.0	96.0	96.0	96.1	94.9	0	—0.1	+1.2
Housefurnishings goods	106.8	106.8	106.6	106.4	106.2	0	+0.4	+0.6
Miscellaneous commodities	95.3	95.0	95.0	95.0	94.1	+0.3	+0.3	+1.3
Raw materials	119.3	118.9	119.0	119.0	116.0	+0.3	+0.3	+2.8
Semi-manufactured articles	97.5	97.5	97.5	96.9	94.8	0	+0.6	+2.8
Manufactured products	103.2	102.9	102.9	102.8	101.6	+0.3	+0.4	+1.6
All commodities other than farm products	101.9	101.7	101.7	101.5	100.1	+0.2	+0.4	+1.8
All commodities other than farm products and foods	101.1	100.9	100.9	100.7	99.3	+0.2	+0.4	+1.8

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM FEB. 2, 1946 TO FEB. 9, 1946

Increases

Paper and pulp	1.8	Dairy products	0.3
Fruits and vegetables	1.4	Shoes	0.3
Livestock and poultry	0.8	Cereal products	0.2
Petroleum and products	0.7	Meats	0.2
Other farm products	0.5	Other foods	0.2
Cement	0.4	Furniture	0.1
Grains	0.4	Lumber	0.1

Electric Output for Week Ended Feb. 9, 1946 11.6% 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. 9, 1946, was 3,983,493,000 kwh., which compares with 4,505,269,000 kwh. in the corresponding week a year ago, and 3,982,775,000 kwh. in the week ended Feb. 2, 1946. The output for the week ended Feb. 9, 1946 was 11.6% below that of the same week in 1945.

PERCENTAGE DECREASE UNDER SAME WEEK LAST YEAR

Major Geographical Divisions—	Week Ended— Feb. 9	Feb. 2	Jan. 26	Jan. 19
New England	2.1	4.8	5.0	2.5
Middle Atlantic	3.8	5.0	5.3	4.6
Central Industrial	19.4	19.6	18.8	14.5
West Central	3.3	2.3	3.8	2.8
Southern States	13.9	13.2	11.2	10.5
Rocky Mountain	§3.0	§1.7	§3.3	§6.1
Pacific Coast	10.0	13.2	14.4	12.4
Total United States	11.6	‡12.2	11.9	9.7

‡Revised. §Increase.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended—	1945	1944	% Change under 1944	1943	1932	1929
Nov. 3	3,899,293	4,354,939	—10.5	4,413,863	1,520,730	1,798,164
Nov. 10	3,948,024	4,396,595	—10.2	4,482,665	1,531,584	1,793,584
Nov. 17	3,984,608	4,450,047	—10.5	4,513,299	1,475,268	1,818,169
Nov. 24	3,841,350	4,368,519	—12.1	4,403,342	1,510,337	1,718,002
Dec. 1	4,042,915	4,524,257	—10.6	4,560,158	1,518,922	1,806,225
Dec. 8	4,096,954	4,538,012	— 9.7	4,566,905	1,563,384	1,840,863
Dec. 15	4,154,061	4,563,079	— 9.0	4,612,994	1,554,473	1,860,021
Dec. 22	4,239,376	4,616,975	— 8.2	4,295,010	1,414,710	1,637,683
Dec. 29	3,758,942	4,225,814	—11.0	4,337,287	1,619,265	1,542,000

Week Ended—	1946	1945	% Change under 1945	1944	1932	1929
Jan. 5	3,865,362	4,427,281	—12.7	4,567,959	1,602,482	1,733,810
Jan. 12	4,163,206	4,614,334	— 9.8	4,539,083	1,598,201	1,736,721
Jan. 19	4,145,116	4,588,214	— 9.7	4,531,662	1,588,967	1,717,315
Jan. 26	4,034,365	4,576,713	—11.9	4,523,763	1,588,853	1,728,208
Feb. 2	*3,982,775	4,538,552	—12.2	4,524,134	1,578,817	1,726,161
Feb. 9	3,983,493	4,505,269	—11.6	4,532,730	1,545,459	1,718,304
Feb. 16		4,472,298		4,511,562	1,512,158	1,699,250
Feb. 23		4,473,962		4,444,939	1,519,679	1,706,719
March 2		4,472,110		4,464,686	1,538,452	1,702,570

*Revised.

1,397,936 Employed by Railroads in December

Employees of Class I railroads of the United States, as of the middle of December, 1945, totaled 1,397,936, a decrease of 0.18% compared with the corresponding month of 1944 and 0.59% under November, 1945, according to a report just issued by the Bureau of Transport Economics and Statistics of the Interstate Commerce Commission.

A decline under December, 1944, is shown in the number of employees for every reporting group with the exception of executives, officials, and staff assistants; maintenance of way and structures, and transportation (other than train, engine, and yard), which show increases of 2.42%, 1.04% and 3.33%, respectively. The percentages of decrease are:

Professional, clerical, and general, 0.69%; maintenance of equipment and stores, 0.45%; transportation (yardmasters, switch-tenders and hostlers), 1.40%, and transportation (train and engine service), 2.63%.

Swaney to Represent Chicago Reserve Bank In Michigan

Russel A. Swaney, former Deputy Director, Banking Division, U. S. Treasury War Finance Committee for Michigan, has been appointed Special Representative of the Federal Reserve Bank of Chicago and will represent the Bank in Michigan. Mr. Swaney was in charge of the banking division in the 35 counties comprising the west half of the lower peninsula of Michigan during all of the War Loan and Victory Loan drives. His work for the Treasury was chiefly concerned with the sale of Government securities through banks. Prior to joining the Treasury staff, Mr. Swaney spent 15 years in the investment banking business in Grand Rapids where he will continue to make his headquarters.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Feb. 13, a sumary for the week ended Feb. 2 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 od-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 Feb. 2, 1946

	Total For Week
Odd-Lot Sales by Dealers— (Customers' purchases)	
Number of orders	68,666
Number of shares	2,094,299
Dollar value	$80,864,117
Odd-Lot Purchases by Dealers— (Customers' sales)	
Number of Orders:	
Customers' short sales	94
*Customers' other sales	46,186
Customers' total sales	46,280
Number of Shares:	
Customers' short sales	3,455
*Customers' other sales	1,352,891
Customers' total sales	1,356,346
Dollar value	$55,980,379
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	170
†Other sales	153,630
Total sales	153,800
Round-Lot Purchases by Dealers—	
Number of shares	871,690

