

# The COMMERCIAL and FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 163 Number 4480

New York, N. Y., Thursday, April 11, 1946

Price 60 Cents a Copy

## World Leadership Means Military Preparedness: Truman

President in Army Day address pleads for continuation of draft, universal military training and unification of armed forces. Warns U. S. is concerned with international disputes in all corners of globe and will oppose any tyranny or aggression. Will back United Nations and cautions Russia and Great Britain against seeking domination in Far and Near East.

President Harry S. Truman in an Army Day address at Soldiers' Field in Chicago, on April 6, stated in plain and outspoken terms that

because of this nation's position in world leadership and its purpose to maintain peace and justice in international relationships, it must be prepared with armed force to carry out its objectives. He therefore reiterated his proposals to Congress for a unification of the armed forces, for a temporary extension of the Selective Service Act and for compulsory military training. He expressed confidence in the United Nations and promised it full support and he warned other nations, mentioning both Russia and Great Britain in matters concerning the Middle East, that the United States would not tolerate any move or action which



President Truman

would promote dominance over other independent nations.

The full text of the address follows:

On this Army Day freedom-loving men all over the world rise with us to salute our fighting men and devoted women of the Army. Our American soldier is respected everywhere for his courage, admired for his fighting skill and loved for his charm and simplicity. Like his gallant brother in arms in the United States Navy, he is the symbol of our traditions and our hopes.

Our Army has written many glorious chapters in our nation's history, but none so brilliant as the last. Its story in this war has been in every corner of the globe—on the continent of Europe; in the wastes of the Arctic; over the vast expanse of the Pacific; in jungle and desert; on mountains and over the beaches. It is a glorious history of men against the forces of nature as well as against the forces of evil.

Ours is a civilian army, not a professional one—either in leader-

(Continued on page 1990)

## Negro Progress And Racial Bias

By HON. HENRY A. WALLACE\* Secretary of Commerce

Asserting that there is no inferior race in U. S., Secretary Wallace lauds the progress of Negro farmers in farm ownership. Points out that Negro schools are poorly equipped and that certain industries are operated exclusively by white men though many Negroes are educated for good jobs. Praises Fair Employment Practice Committee.

Founders' Day is a good time to take stock. Every individual, every business establishment, every college, and every country should, from time to time, say—

What progress have I made? What assets do I have? What are my liabilities? Where do I go from here?

When Dr. Booker T. Washington came to Tuskegee we had not yet recovered from the terrible wreckage of the Civil War. Ten percent of our population had recently emerged from slavery. There were few public



Henry A. Wallace

\*An address by Secretary Wallace at the Founders' Day Ceremonies, Tuskegee Institute, Tuskegee, Ala., April 7, 1946. (Continued on page 1996)

## The Financial Situation

The long and bitter argument about the proposed raising of the national minimum wage, particularly about the inclusion in the law of a clause which would increase "parity prices," focuses attention, or should focus attention upon a certain type of folly frequently in evidence during the past dozen years. It is the determination of the politicians, goaded by well-meaning but not very profound elements in the population, to apportion by law to large groups of the less competent or less energetic a segment of the current output greater than they contribute. It is not difficult, of course, to make such an effort appear humanitarian in the extreme, and thus to obtain the support of many whose heart all too often rules their heads.

### Many Instances of It

Minimum wage legislation of the sort we have grown so fond of during the past decade or so obviously is of this type, but it is certainly not alone in this respect. The entire farm "parity price" so dear to the heart of Mr. Wallace, and now to the rank and file of the farm politicians, is of this same order. The effort last autumn of the Administration to bring about a general rise in wages was another. The findings upon which much of this effort rested have now been more or less repudiated by those who had previously urged them successfully upon the President, but there can be little or no doubt that the Administration is definitely behind the current wave of wage boosting which is taking the pay of many if not all of the so-called beneficiaries above their contributions to current output, measured by prices in effect at the time such increases are being put into effect.

Of course, in a fully free and competitive society such efforts would be in vain. Any temporary success that they

(Continued on page 1984)

## From Washington Ahead of the News

By CARLISLE BARGERON

The coal operators who have been embattled with John L. Lewis for several weeks are very much interested in the newspaper and magazine articles they have been reading about how Lewis is a labor leader who is the soul of private enterprise, a Republican, a Conservative, the arch foe of Communism and one of the greatest assurances of the retention of the capitalistic system in our country.

They wish heartily that some of those substantial citizens who have been singing John L.'s praises would tell them just what they see good about him. It is quite entertaining for them to hear the radical press denouncing him as a reactionary and a Fascist, a man who cooperates with industry to work out its problems so that he, in turn, can get better wages and working conditions for his men; it is entertaining but when they go up against him they wonder if he is the same man about whom they hear so much. They didn't want a strike. They



Carlisle Bargeron

were prepared to pay handsomely to get by without one. They were led to believe that John had ambitions to show Phil Murray up; Indeed, they had read in the newspapers over a period of two months that the great John was going to act up in the spring and they assumed he would have to live up to the billing and they would have to pay for it. They groan that they wish they had a labor leader to deal with who was concerned only with the welfare of his union and who was not such a public figure. But they had become reconciled to paying for his being a public figure.

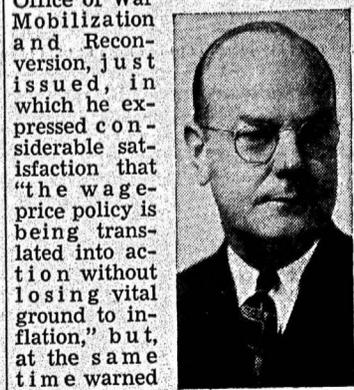
So they offered, after a few days of window dressing, the same 18½ cents increase which the steel and automobile workers got. John had also said something about the welfare of miners. So they said, in effect, that while they had an extensive medical set-up throughout the Southern

(Continued on page 1989)

## Cites Snyder Production Report As Challenging Skepticism

President Truman, however, cautions that we must not be complacent about the signs of good progress and urges extension of price control and stabilization laws. Director of War Mobilization reports that large part of wage-price readjustments "is now behind us" and that the present wage-price policy is designed to meet inflationary pressures. Contends "we have reason to be optimistic about the future."

At a news conference on April 3, President Harry S. Truman released a prepared statement based upon the Sixth Report of the



John W. Snyder

Office of War Mobilization and Reconversion, just issued, in which he expressed considerable satisfaction that "the wage-price policy is being translated into action without losing vital ground to inflation," but, at the same time warned that "we must not be complacent about these good signs of progress." The full text of the President's statement follows: "John W. Snyder's report on reconversion, which I have read with great interest, should be re-

quired reading for every thinking American. I hope, particularly, that it will be studied carefully by every skeptic who thinks that this country is in bad shape and is not doing a remarkable job in changing over from war to peace.

"The facts in the Sixth Report of the Office of War Mobilization and Reconversion are grounds for optimism and a redoubling of our energy to get that job done. We still have large, critical problems ahead of us, but we are over the hump of reconversion.

"Production of goods and services for the civilian market is higher today than ever before in the Nation's history, in war or in peace, and is still going up.

"Employment, which dropped off after V-J Day, is building up steadily, and non-agricultural employment is now above the V-J Day level. Unemployment is around three million, which is

(Continued on page 1988)

GENERAL CONTENTS	
Editorial	
	Page
Financial Situation.....	1981
Regular Features	
From Washington Ahead of the News.....	1981
Moody's Bond Prices and Yields.....	1991
Items About Banks and Trust Cos.....	1996
Trading on New York Exchanges.....	1992
NYSE Odd-Lot Trading.....	1992
State of Trade	
General Review.....	1982
Commodity Prices, Domestic Index.....	1993
Weekly Carloadings.....	1995
Weekly Engineering Construction.....	1992
Paperboard Industry Statistics.....	1995
Weekly Lumber Movement.....	1991
Fertilizer Association Price Index.....	1994
Weekly Coal and Coke Output.....	1992
Weekly Steel Review.....	1991
Moody's Daily Commodity Index.....	1991
Weekly Crude Oil Production.....	1994
Non-Ferrous Metals Market.....	1993
Weekly Electric Output.....	1991
Crop Planting Prospects as of Mar. 1, 1946	
Changes in Reacquired Stock as of Feb. 5.....	*1915
NYSE Share Values at Feb. 28.....	*1915
Moody's Common Stock Yields.....	*1916
Department Store Sales in N. Y. District in January.....	*1915
U. S. Savings Bonds Issued and Redeemed Through Feb. 28.....	*1915
Federal Reserve January Business Indexes.....	*1914
Bankers' Dollar Acceptances at Jan. 31.....	*1914
February Civil Engineering Construction.....	*1914
Hotel Sales in December.....	*1913
Gross and Net RR Earnings for Dec.....	*1913
Cottonseed Receipts to Jan. 31.....	*1916
Census Bureau Report on Cotton Ginning as of March 20.....	*1916
NYSE Bond Values at Feb. 28.....	*1916

\*These items appeared in our issue of Monday, April 8, on pages indicated.

# The State of Trade

Overall industrial production the past week continued to reflect the upward trend of the last four weeks. A decline in unemployment compensation claims was registered for the third successive week, the number during the week ending March 23, being 5.3% under that of the previous week. Notwithstanding this decrease in claims, unemployment is rising with close to 3,000,000 individuals seeking employment. With the return of former servicemen to the civilian employment field the number of unemployed is expected to jump to between 3,500,000 and 4,000,000 before July 1.

Shortages of raw materials and various key component parts continued to hamper production generally. The Ford Motor Co. is a case in point. At midweek the company was forced to lay off 35,000 workers due to the lack of steel after having stepped up production following the steel strike to its highest postwar rate. The layoff is scheduled to be for no longer than one week. Ford's production rate prior to the layoff gave evidence of climbing up to the million-a-year mark. Production schedules of leading automobile and truck manufacturers indicate the industry may reach a 3,000,000 unit annual rate this month.

The fight to extend Federal price control gained momentum during the week as Government stabilization heads stressed the need for extending the stabilization program by necessary legislation. These officials expressed the belief that if Congress enacted this legislation the danger of disastrous inflation would be passed within a year. Urging the continuance by May 15 of the Emergency Price Control Act "without crippling amendments," these officials stated that it would enable businessmen to plan ahead "confidently" that prices and costs would remain generally stable in the critical months ahead. The Price Control Act at present in effect terminates on June 30 next.

One other recommendation of the stabilization chiefs was the continuance of Federal food subsidies as a means of keeping commodity prices in line, their contention being that effective price control and the subsidy program are "indivisible."

Federal subsidies on food products will total \$4,800,000,000 for the three-year period ending June 30 and to continue them another year, as is now advocated by Government officials, will require \$1,750,000,000 additional, according to official estimates, thus bringing the total expenditures for food subsidies to \$3,550,000,000.

The foregoing figures show the growth of a program, "Business Action" points out, "which won support at the beginning on the strength of the claim that a subsidy program would be a comparatively inexpensive means of stabilizing prices."

The strike the past week of the bituminous coal miners continued in effect with no definite certainty as to its duration. In the meantime there was some slowing down of steel production with the prospects of a decrease in raw steel output very possible should the outlook for a quick settlement become clouded.

**Steel Industry**—With steel backlogs approaching record peacetime levels and with the industry ready to enter a period of production which will probably surpass any other yearly output except during wartimes, the industry the past week faced its worst dilemma, according to the "Iron Age" national metalworking paper. The universal lack of knowledge as to how long the coal strike will last is the factor which will cause a small loss in steel production or a drastic curtailment from which it would take weeks to recover.

Many companies last week in order to conserve fuel for the blast furnaces curtailed steelmak-

ing operations. Others expected to hang on at present levels for at least two weeks. In the aggregate, however, steel production was expected to drop sharply by the end of this week if signs of a coal agreement were lacking.

If the strike is short-lived, states the magazine, the protective curtailment of steel output will represent an unnecessary loss in output. If the strike continues for four weeks or more with no signs of an agreement, the industry will face a sharp and drastic curtailment which would take the operating rate below 50% of capacity. Such a situation would be another blow to reconversion and to the forward movement of the heavy steel demand and production now existent.

The more blast furnaces which are taken off in order to conserve fuel for the remaining ones, the longer it will take the industry to climb to pre-strike levels of activity after the coal controversy has been settled.

There is no optimism among coal operators for a speedy settlement of the mine impasse. The two demands—a welfare fund supplied by the operators and controlled by the union; and the organization of supervisory forces—represent the hurdles for a rapid ending of the strike, the "Iron Age" points out. They are also the points on which some of the old-time bitterness between the two factions may be generated and thus make the job of the U. S. Conciliator more difficult.

Steel shipments during March were probably the highest of any month since the end of the war. This did not reduce backlogs, however, because towards the latter part of the month and extending into last week, new orders were somewhat ahead of shipments. Having suffered the penalty for not getting on steel mill books, long before the steel strike occurred, customers in the future will place as much tonnage as possible for shipment in order to be in line for their percentage of available supplies.

With machine tool builders temporarily pessimistic over the immediate outlook for domestic machine tool orders, interest was focused last week, according to the above authority, on Cleveland where an expose of alleged graft and bribery in the disposal of Government-owned machine tools through the local office of the War Assets Administration was on its way to a climax. Washington officials have an FBI report which is to be sent back to Cleveland shortly for Grand Jury consideration.

Included in this report will be the results of the investigation of charges that some surplus machine tools were sold before they were legally declared surplus; that some machines were declared scrap and sold at scrap prices when they were valuable and reappeared in the trade at normal used machine prices; and that some agency employees destroyed or lost priority records for desirable machines and sold them to buyers not entitled to them.

The steel industry, the magazine reports, has been advised that production directives will be issued for about 600,000 tons of products for export other than tinplate, for which a 155,000-ton program has already been established.

The American Iron and Steel Institute announced on Monday of this week the operating rate of (Continued on page 1989)

## Feb. Expenditures for Private Housing Up

Expenditures for privately financed housing have been rising at an average monthly rate of nearly \$13,000,000 since February a year ago, the United States Bureau of Labor Statistics announced on March 7. Though some of the increase in expenditures for housing has been absorbed in higher prices for somewhat larger houses than were built a year ago, much of it reflects a decrease in the number of dwellings being provided, says the Bureau, which further reported:

The value of new residential building put in place during February, 1946, totaled \$175,000,000 higher than for any February during the period for which monthly data are available (Jan., 1939 to date) and eight times the amount in February, 1945. In spite of the continued gain during the past year, however, home building is still far below the monthly rate which must be attained to satisfy current and prospective needs.

Expenditures for new private nonresidential building, which competes directly with home construction for critical building materials, rose \$22,000,000 during February, 1946 and \$170,000,000 from February, 1945. While all types of private non-residential building participated in the increase over the year, the greatest gains occurred in expenditures for industrial building, which nearly tripled between February, 1945 and February, 1946 (from \$39,000,000 to \$121,000,000) and for commercial building, which increased ten times (from \$7,000,000 to \$72,000,000).

Estimated total construction expenditures (including minor building repairs) in continental United States approximated \$654,000,000 this February—5% more than the January total of \$624,000,000. This gain in what is normally a poor construction month is attributable entirely to advance in all privately financed nonfarm building. All other categories of construction expenditures remained stationary or declined seasonally.

Curtailed of publicly financed activity, first apparent in June, 1945, continued during February, 1946. The \$85,000,000 expended for public construction this February was the lowest figure for any month in recent years and was about half the amount spent in February, 1945.

Public construction expenditures are at their present low level because expenditures for peacetime public works projects (highways, community facilities, conservation work, etc.) have not begun to expand. The volume of highway construction, for example, amounted to only \$16,000,000 in February, 1946, as compared with prewar levels for the corresponding month of \$37,000,000 in 1939. Expenditures for conservation and development work totaled \$24,000,000 in February 1941, but only \$10,000,000 this February.

## White House Lawn Party

According to a White House announcement, the President and Mrs. Truman are planning a garden party for disabled war veterans to be held on the afternoon of May 23, similar to the parties given by President and Mrs. Wilson in August of 1919 and President and Mrs. Roosevelt in 1941. That of the Wilsons, the Associated Press stated in the dispatch from Washington April 1, was attended by 800 veterans, Cabinet members and high-ranking Army and Navy officers. President Truman's tentative plan is to invite veterans from hospitals in the Washington vicinity.

## Class I RR. Gross Earnings Off \$133,262,072 In February—Net Declined Over \$11,370,000

The Class I railroads of the United States in February, 1946, had an estimated net income, after interest and rentals of \$26,000,000, compared with \$37,378,247 in February, 1945, according to reports filed by the carriers with the Bureau of Railway Economics of the Association of American Railroads and made public April 4. Net railway operating income before interest and rentals of \$57,816,966 compared with a net railway operating income of \$74,663,603 in February, 1945. The Association further reported as follows:

In the first two months of 1946, these railroads, which represent a total of 227,801 miles, had an estimated net income, after interest and rentals of \$60,000,000 compared with \$76,424,773 in the corresponding period of 1945. Net railway operating income, before interest and rentals totaled \$128,359,362, compared with \$150,705,753 in the same period of 1945.

In the 12 months ended Feb. 28, 1946, the rate of return on property investment averaged 2.98% compared with a rate of return of 3.89% for the 12 months ended Feb. 28, 1945.

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. Property investment is the value of road and equipment as shown by the books of the railroads including materials, supplies, and cash.

Total operating revenues in the first two months of 1946 totaled \$1,220,013,905 compared with \$1,463,316,074 in the same period of 1945, or a decrease of 16.6%. Operating expenses in the first two months of 1946, amounted to \$940,280,172 compared with \$1,029,503,729 in the corresponding period of 1945, or a decrease of 8.7%.

Forty Class I railroads failed to earn interest and rentals in the first two months of 1946, of which 19 were in the Eastern District, 13 in the Southern Region, and 15 in the Western District.

### Eastern District

The Class I railroads in the Eastern District in the first two months of 1946 had an estimated net income, after interest and rentals of \$15,000,000 compared with a net income of \$17,228,198 in February, 1945.

Those same roads in the first two months of 1946 had a net railway operating income, before interest and rentals of \$42,698,239, compared with \$54,931,244 in the same period of 1945. Their net railway operating income before interest and rentals, in February amounted to \$18,569,495, compared with \$28,425,828 in February, 1945.

Operating revenues of the Class I railroads in the Eastern District

CLASS I RAILROADS—UNITED STATES

Period End, Feb. 28—	1946—Month—	1945	1946—2 Mos.—	1945
Total operating revenues	\$579,142,025	\$712,404,097	\$1,220,013,905	\$1,463,316,074
Total operating expenses	440,221,092	499,458,576	940,280,172	1,029,503,729
Operating ratio—per cent	76.01	70.11	77.07	70.35
Taxes	59,902,120	125,749,789	129,125,827	256,212,275
Net railway operating income before charges	57,816,966	74,663,603	128,659,362	150,705,753
Net inc., after chgs. (est.)	26,000,000	37,378,247	60,000,000	76,424,773

## W. C. Gould Heads N. Y. Ins. Dept. Div.

Superintendent Robert E. Dineen of the New York State Insurance Department announced on April 1 the appointment of William C. Gould as Chief of the Mutual and Fraternal Division of the New York Insurance Department effective as of April 1. Mr. Gould had been serving as Acting Chief of the Bureau since Nov. 16, 1945, at which time he succeeded John E. Watson, retired. Mr. Gould has been associated with the New York Insurance Department since Sept. 16, 1926, when

in the first two months of 1946 totaled \$533,070,090, a decrease of 13.8% compared with the same period of 1945, while operating expenses totaled \$433,164,716 or a decrease of 9.3% below 1945.

### Southern Region

The Class I railroads in the Southern Region in the first two months of 1946, had an estimated net income, after interest and rentals of \$12,000,000, compared with a net income of \$17,556,916 in the same period of 1945. For the month of February alone, they had an estimated net income, after interest and rentals of \$6,000,000, compared with \$7,983,845 in February, 1945.

Those same roads in the first two months of 1946 had a net railway operating income, before interest and rentals, of \$23,584,005, compared with \$27,559,511 in the same period of 1945. Their net railway operating income, before interest and rentals, in February amounted to \$12,537,366, compared with \$13,635,199 in February, 1945.

Operating revenues of the Class I railroads in the Southern Region in the first two months of 1946, totaled \$177,819,222, a decrease of 19.6% compared with the same period of 1945, while operating expenses totaled \$131,469,220 or a decrease of 6% under 1945.

### Western District

The Class I railroads in the Western District in the first two months of 1946 had an estimated net income, after interest and rentals of \$33,000,000, compared with \$38,377,056 in the same period of 1945. For the month of February alone they had an estimated net income, after interest and rentals, of \$15,000,000 compared with a net income of \$17,228,198 in February, 1945.

Those same roads in the first two months of 1946 had a net railway operating income, before interest and rentals, of \$62,377,118, compared with \$68,314,998 in the same period of 1945. Their net railway operating income, before interest and rentals, in February amounted to \$26,710,105, compared with \$32,602,576 in February, 1945.

Operating revenues of the Class I railroads in the Western District in the first two months of 1946 totaled \$509,124,593, a decrease of 18.4% compared with the same period of 1945, while operating expenses totaled \$375,462,236, a decrease of 8.8% below 1945.

he was appointed by the late James A. Beha, the then Superintendent, as an Examiner and assigned to the Rating Division. Prior to that, he was connected with the Teachers' Retirement System of the City of New York and the New York City Employees' Retirement System. He was later transferred to the Casualty Division of the Department, and in 1932 became assistant to Chief Examiner Charles A. Wheeler. He was promoted to Associate Examiner of the Casualty Division on April 1, 1941. Mr. Gould is an associate of the Insurance Institute of America.

## Adverse Effects of Price Controls on Cotton

First National Bank of Boston calls attention to stimulation of foreign cotton goods exports. Holds competition of synthetics has been encouraged and root of cotton problem lies in bringing price of product to natural level in world markets.

"In view of the clamor in some quarters for Government price-fixing and subsidies, it is well to look at the record to see what has happened as a result of the policies pursued in the case of cotton, which has been under Government protection for the past decade and a half," says the First National Bank of Boston in its current "New England Letter." Continuing, the Bank says: "No segment of our economy is more important than cotton since it furnishes a livelihood for about one-tenth of our population. Moreover, in the past raw cotton constituted our most important export. Consequently, the fate of cotton is of deep national concern.

"Under the protection of the American price umbrella, foreign cotton-growing has been greatly stimulated. In 1920, total foreign production was only about one-half as much as the production of American cotton, but for the last five years of the 1930's it was over one-fourth more. As a result, world consumption of American cotton during the 1930's declined by 7% in contrast with a gain of around 50% for foreign cotton. Whereas a couple of decades ago about one-half of our cotton crop was absorbed abroad, in the last half of the 1930's this proportion was sharply reduced, while during the war period our exports practically vanished, with most shipments on a Lend-Lease basis.

"As a consequence of the disruptions caused by the war, there is also a large potential foreign demand for cotton cloth estimated at more than three billion yards annually until rehabilitation work abroad has been largely completed. But it is uncertain to what extent the American mills will be able to share in this business. During the next year or so domestic demand may take practically all of the output of our mills. Furthermore, the continuation of the Administration's price-support policy may cause the virtual elimination of our mills from the cotton goods export market when the foreign cotton textile industry, with its cheaper labor and lower priced cotton, is restored. In other words, both our raw material and finished goods are being driven out of world markets.

"The domestic market is being threatened by synthetic competition, which has been intensified by the artificially high cotton prices. The outstanding competitor of cotton is rayon, which has enjoyed a phenomenal advance during the past two decades, increasing its proportion of total textile production during this period from 1 to 10%. Fifteen years ago the price per pound of rayon staple fiber was more than five times as much as raw cotton, but it is now about two cents less, and it is predicted that it may in the course of time decline below 15 cents a pound. Rayon is offering stiff competition to cotton in both textile and industrial uses, with the most striking inroad being made in the tire cord business. Whereas in 1939 the use of cotton in the tire cord business was thirty times as much as rayon, by 1945 it was only 50% more. It is apparent that a great expansion will take place in rayon and other synthetics in the near future, and this together with the competition from non-textile products such as paper, glass fiber, and the like, will be a serious threat to raw cotton.

"Various proposals have been made for the solution of the cotton problem, most of them dealing with the fringes, but the only one that goes to the root of the trouble is the proposal to reduce sharply the cost of production and allow the price of American cotton to

find its natural level in world markets, but this involves so many political difficulties that it may never materialize. It would mean a drastic shift to full modern mechanization, and the concentration of cotton-growing in the low-cost producing areas. Mechanization, however, calls for far-reaching adjustments as the region east of the Alleghenies is not suitable for modern methods because of the small farms. It is estimated that approximately one-half of the farmers in this area would have to be transferred to other pursuits, while the remainder would be called upon to expand their acreage and engage in diversified farming. This plan would involve expenditures of several billion dollars to compensate those who are to be displaced and transported elsewhere, and an additional substantial amount in the form of loans to the remaining farmers for expansion, machinery, and the like. In addition, the growers would be compensated for the losses caused by the decline in the price of raw cotton to the world level. These payments would be on a descending scale over a period of about five years and then discontinued. While the proponents admit this plan is costly, they contend that it would eventually not only stop the drain on the Treasury but also when completed would place raw cotton on a sound basis. There are no assurances, however, that after appropriating the proposed billions the program would be carried through according to blueprints, as the uprooting of so many families is such a serious undertaking, although in the long run it may be for their own best interests.

"Here, then, is a striking example of the folly of governmental interference with economic laws. The artificial props provided have virtually priced American cotton out of world markets and have seriously undermined its domestic outlets. So after fifteen years of Government aid, raw cotton is in a desperate condition requiring such a drastic remedy that it may not be politically feasible to carry it out. What started out as a temporary unfavorable situation growing out of the world depression has developed into a critically complicated problem that involves in its scope grave social and economic consequences as well as the future welfare of the entire South. And thus another chapter has been added to the record of a long list of commodity price-fixing experiments that failed because of defying economic laws and wrought havoc with the very groups they were designed to benefit."

## Mfrs. Trust Co. GI Mtge. Loan Plan

Harvey D. Gibson, President of Manufacturers Trust Company, announces that the bank has completed plans for the expeditious handling of veterans' mortgage loans under the terms of the G. I. Bill of Rights as recently amended. From August, 1942, until May, 1945, Mr. Gibson served the American Red Cross as Commissioner to Great Britain and Western Europe. Consequently, he is extremely conscious of the needs of the returning veteran and has been most anxious that Manufacturers Trust Company should be instrumental in making it possible for the veteran to finance the purchase of a home as advantageously as possible.

## Wyatt to Speak at MBA Conference in N. Y.

Wilson W. Wyatt, National Housing Agency Administrator and special expediter for the Government's housing program, will address members of the Mortgage Bankers Association of America at a special conference to be held at the Waldorf-Astoria Hotel, New York, April 29 and 30, Byron V. Kanaley, Chicago, Association President, announced on March 30. Mr. Wyatt will speak on the housing program, legislation for which is expected to have passed both houses of Congress by that time. The meeting will be sponsored in cooperation with the New Jersey Mortgage Bankers Association. John C. Thompson, President of the New Jersey Realty Co., Newark, heads the committee arranging the conference.

Other speakers announced at the same time include George S. Van Schaick, New York, Vice-President of the New York Life Insurance Co. and head of its mortgage loan department; Douglas Whitlock, Washington, D. C., Chairman of the advisory board of Producers' Council; John Thomas Taylor, Washington, D. C., Director of the legislative committee of the American Legion; Donald B. Woodward, New York, Research Assistant to Lewis Douglas, President of the Mutual Life Insurance Co. of New York; and F. G. Addison, Chairman of the Federal legislative committee of the American Bankers Association.

The conference is being called to study the part mortgage bankers will have in financing the housing program. The four principal topics to be discussed during the two-day session are home building, trend of interest rates, future of the Federal Housing Administration and the GI lending program as recently amended by Congress.

## Warns Against Incr. In Socialistic Trends

With efforts by socialistic agitators to take over industry for control and operation by the Government increasing in intensity, fresh attacks on industry and the American economic system can be expected in the months ahead, was the view expressed at Chicago on March 27 by James W. Irwin in addressing the Controllers' Institute of America on March 26. The grasping for power over production, prices, dividends and every other phase of management is manifest, said Mr. Irwin, who is senior partner of a Chicago and New York firm specializing in corporation consulting work. The New York "Sun" in an account from Chicago March 27 from which the above information is taken, further reported Mr. Irwin as saying:

"The right of the individual and particularly the right of a corporation head to express his opinion in opposition to some hairbrained proposal of the politicians or the labor unions will be discouraged.

"The public official who dares to uphold the law in the matter of property against union goon squads and massed pickets will find himself the target of the elaborately organized smear brigades of the Political Action Committee.

"The office holder, or rugged individualist who jeopardizes his own political or business future by fighting for good American principles probably will find himself deserted by those for whom he is fighting and who have the most to protect, when he gets into a tangle with the mudslingers and reputation destroyers."

## U. S. Chamber Urges End of All Price Controls By Oct. 31, Except Rents

### Sees Government Operations Promoting Inflation

Final elimination of all price controls, except on rents, by Oct. 31 of this year was recommended on March 28 by the Board of Directors of the Chamber of Commerce of the United States. At the same time, the Board proposed that wartime subsidies also be discontinued as of the same date. Continuation of rent controls until March 31, 1947, was recommended.

The Chamber Board's position was taken after it had considered a detailed report of a special Chamber Committee on price controls and their relation to inflationary tendencies. Coupled with the statement on prices, is the recommendation that even before expiration there should be the progressive elimination of such price controls as circumstances will permit.

The report of the Committee goes extensively into Government operations, which it holds have promoted inflation. It declares that a balanced—or preferably over-balanced—Government budget would go a long way towards making price controls no longer necessary. Government encouragement of wage increases is another inflationary factor.

The recommendations, with which the Committee concluded its report, and which were adopted as a declaration of the Board, are as follows:

"Spiraling wages and prices can do nothing but harm to our economy and its people. Every effort should be made to stimulate stable, productive employment for the months and years ahead with reasonable price stability; this requires close cooperation of Government, agriculture, labor and business. Business commitments and business transactions must rest on a foundation of confidence in the value of currency and in the reasonable stability of prices. We renew our pledge in support of this program. The expansion of controls eight months after V-J Day, rather than their contraction, and the upward price pressures, are evidence to every man that we are not moving forward to a free society with low prices. We, therefore, require a re-examination of our reconversion policies.

"We recommend a gradual elimination of price controls on commodities, and that the final date for the elimination of all such controls be Oct. 31, 1946, and we further recommend that rent controls, properly modified, be extended to March 31, 1947. Congress should eliminate all wartime production and price depressant subsidies within the next six months. Costs of Government must be drastically reduced. Deficit financing must be terminated. Every proposal for new governmental expenditures should be coupled with definite methods for raising the required revenues. The budget should be overbalanced and debt retired. Foreign lending should be geared into our own domestic supply and demand conditions. Congress should make a thorough investigation of Treasury fiscal policy and make recommendations as to interest rates, borrowing and budgetary procedure designed to minimize inflationary pressures.

"Since V-J Day our policies have been based largely on the conception that we are faced with a problem of mere price control. The failure of these policies is due to a misdiagnosis of our problems. We have wage inflation, we have currency inflation and we have a delayed or frustrated price inflation. The solution can come only through a coordinated policy which deals not purely with the symptoms of inflation, as does price control, but with the real causes of the inflationary pressures which abound in many sectors of the economy.

"Under the policies suggested herein, some prices may rise, others may fall. Production will be stimulated and bottlenecks will

disappear more promptly. Because of the distortions already created in the economy during the war and since V-J Day, additional adjustments are inevitable. Instead of frustrating these adjustments, the Government should try to guide them along natural lines so that gradually we will have an effectively functioning free economy with high level employment at good wages."

The report upon which the National Chamber's Board bases its recommendations is a comprehensive study of the economic factors that have brought about the situation in which the country now finds itself.

## Barrett Public Gov. Of N. Y. Curb Exchange

Edward F. Barrett, President of the Long Island Lighting Co., has been appointed a public governor of the New York Curb Exchange, Edwin Posner, President of the Curb Exchange, announced on April 3 following the regular meeting of the Board of Governors. The appointment fills a vacancy created by the recent resignation of Victor F. Ridder, New York publisher.