*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 Feb. 9, 1946 Increased 81,300 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Feb. 9, 1946, was 4,690,500 barrels, an increase of 81,300 barrels per day over the preceding week and a gain of 260,500 barrels in excess of the daily average figure of 4,430,000 barrels estimated by the United States Bureau of Mines as the requirements for the month of February, 1946. The current figure, however, was 38,300 barrels per day less than output in the week ended Feb. 10, 1945. Daily production for the four weeks ended Feb. 9, 1946 averaged 4,633,000 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,512,000 barrels of crude oil daily and produced 12,854,000 barrels of gasoline; 2,115,000 barrels of kerosine; 5,650,000 barrels of distillate fuel, and 8,630,000 barrels of residual fuel oil during the week ended Feb. 9, 1946; and had in storage at the end of that week 103,319,000 barrels of finished and unfinished gasoline; 8,258,000 barrels of kerosine; 28,934,000 barrels of distillate fuel, and 39,555,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*B. of M. Calculated Requirements February	State Allowables Begin. Feb. 1	Actual Production Week Ended Feb. 9, 1946	Change from Previous Week	4 Weeks Ended Feb. 9, 1946	Week Ended Feb. 10, 1945
Oklahoma	368,000	388,000	†389,100	+ 1,700	390,250	363,550
Kansas	254,000	249,400	†236,700	— 2,900	248,050	252,800
Nebraska	800	----	†750	----	750	950
Panhandle Texas			81,000	----	81,000	88,700
North Texas			157,600	+ 4,800	154,000	143,150
West Texas			503,300	+12,700	493,450	478,600
East Central Texas			146,200	+ 3,550	142,900	144,050
East Texas			321,000	+ 1,000	320,250	392,000
Southwest Texas			356,150	+18,150	340,250	342,350
Coastal Texas			544,000	+32,200	514,100	552,600
Total Texas	1,890,000	‡2,126,504	2,109,250	+72,400	2,045,950	2,141,450
North Louisiana			79,600	— 200	79,800	68,250
Coastal Louisiana			288,850	----	288,850	289,200
Total Louisiana	368,000	412,515	368,450	— 200	368,650	357,450
Arkansas	74,000	79,603	77,300	+ 250	77,200	81,600
Mississippi	49,000		55,200	— 1,550	55,700	46,800
Alabama	600		950	+ 300	700	250
Florida	----		100	----	100	50
Illinois	198,000		214,700	+ 4,000	210,450	205,750
Indiana	13,000		16,450	+ 1,300	15,100	13,050
Eastern— (Not incl. Ill., Ind., Ky.)	61,200		61,250	— 2,250	62,000	59,250
Kentucky	29,000		32,000	+ 2,500	30,000	30,300
Michigan	46,000		44,300	— 50	44,900	45,250
Wyoming	94,000		97,800	+ 50	99,500	99,550
Montana	20,400		19,100	+ 50	19,300	19,650
Colorado	24,000		22,800	+ 300	22,900	9,550
New Mexico	96,000	104,000	98,400	----	98,400	103,150
Total East of Calif.	3,586,000		3,844,600	+75,900	3,789,900	3,830,400
California	844,000	§	845,900	+ 5,400	843,100	898,400
Total United States	4,430,000		4,690,500	+81,300	4,633,000	4,728,800

*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 February. As requirements may be supplied either from stocks or from new production, contemplated withhdrawals from crude oil inventories must be deducted from the Bureau's estimated requirements to determine the amount of new crude to be produced. In some areas the weekly estimates do, however, include small but indeterminate amounts of condensate which is mixed with crude oil in the field.

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. Feb. 6, 1946.

‡This is the net basic allowable as of Feb. 1 calculated on a 28-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 4 to 9 days, the entire state was ordered shut down for 4 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 4 days shutdown time during the calendar month.

§Not yet available.

CRUDE RUNS TO STILLS; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, KEROSINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED FEB. 9, 1946

(Figures in thousands of barrels of 42 gallons each)

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

District—	% Daily Refin'g Capac. Report'g	Crude Runs to Stills Daily Av.	Crude Runs to Stills % Operated	§Gasoline Produc'n at Ref. Inc. Nat. Blended	‡Finish'd and Unfin. Gasoline Stocks	‡Stocks of Kerosine	‡Stks. of Gas Oil & Dist. Fuel Oil	‡Stks. of Resid. Fuel Oil
East Coast	99.5	752	95.1	1,691	22,988	3,456	8,242	5,923
Appalachian—								
District No. 1	76.8	92	63.0	328	3,039	218	467	305
District No. 2	81.2	54	108.0	225	1,144	16	85	243
Ind., Ill., Ky.	87.2	695	81.1	2,369	22,594	1,285	3,654	2,905
Okla., Kan., Mo.	78.3	377	80.4	1,253	9,718	339	1,428	1,024
Inland Texas	59.8	210	63.6	895	3,130	178	280	678
Texas Gulf Coast	89.3	1,098	88.8	3,155	16,383	1,030	4,989	4,408
Louisiana Gulf Coast	96.8	297	114.2	617	4,993	899	1,787	1,248
No. La. & Arkansas	55.9	59	46.8	172	1,338	157	1,067	236
Rocky Mountain—								
District No. 3	17.1	11	84.6	34	104	20	27	30
District No. 4	72.1	98	61.6	359	2,093	96	371	695
California	86.5	769	79.5	1,756	15,795	564	6,537	21,860
Total U. S. B. of M. basis Feb. 9, 1946	85.7	4,512	83.5	12,854	*103,319	8,258	28,934	39,555
Total U. S. B. of M. basis Feb. 2, 1946	85.7	4,530	83.8	13,841	‖103,125	8,624	28,939	39,086
U. S. B. of M. basis Feb. 10, 1945		4,820		15,379	†93,355	7,652	29,471	48,676

*Includes unfinished gasoline stock of 8,281,000 barrels. †Includes unfinished gasoline stocks of 12,552,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 2,115,000 barrels of kerosine, 5,650,000 barrels of gas oil and distillate fuel oil and 8,630,000 barrels of residual fuel oil produced during the week ended Feb. 9, 1946, which compares with 2,163,000 barrels, 5,636,000 barrels and 8.506,000 barrels, respectively, in the preceding week and 1,520,000 barrels, 4,785,000 barrels and 9,393,000 barrels, respectively, in the week ended Feb. 10, 1945. ‖On new basis in East Coast District.

Civil Engineering Construction Totals $44,058,000 for Week

Civil engineering construction volume in continental United States totals $44,058,000 for the week ending Feb. 14, 1946, as reported to "Engineering News-Record." This volume is 21% below last week, but 0.35% above the week last year, and 35% below the previous four-week moving average. The report made public on Feb. 14, continued as follows:

Private construction this week, $27,115,000 is 26% below last week and 769% above the corresponding week of 1945. Public construction, $16,943,000, dropped 10% below last week and 58% below the week last year. State and municipal construction while 37% below the previous week, is 430% above the week last year. Federal construction, 176% above last week is 83% below the week last year.