Mr. Barrett, it is noted, has had extended experience in financial and business circles. He has been President of the Long Island Lighting Co. and three of its subsidiaries, Queens Borough Gas and Electric Co., Nassau and Suffolk Lighting Co., and Long Beach Gas Co., Inc., since 1937. He has been a director of all of these companies and of Kings County Lighting Co., a fourth subsidiary, since 1934, when he originally became affiliated with Long Island Lighting Co. as financial Vice-President.

The announcement of the Curb Exchange also says:

"Prior to his association with the public utility industry, Mr. Barrett was a Vice-President of the National City Bank of New York, having entered the banking business in 1918 with the National City Co. He is still active in the banking field, being at the present time First Vice-President and a trustee of East River Savings Bank and a director of Public National Bank and Trust Co., both of New York, and a director of Nassau County Trust Co. of Mineola, L. I. He is also a Vice-President and director of the Utilities Mutual Insurance Co. and Treasurer and director of the American Gas Association."

Mr. Barrett, a native New Yorker, at one time served as Deputy Chamberlain of the City of New York under Mayor John Purroy Mitchel.

## Clarke Named to Post At N. Y. Reserve Bank

Effective April 1, the Board of Directors of the Federal Reserve Bank of New York, has appointed John J. Clarke, formerly Special Attorney in the Legal Department, Assistant Counsel and Assistant Secretary of the bank. Mr. Clarke succeeds Robert H. Brome, Assistant Counsel and Assistant Secretary, who has resigned as an officer of the bank in order to practice law in Basin, Wyoming. Mr. Clarke joined the legal staff of the bank in 1941. He has specialized in the legal aspects of foreign funds control, and last year spent six months in Europe assisting in the institution and administration of financial controls in Germany.

## The Financial Situation

(Continued from first page)

seem to attain would quickly vanish in one way or another. The compensation of each element of production and each group of producers would tend to approximate the contribution of that element or that group. Except for the aid of a powerful central government, of many paid moulders of public thought, and of monopolistic combinations of workers largely freed in actual practice not only from all laws designed to prevent or destroy monopoly but even from many of the ordinary laws of the land, wage rates, and many of the senselessly restrictive working rules or conditions of the day, could never have been forced down the throat of employers. After all an employer of labor is really a sort of middleman acting to bring the workman and the consumer into fruitful relationship. Directly or indirectly he estimates (or guesses) what the public is willing to pay for the products of the labor of certain wage earners, and then offers these wage earners compensation which corresponds to the prices the public will pay for the finished goods.

### Inflationary Situations

It may be, and doubtless sometimes is true, that in an abnormal situation the public can pay and will pay if necessary, much higher than current prices for what it wants. Such conditions usually arise when as at present the markets have, for some extraordinary reason, become rather bare of goods greatly desired by the public and when inflationary forces operating over a considerable period of time have resulted in a large accumulation of "purchasing power" in the hand of the consumer. Such a situation tends to offer both employee and employer a temporary opportunity to enlarge their exactions from the public—which, however, is none other but themselves. Apart from strictly temporary advantages of this or that individual or element engaged in producing the goods and services desired by the public, both employee and employer in a free society get precisely what is produced and nothing more, and each producing agent definitely tends to be paid the equivalent of that which he produces or contributes to the total product of the economic system. The ultimate economic welfare of all, and of each element in the production system in a freely competitive system depends, therefore, in the long run much more upon the volume of output of things most desired than upon "bargaining" and the rest—whether collective or otherwise.

Now there are "ideologies"

of much influence in the world today which assert that other systems are far superior to the competitive system in that they provide for the weaklings, the indolent and the unfortunate in relative abundance regardless of the productive effort they put forward or the success attending these efforts. Such is supposed to be the Communistic doctrine—from each according to his ability and to each according to his needs—but so far as the outside world is able to learn it has little or no standing in actual practice inside of Russia today. There are among our intelligentsia, so to speak, those who profess such ideas, and there are among those whose life work is that of ministering unto the needy and unfortunate a large number who tend to believe in some such doctrine. It may well be doubted, however, whether the great rank and file of the American people have ever given the matter a great deal of thought—at least not in such terms as these. They respond emotionally to appeals in behalf of the "under-dog," as Americans are likely to do, and have not stopped to ponder the underlying nature of the measures they are asked to support, or their ultimate working out in practice.

### Time to Consider

It is time, however, that they give such things the thought they deserve, and when they do one of the first questions which will come to their mind is this: "Is it possible, as a matter of fact, in any society short of complete communization to provide large elements in the population with incomes grossly out of correspondence with the contributions of these elements to the social product? Is it not much more likely that persistent effort to do any such thing will result, first, in a very considerable loss in the efficiency of production and, second, in some circumstances, certainly if carried too far, the creation of a condition in which those sought to be helped are unable to obtain work at all or at the very least with very great difficulty? If carried to extremes as has been the case with agriculture in this country, is not the end result almost certain to be a failure to adjust to new conditions which must be respected at one time or another—i.e. in this instance the freezing of manpower in an industry already overproducing (apart from the immediate war-born situation) when there ought to be and sooner or later will have to be a shifting from agriculture to other occupations where contributions to

the social product will be greater?

In other cases do not such efforts on a broad front simply result in consumer price adjustments which take from the recipients of higher money payments any advantage that they may temporarily have enjoyed by the measures taken in their behalf. Is not this almost of necessity the result when higher money payments are made in conjunction with provisions which curtail production?

If, indeed, the matter is pondered with the care it deserves, the question must inevitably arise whether as a practical matter it is possible to reach such objectives even in a completely totalitarian regime. Evidently Russia has given up the idea—and has moved so far away from such doctrines that it has difficulty in understanding some of our "experiments" with it.

## Sees Fast Demobiliza'n By U. S. as Inviting War

Too rapid demobilization of its Army by the United States has invited aggression, Lieut. Gen. Robert L. Eichelberger, Eighth Army Commander, told his occupation troops at Yokohama on April 6, it is learned from Associated Press accounts which reported the General as saying that the too rapid demobilization of our Army—the greatest in the history of the world—"already has lost us much of our standing in the eyes of the world." His comments were made in an Army Day address, according to the Associated Press as given in the New York "Times" from Yokohama, which further stated:

"American troops and heavy equipment paraded through the streets of Tokyo and Yokohama for the first time in more than seven months of occupation. Japanese silently watched as they passed the Imperial Palace in Tokyo.

"General Eichelberger stressed that men who fought the war have gone home and the original occupation Army has disappeared."

## Result of Treasury Bill Offering

The Secretary of the Treasury announced on April 8 that the tenders for \$1,300,000,000 or thereabout of 91-day Treasury bills to be dated April 11 and to mature July 11, which were offered on April 5, were opened at the Federal Reserve Banks on April 8.

Total applied for \$2,050,149,000. Total accepted \$1,317,056,000 (includes \$44,353,000 entered on a fixed price basis of 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, 99.907, equivalent rate of discount approximately 0.368% per annum.

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

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

There was a maturity of a similar issue of bills on April 11 in the amount of \$1,316,110,000.

## Sees Free Enterprise Endangered in Bill To Finance Development of Inventions, Etc.

Free enterprise would be endangered through unwarranted Government competition in a bill introduced by Senator Fulbright (D. Ark.), R. J. Dearborn, Chairman of the Committee on Patents and Research of the National Association of Manufacturers, declared on March 28. The advices from the NAM state that the bill is designed, according to its sponsors, to benefit employment, industry

and commerce through the establishment of a central clearing house for applied science, technology and industrial know-how through an "Office of Technical Services" in the Department of Commerce. It has been approved by the Senate Committee on Commerce.

NAM believes, Mr. Dearborn stated, that this measure (1) would severely interfere with industry's efforts to develop any devices and processes which can actually be put into use; (2) gives unusually wide powers to the Secretary of Commerce; (3) provides for an expenditure of the taxpayers' money on many items of doubtful value; (4) places industry promoted items at a disadvantage with those sponsored by the Government; and (5) competes with private research organizations and industrial research departments. Mr. Dearborn also said:

"The Fulbright bill aims to hasten the introduction and commercial use of worthwhile inventions through assistance to inventors. Department of Commerce engineers would make a preliminary appraisal of the probable commercial value of the invention and if it appears to be a profitable job-making item for industry, the Department may advance the applicant funds to pay patent costs, a limited amount for further development, and may even undertake to provide such further development as may be necessary. This, the NAM feels, is a function of industry rather than Government as the determination as to the likely success of an invention can be made only after an invention is tried out.

"In providing advice on specific technical and scientific problems of business and industry and the undertaking of research of problems of individual business firms

on a reasonable cost basis where private facilities are not available, the bill would provide competition with private research organizations and research divisions of industry."

The bill gives the Secretary of Commerce unusually broad powers which could be used in a manner inimical to business, Mr. Dearborn further stated. The NAM states that among the powers granted the Secretary of Commerce are the following:

(a) To keep records of inventions, products, processes submitted (not specifically to the Commissioner of Patents, but the Secretary of Commerce); (b) To sell or license inventions or processes for private exploitation; (c) To publish and disseminate data on inventions and discoveries; (d) To establish field offices for all of these purposes; (e) To conduct surveys for the purpose of determining what research or development is necessary; (f) To conduct studies of the possible effects of the new inventions on the economy; (g) To finance the development of inventions which he thinks are practicable; (h) To refuse such financial aid unless the person filing shall sign a written agreement with the Secretary, granting a license to the United States without payment of royalties or other fees, and granting non-exclusive licenses to any applicant; (i) In cases where the invention is assigned to the United States, to undertake the patenting of the invention."

The Fulbright bill, the NAM therefore believes, contains activities which overlap with other proposals before Congress and, if enacted, would create confusion and difficulty for business in general.

## Food Research Institute Proposed

A bill to establish a new National Food Research Institute was reported favorably by the unofficial Republican Congressional food study committee to the Republican House leader, Representative Martin of Massachusetts, according to Washington advices of Mar. 30 to the Associated Press, which stated that action on the program would result in a virtual reorganization of the Agricultural Department. The committee listed eight Department agencies which would be affected under the measure introduced on March 30 in the House by Representative Hope of Kansas, a committee member, and proposed that some functions of the Commerce Department also should be transferred to the institute.

The object of the bill, the Associated Press continued, is to establish the national institute, under a \$12,000-a-year director to be appointed by the President, as a scientific approach to the production, utilization and distribution of food. The institute director would be answerable only to the Secretary of Agriculture. Where the institute's functions conflicted with those of another Government agency, the agency's functions would be transferred to the institute.

The committee listed the following as the agencies and bureaus which would be affected, it was reported by the Associated Press:

"1. Bureau of Dairy Industry—Functions concerned with development of new products and new processes of manufacture.

"2. Bureau of Plant Industry—Soils and agriculture engineering functions pertaining to research on storage for grain and vegetables, and on temperature and humidity control in the transportation of perishable fruits and vegetables.

"3. Bureau of Agricultural and Industrial Chemistry—Functions

concerned with the development of new and wider industrial and food uses for agricultural products, including facilities of the regional research laboratories.

"4. Bureau of Human Nutrition and Home Economics—All functions necessary to carry out the purposes of the bill.

"5. Farm Credit Administration—Functions of the cooperative research and service division.

"6. Office of Marketing Services—All functions except those concerned with carrying out and enforcing regulations.

"7. Bureau of Agricultural Economics—All functions concerned with the processing, distribution, standardization, marketing and utilization of food products.

"8. Agricultural Research Administration. All functions concerned with food utilization as distinguished from food production.

"The report said the functions of the Commerce Department to be transferred to the proposed institute would be those in particular of the Bureau of Foreign and Domestic Commerce relating to the processing, distribution and marketing of food.

"The report added that the institute's laboratories, facilities and services would be available to individuals, groups and concerns in the food industry on a fee or cooperative basis.

## Allied Council for Japan Meets, MacArthur Urges War Renunciation

General Douglas MacArthur, Supreme Commander for the Allied Powers in the Pacific, addressing on April 4, the first meeting of the Four-Power Allied Council for Japan, urged the nations of the world to renounce their sovereign right to wage war, the Associated Press reported from Washington. In no other way can world peace be attained, the General declared, adding that without such a policy the UN international police force will

be "at best but a temporary expedient." The issue confronting all the people everywhere, he said, was, "Whether the world is yet ready for so forward a step in the relations between nations, or whether another and totally destructive war . . . must first be waged."

General MacArthur made clear to the Council, composed of representatives of Russia, Great Britain, China and the United States, that its functions "will be advisory and consultative." "It will not," he added, "divide the heavy administrative responsibility of the supreme commander as the sole executive authority for the Allied Powers in Japan." There had been some misgiving in Congressional and other quarters, when the council was agreed upon by Secretary of State Byrnes with the Russian and British Foreign Ministers at Moscow last December, as to whether it might result in a lessening of General MacArthur's authority.

Disagreeing with "those throughout the Allied world who lift their voices in sharp and ill-conceived criticism of our occupational policies," the General reported on the status of the occupation, advising that the Japanese war machine had been "neutralized," and that steps had been taken to eliminate the authority and influence of the war lords and to readjust the Japanese economy to produce for the people, "after reparations, an equitable standard of life."

He took the occasion to express approval of the new Japanese Constitution, stating that it was the subject of healthy and free discussion among the people who were readily inclined to "subject all provisions thereof to critical public examination through the media of press and radio." The General continued, according to the Associated Press:

"Regardless of changes in form and detail, which may well result from this open form of public debate and the ultimate consideration of the National Diet and the Allied Powers, if the underlying principles remain substantially the same when finally adopted, the instrument will provide the structure that will permit development in Japan of a democratic state, fully conforming to existing Allied policy."

"If we are firmly to implement that policy, it is incumbent upon us to encourage and assist the Japanese people in reshaping their lives and institutions, thereunder—scrupulously avoiding superficial and cynical criticism of motive or purpose and destructive influence upon their will to do just that which it is our firm purpose they shall do."

General MacArthur concluded his thought-provoking address with the assertion:

"No thoughtful man will fail to recognize that with the development of modern science another war may blast mankind to perdition, but still we hesitate, still we cannot, despite the yawning abyss at our very feet, unshackle ourselves from the past. Therein lies the childlike faith in the future—a faith that, as in the past, the world can somehow manage to survive yet another universal conflict. In that irresponsible faith lies civilization's gravest peril."

"We sit here in Council, representatives of the military might and moral strength of the modern world. It is our responsibility and our purpose to consolidate and strengthen the peace won at the staggering cost of war."

"As we thus deal in the international sphere with some of the decisive problems I have but briefly outlined, it is incumbent upon us to proceed on the high level of universal service that we may do our full part toward restoring the rule of reason to international thought and action. Thereby may we further universal adherence to that higher law in the preservation of peace which finds full and unqualified approval in the enlightened conscience of all of the peoples of the earth."

## Sales of U. S. Savings Bonds in March

Sales of U. S. Savings Bonds reported in March totaled \$626,371,490 and sales for the first quarter of 1946 were \$2,208,334,000, the Treasury announced on April 4.

"The first quarter's sales this year were 79% of those in the first quarter of 1945, when we were at war with both Germany and Japan," Secretary Vinson observed. "This reflects great credit upon the many thousands of volunteers who are continuing their patriotic services to the bond program in peacetime and it certainly demonstrates that millions of Americans want to continue saving through regular investment in U. S. Bonds."

The Treasury Department at the same time reported:

"Redemptions of Series E, F and G Savings Bonds in March were \$603,688,316, and in the first quarter \$1,727,786,000, current value. Of the sum total of all Savings Bonds issued since May 1, 1941, only 21% had been redeemed by the end of March, which means that 79 cents out of every dollar invested in them was still in the Treasury. Similarly, only 26.70% of the E Bonds had been redeemed and 73.3 cents out of every dollar's worth of these bonds was still in the hands of the original owners at the month's end."

"Redemption of Series A, B, C and D Savings Bonds, all issued before May 1, 1941, totaled \$30,631,000 in March, the greater part of this sum being paid out on A and B Bonds now maturing at the end of ten years and, like the current E Bonds, paying four dollars for each three invested."

"Actual transactions in March and the first quarter were even greater than the totals reported, it was explained, since five of the twelve Federal Reserve Banks during the month discontinued daily telegraphic reports and began to send in Savings Bonds figures by mail. Furthermore, the last business day of March fell on Saturday and no bond transactions that day were reported in time to be included in the March totals."