Total engineering construction for the seven-week cumulative period of 1946, $447,862,000, is 147% greater than the $181,408,000 recorded for the same period of 1945. On a cumulative basis private construction in 1946 totals $301,226,000, 485% above the 1945 period. The 55% drop in federal work was not sufficient to offset the 355% increase in state and municipal construction, as public construction, $146,636,000 rose 13% over the total for a seven-week period of 1945.

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

	Feb. 14, 1946	Feb. 7, 1946	Feb. 15, 1945
Total U. S. Construction	$44,058,000	$55,527,000	$43,908,000
Private Construction	27,115,000	36,648,000	3,120,000
Public Construction	16,943,000	18,879,000	40,788,000
State and Municipal	10,295,000	16,468,000	1,943,000
Federal	6,648,000	2,411,000	38,845,000

In the classified construction groups, four of the nine classes recorded gains during the current week over last week as follows: sewerage, earthwork and drainage, public buildings and industrial buildings. Five of the nine classes gained over the week last year as follows: sewerage, bridges, highways, industrial buildings and commercial buildings.

New Capital

New Capital for construction purposes this week totals $15,639,000 and is made up of $12,219,000 in state and municipal bond sales and $3,420,000 in corporate security isssues. New capital for the seven weeks of 1946 totals $288,641,000 51% greater than the $190,693,000 reported for the corresponding period of 1945.

Latest Summary of Copper Statistics

The Copper Institute on Feb. 11 released the following statistics pertaining to production, deliveries and stocks of duty-free copper.

SUMMARY OF COPPER STATISTICS REPORTED BY MEMBERS OF THE COPPER INSTITUTE

(In Tons of 2,000 Pounds)

U. S. Duty Free Copper	Production *Crude	Production Refined	Deliveries to Customers †Domestic	Deliveries to Customers Export	‡Refined Stocks End of Period	Stock Increase (+) or Decreases (—) §Blister	Stock Increase (+) or Decreases (—) Refined
Year 1939	836,074	818,289	814,407	134,152	159,485	+17,785	—130,270
Year 1940	992,293	1,033,710	1,001,886	48,537	142,772	—41,417	— 16,713
Year 1941	1,016,996	1,065,667	1,545,541	307	75,564	—48,671	— 67,208
Year 1942	1,152,344	1,135,708	1,635,236	----	65,309	+16,636	— 10,255
Year 1943	1,194,699	1,206,871	1,643,677	----	52,121	—12,172	— 13,188
Year 1944	1,056,180	1,098,788	1,636,295	----	66,780	—42,608	+ 14,659
Year 1945	841,667	843,113	1,517,842	----	76,512	— 1,446	+ 9,732
Jan., 1945	73,754	67,726	145,904	----	59,715	+ 6,028	— 7,065
Feb., 1945	67,496	69,950	172,585	----	57,142	— 2,454	— 2,573
Mar., 1945	76,537	76,395	218,488	----	51,861	+ 142	— 5,281
Apr., 1945	74,392	75,436	161,111	----	55,453	— 1,044	+ 3,592
May, 1945	74,469	85,319	139,203	----	63,841	—10,850	+ 8,388
June, 1945	72,271	74,377	94,031	----	70,738	— 2,106	+ 6,897
July, 1945	72,855	72,995	88,661	----	76,166	— 140	+ 5,428
Aug., 1945	68,253	69,127	86,840	----	80,316	— 874	+ 4,150
Sept., 1945	64,091	45,145	83,478	----	68,675	+18,946	— 11,641
Oct., 1945	69,322	70,363	104,104	----	73,913	— 1,041	+ 5,238
Nov., 1945	65,586	70,218	119,973	----	74,425	— 4,632	+ 512
Dec., 1945	62,641	66,062	103,464	----	76,512	— 3,421	+ 2,087
Jan., 1946	57,890	69,008	115,601	----	72,799	— 11,118	— 3,713

*Mine or smelter production or shipments, and custom intake including scrap.

†Beginning March, 1941, includes deliveries of duty paid foreign copper for domestic consumption.

‡At refineries on consignment and in exchange warehouses, but not including consumers' stocks at their plants or warehouses.

§Computed by difference between mine and refined production.

NOTE—Statistics for the month of December and year 1945, have been revised.

Non-Ferrous Metals—Present Ceiling on Lead May Continue—Zinc Stocks Increase

"E. & M. J. Metal and Mineral Markets," in its issue of Feb. 14, stated: "Labor difficulties that threatened to spread as the week ended held the interest of all concerned with the affairs of the nonferrous metals industry. The problem of taking on new business and arranging shipments became more involved. An announcement from official sources that the ceiling price of lead will be maintained at 6.50c., New York, disappointed those in the industry who maintain that production would increase if the price were raised. The zinc statistics for January showed that stocks increased again, but this failed to influence the market. January deliveries of copper were higher than those of December." The publication further went on to say in part as follows:

Copper

As long as strikes at important mines, mills, refineries, and fabricating plants continue, the market for copper is expected to remain badly snarled.

Bridgeport Brass has signed a wage agreement granting an immediate increase in pay of 10% and any further increase that may be justified under the Government's wage-price policy.

Fabricators took more copper in January than in the preceding month, according to Copper Institute.

Lead

John C. Collet, Stabilization Administrator, announced Feb. 11 that the Government will maintain present ceiling prices on lead. The action was taken with the concurrence of the Office of War Mobilization and Reconversion, the Office of Price Administration, and the Civilian Production Administration. The statement was issued at this time, Judge Collett said, to halt widespread reports that an increase in lead prices is imminent. The agencies concerned believe that the present lead price structure, together with the existing Premium Price Plan applying to copper, lead, and zinc, provides adequate facilities for obtaining maximum production of lead.

Demand for lead continues brisk, with sales limited because of the tight supply situation. Sales for the last week amounted to 4,852 tons.

Zinc

Demand for Special High Grade remains active, indicating that die casting so far has not suffered greatly from the wave of strikes. Settlement of the steel strike is expected to take place shortly, which should be reflected in a heavy movement of Prime Western to galvanizers. Export demand for zinc has been improving.

The statistics of the American Zinc Institute, issued during the last week, showed that stocks of slab zinc increased from 259,333 tons at the end of December to 266,657 tons at the end of January, a new high. In view of a shutdown at one plant, production of 65,959 tons in January was larger than generally expected.