## Labor Bureaus to Act on Manpower Problems of Housing for Veterans

Five bureaus of the U. S. Department of Labor will bear the primary responsibility in meeting the manpower problems of the Veterans Emergency Housing Program, according to a joint statement issued on March 30 by Secretary of Labor L. B. Schwelbacher and National Housing Expediter Wilson W. Wyatt, who also is Administrator of the National Housing Agency. The Department bureaus are: The United States

Employment Service; Bureau of Labor Statistics; Conciliation Service; Apprentice Training Service, and the Wage Adjustment Board.

Chief among the aims of the program will be the employment of veterans at a greatly accelerated rate. The advices from the Housing Agency also said in part:

"The emergency housing program calls for start of construction by private builders of 2,700,000 medium and low-priced dwellings by the end of 1947, representing an estimated aggregate investment of \$11½ billion. Of these, 1,200,000 units are called for this year requiring the employment of approximately 2,000,000 on and off-site, skilled, semi-skilled and unskilled workers, nearly three times the present estimated total of 700,000 workers employed at housing sites or producing residential building materials."

The statement said:

An agreement defining the role of the U. S. Department of Labor in the Veterans Emergency Housing Program has been concluded by the Department of Labor and the National Housing Agency.

Five Department of Labor bureaus will actively participate in the program. Special services will be contributed when necessary by other divisions of the Labor Department.

The residential building program will be substantially larger than in any year since the 1920's. It will be five times the size of the 1945 program. It will offer the greatest number of job opportunities in the history of the home building industry. In order to assure an adequate supply of labor, however, action will have to be taken immediately in many communities to recruit and train workers who will be needed.

Nearly 1,000,000 workers will be employed on the building sites, with slightly more than that number in production of builders' supplies at the peak if this year's goal of 1,200,000 new homes is to be achieved. That rate of employment must be maintained throughout 1947 to attain next year's goal of 1,500,000 additional homes.

Skilled workers and foremen will comprise three out of every five of the on-site construction employees. For the housing program alone these will be divided roughly as follows: 320,000 carpenters; 80,000 painters; 50,000 plumbers; nearly 40,000 bricklayers; and about 30,000 each of electricians and plasterers. Semi-skilled workers are expected to total about 40,000 and unskilled workers about 325,000.

These figures apply only to the construction of new homes. At least 1,200,000 more workers will be required for construction other than housing—hospitals, schools, highways and other essential public and private construction projects—and at least an equal number will be needed for off-site manpower requirements in this phase of construction.

The housing need today is greater than at any other time in the nation's history. The previous high average, between 1922 and 1928, was 833,000 homes annually, but even then construction did not meet the demand, particularly among the low income groups. At least as high a rate was required in subsequent years, but during the depression an average of only something over 190,000 new homes were started annually. In the first post-depression year—1941—715,000 new homes were constructed, less than enough to supply the current demand without reducing the back-log built up over the depression years.

An average monthly starting rate triple the 40,000 new homes begun in February will have to be attained to meet the 1946 goal of 1,200,000 residences.

## President and Administration Leaders Address Retail Federation

At the annual meeting of the American Retail Federation on April 1 a message from President Truman was read to the conference in which the President expressed assurance that the country is on the threshold "of an era in which we can enjoy the highest standards of living this nation has ever dreamed of." Continuing, he declared that, "that standard means good returns for business, for workers and for farmers."

Asserting that the Government knows how to hold prices at a level which millions can afford to pay, Mr. Truman told the gathering that an era of unprecedented prosperity lay ahead for the United States. Describing as the "goal" a condition of "full production, full employment, mass market economy with the high standard of living and security that it will bring to all," the President pointed out that "to reach that goal we cannot now relax our vigil against the inflationary forces which threaten the stability of our economy."

The Federation was addressed by Secretary of Commerce Henry A. Wallace who told the group, according to the Associated Press which reported from Washington on the convention, that "the Federal Government must not, and it need not, try to get full employment by means of a controlled economy."

Urging cooperation of all, Mr. Wallace pointed out to the retailers that during the war Americans had demonstrated their capacity for this cooperation as soon as management and labor "knew an all-out job had to be done." The Associated Press also reported:

"The Government's part in the full employment picture was described as making it possible for all of us to work together. The employment act of 1946, Mr. Wallace added, sets up the mechanism through which the Govern-

ment can undertake to do its part. Business can go a long way toward ironing out the ups and downs of the business cycle by its own management decisions, he said."

Another Administration leader, Paul Porter, director of the Office of Price Administration, who was unable to be present at the meeting in person, in a speech which was read to the meeting, warned that price control easily could be "amended to death." Reviewing the wartime record of OPA, he urged retailers to "stick with this fight against inflation . . . if they want to win the last round." Mr. Porter said that only in this way could the value of their financial reserves and inventories be protected.

Chester Bowles, Director of Economic Stabilization and former OPA head, expressing confidence that by June 30, 1947, "the great bulk of our price control task will have been completed," added that his optimism is based on several vital assumptions, including passage of the price control act with necessary subsidies "to hold down the price of food." Another important factor Mr. Bowles declared was the need to defeat the Russell amendment to the minimum wage bill, which, he said, providing for a recalculation of farm parity prices, would cost housewives \$4,500,000,000 in higher food prices.

## UNRRA Council Recesses; La Guardia Accepts Directorship, Appeals for Aid

The first part of the fourth session of the United Nations Relief and Rehabilitation Administration forty-eight nation Council, which had been holding its session at Atlantic City, N. J., came to a close on March 29, when Fiorello H. La Guardia accepted the post of UNRRA Director-General. After a short recess the Council will again assemble at Washington, where the organization's Committee on Food will make recommendations to the central committee on how best to meet the world food shortage.

In his speech of acceptance Mr. La Guardia asserted that he would seek wheat directly from the Argentine Government, and after having sounded out nations with food stocks would report to the Washington conference on what the UNRRA may expect for relief supplies.

Speaking to the receiving nations, Mr. La Guardia hit at the black market. "We will start off at scratch," he said, according to the text of his address in the New York "Times," "and have a complete open mind on the conditions and methods of distribution and control of foods in all receiving countries. I shall wait a sufficient time for accurate observation and accurate reports. I expect all receiving countries to invoke all the force and power of government to curb black markets." He added:

"In all periods of shortages there are apt to be black markets. We have it in our own country. I had a great deal of experience with it as chief executive of the City Government. I have jailed and fined more black marketeers than all the rest of the country combined. And I don't like them. A black marketeer and a profiteer in food are no different in whatever country you may find them."

"Black marketing is the one thing that the supplying countries cannot understand. If food is sent into the country and diverted into channels of black markets our whole purpose here has failed."

As the speech drew to a close, Mr. La Guardia asserted:

"We are united to preserve life, to build, not to kill, not to de-

stroy. There is no precedent in law or international law. There is precedent—the spirit of UNRRA. There is precedent for it in the old scripture, in the new scripture, to love our neighbor, to aid the needy. That is not original. It just hasn't been carried out."

As far as Argentina is concerned, little hope can be entertained of her contributing grain for UNRRA relief purposes, as it was disclosed on March 29, according to United Press advices from Buenos Aires, that the Argentine charge d'affaires in Washington had been instructed to tell the world relief organization that his country could not accept the tardy invitation of UNRRA to become a member and that all Argentina's exportable grain surpluses have already been contracted for.

The new Director-General of UNRRA appealed in his Sunday radio broadcast of March 30 to the farmers of the United States to sell their wheat to UNRRA for distribution in the famine areas. He told his listeners, the New York "Times" stated, that he would work out within a week a satisfactory method to handle such sales of wheat. Mr. La Guardia pointed out that hundreds of thousands of tons must be shipped in April and May to make up for failure of shipments in February and March, as the situation had been made critical.

A reference to Mr. La Guardia's new post appeared in our April 4 issue, page 1834.

## Prospective Plantings for 1946 As of March 1, 1946

The Crop Reporting Board of the U. S. Department of Agriculture made on March 20, the following report for the United States, on the indicated acreages of certain crops in 1946, based upon reports from farmers in all parts of the country on or about March 1 regarding their acreage plans for the 1946 season.

The acreages for 1946 are interpretations of reports from growers and are based on past relationships between such reports and acreages actually planted.

The purpose of this report is to assist growers generally in making such further changes in their acreage plans as may appear desirable. The acreages actually planted in 1946 may turn out to be larger or smaller than indicated, by reason of weather conditions, price changes, labor supply, financial conditions, the agricultural program, and the effect of this report itself upon farmers' actions.

CROP	PLANTED ACREAGES			1946 as pct. of 1945 Percent
	Average 1935-44	1945	Indicated 1946	
Corn, all	94,772	92,867	92,993	100.1
All spring wheat	19,401	18,658	18,961	101.6
Durum	2,856	2,010	2,447	121.7
Other spring	16,545	16,648	16,514	99.2
Oats	41,191	45,234	46,444	102.7
Barley	14,918	11,429	11,521	100.8
Flaxseed	3,054	4,066	3,497	86.0
Rice	1,188	1,517	1,575	133.4
Sorghums for all purposes	16,792	15,837	14,787	93.8
Potatoes	3,053	2,896	2,736	84.6
Sweet potatoes	781	715	712	98.5
Tobacco*	1,554	1,846	1,954	105.9
Beans, dry edible	2,089	1,760	1,673	95.1
Peas, dry field	415	528	462	87.5
Soybeans†	9,886	13,412	11,840	88.3
Cowpeas†	3,034	1,616	1,468	90.8
Peanuts†	2,938	3,958	3,759	95.0
Tame hay*	57,905	59,805	59,791	99.8
Sugar beets	853	775	933	120.4

\*Acreage harvested.

†Grown alone for all purposes. Partly duplicated in hay acreage.

Farmers are responding to the currently heavy peacetime demands upon them and their farms in much the same manner that resulted in four successive seasons of heavy wartime production. An acreage of principal crops equalling the relatively high level of recent years will be planted this year, if weather permits farmers to carry out their plans as reported in March to the Crop Reporting Board. Producers anticipate that they will have to contend with more than usual difficulty with respect to certain major factors essential to their operations, chiefly in the matter of adequacy of the supply of hired farm labor and new machinery for replacements. In spite of these handicaps, they are planning to maintain acreage of crops at the relatively high level of recent years, insofar as possible, in order to meet domestic and world needs.

The aggregate acreage of crops now planned may slightly exceed that finally planted last year. In view of all conditions, this would represent a big undertaking for farmers as now situated. Allowing for duplications and for wild hay and various crops not yet surveyed, the total of principal crops planted or grown in 1946 is likely to reach 357½ million acres, compared with 357 million last year, an average of 255 million in the previous 10 years and the peak of 375 million acres in 1932.

The aggregate acreage now intended for 16 major crops, compared with the goals for these same crops established for 1946, is 3% below the goals but slightly above last year. Exceeding the goals are all wheat, oats, peanuts, tobacco and rice, while corn, tame hay, sorghums, barley, soybeans for beans, flax, potatoes, sweet potatoes, sugar beets, dry beans and peas fall below. Of these tame hay was produced in more than adequate supply over most of the country last year and may be nearly equalled by the 1946 prospective production.

The acreage which farmers intend to plant to feed grains and sorghums shows an increase of a third-million acres, or 0.2%, over 1945 plantings. The intended increase of 2.7% for oats, 0.8% for barley, 0.1% for corn, while slight, are more than enough to offset a 6.6% decrease in prospective acreage of all sorghums. With the number of grain consuming animal units (including chickens) on Jan. 1, 1946 slightly above a year earlier, such an in-

crease is needed to maintain a continued relatively high level of livestock production. The intended acreage of feed crops for 1946 is about 1% below the 10-year average for the group.

The 3.6% increase in winter wheat seedings last fall is now expected to be augmented by a 1.6% increase in spring wheat, supporting earlier hopes for another billion-bushel wheat crop in 1946. Rice acreage as planned will reach an all-time record of 1,575,000 acres, 4% above the 1945 acreage. Rye acreage planted last fall was 17% less than for the 1945 crop. But as a whole, the food grain acreage planned is 2% above that planted for the 1945 crop.

The prospective acreages of oilseeds are well below recent high levels. The intended acreage in soybeans grown alone shows a decrease of 12%, of flaxseed 14%, and of peanuts grown alone 5%, compared with 1945 planted acreages. With about usual conditions during the growing season and plantings as now indicated, the acreage of soybeans threshed for beans may be 14% less than in 1945 and acreage of peanuts to be picked and threshed may be 6% less. The acreage of cowpeas is expected to decline for the fifth successive year. Other declines in prospective acreage are in potatoes and dry beans, 5%; dry peas, 12%; and sweet potatoes, 0.5%. Tame hay acreage apparently is to be about the same as harvested last year. An increase of 6% in acreage is in prospect for tobacco, and of 20% for sugar beets. Reports from vegetable growers received to date, without all areas represented, indicate that plantings of vegetables for canning and processing are likely to be increased 10% and acreage of truck crops for the fresh market may be 5% larger than was harvested last year.

Farmers in all parts of the country indicate by their comments that they are fully aware of the problems they face in continuing to carry out the huge production program expected of them. Numbers of livestock and poultry on their farms continue to require as large quantities of feed as last year and carryover farm stocks will be at a relatively low level, particularly in deficit producing areas. The tight labor situation is slow to improve and farmers who depend upon hiring labor expressed increased apprehension that the labor supply may be short now that prisoner of war and im-

ported laborers are not likely to be available. Of course, many war veterans are returning to take over and help out on the home farms, but few are available as hired workers at wages farmers think they can pay. The volume of new farm machinery becoming available is inadequate to supply the current demands, while repair parts to maintain used machines in operation are also difficult to obtain. Many who have power machinery are increasing its effectiveness by increasing their own crop acreages or by doing custom work for less fortunate neighbors. On the other hand, many operators who are advanced in years, or who otherwise are dependent upon hired labor are either finding it necessary to quit farming, to rent out fields, or to reduce operations to a size they can handle and shift to crops with lower labor requirements. In general, farmers will try to produce an adequate supply of feed for their livestock and to help out in supplying the world demand for food as far as their facilities permit. Otherwise they will shift to crops that do not demand too much of their soil fertility and which require a minimum of dependence upon hired labor.

Aggregate acreages planned in 1946 are near or above 1945 planted totals in most Northeastern, North Central and Western States. Unfavorable conditions for fall seeding in most South Atlantic and South Central States and in some East North Central States reduced acreages of oats, barley and wheat and consequently the aggregate in those areas. If spring conditions remain favorable, it is conceivable that spring plantings in these latter areas may be increased, particularly if the year-round labor supply becomes more nearly ample.

Prospects for crops in mid-March tend to enable producers to carry out their expressed intentions. Assuming that they have correctly evaluated the situation as to farm labor, machinery, seed, fertilizer and supplies, the other factors that will chiefly affect the outcome are weather and soil moisture. At this stage, weather conditions are rather generally favorable to the aims of producers. The delaying effect of excessive moisture in the South has been more or less overcome by favorable March weather to date. The threatened drought in western Great Plains areas has been relieved by timely rains, so that normal spring rains, if they occur, should be ample for carrying the growing and proposed acreage of crops. The chief exception to the generally favorable outlook are dry land areas in New Mexico, Arizona and southern California. Irrigated areas are assured ample water, except in parts of New Mexico and Nevada. Subsoil moisture is still short also in western parts of all Great Plains States from North Dakota to the Texas Panhandle. Practically all other areas are well fortified in this respect.

Relatively small acreages of some crops, such as corn, soybeans, potatoes, dry beans and others do not necessarily mean limited production. This factor may facilitate more intensive cultivation and better yields, because of favorable crop rotations, better fertilization, the shifting of crops to lands better adapted to them and use of improved seed. Increased use of corn hybrids, improved varieties of such crops as soybeans, oats and barley may offset to a considerable degree the effect of smaller acreages in the total output.

Numerous factors may modify plans made at this stage, which for much of the country is well ahead of planting time. March weather already has favored seeding of oats earlier than usual in much of the Great Plains and may tempt farmers to seed even more

than the record acreage of this crop already reported, because it is a heavy producing field crop with relatively low labor requirements. The 1946 support price for soybeans, announced about the time farmers were making their reports, may not be fully reflected in the intended acreage; on the other hand, higher ceiling prices for competing corn and other grains may tend to offset its influence. The increase in the support price for dry beans in 1946 was announced on March 15. The extent to which winter wheat survives the winter may definitely affect the acreage of spring wheat to be sown in the Pacific Northwest, or the acreage of sorghums to be planted in the southern Great Plains and the Southwest, since these crops usually replace abandoned winter wheat. Excessive spring rains could considerably delay or finally prevent planting full intended acreages of certain crops. There is little lack of spring moisture to date or of seed supplies, except perhaps good quality hybrid corn in some areas. Finally, the knowledge of what others are planning to do may effect changes in acreages of specific crops.