Tin

With funds assured for extending the purchase program for tin concentrates after the present agreements expire at the end of June, the Bolivian Tin Committee, representing producers and government officials is about to open negotiations with the United States Commercial Co., RFC subsidiary, for a new contract. To offset rising costs, producers claim that a higher settling basis will be necessary to maintain production, and 66c. per pound for tin contained in concentrates has been mentioned as being acceptable. This higher price, according to reports, should be retroactive to Jan. 1, 1946.

Under the purchase contract for the fiscal year that began July 1, 1945, the settling price was established on a quarterly basis, starting at 63½c., United States, in the first quarter, and dropping to 58½c. in the final quarter.

The price situation in the United States remains unchanged, the quotation for Straits quality tin continuing at 52c. Forward quotations were nominally as follows, in cents per pound:

	Feb.	March	April
February 7	52.000	52.000	52.000
February 8	52.000	52.000	52.000
February 9	52.000	52.000	52.000
February 11	52.000	52.000	52.000
February 12		Holiday	
February 13	52.000	52.000	52.000

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

Quicksilver

Most sellers reported a quiet market in quicksilver, with prices unchanged at $103 to $105 per flask.

Production of quicksilver in California in 1945 totaled 22,800 flasks, valued at $2,918,000, according to the Division of Mines, California Department of Natural Resources.

The official quotation for quicksilver ex warehouse in the London market continues at £30 per flask.

Silver

Opinion on the status of the Green bill remains rather confusing. Senator Green is urging reenactment of his bill to permit the sale of "free" Treasury silver to consumers. Senator Murdock last week told members of the press that he does not believe the bill will ever come out of committee. Talk of a compromise at a higher level than the 71.11c basis also persists.

Refineries in the United States produced 5,702,000 oz. of silver in December, of which 2,031,000 oz. was classified as domestic and 3,671,000 oz. foreign, according to the American Bureau of Metal Statistics.

The New York Official price of foreign silver was unchanged last week at 70¾c. an ounce troy. London was unchanged at 44d.

Revenue Freight Car Loadings During Week Ended Feb. 9, 1946 Decreased 9,895 Cars

Loading of revenue freight for the week ended Feb. 9, 1946 totaled 713,240 cars, the Association of American Railroads announced on Feb. 14. This was a decrease below the corresponding week of 1945 of 42,592 cars, or 5.6%, and a decrease below the same week in 1944 of 79,941 cars of 10.1%.

Loading of revenue freight for the week of Feb. 9, decreased 9,895 cars, or 1.4% below the preceding week.

Miscelalneous freight loading totaled 287,937 cars, a decrease of 5,284 cars below the preceding week, and a decrease of 75,609 cars below the corresponding week in 1945.

Loading of merchandise less than carload lot freight totaled 120,252 cars, an increase of 1,611 cars above the preceding week, and an increase of 23,478 cars above the corresponding week in 1945.

Coal loading amounted to 186,166 cars, a decrease of 1,667 cars below the preceding week, but an increase of 9,944 cars above the corresponding week in 1945.

Grain and grain products loading totaled 50,844 cars, a decrease of 3,576 cars below the preceding week but an increase of 9,504 cars above the corresponding week in 1945. In the Western Districts alone, grain and grain products loading for the week of Feb. 9 totaled 32,652 cars, a decrease of 2,938 cars below the preceding week, but an increase of 4,937 cars above the corresponding week in 1945.

Livestock loading amounted to 18,331 cars, a decrease of 830 cars below the preceding week but an increase of 4,756 cars above the corresponding week in 1945. In the Western Districts alone loading of livestock for the week of Feb. 9 totaled 14,139 cars, a decrease of 1,165 cars below the preceding week, but an increase of 4,296 cars above the corresponding week in 1945.

Forest products loading totaled 35,588 cars, a decrease of 778 cars below the preceding week and a decrease of 3,316 cars below the corresponding week in 1945.

Ore loading amounted to 5,878 cars, a decrease of 108 cars below the preceding week and a decrease of 4,879 cars below the corresponding week in 1945.

Coke loading amounted to 8,244 cars, an increase of 737 cars above the preceding week, but a decrease of 6,470 cars below the corresponding week in 1945.

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

	1946	1945	1944
4 weeks of January	2,883,620	3,003,655	3,158,700
Week of February 2	723,135	739,556	805,714
Week of February 9	713,240	755,832	793,181
Total	4,319,995	4,499,043	4,757,595

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Feb. 9, 1946. During this period 67 roads reported gains over the week ended Feb. 10, 1945.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED FEB. 9

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1946	1945	1944	1946	1945
Eastern District—					
Ann Arbor	414	301	261	1,744	1,546
Bangor & Aroostook	2,624	2,422	2,153	446	622
Boston & Maine	7,636	5,403	6,414	13,543	14,306
Chicago, Indianapolis & Louisville	1,196	1,312	1,422	2,004	2,446
Central Indiana	50	31	29	60	41
Central Vermont	1,050	1,005	975	2,154	2,909
Delaware & Hudson	4,446	4,427	4,869	11,416	12,864
Delaware, Lackawanna & Western	7,102	6,274	7,538	8,853	9,686
Detroit & Mackinac	234	142	217	185	123
Detroit, Toledo & Ironton	1,592	1,624	1,993	1,945	2,414
Detroit & Toledo Shore Line	275	370	300	3,799	3,517
Erie	9,948	10,015	12,797	14,369	15,989
Grand Trunk Western	3,040	4,002	3,754	8,968	9,558
Lehigh & Hudson River	160	143	193	2,389	4,194
Lehigh & New England	1,940	1,644	1,941	1,594	1,433
Lehigh Valley	7,360	6,462	8,551	7,385	11,212
Maine Central	2,930	2,206	2,373	4,486	4,028
Monongahela	7,862	4,441	6,526	269	268
Montour	2,886	2,051	2,471	25	17
New York Central Lines	41,847	42,700	45,446	51,391	51,141
N. Y., N. H. & Hartford	10,742	7,529	9,567	14,176	17,149
New York, Ontario & Western	850	685	1,218	2,547	2,178
New York, Chicago & St. Louis	5,319	5,942	6,317	13,362	[illegible]
N. Y., Susquehanna & Western	381	409	500	2,018	2,281
Pittsburgh & Lake Erie	2,089	6,218	7,493	8,367	5,817
Pere Marquette	4,561	4,889	4,559	7,431	8,984
Pittsburgh & Shawmut	785	762	950	17	8
Pittsburg, Shawmut & North	251	268	358	252	242
Pittsburgh & West Virginia	679	1,003	1,148	1,283	2,938
Rutland	361	336	349	1,252	804
Wabash	6,365	6,123	6,021	11,649	13,366
Wheeling & Lake Erie	3,409	5,044	4,887	2,888	4,828
Total	140,384	136,198	153,590	202,272	222,215
Allegheny District—					
Akron, Canton & Youngstown	474	719	650	1,295	1,769
Baltimore & Ohio	36,354	36,179	43,353	22,940	30,920
Bessemer & Lake Erie	883	2,420	3,181	1,170	[illegible]
Cambria & Indiana	1,685	1,580	1,710	7	2
Central R. R. of New Jersey	5,330	6,077	6,949	15,633	18,808
Cornwall	4	338	589	36	[illegible]
Cumberland & Pennsylvania	366	197	223	7	7
Ligonier Valley	35	109	159	23	27
Long Island	1,575	1,313	1,240	4,503	4,596
Penn-Reading Seashore Lines	1,542	1,606	1,631	1,868	2,201
Pennsylvania System	62,779	70,899	77,600	54,307	62,378
Reading Co.	11,050	13,294	14,796	25,129	29,150
Union (Pittsburgh)	1,554	18,099	20,113	895	4,125
Western Maryland	3,876	3,618	4,603	11,403	15,188
Total	127,507	156,448	176,802	139,221	170,870
Pocahontas District—					
Chesapeake & Ohio	29,982	31,292	29,884	10,265	13,584
Norfolk & Western	21,330	23,769	22,753	6,301	11,256
Virginian	5,164	5,177	4,886	1,444	2,300
Total	56,476	60,238	57,523	18,010	27,140

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1946	1945	1944	1946	1945
Southern District—					
Alabama, Tennessee & Northern	428	322	315	237	350
Atl. & W. P.—W. R. R. of Ala.	882	753	867	1,839	2,715
Atlanta, Birmingham & Coast	†	†	798	†	†
Atlantic Coast Line	15,805	14,095	13,337	10,638	14,383
Central of Georgia	4,307	3,731	3,697	4,767	5,951
Charleston & Western Carolina	418	405	355	1,571	1,854
Clinchfield	1,867	1,658	1,726	3,865	3,363
Columbus & Greenville	386	303	289	293	277
Durham & Southern	78	110	115	660	708
Florida East Coast	3,465	2,957	3,385	1,629	1,436
Gainesville Midland	58	34	39	131	130
Georgia	1,088	981	980	2,287	2,762
Georgia & Florida	433	404	357	750	770
Gulf, Mobile & Ohio	5,375	4,592	4,104	4,497	4,157
Illinois Central System	27,297	27,239	28,727	14,483	18,266
Louisville & Nashville	26,139	27,087	25,410	9,512	12,684
Macon, Dublin & Savannah	304	219	173	1,024	925
Mississippi Central	408	323	364	396	579
Nashville, Chattanooga & St. L.	2,903	3,482	3,163	4,015	5,289
Norfolk Southern	1,308	901	1,127	1,596	1,537
Piedmont Northern	444	536	383	1,687	1,455
Richmond, Fred. & Potomac	410	445	402	9,799	10,774
Seaboard Air Line	11,902	9,814	10,875	8,467	9,538
Southern System	24,194	23,857	22,112	23,972	27,479
Tennessee Central	559	733	648	803	784
Winston-Salem Southbound	134	153	133	905	1,565
Total	130,592	125,134	123,881	109,823	129,781
Northwestern District—					
Chicago & North Western	15,684	15,116	15,684	18,824	14,264
Chicago Great Western	2,677	2,476	2,759	3,303	3,628
Chicago, Milw., St. P. & Pac.	20,921	20,687	20,596	10,750	11,331
Chicago, St. Paul, Minn. & Omaha	3,790	3,310	3,772	3,876	4,072
Duluth, Missabe & Iron Range	1,184	1,361	1,512	270	314
Duluth, South Shore & Atlantic	744	762	811	609	673
Elgin, Joliet & Eastern	2,128	9,230	8,570	8,154	12,524
Ft. Dodge, Des Moines & South	454	336	443	144	85
Great Northern	10,286	10,343	11,755	4,448	5,862
Green Bay & Western	541	484	522	848	972
Lake Superior & Ishpeming	324	232	298	69	64
Minneapolis & St. Louis	2,197	1,983	2,105	2,197	2,798
Minn., St. Paul & S. S. M.	4,947	4,429	4,837	3,358	3,530
Northern Pacific	8,055	9,097	10,378	4,432	6,034
Spokane International	101	245	137	436	420
Spokane, Portland & Seattle	1,681	2,291	2,458	2,390	3,387
Total	75,714	82,382	86,637	64,108	69,958
Central Western District—					
Atch., Top. & Santa Fe System	23,935	22,951	21,501	9,149	13,784
Alton	2,571	3,594	2,919	3,293	4,590
Bingham & Garfield	17	350	481	9	49
Chicago, Burlington & Quincy	21,524	20,121	20,559	11,353	12,300
Chicago & Illinois Midland	3,312	3,136	2,871	817	861
Chicago, Rock Island & Pacific	12,696	12,107	11,670	12,073	13,825
Chicago & Eastern Illinois	3,067	2,814	2,761	3,171	4,108
Colorado & Southern	637	693	785	1,221	2,087
Denver & Rio Grande Western	2,855	4,034	3,534	3,719	6,478
Denver & Salt Lake	714	726	927	59	20
Fort Worth & Denver City	1,010	951	787	1,263	1,453
Illinois Terminal	2,269	2,269	1,949	1,686	2,126
Missouri-Illinois	873	891	967	462	610
Nevada Northern	1,415	1,434	1,896	121	101
North Western Pacific	550	724	812	494	975
Peoria & Pekin Union	18	1	13	0	0
Southern Pacific (Pacific)	26,477	27,380	29,850	8,661	14,867
Toledo, Peoria & Western	0	288	380	0	2,193
Union Pacific System	14,631	16,515	15,220	11,177	15,935
Utah	910	591	677	6	3
Western Pacific	1,713	1,706	1,459	3,046	4,466
Total	121,194	123,276	122,018	71,780	100,831
Southwestern District—					
Burlington-Rock Island	350	244	275	366	301
Gulf Coast Lines	5,385	6,349	7,832	2,426	2,442
International-Great Northern	1,829	2,431	1,930	3,807	3,605
‡K. O. & G., M. V. & O. C.-A.-A.	1,294	1,372	1,059	1,615	1,609
Kansas City Southern	2,614	4,983	5,466	3,077	2,946
Louisiana & Arkansas	2,454	3,722	3,208	2,431	2,928
Litchfield & Madison	315	328	322	1,173	1,219
Missouri & Arkansas	158	115	215	385	551
Missouri-Kansas-Texas Lines	5,271	7,001	5,395	3,680	4,959
Missouri Pacific	17,320	17,293	16,745	14,101	18,760
Quanah Acme & Pacific	114	53	116	198	361
St. Louis-San Francisco	9,614	9,218	8,199	8,028	8,793
St. Louis-Southwestern	2,430	3,448	2,961	4,750	7,226
Texas & New Orleans	8,525	10,549	13,452	5,208	5,492
Texas & Pacific	3,561	4,929	5,465	6,252	8,478
Wichita Falls & Southern	92	89	71	63	42
Weatherford M. W. & N. W.	47	32	19	10	26
Total	61,373	72,156	72,730	57,570	69,738

†Included in Atlantic Coast Line RR. ‡Includes Midland Valley Ry. and Kansas Oklahoma & Gulf Ry. only in 1944 and also Oklahoma City-Ada-Atoka Ry. in 1945 and 1946.