### Corn

The Nation's cornfield this year appears likely to be approximately the same size as last year, but some changes are expected by regions. Farmers in the Corn Belt States east of the Mississippi River and in the Northeast intend to increase acreage. For the other regions, smaller acreages are indicated by farmers' intentions as of March 1. The total of 92,993,000 acres farmers intend to plant this year is only slightly more than the 92,867,000 acres planted last year, but is 6% below the 98,561,000 acres planted 2 years ago and about 1¼ million acres or 2% under the 10-year (1935-44) average of 94,772,000 acres.

A substantial increase in corn acreage might be expected because of the smallest corn stocks on farms in recent years, the current general shortage of all feed grains, more feed grain consuming animal units than a year ago if poultry is included, and the larger spring pig crop in prospect. On the other hand, labor is relatively short and may continue so and new labor saving corn machinery will not be available in sufficient amounts to meet farmers' demands. In the Corn Belt there may be a shortage of good quality hybrid seed. Corn is also meeting some stiff competition from improved varieties of oats from a feed grain point of view, from grasses as far as silage is concerned, and in the Corn Belt from soybeans. Finally, the acreage of higher-yielding corn hybrids is increasing and that means a smaller acreage is needed to produce a given quantity. The net result of the factors encouraging changes, both plus and minus, seems to point to but little change in the 1946 corn acreage from that of 1945.

In the Northeast, a deficit feed area where the feed shortage is now acute, an increase of about 1% is indicated. The New England States as a whole show a slight drop, New York and Pennsylvania increases, and New Jersey a slight decline. In the latter State there was considerable "wet" corn last year.

In the North Central States east of the Mississippi the largest increase in any area, nearly 3%, is expected. Here the expected number of sows to farrow this spring is up 7%, and intended soybean acreage is down. In Illinois, low farm stocks of corn, a tight feed situation, a prospective increase in spring pigs, and a shift from soybeans, have resulted in plans to plant 5% more acres than last year in spite of some expected shortage of good quality hybrid seed, the increased soybean support prices and a relatively small

amount of new labor saving machinery in view. In Wisconsin, the only State of the group to show a decline, an offsetting increase in barley acreage is indicated. In the North Central States west of the Mississippi River, intended decreases in Minnesota, North Dakota, and Nebraska offset prospective increases in Missouri, South Dakota and Kansas, resulting in no change from last year for the area. Iowa corn acreage intentions call for the same acreage as in 1945.

In the South Atlantic States, a drop of 1% is in prospect, the third decrease in as many years. Labor shortages, a good carryover on farms producing corn, ability to grow as much or more corn on a reduced acreage by growing hybrids, and shifts to small grains for feed and hay for roughage, are factors contributing to the decline. All States in this area show decreases ranging from 1 to 4%, except South Carolina and Florida, where no change is intended.

In the South Central States a drop of over 1% from last year is expected. Half of the States in this area—Kentucky, Mississippi, Arkansas and Oklahoma—show increases ranging from 1 to 5%, while the other States show decreases ranging from 1 to 8%. The largest reduction is in Texas, where the tendency is toward new and improved varieties of sorghum which give assurance of more feed per acre and at less cost.

The biggest drop in acreage is intended in the Western States. Only Montana and California show increases. Colorado, the dominant corn State in the West, farmers plan a 5% smaller acreage than last year. In that State, wheat has expanded into the principal corn area and wheat looks promising at this time. The acreage of irrigated corn in Colorado is expected to equal or exceed that of last year.

Abandonment of corn acreage has averaged less than 2% in the past 5 years. In the abandonment series beginning with 1929, abandonment over the years has ranged from 1.3% in 1929 to 8.6% in 1936. Last year it was 1.8%. Assuming abandonment in 1946 should about equal the 5-year (1941-45) average, and current conditions do not indicate otherwise, the acreage of corn for harvest from the intended acreage would be a little over 91 million acres. With the exception of 1945, this would be less than in any year since 1942.

There is no doubt that hybrids will continue to expand. However, with the Corn Belt near the saturation point, the expansion must necessarily occur elsewhere—in the irrigated areas of the West, in the States bordering the Corn Belt, and in the South where, with adapted hybrid seed available in increasing amounts, marked expansion during the next few years seems a certainty. Because of the unfavorable season for maturing the 1945 seed crop, doubts have been expressed that good quality adapted hybrid seed in parts of the Corn Belt will be available in ample amounts. More than 64% of the 1945 total acreage was planted to hybrids and it is reasonable to expect a greater percentage this year.

Assuming that the combination of all contributing factors in 1946 would result in yields, by States, equal to the average of the past 5 years, probable production of corn for all purposes (grain, silage, hogging, fodder, etc.) would reach 3,097 million bushels. This would make the fifth successive 3 billion bushel corn crop.

Since either increases or no change from last year is intended in the acreage in the higher yielding Corn Belt States and since a further expansion of hybrids into the lower yielding areas where acreage decreases are expected this year the average yield per acre for the country as a whole

in 1946 is likely to be above the average of the past 5 years.

### Wheat

Plantings of 18,961,000 acres of all spring wheat are in prospect this year. Prospective plantings are 1.6% larger than the 18,658,000 acres planted last year. A total 1946 planted acreage of all wheat of 70,901,000 acres is indicated, by combining the prospective spring wheat acreage with the winter wheat planted acreage as estimated last December. Such an all-wheat acreage would be an increase of 3% over last year and the largest acreage planted since 1938. It would be 1% above the national wheat acreage goal, exceeding the goal largely in the hard wheat States.

The spring wheat acreage prospects vary considerably between the different spring wheat areas. Substantial increases are in prospect in the northern Great Plains, centering in Minnesota, North Dakota and South Dakota, where land not cropped last year because of the wet season and labor shortage is available this year for wheat. The crop is in favor too because of the high yields for several recent years, good returns in relation to other crops and the urgent world need for wheat. In this area the spring moisture situation to date is favorable. On the other hand, smaller spring wheat acreages than last year are expected in most of the Western States where, with ample fall moisture and a favorable winter season, winter wheat acreage was increased sharply and winter losses so far are light.

The prospective planted acreage of durum wheat is 2,447,000 acres—up nearly 22% from last year's 2,010,000 acres. The increase is distributed quite evenly among the durum wheat States of Minnesota, North Dakota, and South Dakota. Other spring wheat acreage in prospect for this area is up from last year, but the increases here is practically offset by the decrease in some important Western States. The total intended acreage for other spring wheat in all States is 16,514,000 acres, or practically the same as last year.

The prospective all spring wheat acreage in the 3 important States, Minnesota, North Dakota and South Dakota, is a million acres larger than the acreage seeded last year. This acreage increase is about equally shared by durum and other spring wheat, although the percentage increase is greater for durum wheat in the Dakotas. Accompanying the increase in winter wheat acreage seeded last fall, spring wheat acreage is less than last year in Washington, Montana and Colorado. Although winter wheat acreage was increased last fall in Oregon and Idaho, spring wheat acreage also is expected to be larger than last year.

If the prospective spring wheat acreage is seeded and yields per seeded acre are equal to the average for the years 1937-44, by States, production of all spring wheat would be slightly less than 257 million bushels. This spring wheat production combined with the estimated winter wheat crop of about 751 million bushels as indicated last December, would give an indicated all wheat production of about 1,007 million bushels. This would be about 10% less than the record crop last year, but the Nation's fourth crop of over a billion bushels.

### Oats

The prospective 1946 oats acreage of 46,444,000 acres is 2% larger than the previous record acreage seeded in 1932. If growers' intentions are attained, such an acreage would exceed that planted for the 1945 crop by nearly 3% and be about 13% above the 10-year average.

Prospective plantings this year, compared with 1945, are greater in the North Atlantic and North

Central groups of States, whereas moderate decreases are indicated for all other groups. The greatest acreage expansion is expected in the North Central States, where 1946 seedings may exceed by more than 5% the 33,684,000 acres planted last year. Most States in this area expect substantial increases in plantings over last year. However, compared with last year, Wisconsin expects a 2% decrease, Minnesota no change, North Dakota an 8% decrease, and South Dakota, a 1% decrease. Principal factors contributing to the acreage expansion in the area as a whole are the increasing uses of improved higher-yielding rust-resistant varieties, exceptionally good yields last year, the present tight feed grain outlook, and lower labor requirements for oats, per unit of production. Although very little seeding has been completed to date, ample supplies of seed oats are reported and the soil moisture situation is generally favorable.

Compared with 1945, intended plantings for the 1946 crop show reductions of 9% for the South Atlantic States, 8% for the South Central, and 2% for the Western States. Moderate to sharp acreage reductions from last year are indicated for a majority of States in those three areas. However, a few States in these areas expect increases, ranging from 1% for Montana to 12% for Kentucky. Heavy acreage reductions are indicated for Mississippi, Louisiana, Utah, Arkansas, Georgia, and South Carolina. In the Southern areas, the trend during recent years has been toward heavier fall plantings of oats. However, unfavorable weather during the fall of 1945 and competition for available labor with the crops then being harvested materially reduced seedings of fall oats in these States.

Production in 1946 may reach 1,392 million bushels if farmers carry out their acreage intentions and if the yields per planted acre, by States, equal the 1941-45 average. This would be 10% less than the 1945 record crop of 1,548 million bushels, but 23% above the 1935-44 average.

### Barley

A slight increase over last year is expected in the 1946 acreage of barley planted and to be planted. The total of 11.5 million acres in prospect, however, is nearly one fourth smaller than the 10-year average and, except for last year, is the smallest since 1927. In much of the country availability of improved varieties of other grains has proved a deterrent upon return to previous higher levels of barley production.

In all of the States extending from New England and New York to Montana and Wyoming and in the four States of Oregon, California, Arizona and New Mexico, barley acreages are expected to be equal to or greater than those of last year. Increases in these States, however, will be very nearly offset by uniform declines throughout the rest of the country.

Encouraged by favorable yields of last season, producers in Michigan, Wisconsin, Minnesota, North Dakota and South Dakota plan the most substantial gains in acreage, and will be responsible for over two-fifths of this year's total planted acreage. In the lower Corn Belt States and the Cotton Belt, where barley runs strongly to winter varieties, yields were less favorable last year, and delayed harvest operations last fall inhibited seedings. Wheat has tended to displace barley in much of the lower two-thirds of the Great Plains and in the central Rocky Mountain Area.

If indicated acreage intentions are carried out and yields per acre, by States, equal the 5-year

average, production of barley will amount to about 247 million bushels. This production would be considerably below last year, and below average and the smallest crop since 1937.

### Potatoes

Prospective plantings of 2,738,300 acres of potatoes are indicated for 1946 by growers' March 1 intentions. This prospective acreage is 5% smaller than the total of 2,896,100 acres planted in 1945 and is 10% below the 10-year (1935-44) average of 3,053,400 acres. Growers' intentions indicate that the 1946 acreage will be the smallest planted since 1893. Following the difficulties encountered in marketing the large 1945 crop, the Department of Agriculture recommended the planting of a smaller acreage in 1946. The prospective acreage is about 1% below the National acreage goal, which took into account the acreage shifts in recent years from low yielding to comparatively high yielding areas.

If growers plant the acreages now expected, and yields in each of the States are in line with the 1940-44 averages, a crop of 388,705,000 bushels will be produced in 1946. Such a crop would be 9% smaller than the crop of 425,131,000 bushels produced in 1945 (the third largest crop of record) but slightly larger than the 1944 crop of 383,134,000 bushels and 4% above the 10-year average of 372,756,000 bushels.

Prospective acreage in the 18 surplus late States is 1,695,600 acres, compared with 1,839,300 acres planted in 1945 and the 10-year average of 1,912,800 acres. Maine is the only State in this group indicating an increase over 1945. Compared with plantings in 1945, reductions of 5% are in prospect for the 3 Eastern States, 7% for the 5 Central States, and 12% for the 10 Western States. Despite this heavier reduction in the acreage expected to be planted in the Western States, the prospective acreage in this group is above average, while plantings in prospect in the Eastern and Central States are below average. Growers in some of the Western States are increasing the sugar beet acreage, apparently at the expense of potatoes. This is especially true in Idaho, where the prospective acreage is 17% below the 1945 planted acreage.

Among the other late potato States, growers in the 5 New England States (excluding Maine) express intentions to reduce plantings 7% from those of 1945. Acreages continue their downward trend in the 5 central other late States of West Virginia, Ohio, Indiana, Illinois and Iowa. Growers in the two Southwestern States of Arizona and New Mexico expect about the same acreage as was planted last year.

The 3% reduction from the 1945 planted acreage in prospect in the 7 intermediate States reflects largely a decline in New Jersey. Growers in this State experienced difficulty in marketing the unusually large 1945 crop through the regular trade channels.

The prospective acreage for the early potato States is 2% above the acreage planted in 1945 and 6% above average. The acreage expected to be planted in most States in this group exceeds the 1945 plantings. In Florida, a record large acreage has been planted, and in California an early acreage only 1,000 acres below the record acreage of 1945 is being planted. Growers of commercial early potatoes in the early States marketed their 1945 crop at or near ceiling prices.

## \$4,810,554,000 Treasury Cfs. Offered in Exchange; \$2 Billion to Be Redeemed in Cash

Announcement was made on March 19 by Secretary of the Treasury Vinson of an offering, through the Federal Reserve Banks, of 7/8% Treasury Certificates of Indebtedness of Series D-1947, open on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness on Series C-1946, in the amount of \$4,810,554,000, which will mature on April 1, 1946.

On March 26 Secretary Vinson announced the subscription figures and the basis of allotment for the offering. His announcement said:

"Reports received from the Federal Reserve Banks show that subscriptions aggregate \$4,741,000,000. Subscriptions in amounts up to and including \$25,000, totaling about \$45,000,000, were allotted in full. Subscriptions in amounts over \$25,000 were allotted 59% on a straight percentage basis, but not less than \$25,000 to any one subscriber, with adjustments, where necessary, to the next highest \$1,000.

"Details as to subscriptions and allotments will be announced when final reports are received from the Federal Reserve Banks."

The advices from the Treasury on March 19 stated that "since it is planned to retire about \$2,000,000,000 of the maturing certificates on cash redemption, subscriptions will be received subject to allotment of all holders on an equal percentage basis, except that subscriptions in amounts up to \$25,000 will be allotted in full. Cash subscriptions will not be received."

The Treasury advices also stated in part:

"The certificates now offered will be dated April 1, 1946, and will bear interest from that date at the rate of 7/8 of 1% per annum, payable semi-annually on Oct. 1, 1946, and April 1, 1947. They will mature April 1, 1947. They will be issued in bearer form only, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

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

"The subscription books will close at the close of business Friday, March 22, except for the receipt of subscriptions from holders of \$25,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter class at the close of business Monday, March 25.

With regard to the Treasury plans for reducing the national debt by \$2,000,000,000, Associated Press advices from Washington March 15 stated that although still "in the red" for the month and the fiscal year so far, the Government will reduce the national debt by another \$2,000,000,000 in April, using unneeded cash on hand to pay off obligations. The press advices continued:

The pay-off funds will be drawn from a cash balance of more than \$24,680,000,000, made up in large part by money borrowed in the Victory Loan Drive that ended last Dec. 31 but not needed now as current income approaches the level of spending.

Nevertheless, the Treasury's latest figures, carrying through March 13, showed deficits of almost \$19,700,000,000 for the fiscal year and \$124,394,000 for March to date. Experts said heavy income tax receipts probably will bring about a March surplus, however.

The \$2,000,000,000 reduction announced today for April 1 brings to approximately \$4,750,000,000 the debt-reduction programmed by the Treasury in the last thirty days. A \$2,750,000,000 reduction is to be accomplished this month.

The program contemplates reducing the debt, which reached a high record of \$279,764,369,348.29 on Feb. 28 for an average of more

than \$1,993 for each American, to a level of about \$275,000,000,000 after the pay-off next month.

That figure is the one that President Truman promised in his January budget message would be attained when this fiscal year ends on June 30. He said he planned a further reduction to \$271,000,000,000 during the following twelve months.

The \$4,750,000,000 pay-off total was said by Treasury officials to be the largest sum ever devoted to debt reduction in so short a time. Also, they said, it was the greatest percentage reduction—though less than 2% altogether—in at least fifteen years.