NOTE—Previous year's figures revised.

Weekly Statistics of Paperboard Industry

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

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

STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY

Period	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity Current	Percent of Activity Cumulative
1945—Week Ended					
Nov. 3	201,060	156,223	511,022	97	94
Nov. 10	162,023	157,617	509,984	97	94
Nov. 17	123,281	154,122	479,228	95	94
Nov. 24	123,781	147,083	454,926	91	94
Dec. 1	172,297	152,571	472,568	96	94
Dec. 8	173,537	154,235	490,123	97	94
Dec. 15	150,330	157,792	487,481	98	94
Dec. 22	122,229	148,591	451,654	92	94
Dec. 29	97,323	78,862	462,446	52	93
1946—Week Ended					
Jan. 5	176,346	111,967	526,891	75	75
Jan. 12	143,366	144,482	523,672*	94	85
Jan. 19	134,265	143,550	507,651	93	88
Jan. 26	142,142	143,101	499,955	94	89
Feb. 2	178,590	150,634	516,776	95	90
Feb. 9	169,482	152,066	529,767	97	91

Notes—Unfilled orders of the prior week, plus orders received, less production, do not necessarily equal the unfilled orders at the close. Compensation for delinquent reports, orders made for or filled from stock, and other items made necessary adjustments of unfilled orders

Savings Bank Deposits Up for January

A gain of $75,663,883 is reported for January for the 131 New York State savings banks. The net increase in new savings for the 12 month period was $1,152,447,417, or nearly 16%. Total savings deposits at the end of January were $8,356,576,356, it is reported by the Savings Banks Association of the State of New York on Feb. 11. The gain for the month compares with $87,920,548 for January, 1945. It is added that the gain in number of new accounts, totaling 39,057 for the month, exceeds the 37,976 gain in January a year ago. The increase for the 12 month period was 269,222, bringing total open accounts to a new high of 6,712,375.

"While the net gains in both accounts and dollar deposits are extremely satisfactory," the Association reports, "in both instances they are the result of unprecedented activity. The number of transactions both in money handled and in accounts opened and closed were of record-breaking proportions during January."

It is likewise indicated that sales of United States Savings Bonds and Stamps for January were $21,640,815, slightly exceeding the results for December, the last month of the Victory Loan, and bring total sales by the savings banks to $1,181,998,248 since the War Savings Program started in May 1941.

Indebtedness of 17 Foreign Countries to U.S. on Money Borrowed After War I

Seventeen foreign countries owe the United States from 40 to more than 95% of the money they borrowed after the first world war, Treasury officials have informed Congress, it is learned from Washington Associated Press advices Feb. 12. The advices added:

Their names, the amounts they borrowed, and the unpaid principal were listed in printed hearings made public today by the House Appropriations Committee as it sent a Treasury-Post Office supply bill to the House floor. The debt situation as of July 1, last:

Country—	Total Debt	Principal unpaid
Belgium	$503,579,077	$400,680,000
Czechoslovakia	175,072,336	165,241,108
Estonia	24,491,700	16,466,012
Finland	8,574,063	7,842,131
France	4,606,635,664	3,863,650,000
Austria (Ger.)	26,024,539	25,980,480
Great Britain	6,415,664,782	4,368,000,000
Greece	36,873,535	31,516,000
Hungary	2,740,938	1,908,560
Italy	2,052,213,409	2,004,900,000
Latvia	10,114,980	6,879,464
Lithuania	9,064,140	6,197,682
Poland	306,497,824	206,057,000
Rumania	74,926,279	63,860,560
Yugoslavia	63,396,718	61,625,000
Armenia	27,391,079	11,959,917
Russia	448,079,237	192,601,297

The table made no reference to interest on the debts.

Lumber Movement—Week Ended February 9, 1946

According to the National Lumber Manufacturers Association, lumber shipments of 438 mills reporting to the National Lumber Trade Barometer were 6.0% above production for the week ending Feb. 9, 1946. In the same week new orders of these mills were 11.9% above production. Unfilled order files of the reporting mills amounted to 88% of stocks. For reporting softwood mills, unfilled orders are equivalent to 33 days' production at the current rate, and gross stocks are equivalent to 35 days' production.

For the year-to-date, shipments of reporting identical mills exceeded production by 10.8%; orders by 16.6%.

Compared to the average corresponding week of 1935-1939, production of reporting mills was 4.9% above; shipments were 2.8% below; orders were 2.9% below.

Items About Banks, Trust Companies

Reflecting the growth in deposits, which have doubled in the last two years and quadrupled in the last four years, Sterling National Bank & Trust Company of New York is expanding by one-third its banking floor at its principal office, Broadway and 39th Street. New cages are being built and air-conditioning equipment installed for use during the summer.

At the regular meeting of the Board of Directors of The National City Bank of New York held on Feb. 19, Enoch J. Le Jeune was appointed an Assistant Vice-President. He was formerly an Assistant Cashier and returned recently from the Philippine Islands where he supervised the reopening of the Bank's branch in Manila, and he is now assigned to the Overseas Division at Head Office. At the same meeting, John I. Pearce, Malcolm W. Robinson, George B. Wemple, Theodore C. Serocke and John B. Ackley, Jr., were appointed Assistant Cashiers.

The Westminster Bank Ltd. of London recently announced that from Feb. 1st, the address of their New York Representative, A. W. Beamand, would be 1 Wall St., New York City.

Lieutenant Commander Philip D. Holden has returned to the Chemical Bank & Trust Co., of New York after four years service with the United States Naval Reserve and has resumed his position as Assistant Secretary.