The April 1 transaction involves in addition to the \$2,000,000,000 cash retirement, an offering of one-year 7/8 of 1% certificates in exchange for the balance of \$4,810,554,000 in similar certificates maturing on that date.

## Vinson Appoints Two to Bond Posts

Secretary of the Treasury Fred M. Vinson announced on March 24 the appointment of Edward H. Letchworth and John H. Callen as State Vice-Chairmen of the Treasury's Savings Bonds Division, peacetime successor to the War Finance Committee for New York. They will serve under Lewis E. Pierson, newly appointed State Chairman. Both men served during the war with the War Finance Committee, Mr. Letchworth was upstate Chairman, while Mr. Callen was director of the Payroll Savings Division.

Mr. Letchworth is a director and general counsel for the Marine Trust Company and is a member of the law firm of Kenefick, Cooke, Mitchell, Bass and Letchworth of Buffalo. He is also a director and Chairman of the executive committee of the Marine Midland Corporation, and a director of the New York Telephone Co., Niagara Share Corporation of Maryland, and the Hewitt Rubber Corporation. He is a member of the Bar of Erie County, New York State and the American Bar Association.

Mr. Callen is associated with J. P. Stevens and Co., Inc., and has been active in New York business and philanthropic work. It is stated that he is largely responsible for the organization of the Payroll Savings Plan in New York State. Both men will maintain their business connections, serving the Treasury as in the past, on "dollar-a-year" appointments in advisory capacities.

## Money in Circulation

The Treasury Department in Washington has issued its customary monthly statement showing the amount of money in circulation after deducting the money held in the U. S. Treasury and by Federal Reserve Banks and agents. The figures this time are those of Feb. 28, 1946, and show that the money in circulation at that date (including of course, that held in bank vaults of member banks of the Federal Reserve System) was \$27,954,295,890, as against \$27,917,081,002 on Jan. 31, 1946, and \$25,751,204,220 on Feb. 28, 1946, and compares with \$5,698,214,612 on Oct. 31, 1920. Just before the outbreak of the first World War, that is, on June 30, 1914, the total was \$3,459,434,174.

## Cites Snyder Production Report As Challenging Skepticism

(Continued from first page)

lower than any of us thought possible six months ago. Private wage and salary payments, which dipped sharply after V-J Day, are now around the V-J Day level. The public debt, which necessarily grew to give us our airplanes and guns, has now stopped rising and our revenues and expenditures are more nearly in balance.

"The wage-price policy is being translated into action without losing vital ground to inflation, and many industries have signed labor-management contracts and are ready for uninterrupted production. More than nine million persons have received wage increases since V-J Day. This little known fact—overshadowed by the few critical disputes that have received widespread publicity—is a tribute to management and labor in many industries and companies, who have quietly composed their differences with wisdom and dispatch.

"We must not be complacent about these good signs of progress. We cannot afford to relax for one minute our battle against inflation. Our progress to date will be completely nullified if we do not have an early extension of our price control and stabilization laws, for without them progress will be turned into economic chaos. Likewise, protracted work stoppages in any one of a number of important fields—for instance in the coal industry—could seriously delay our progress. Housing, too, is an immediate problem requiring immediate action.

"These are critical problems, but they are being faced by a great country that is coming out of its war years as a strong and healthy nation.

"We have not always sufficiently appreciated this strength and economic health. But they are the source of our confidence and power to move toward an age of full employment and production, of high standards of living and of active world trade. They give us the determination to be united, knowing that what is best for all of us is likewise best for each of us.

"Only as a united Nation can we hope for a united World."

### The Snyder Report

The report of John W. Snyder, Director of the Office of War Mobilization and Reconversion, dated April 1, on which Mr. Truman's statement is based, contains on the whole, a favorable view of the progress made since the first of the year in return to normal peacetime conditions. The section dealing with the Progress in Production begins thus:

"In the first 3 months of 1946 the Nation met and surmounted many difficult obstacles on its road to full civilian production. The quarter ends with industry producing at a volume unprecedented in our peacetime history.

"As the year began, Phase I of reconversion—the physical changeover of plants to peacetime use—had been virtually completed. The more complex adjustments of Phase II—the period in which men, materials and components must be brought into harmonious balance for full production—were just beginning to be felt.

"In meeting the turbulent economic problems inevitable in any such period of major readjustment, the Nation made solid gains:

"Major issues of wage and price adjustment have been met in a way to stimulate production without losing vital ground to the force of inflation.

"Labor-management contracts established in many major industries under collective bargaining should assure uninterrupted production.

"Vigorous programs have been formulated to meet the most

critical shortages, most notably in textiles and housing.

"The measure of the Nation's success is that, while it has been meeting these problems—even while it has been beset with temporary stoppages of production in vital areas—production for the civilian market continued steadily to increase.

"Total civilian production now stands at the highest level ever reached by the Nation, in war or in peace: an annual rate of more than \$150 billion.

"Non-agricultural employment is higher now than before V-J Day: Total employment, exclusive of those employed on farms, was 44,700,000 in February.

"Private wage and salary payments, which dropped to an annual rate of \$75 billion after V-J Day, have now returned almost to the pre-V-J Day level of \$82 billion.

"But the difficulties of the quarter have also taken their toll. While production has been good, it would have been even better if labor-management disputes had not put out the fires in steel furnaces, stopped some automobile assembly lines, curtailed production of electric equipment and other vital components. These losses slowed down the flow of consumer goods to the market and increased the inflationary pressures which stem from shortages in the face of huge demand.

"The quarter has been sobering and difficult, but tremendous gains have been made and, as a result, we are moving steadily and swiftly toward our goal of an ever rising standard of living, creating hundreds of thousands of new jobs as we move."

### Prospects for the Coming Quarter

Regarding the immediate economic outlook Mr. Snyder reports optimistically that "during the coming quarter, Federal expenditures will continue to decline. Nonwar output and employment will continue to rise. And while the increase in supplies will somewhat relieve the pressures of excess demand, heavy inflationary pressures will continue.

"Federal war pay rolls plus purchases of goods and services from private business for military use will probably fall by a fifth, to an annual rate of \$20 billion. Approximately 1,500,000 additional members of the armed forces will be demobilized during the quarter but the net decline of the armed forces will be somewhat less, since inductions are continuing.

"No longer will demobilization be counterbalanced in large part by the withdrawal of war workers from the labor force and by the temporary withdrawal of veterans. Each decrease in the armed forces will be accompanied by a substantial increase in the civilian labor force.

"Barring further serious work stoppages, however, production should rise rapidly during the second quarter of 1946, and jobs should be available for most of the added workers. There were 2,700,000 active jobseekers early in February; there may be 3,000,000 now. The number may increase within the next three months, but the average for the coming quarter will probably not be above 3,500,000.

The prospect of increased output has been greatly improved by the collective bargaining agreements reached in many industries during the first quarter of the year, and the special steps that have been taken to put price policy on a flexible basis and remove or prevent bottlenecks in production and distribution.

"The supply of goods and services available to consumers, therefore, should continue to increase during the coming quarter. Exports will continue, construction activity will increase, and so in all probability will business purchases of equipment and of goods for inventory. As a result, the total output of goods and services in the Nation, although it may fluctuate over short periods, will continue at a high level. It is quite possible that the increases in civilian output may more than offset reductions in Federal pay rolls and purchases, and result in a total national output several billion dollars above the level of the quarter just ended.

"It is important not only that output rise, but that output of certain types of goods and services rise with especial speed. Most important, every feasible device must be used to accelerate housing construction.

"The increase in supplies available to civilians will reduce inflationary pressures which now are very serious. Only the vigorous efforts of the Federal agencies concerned, and the cooperation of businessmen and consumers, have kept prices from rising rapidly.

"The reduction in the Federal deficit is aiding in the campaign against inflationary pressures. The high level of national income and output is holding Federal tax receipts above expectations, and war expenditures are being cut faster than had been anticipated. As a result, the deficit for the fiscal year ending June 30, 1946, will be several billion dollars less than was anticipated when the President delivered his budget message. During February and March, when heavy tax payments are made, revenues exceeded total expenditures. They will again fall below expenditures in later months; but as expenditures continue to decline, the amount of the current deficit will steadily shrink.

"This will reduce inflationary pressures, since the excess of public expenditures over receipts augments private incomes and hence private demand. But even with the shrinking deficit, the heavy excess of private demand over available supplies will continue."

### Present Wage-Price Policies

Commenting on the working of the Administration's new wage-price formula, Mr. Snyder offered the following:

"The present wage and price policies, as outlined in Executive Order 9697 on Feb. 14, are designed to deal with a situation in which collective bargaining in important sections of the economy has established wage levels appropriate to current prices. The policies are, therefore, based upon the principle of accepting as a pattern for guidance in approving wage adjustments in a given industry or locality, those which have already been voluntarily worked out. There are parallel provisions dealing with inequities.

"More specifically, the policy provides that the National Wage Stabilization Board shall approve any future wage increase which conforms with these established patterns, and that OPA shall grant price relief when approved wage increases cause hardship to an employer.

"To expedite the administration of this policy, the Office of Economic Stabilization has been re-established and both the National Wage Stabilization Board and the Office of Price Administration have adopted streamlined procedures. The Wage Stabilization Board will give pre-approval of wage adjustments to the maximum extent possible. As the Board is able to identify industries and areas where wage patterns have been established, it will issue orders giving prior approval to any wage increase conforming to the indicated pattern. By this means, both management and la-

bor will be informed in advance of the limits to which their wage bargaining can go and the number of individual cases that come to the Board will be reduced.

"The Office of Price Administration has also streamlined its procedures in line with the new policy. Priority is given to industry-wide adjustments, this being the most efficient and expeditious way of handling large numbers of individual cases at once. Similar priority is being given to acute supply emergencies, both industry-wide and in individual firms, and to actions to stimulate larger output of low priced goods. Methods have been developed for quickly adjusting data already on hand to reflect current operating conditions, and simplified forms for telegraphic response have been designed for use where additional data are indispensable.

"In the case of some products of lesser importance in the economy, simple formulas have been adopted for interim price action covering industries or groups of firms where adequate information for final action is lacking.

"As a means of concentrating its limited manpower on the more important cases, OPA is also endeavoring to work out a program to exempt from price control additional commodities which are not significant in the cost of living or in business costs, and to provide for some extension of automatic self-pricing by business in commodity fields where uniform pricing was not the rule and where looser pricing methods would not substantially threaten general economic stability.

"The result of such streamlining were illustrated by the rapid handling of price adjustments in basic steel and the steel processing and fabricating industries. Price increases covering the whole field of basic steel products were issued within two weeks after adoption of the new wage-price policy and the settlement of the steel wage issue. By the third week in March, additional price adjustments had been made for 10 major branches of steel processing and fabrication and for miscellaneous machinery products in which steel was a large element of cost.

"This wage-price policy is designed to meet the needs of the country while inflationary pressures continue. The adoption of the 'pattern' standard for wage adjustments should provide sufficient flexibility to enable employers and employees to bargain more effectively over wages. Granting price relief to industries and firms who are experiencing hardship will enable them to produce needed goods at a reasonable profit. The effect of the revised policy on living costs as a whole should be small. If work stoppages and plant shut-downs are at a minimum in the months ahead, supply will gradually begin to approach demand in industry after industry. As this occurs, controls can be removed."

As to the outlook for the future, Mr. Snyder states boldly that "we have reason to be optimistic about the future. The stresses and strains to which our economy has been subjected since V-J Day have proved it is healthy and resilient. Behind the headlines about the more dramatic work stoppages, steady progress has been made; mass production of many peacetime goods has been attained. As we continue to go forward we must keep our goals firmly in mind and settle our future problems, as we have those of the past quarter, in the light of the objectives the Nation has set—high production, a sustained high level of employment, and increased opportunity for business, workers, and farmers to derive the benefits of a steadily rising standard of living.

"We have some of the tools we need. On Feb. 20 the President signed the Employment Act of

1946, which establishes a long-range national policy of promoting maximum employment, production, and purchasing power. Before this policy became law, it was discussed thoroughly in committee and on the floor of the Senate and the House of Representatives, as well as by industry, labor, agriculture, State and local governments, and individual citizens. Under this act, the Nation now has an effective implement to foster the free and efficient functioning of our competitive system.

"The Employment Act directs the establishment in the Executive Office of the President of a Council of three economic advisers whose responsibility it will be to analyze and interpret economic developments, to appraise programs and activities of the Government in the light of the declared national policy, and to formulate and recommend national economic policy. The President will make an annual economic report to the Congress. A Joint Committee of both Houses will consider the recommendations of the report.

"In this way, the Executive and Legislative branches of our Government will have at their joint disposal timely and authoritative information on economic developments and economic trends, on the basis of which careful plans can be laid to meet changing needs of production and employment."

## War Claims Paid by Life Insurance Co's

Payment last year of \$129,520,000 in death benefits under life insurance policies owned by members of the armed forces brought to nearly \$290,000,000 the total of such war claims paid by American life insurance companies since the start of the war, the Institute of Life Insurance reported on Feb. 28. Last year's war claims numbered 108,900, bringing the total for the entire war to 243,700.

"These war claim payments were of great benefit to the families and dependents of members of the armed forces who died in service, substantially supplementing benefits received from National Service Life Insurance," the Institute said. "They did not, however, represent a large percentage of total policy claim payments by the companies. During 1945, when war claim payments were at their peak, they amounted to only about 10% of total life insurance death benefit payments, and for the war period as a whole, to only 6% of aggregate death benefits paid in the four years. As a matter of fact, the ratio of total death benefits paid to total life insurance in force was practically the same in 1945 as in 1941, in spite of the 10% additional war claim payments."

Analyzing the war claims paid by life insurance companies in the four years, the Institute reports that battle deaths accounted for 71% of total death claims on service men and women, while accidental deaths, in large part the result of wartime activities, accounted for an additional 22%. Only 7% of the war claims on service men were due to disease deaths. The claims were as follows: battle deaths, 173,900; accident and other external causes, 54,000; disease, 15,800. The total benefits paid were: \$185,440,000 from battle deaths; \$74,090,000 from accidents; and \$30,370,000 from disease.

Of the aggregate war claims, \$225,560,000 were under 109,400 ordinary or group life insurance claims; \$64,340,000 were under 134,300 industrial life insurance claims.

## The State of Trade

(Continued from page 1982)

steel companies having 94% of the steel capacity of the industry will be 78.3% of capacity for the week beginning April 8, compared with 89.4% one week ago, 83.6% one month ago and 94.3% one year ago. This represents a decrease of 8.8 points or 10.1% from the previous week.

This week's operating rate is equivalent to 1,379,900 tons of steel ingots and castings and compares with 1,535,000 tons one week ago, 1,473,400 tons one month ago and 1,728,100 tons one year ago. Last week's rate, originally estimated at 89.4%, has been revised to 87.1%, equal to 1,535,000 tons.

**Electrical Production**—The Edison Electric Institute reports that the output of electricity decreased to 3,992,283,000 kwh. in the week ended March 30, 1946, from 4,017,310,000 kwh. in the preceding week. Output for the week ended March 30, 1946, was 7.8% below that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 176,500,000 kwh. in the week ended March 31, 1946, compared with 160,300,000 kwh. for the corresponding week of 1945, or an increase of 10.1%. Local distribution of electricity amounted to 174,900,000 kwh., compared with 158,800,000 kwh. for the corresponding week of last year, an increase of 10.1%.

**Railroad Freight Loadings**—Car loadings of revenue freight for the week ended March 30, 1946, totaled 809,142 cars, the Association of American Railroads announced. This was an increase of 4,536 cars (or 0.6%) above the preceding week and 26,858 cars, or 3.2% below the corresponding week for 1945. Compared with the similar period of 1944, an increase of 23,036 cars, or 2.9%, is shown.

**RR. Earnings in February**—Class 1 railroads of the United States in February, 1946, had an estimated net income, after interest and rentals of \$26,000,000 compared with \$37,378,247 in February, 1945, according to reports filed by the carriers with the Association of American Railroads. In the first two months of 1946, estimated net income, after interest and rentals of \$60,000 compared with \$76,424,773 in the corresponding period of 1945.

The roads in February, 1946, had a net railway operating income, before interest and rentals of \$57,813,966 compared with \$74,663,603 in February, 1945. In the first two months of 1946 a net railway operating income, before interest and rentals, amounted to \$128,659,362 compared with \$150,705,753 in the same period of 1945.