LeRoy A. Petersen, President of Otis Elevator Co., was elected a director of Irving Trust Co. of New York on Feb. 14, according to an announcement by Harry E. Ward, Chairman of the Irving's Board. Mr. Petersen, a graduate of the University of Wisconsin in 1917, has been associated with Otis Elevator Company during virtually his entire business career. Starting with that organization as a student in the Yonkers, N. Y., factory, he progressed through sales engineering training to the position of sales engineer at the Company's New York headquarters. Successively he became Vice President, Executive Vice President and, in January 1945, was elected President. Otis Elevator equipment is used in every leading country of the world and is supplied abroad through ten subsidiary companies, in each of which Mr. Petersen is a member of the Board of Directors.

John E. Bierwirth, President, announces the appointment of Malcolm S. Martin as Assistant Secretary of The New York Trust Company. Mr. Martin, a graduate of Williams College, Class of 1927, has been associated with the company since 1933 and will be in charge of personnel administration.

The New York State Banking Department announced that on Jan. 18, that permission had been granted to The Clinton Trust Co., N. Y. to increase the capital stock from $700,000, consisting of 14,000 shares of the par value of $50 each, to $800,000, consisting of 40,000 shares of the par value of $20 each. Plans to increase the capital were noted in our issue of Jan. 3, page 54.

The Empire City Savings Bank of New York has announced that Samuel S. Walker, of Joseph Walker & Sons, and a Trustee of the Bank for 18 years, has been elected Chairman of the Board to succeed Arthur S. Van Winkle, retired. Mr. Van Winkle will remain as a Trustee of the Bank.

William M. Campbell, President of the American Savings Bank, New York, following the annual meeting of the board of trustees held on Feb. 13, announced the promotion of William Kemble from Treasurer to Vice President. George Debevoise, a trustee was made a Vice President and other promotions were: William McKenna from Assistant Treasurer to Treasurer and Paul Smith from Chief Clerk to Assistant Treasurer.

Wesley F. Sheffield, an Assistant Secretary of Brooklyn Trust Co., of Brooklyn, N. Y., died on Feb. 13, after an illness of several months. He was employed by Brooklyn Trust Co., Feb. 8, 1914, which was his first position. After various advancements he was appointed Manager of the Flatbush Office of the Company, Ocean and Church Avenues, Brooklyn, in 1930, and in 1933 was appointed Regional Officer in charge of all offices in the Flatbush region with the title of Assistant Secretary. Since 1940 he has been assigned to the Company's Main Office.

A new director, John Lynn, was elected at the monthly meeting of the Board of Directors of The County Trust Co., of White Plains, N. Y. held recently. Mr. Lynn, Comptroller of the City of Mount Vernon since 1934, had been a director of Fleetwood Bank prior to its merger with The County Trust Co. He has been a trustee of the Mount Vernon Savings and Loan Association of Mt. Vernon, N. Y. for a number of years. Before election to his present office in Mount Vernon, he was associated for many years with The Kingan Packing Company in an executive sales capacity. The County Trust Company of White Plains, N. Y., has absorbed The Ossining Trust Company of Ossining, N. Y., on Jan. 18. In connection with the absorption a branch was established at Ossining. Effective Jan. 29th, the County Trust Company, absorbed the Fleetwood Bank of Mount Vernon. In connection with that absorption two branches were established at Mount Vernon.

The Lincoln National Bank of Buffalo, N. Y., has increased the par value of its common stock as the result of the retirement from time to time of preferred stock held by the Reconstruction Finance Corporation, President Howard H. F. Klaiber of the bank said on Feb. 11, it is learned from the Buffalo "Evening News" which also reported:

"The number of the bank's preferred shares held by the RFC has been cut from 9,000 shares to 2,015 shares, Mr. Klaiber asserted.

"By so doing, the bank has declared common stock dividends by increasing the par value of the outstanding common stock from $10 a share to the present par value of $16.35 per share, which makes an increase of $6.35 a share," Mr. Klaiber asserted.

Approval was granted on Feb. 4, by the New York Banking Department to the Lincoln Rochester Trust Company, Rochester, N. Y. to reduce the capital stock from $7,360,000, consisting of 40,000 shares of preferred stock at $50 par and 268,000 shares of common stock at $20 par to $5,360,000, consisting of 20,000 shares of preferred stock of the par value of $50 and 268,000 shares of common stock of the par value of $20.

The New York State Banking Department announced that on Feb. 4, approval was given to the Central Trust Company, Rochester, N. Y. to increase its capital stock from $1,085,000, consisting of 58,500 shares of preferred stock of the par value of $10 each and 50,000 shares of common stock of the par value of $10 each, to $2,200,000, consisting of 50,000 shares of preferred stock of the par value of $20 each and 60,000 shares of common stock of the par value of $20 each.

Willard W. Miller, President of the Bloomfield Savings Institution, of Bloomfield, N. J. died on Feb. 10. He was 58 years of age. It is learned from East Orange, N. J. advices to the New York "Herald Tribune" that Mr. Miller began his banking career at the age of 15 with the National Newark Banking Company and continued it while he attended New York University and the New Jersey Law School, obtaining both law and a master's degrees. The paper from which we quote added:

"Assistant Secretary of the North River Saving's Bank until 1923, Mr. Miller then became Secretary and Treasurer of the Bloomfield Savings Institution. He was elected President in 1931.

"Mr. Miller was president for three years of the Savings Banks Association of New Jersey and chairman of the mortgages committees of the National Association of Mutual Savings Banks and the American Bankers Association. From 1938 until 1944 he taught a real estate course at Seton Hall College in South Orange.

David E. Williams, President of the Corn Exchange National Bank and Trust Company of Philadelphia, has appointed a Retirement Plan Committee to administer the Bank's employees' retirement plan which became effective on January 1. The committee consists of Mark J. Igoe, Vice President, personnel and operations; Miss Faye Atkinson, editor of "Cornstalk," employees' publication; Kermit L. Benfer and Edwin H. Krall, loan department heads and A. W. Waters, Jr., manager of the Bank's Spring Garden Street office. Mr. Igoe was elected Chairman and Miss Atkinson secretary of the committee.

The post of Trust Officer at the First National Bank of Kansas City, Mo., was voted on Feb. 13 to Ford R. Nelson, a Kansas City lawyer who recently returned from the China-Burma-India theater where he served, with the rank of Lieutenant Colonel, as executive officer of the 2nd air command group. Advices to this effect were contained in the Kansas City "Star." The paper adds that the trust department at the First National is in charge of Edward M. Cox as Vice President. Associated with Mr. Cox and Mr. Nelson as Assistant Trust Officers are Fred S. Riley, David N. Hall and King V. McElheny. The investment officer of the department is Alfred L. Benjamin, Assistant Vice President.

According to the St. Louis "Globe Democrat" of Feb. 10 the stockholders of the Mutual Bank and Trust Company, of that city, who recently rejected an offer to sell their shares to outside interests, have been given the right to subscribe for a new stock issue in the ratio of one new share for each four old shares, as of Jan. 31, and will profit considerably from the new distribution. These advices also stated:

The new shares are to be sold at $37.50 per share (par value $25) and the asking price yesterday in over-the-counter transactions was $52. New stock not subscribed and paid for by March 15 will be "sold on such terms as the Board of Directors may approve, but not for less than $37.50 per share," an officer of the bank explained in a letter to stockholders last Thursday.

It is added that Byron Moser, former President and Chairman of the company, offered $50 a share for the stock late in January in an effort to buy or option a majority of the 32,000 old shares. His attempt failed and control of the bank remained in the hands of a group of officers and directors led by Edwin A. Schmid, President.

Eleven new officers were named on Feb. 12 by the board of directors of the Citizens and Southern National Bank of Savannah, Ga., it was stated in the Atlanta "Constitution" of Feb. 13, which listed the new officers as follows:

Atlanta office—C. W. Hester, J. W. Thomas, Vann Groover, Vice Presidents; George McKinnon, Vice President and Cashier; Roy Haile, K. R. Lemley and Paul Welch, Assistant Vice Presidents.

Augusta office—D. M. Harvey, Vice President; Amon McCormick, Vice President and Cashier and W. J. Baird, Assistant Vice President.

Macon office—Thomas B. Harrell, Vice President and Cashier.

H. Lane Young, of Atlanta, President of the bank, according to the paper quoted, said the new officers were appointed to meet needs of the expanding business of the company. He said Messrs. Haile, Lemley and Welch, who were elected Assistant Vice Presidents of the Atlanta office, are newcomers brought in to handle new lines and departments of the bank.

Ira William Bedle, Vice President and director of the National Bank of Commerce of Seattle, Wash., began his second half century as a banker on Feb. 1. At 21, it is stated, he was the youngest Cashier of any national bank in the United States. He joined the Washington Trust Company in Spokane, Wash., in 1906 as Cashier and went to Seattle in 1918. Leaving the old National Bank of Commerce in 1924, after having been Trust Officer and Assistant Cashier, Mr. Bedle and his wife took a 10,000 mile motor tour and rest. On their return, he was with the Seattle Mortgage Loan Company for a short time. His association with Andrew Price, President of the National Bank of Commerce of Seattle, began in 1926 at the Marine National Bank, a few years before the mergers which created the present banking organization.

Appointment of Herbert E. Vedder as Advertising Manager of The National Bank of Commerce of Seattle, Wash.—a newly created position—is announced by Andrew Price, President. Mr. Vedder will develop and coordinate an expanded advertising and public relations program. J. William Sheets, national advertising, will continue as the bank's agency and will act as a special consultant. He has been associated with the bank since 1927. Mr. Vedder has been on the staff of the Chicago Tribune continuously since 1930, a major part of the time in the financial department. The National Bank of Commerce had resources in excess of 446 million dollars at the end of 1945, with 25 offices in 21 cities in the State of Washington. It has grown from 88th to 42nd in size among the United States' banks in the last five years, with deposits more than quadrupled.

The Directors of the Midland Bank Ltd. of London, report that, after appropriation to contingency accounts, out of which full provision has been made for all bad and doubtful debts, the net profit for the year ended Dec. 31, 1945, amounted to £2,056,274, to which has to be added the balance of £708,414, brought forward from last account, making together a total sum of £2,764,688, out of which the following appropriations have been made—To Interim Dividend, paid July 16, 1945, for the half-year ended June 30, 1945, at the rate of 8% actual less Income Tax at 10s. in the £, £606,345; to Reserve Fund, £700,000; to bank premises account, £100,000. This leaves a sum of £1,358,343 from which the Directors recommend a dividend, payable Feb. 1, 1946, for the half-year ended Dec. 31, 1945, at the rate of 8% actual less income tax at 10s. in £ which will absorb £606,345, making 16% for the year less income tax. The balance to be carried forward to next account is £751,998.

The bank also announced on Jan. 16, that in addition to the above-mentioned appropriation of £700,000 to the reserve fund a transfer of £348,012 has been made from contingency fund, thus increasing the reserve fund to £15,158,621, being an amount equal to the paid-up capital.

The Marquess of Linlithgow, K.G., K.T., has been appointed Chairman. The retiring Chairman Stanley Christopherson, J.P., retains his seat on the Board and the Directors recorded their appreciation of the service he rendered to the bank.

The Directors also announced with regret the death of their colleague, Sir Eric Phipps, G.C.B., G.C.M.G., G.C.V.O. The Earl of Feversham has been appointed a Director. H. Dickinson and T. R. Nicholson, formerly Joint General Managers, have retired on pension. W. G. Edington and H. Wheeler, formerly Assistant General Managers, have been appointed Joint General Managers.

Announcement was made on Jan. 24 by Barclays Bank (Dominion, Colonial and Overseas) that Marshal of the Royal Air Force, Viscount Portal of Hungerford, G.C.B., O.M., D.S.O., M.C., has been elected a Director of the Bank.

The Westminster Bank Limited, London, Eng., announces that the net profits for the past year, after providing for rebate and taxation, and after appropriations to the credit of contingency accounts, out of which accounts full provision for bad and doubtful debts has been made, amounted to £1,405,592. This sum, added to £535,285 brought forward from 1944 leaves available the sum of £1,940,877 at the present time. The dividends of 9% paid in August last on the £4 shares and 6¼% on the stock absorbed £383,481. A further dividend of 9% is now declared in respect of the £4 shares, making 18% for the year; and a further dividend of 6¼% on the stock will be paid, making the maximum of 12½% for the year. The dividends were payable (less income tax) on Feb. 1, to those shareholders and stockholders whose names were registered in the books of the company on Dec. 31, last. £300,000 has been transferred to bank premises reinstatement and rebuilding account and £300,000 to officers' pension fund, leaving a balance of £583,915 to be carried forward.

President Appoints

President Truman sent to the Senate on Jan. 21 the names of Commodore James K. Vardaman, Jr., and Vice Admiral Alan G. Kirk for two important appointments. If confirmed, Commodore Vardaman, the President's naval aide, will start a 14-year term on the Federal Reserve Board of Governors. Admiral Kirk is to be Ambassador to Belgium and Minister to Luxembourg, the Associated Press reported from Washington. The Senate confirmed the nomination of Admiral Kirk on Jan. 31.