In the 12 months ended Feb. 28, 1946, the rate of return on property investment averaged 2.98% compared with a rate of return of 3.89% for the like period of 1945.

Total operating revenues in the first two months of 1946 amounted to \$1,220,013,905 compared with \$1,463,316,074 in the same period of 1945, or a decrease of 16.6%. Operating expenses in the first two months of 1946, amounted to \$940,280,172 compared with \$1,029,503,729 in the similar period of 1945, or a decrease of 8.7%.

Forty class 1 railroads failed to earn interest and rentals in the first two months of 1946, of which 19 were in the Eastern district, six in the Southern region, and 15 in the Western district.

**Paper and Paperboard Production**—Paper production in the United States for the week ending March 30 was 104.9% of mill capacity, against 105.0% in the preceding week and 88.9% in the like 1945 week, according to the American Paper & Pulp Association. Paperboard output for the current week was 100%, compared with 99% in the preceding

week and 100% in the like 1945 week.

**Second Quarter Car Loadings**—Freight car loadings in the second quarter of 1946 are expected to be 4.2% below those in the same period in 1945, according to estimates just compiled by the 13 Shippers Advisory Boards and made on Friday of last week.

On the basis of those estimates, freight car loadings of the 30 principal commodities will be 7,425,589 cars in the second quarter of 1946, compared with 7,753,496 actual car loadings for the same commodities in the corresponding period in the preceding year. Five of the thirteen Shippers Advisory Boards estimate an increase in carloadings for the second quarter of 1946 compared with the same period in 1945 and eight estimate decreases.

**Business Failures Continue Low**—Although a little higher than in the previous week, commercial and industrial failures in the week ending April 4 were not as numerous as in the comparable week of last year, reports Dun & Bradstreet, Inc. Nineteen concerns failed, as compared with 18 a week ago and 23 in the corresponding week of last year. In a 12-week period, this was the third time, and the second consecutive week, in which concerns failing have fallen below the 1945 level.

Two-thirds of the week's failures involved liabilities of \$5,000 or more. Concerns failing in this group increased from 10 a week ago to 13 in the week just ending and exceeded the nine occurring in the same week of last year. On the other hand, small failures with losses under \$5,000 were only down slightly from a week ago but fell far short of those last year, amounting to less than one-half the number in the corresponding week of 1945.

Concerns failing this week were most numerous in manufacturing where failures were four times as high as in any other trade or industry group. In fact, manufacturers were the only group to report more failures than in the previous week, and, as well, a larger number than a year ago. Failures in retail trade, down to three in the week just ended, were only about one-fourth the number occurring in the comparable week of 1945.

A marked concentration of failures appeared in the Pacific States, accounting for almost half the week's failures and, compared with the previous week, the Pacific States represented the only region where failures were up by more than one or two.

Three Canadian failures were reported as compared with two both in the previous week and in the corresponding week of 1945.

**Wholesale Commodity Price Index**—A continuous rise since the beginning of the year, amounting to 3.9%, has lifted the Dun & Bradstreet daily wholesale commodity price index for April 2 to a new postwar high of 188.99. The gain over the comparable 1945 figure of 176.63 was equal to 7.0%.

With continued heavy demands noted, both for domestic and export account, the tight situation in leading grains showed no improvement and prices with few exceptions held firmly against permissible ceilings. Extreme tightness ruled in the flour trade as a result of the rapid disappearance of visible stocks and small country offerings of that grain which may force a number of mills to shut down or curtail operations. An amendment to the Department of Agriculture wheat conservation order was issued on Monday of last week, limiting wheat inventories of flour millers and feed manufacturers to a 30-day supply.

Arrivals of cocoa are currently running at a heavy rate but offerings from primary markets, already on a restricted basis, have

shown a further tightening due to the announcement of reduced allocations to the United States for the year ending next Sept. 30. Hogs cleared easily at steady prices. Receipts increased slightly in the week and were well above a year ago. Demand for lard and pork fats continued active. Prices remained at ceilings and despite expanded hog marketings, available stocks have not increased to any appreciable extent.

Cotton values last week again moved sharply upward. Substantial advances were shown for the week despite some easiness which followed the establishment of new 22-year highs last Friday. Inflationary forces, aided by Washington development designed to increase the farm-parity level, continued to the fore and acted as a stimulus to prices. Sales volume held to moderate proportions with traders generally showing caution pending announcement of the new margin order by the OPA. In line with expectations, the Department of Agriculture announced a rise of 43 points in the parity price of cotton to 22.20 cents per pound as of March 15, which compares with 21.45 cents at the beginning of the current crop season. Cotton registrations under the export program, totaling 175,542 bales the week ended March 23, broke all previous records. Aggregate registrations since the program was instituted in 1944 amounted to 1,628,743 bales.

Business in domestic wools in the Boston market during the past week was quite active with total volume consummated only slightly under the average for the previous three weeks. Buying, as for some months past, was chiefly for the account of woolen manufacturers, with top-makers showing little interest in domestic wools. Trading in foreign wools was slower, due partly to a normal falling off in offerings at this time of year and to inferior types of wools offered. Arrivals of foreign wools continued in excess of the total rate of consumption of raw wools. An aggregate of 18,134,600 pounds were received at Eastern ports during the week ending March 22. Practically all arrivals were sold previous to shipping dates.

**Wholesale Food Price Index At New Peak**—An advance of 1 cent in the latest week brought the Dun & Bradstreet wholesale food price index for April 2 to \$4.19, representing a new high level since Oct. 7, 1920, when it stood at \$4.24. The current figure compares with \$4.10 at this time a year ago, a gain of 2.2%. Higher quotations for rye, sheep and lambs contributed to this week's rise. The index represents the sum total of the price per pound of 31 foods in general use.

**Wholesale and Retail Trade**—Retail volume continued to rise this week and was well above that of last week and the corresponding week a year ago, according to Dun & Bradstreet, Inc. in its current survey of trade. The demand for seasonal items increased generally and larger selections were more usual.

Retail food volume was slightly lower this week than last week and it remained well above that of last year. Fish and poultry supplies were adequate with meat selections becoming more limited than during the previous several weeks. Spinach, celery, cabbage and snap beans were generally the most abundant of the fresh vegetables. Oranges and grapefruit continued to appear most frequently in the fresh fruit line. The butter and vegetable oil shortage remained acute.

Spring apparel continued to attract much attention with children's departments receiving a large share of this interest. Slightly larger selections of men's suits tended to stimulate consumer interest but stocks of shirts remained low. Interest in women's suits and coats was very high, but

blouses and millinery commanded much attention and buying was brisk in most handbag and glove departments. The advent of warm weather tended to discourage consumer interest in furs, as seasonal interest in fur storage was becoming apparent in many localities.

Selections of hard goods were slightly larger this week. Interest centered mainly on electrical appliances and metal goods that had been difficult to obtain during the war. Supplies continued to be limited somewhat. Furniture departments reported that consumer buying had declined this week but remained well above that of a year ago. Interest in floor coverings remained high. Garden furniture and supplies were growing in popularity. Limited selections of sport equipment such as golf clubs and balls, tennis rackets, and fishing rods discouraged many consumers.

Retail volume for the country was estimated to be from 12 to 16% over the corresponding week a year ago. Estimates of regional percentage increases were: New England 8 to 12, East 18 to 21, Middle West 6 to 10, Northwest 15 to 19, South 17 to 20, Southwest 10 to 14 and Pacific Coast 5 to 9.

Wholesale volume this week was moderately above that of the corresponding week a year ago and was about even with that of last week. Inventories generally remained low, with the volume of back orders reported to be more than 30% over that of a year ago covering a wide variety of goods.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended March 30, 1946, increased by 12% above the same period of last year. This compared with a like increase in the preceding week. For the four weeks ended March 30, 1946, sales increased by 13% and for the year to date by 15%.

Retail trade in New York a week ago rose to the highest levels of the year. As Easter purchases gained rapid momentum, department store sales were estimated as 45 to 50% ahead of the like week last year, which, however, was the post-Easter period. The volume for apparel specialty, shoe and variety shops showed substantial seasonal gains. Food sales in the week were strong but tapered slightly due to shortages.

The primary textile markets were confronted with another Government regulation which again halted selling ahead. The regulation, M-317A, covering second quarter set-aside of cottons, created new problems for apparel manufacturers in obtaining sufficient materials to meet their needs.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to March 30, 1946, increased 18% above the same period last year. This compared with an increase of 18% (revised figure) in the preceding week. For the four weeks ended March 30, 1946, sales rose by 19% and for the year to date by 22%.

## From Washington Ahead of the News

(Continued from first page)

fields, the so-called company doctor, etc., they realized it would always be the subject of agitation, therefore John could just take over the administration of it.

Had John grabbed up this offer he would certainly have had something with which to crow over Phil Murray. He would have achieved the same wage increase as the CIO, and other concessions without a single day's loss of work on the part of his members. The operators thought surely this would appeal to him. But John seemed determined to pull a strike. To those Washington observers who have been the friendliest to him, his present attitude is inexplicable. There seems no escaping the fact that he is willing to sacrifice everything to keep his name in the headlines.

The operators, however, are not amazed at their experience. They have been having experiences with him for a long time. But what is giving them some bewilderment is the advice they are getting in high and low Washington circles alike, to the effect that now is the time to wreck John L. and get rid of him for once and all. Some of this advice is coming to them from right authoritative quarters. Having been kicked around since early 1933 as no other group of people, the seeming friendship which they now find on all sides baffles them. To the chorus that they put John in his place has been added the voice of Harold Ickes. The Leftist press generally wants this done.

It is a funny and most unusual position for the operators to be in. They frankly don't know what to do about it. To put John L. in his place means, of course, to fight it out with him and break the strike. None of them with whom this writer has talked seems in the slightest disposed to do this. Just as they winced under the denunciations which they used to get from the "friends of labor," so they are now wincing at the advice being given to them.

The facts, as they realize, are that the forces which have built up these Big Shots have done such a good job, that it is most difficult, if not well nigh impossible

to tear them down. In the wave of strikes which we have had since VJ-day, many of them of long duration, the strength of no single union seems to have been impaired. The Yale and Towne and GM strikes are cases in point.

There is a serious question today whether a strike can be broken. In the case of coal the only thing for the operators to do, or so they think, would be to sit it out and wait until the miners are hungry enough to return. Even then, on the basis of recent strikes, they would return under the banner of John L. Formerly, the operators could have reopened their mines after a week or so and recruited labor from around the country. When the miners saw this labor going into the mines they would break and go back to work themselves. And they would go back under non-union auspices. Nowadays, it is against the law to recruit labor to break a strike from outside the State. It is highly significant that in none of the recent strikes, insofar as we have the record, did the company try to continue to operate. The workers went on strike and the company simply shut down. In the case of the mines, picket lines are not even thrown up any more. Strikes have come to be 100% efficient.

In the coal strike, you would think the workers would be highly indignant at being called out when it was utterly unnecessary. But the operators are authority for the statement that they aren't. They rather like to take a lay-off in the spring to go squirrel hunting and fishing. They look upon the present strike as good clean fun. It is rather a commentary on the propaganda picture we have been getting of them as poor downtrodden people. What we are getting now is a clear cut picture that they are wholly improvident as a rule, when they get a few dollars in their pockets they want to loaf.

# World Leadership Means Military Preparedness: Truman

(Continued from first page)

ship or manpower. Of the 850,000 officers who led it in war only 16,000 were professional soldiers. Of the 10,000,000 men and women who at some time served in it, only 300,000 were regulars.

This Army Day is a fitting day for us to look thankfully at the past and hopefully to the future.

Our Army of democracy—of every walk of life, of every faith, of every national descent—was victorious over the professional armies of the dictators who had scorned us as too soft and too cowardly to fight. The survival of a free civilization is the reward for the struggle and battles of the men of our fighting forces.

No one can think of the great American Army without thinking of those leaders of victory, those commanding officers, who now take their place in history with the immortals of the past. And the Army itself as well as the American people will always remember the inspiration, leadership, courage and determination which came from that gallant warrior in the White House—Franklin D. Roosevelt.

The past is history. It is the future to which we must turn our thoughts and energies now. What of the world on the Army days to come? What of the future of mankind in the atomic age which is upon us?

Let us look clearly at today and tomorrow. The facts are plain, and I think our course is also plain.

The United States today is a strong nation; there is none stronger. This is not a boast. It is a fact which calls for a solemn thought and due humility. It means that with such strength, we have to assume leadership and accept responsibility. It would be a tragic breach of national duty and international faith if, consciously or carelessly, we permitted ourselves ever to be unprepared to fulfill that responsibility.

## Determined to Remain Strong

We still have much to do. We are determined to remain strong.

We still have all the duties of the armies of occupation. We still have to do our share in supervising former enemy governments, enforcing the peace terms, disarming and repatriating enemy troops, taking care of hundreds of thousands of displaced persons. We still have to service and supply all our troops overseas. We still have to protect and preserve American property all over the world. We still have to destroy the war materiel and the war-making industries of our enemies.

But far and above all those things, we must remain strong, because only so long as we remain strong can we ensure the peace of the world. Peace has to be built on power for good. Justice and good will and good deeds are not enough. We cannot on one day proclaim our intention to prevent unjust aggression and oppression in the world, and on the next day call for immediate scrapping of our military might.

We must remain strong, not because we plan or want to impose our views upon the world by force, or do battle with any nation. We must remain strong in order to retain our leadership, and, with all our resources, exercise that leadership on behalf of a world of peace and harmony among all nations and all peoples. That is not only our moral duty; it is a firm obligation which we have undertaken as a member of the United Nations.

## Proposals for Military Strength

From the military point of view, how can we best maintain

this strength and leadership? I have, during the last year, given what I consider appropriate answers to that question, to the Congress and to the nation. Because time passes quickly, and because delay is itself a process of decay, I emphasize those answers again today.

They are: First, unification of all our armed services in a single department; second, temporary extension of the selective service act; third, universal training.

Unification does not mean subordination of any branch of the service. It does not mean a loss of identity. It means just what the word says—unification. It means a concentration and cohesion of our best military thought and our best military resources, geared to maximum efficiency. It means using our experience in World War II for the peace of the world.

I hope that the second objective will very soon be achieved in the Congress—the extension of the Selective Service Act. We have won the war; we must now make the victory secure. Victorious nations cannot, on the surrender of a vicious and dangerous enemy, turn their backs and go home. Wars are different from baseball games where, at the end of the game, the teams get dressed and leave the park. In wars the victors must make sure that there will not be recurrence of enemy aggression and tyranny. Tyranny must be rooted out from the very soul of the enemy nation before we can say that the war is really won.

The American people recognize that fact. But the process is long and exacting. It requires an army of many men. And that army of many men can be continuously and adequately supplied for another year only by the Selective Service Act.

If the act is not extended beyond the next month, when it will otherwise expire, we face these alternatives: Either we shall have to keep men indefinitely in foreign lands who, by reason of long service, are justly entitled to come home to their families, or we shall turn our backs upon the enemy before the victory is finally assured.

Justice to the men still in the armed forces, justice to all our people and to civilization itself, forbids the choice of either of these alternatives. And the Congress, I am sure, will not choose either.

The third essential of a strong America is a program of universal training. Let us understand this clearly. Universal training is not conscription. It does not mean that our young men would have to serve in the Army or Navy for any period during peace time. They remain citizens and civilians unless the Congress declares an emergency and calls upon them to serve in the armed forces with other citizens.

What is proposed is that each individual be trained and fitted by his nation to take his place if war unhappily should ever come again.

It is no answer to say that we do not need a large army in the atomic age. No one knows yet precisely what we shall need—in terms of infantry, artillery, pilots, paratroopers, ships, radar, planes, rockets or bombs.

We do not know this: Modern war calls for the total mobilization of all men and all energies. We know, too, that we are not likely again to be given two years or more by heroic allies to get ready. Next time—if there must

be a next time—we are likely to be the first target.

And so on short notice, each man must be ready to take his place and go forward—not at the end of a few months, or a few years, but immediately. Otherwise it may be too late.

There is only one way that each man can be ready. That way is by training ahead of time. He will not be trained to do things which are obsolete. He will be trained to do only whatever is required in modern warfare. A nation whose people want it to be a leader, to be a bulwark against tyranny and oppression, surely cannot expect less of its people than that they be made ready to fight or to work to preserve the nation.

Unification of the armed forces, temporary extension of the Selective Service Act, and a universal training program—those are the foundation stones which hold the promise of a strong nation. They are essential if we are to maintain our leadership on the road to peace and freedom.

## Root of Our Foreign Policy

For the desire for peace and freedom is the very root of our foreign policy. I stated the fundamental foreign policy of the United States in New York City on Navy Day last October and in my message to the Congress Jan. 21, 1946. That policy remains the same today. It is based squarely upon the pursuit of peace and justice; and it definitely rejects any selfish advantage for ourselves.

The immediate objective of our foreign policy is to support the United Nations to the utmost.

It is my conviction that the Security Council of the United Nations, now meeting in New York City, is fully capable of reaching agreements between the peoples of the world—however different their traditions and philosophies, and however divergent their interests. The essential requirements to that end are that its member nations follow the dictates of justice, that they consider and respect the legitimate aspirations and needs of their fellow members.

All citizens of the United States worthy of the honor of that citizenship are determined to preserve our democratic form of Government. They will not, on the other hand, interfere in any way with the Governments of other peace-loving people.

Peace is not a reward that comes automatically to those who cherish it. It must be pursued, unceasingly and unwaveringly, by every means at our command.

In the pursuit of peace, there is no single path. We must have a policy to guide our relations with every country in every part of the world. No country is so remote from us that it may not some day be involved in a matter which threatens the peace. Remember that the First World War began in Serbia; that the peace of Versailles was first broken in Manchuria; and that the Second World War began in Poland. Our foreign policy must be universal.

## Policy in Far East

In the Far East our program for peace is designed to combat and remedy the conditions that made it possible for Japan to turn upon her neighbors. We have disarmed Japan, and are promoting reforms which we hope will bring into being a democratic and peaceful nation. But the control and reform of Japan is only a beginning. In the Far East, as elsewhere, we shall encourage the growth and spread of democracy and civil liberties.

In Korea we are even now working with our Soviet allies and with Korean leaders to create a provisional democratic government. Our aim is to speed the day when Korea will again take her

place as an independent and democratic nation.

In China we are supporting a free and democratic government. Through the wise counsel of General Marshall the Chinese leaders are on the road to achieve political unity by peaceful democratic processes.

The Philippine Commonwealth, on July Fourth next, will become a fully sovereign and independent nation. We hope for the peaceful settlement of the differences which have arisen between colonial peoples and colonial sovereigns in all areas.

The roots of democracy, however, will not draw much nourishment in any nation from a soil of poverty and economic distress. It is a part of our strategy of peace, therefore, to assist in the rehabilitation and development of the Far Eastern countries. We seek to encourage a quick revival of economic activity and international trade in the Far East. To do that we stand ready to extend credits and technical assistance to help build the peace.

We recognize that the Soviet Union, the British Commonwealth, and other nations have important interests in the Far East. In return we expect recognition by them that we also have an interest in maintaining peace and security in that area. We expect understanding on their part that our objectives are dedicated to the pursuit of peace and we shall expect them to pursue the same objectives.

## Our Policy in Near East

Turning to the Near East and Middle East, we find an area which presents grave problems. This area contains vast natural resources. It lies across the convenient routes of land, air and water communications. It is consequently an area of great economic and strategic importance, the nations of which are not strong enough individually or collectively to withstand powerful aggression.

It is easy to see, therefore, how the Near and Middle East might become an area of intense rivalry between outside powers, and how such rivalry might suddenly erupt into conflict.

No country, great or small, has legitimate interests in the Near and Middle East which cannot be reconciled with the interests of other nations through the United Nations. The United Nations have a right to insist that the sovereignty and integrity of the countries of the Near and Middle East must not be threatened by coercion or penetration.

If peace is to be preserved and strengthened in this important section of the world, however, we can not be content merely to assure self-government and independence. The people of the Near and Middle East want to develop their resources, widen their educational opportunities and raise their standards of living. The United States will do its part in helping to bring this about.

## Policy Toward Europe

Turning to Europe, we find her suffering the terrible pangs of hunger and privation. Economic reconstruction is first of all a task for the people and the governments of Europe. Help from outside, however, will quicken the pace of reconstruction and reduce the cost in human misery. The United States is in a position to help; we are helping now, and we shall continue to help.

We shall help because we know that we ourselves cannot enjoy prosperity in a world of economic stagnation. We shall help because economic distress, anywhere in the world is a fertile breeding ground for violent political upheaval. And we shall help because we feel it is simple humanitarianism to lend a hand to our friends and allies who are con-

valescing from wounds inflicted by our common enemy.

Food is Europe's most critical need. It is not enough to share our surpluses, for to share surpluses is not really to share at all. No worthy American will hesitate to reduce his own consumption of food when the food so released will avert starvation abroad.

Next to food, Europe's greatest need is for machinery and raw materials to rehabilitate her transportation systems, her mines, and her factories. We have been supplying these products to Europe on long-term credit and we shall continue to do so. Billions of dollars for reconstruction have been made available by the Congress through the Export-Import Bank and through the International Bank.

## Groundwork for World Trade

We seek to lay the groundwork of a world-trading system which will strengthen and safeguard the peace. We want no return to the kind of narrow economic nationalism which poisoned international relations and undermined living standards between the two world wars.

The Congress is now considering, and I hope will soon approve, the financial agreements with Great Britain. These arrangements have not been made merely to support a faithful ally. They are of vital importance to our own country as a means of opening the channels of world trade to American enterprise.

We shall work to achieve equal opportunity in world trade, because closed economic blocs in Europe or any place in the world can only lead to impoverishment and isolation of the people who inhabit it.

We shall press for the elimination of artificial barriers to international navigation; in order that no nation, by accident of geographic location, shall be denied unrestricted access to seaports and international waterways.

## The Western Hemisphere

The American republics propose to settle differences between the nations of the Western Hemisphere as good neighbors by consultation in the common cause of peace and national well-being—consultation in which all of them will have equal representation. The United States intends to join with other sovereign republics of America in a regional pact to provide a common defense against attack.

Perhaps the greatest challenge which the war has bequeathed to us is the control of atomic energy so that this vast new force may not destroy, but instead may serve, mankind. Our country has joined with all the United Nations in a determined effort to devise international action which will achieve these ends. We are pressing on steadfastly in this task. We realize that we must bring to it political imagination, as great as the scientific genius which unleashed this new force. The same unswerving determination and effort which produced the release of atomic energy can and will enable mankind to live without terror and reap untold benefits from this new product of man's genius.

I am not pessimistic about the future. I have confidence that there is no international problem which cannot be solved if there are the will and the strength to solve it through the United Nations which we have all created.

We attained overwhelming victory in close union with the free and peaceful nations of the world. In the same kind of union with them, and with the help of the same heroic men and women who fought the war and whom we honor today, we can attain a lasting peace.

## National Fertilizer Association Commodity Price Index Again Advances to New High Level

The weekly wholesale commodity price index compiled by The National Fertilizer Association, and made public on April 8 advanced 0.6% to 145.7 in the week ended April 6, 1946, from 144.9 in the preceding week. This is the fifth consecutive week in which the index has risen to new high peaks. The index is now only 7.4% higher than it was at the beginning of May 1943 when the "hold-the-line" order became effective. A month ago the index stood at 142.9, and a year ago at 140.2, all based on the 1935-1939 average as 100. The Association's statement further goes on to say:

Of the four component groups of the index that advanced during the latest week the fuel group showed the greatest gain and was principally responsible for the increase in the general index. The fuel index advanced 2.6% because of a 10-cent rise in the price of crude petroleum at the wells. The farm product index advanced to a new high point; the cotton index again advanced to a new high peak, and the livestock subgroup advanced due to higher prices for good cattle, lambs, sheep and poultry. The quotations for timothy hay at New York declined. The textile group advanced, reaching a new high level. The metal index advanced slightly because of higher quotations for copper sheets. There was a small decline in the miscellaneous commodities group due to a decline in the price for leather. The small increase in the price of dressed fowl was not sufficient to change the food index. All of the remaining groups of the composite index remained unchanged.

During the week nine price series in the index advanced and two declined; in the preceding week six advanced and one declined; in the second preceding week 16 advanced and none declined.

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

Each Group Bears to the Total Index	Group	Latest Preceding		Month Ago	Year Ago
		Week	Week		
		Apr. 6, 1946	Mar. 30, 1946	Mar. 9, 1946	Apr. 7, 1945
25.3	Foods	144.0	144.0	141.6	141.8
	Fats and Oils	147.4	147.4	146.6	145.3
	Cottonseed Oil	163.1	163.1	163.1	163.1
23.0	Farm Products	175.0	174.0	172.4	166.4
	Cotton	264.1	259.0	253.8	207.4
	Grains	173.4	173.4	173.2	162.8
	Livestock	161.3	160.7	159.5	161.1
17.3	Fuels	131.7	128.4	126.5	130.4
10.8	Miscellaneous commodities	133.8	134.3	133.9	133.7
8.2	Textiles	166.9	166.1	161.3	156.1
7.1	Metals	117.2	117.1	116.9	104.7
6.1	Building materials	167.8	167.8	162.5	154.2
1.3	Chemicals and drugs	127.2	127.2	127.2	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	105.3	105.3	105.2	104.8
100.0	All groups combined	145.7	144.9	142.9	140.2

\*Indexes on 1925-1928 base were: April 6, 1946, 113.5; March 30, 1946, 112.9, and April 7, 1945, 109.2.

## Electric Output for Week Ended April 6, 1946 7.7% 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 April 6, 1946, was 3,987,673,000 kwh., which compares with 4,322,794,000 kwh. in the corresponding week a year ago, and 3,992,283,000 kwh. in the week ended March 30, 1946. The output for the week ended April 6, 1946 was 7.7% below that of the same week in 1945.

PERCENTAGE DECREASE UNDER SAME WEEK LAST YEAR

Major Geographical Divisions	Week Ended			
	April 6	March 30	March 23	March 16
New England	1.0	2.7	6.1	4.2
Middle Atlantic	0.2	1.4	3.6	3.0
Central Industrial	11.6	13.6	13.6	13.5
West Central	2.5	0.2	0.7	1.2
Southern States	9.4	8.4	8.9	9.9
Rocky Mountain	84.7	83.8	84.0	81.2
Pacific Coast	12.2	10.0	10.8	13.4
Total United States	7.7	7.8	8.7	9.3

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended	1946		% Change under 1945	1944	1932	1929
	1946	1945				
Jan. 5	3,965,362	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	3,948,620	4,472,298	-11.7	4,511,562	1,512,158	1,699,250
Feb. 23	3,922,796	4,473,962	-12.3	4,444,939	1,519,679	1,706,719
March 2	4,000,119	4,472,110	-10.6	4,464,686	1,538,452	1,702,570
March 9	3,952,539	4,446,136	-11.1	4,425,630	1,537,747	1,697,229
March 16	3,987,877	4,397,529	-9.3	4,400,246	1,514,553	1,683,262
March 23	4,017,310	4,401,716	-8.7	4,409,159	1,480,208	1,679,589
March 30	3,992,283	4,329,478	-7.8	4,408,703	1,465,076	1,633,291
April 6	3,987,673	4,321,794	-7.7	4,361,094	1,480,738	1,696,543
April 13	4,332,400	4,332,400		4,307,498	1,469,810	1,709,331
April 20	4,411,325	4,411,325		4,344,188	1,454,505	1,699,822
April 27	4,415,889	4,415,889		4,336,247	1,429,032	1,688,434

## Cotton Spinning for Feb.

The Bureau of the Census announced on March 21 that, according to preliminary figures, 23,769,140 cotton spinning spindles were in place in the United States on Feb. 28, 1946, of which 21,628,796 were operated at some time during the month, compared with 21,629,882 in January, 21,551,960 in December, 21,605,060 in November, 21,721,792 in October, 21,911,746 in September, 22,170,180 in August, and 22,219,696 in July, 1945. The aggregate number of active spindle hours reported for the month was 8,497,233,222, an

average of 357 per spindle in place, compared with 7,732,919,207, an average of 325 per spindle in place, for last month and 9,955,968,062 an average of 386 per spindle in place, for Feb. 1945. Based on an activity of 80 hours per week, cotton spindles in the United States were operated during Feb. 1946 at 113.1% capacity. The percent, on the same activity basis, was 110.7 for January, 101.5 for December, 104.6 for November, 105.0 for October, 111.8 for September, 100.5 for August, and 122.1 for Feb. 1945.

## Moody's Bond Prices and Bond Yield Averages

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

1946— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
April 9	125.86	120.02	123.99	122.29	119.61	114.46	117.60	120.43	121.88
8	125.89	120.02	123.99	122.29	119.61	114.46	117.60	120.22	122.09
6	125.92	120.02	123.99	122.29	119.61	114.46	117.60	120.22	122.09
4	125.92	120.02	123.99	122.29	119.61	114.46	117.60	120.43	122.29
2	125.92	120.02	123.99	122.29	119.61	114.46	117.60	120.43	122.09
1	125.64	119.82	123.99	122.29	119.41	114.27	117.40	120.22	122.09
Mar. 29	125.61	119.82	123.99	122.29	119.41	114.27	117.40	120.22	122.09
22	125.74	119.82	123.77	122.29	119.41	114.08	117.20	120.22	122.09
15	125.70	119.82	123.77	122.29	119.20	114.27	117.00	120.22	122.29
8	125.86	119.82	123.56	122.50	119.20	114.46	116.80	120.43	122.29
1	125.84	119.61	123.56	121.88	119.20	114.27	116.61	120.22	122.09
Feb. 21	126.02	120.22	123.34	121.88	119.00	114.27	116.41	120.22	122.09
15	126.14	119.61	123.56	121.88	119.20	114.27	116.80	120.02	122.29
8	126.15	119.61	123.34	121.88	119.20	114.27	116.41	120.22	122.29
1	126.05	119.20	123.34	121.46	118.80	113.50	115.82	119.41	122.29
Jan. 25	126.28	119.00	123.12	121.25	119.00	113.31	115.63	119.41	122.09
18	126.06	118.60	122.50	120.84	118.60	112.93	115.24	118.80	121.88
11	126.11	118.20	122.09	120.63	118.20	112.56	115.04	118.40	121.46
4	125.18	117.80	121.67	119.82	117.60	112.37	114.66	117.80	120.84
High 1946	126.28	120.02	124.20	122.50	119.61	114.46	117.60	120.43	122.50
Low 1946	124.97	117.60	121.46	119.82	117.40	112.19	114.46	117.80	120.63
1 Year Ago									
April 9, 1945	122.36	115.04	120.84	118.40	115.04	106.39	111.44	114.46	119.20
2 Years Ago									
April 8, 1944	119.81	111.44	118.20	116.61	111.44	100.98	104.83	113.70	116.22

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

1946— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate*	Corporate by Ratings*				Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
April 9	1.34	2.65	2.46	2.54	2.67	2.93	2.77	2.63	2.56
8	1.34	2.65	2.46	2.54	2.67	2.93	2.77	2.64	2.55
6	1.34	2.65	2.46	2.54	2.67	2.93	2.77	2.64	2.55
4	1.34	2.65	2.46	2.54	2.67	2.93	2.77	2.64	2.55
2	1.34	2.65	2.46	2.54	2.67	2.93	2.77	2.63	2.54
1	1.34	2.65	2.46	2.54	2.68	2.94	2.78	2.63	2.55
Mar. 29	1.36	2.66	2.46	2.54	2.68	2.94	2.78	2.64	2.55
22	1.35	2.66	2.47	2.54	2.68	2.95	2.79	2.64	2.55
15	1.34	2.66	2.47	2.54	2.69	2.94	2.80	2.64	2.54
8	1.34	2.66	2.48	2.53	2.69	2.93	2.81	2.63	2.54
1	1.34	2.67	2.48	2.56	2.69	2.94	2.82	2.64	2.55
Feb. 21	1.33	2.67	2.49	2.56	2.70	2.94	2.83	2.64	2.55
15	1.32	2.67	2.48	2.56	2.69	2.94	2.81	2.65	2.54
8	1.32	2.67	2.49	2.56	2.69	2.94	2.83	2.65	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	2.65	2.45	2.53	2.67	2.93	2.77	2.63	2.53
1 Year Ago									
April 9, 1945	1.64	2.90	2.61	2.73	2.90	3.37	3.09	2.93	2.69
2 Years Ago									
April 8, 1944	1.83	3.09	2.74	2.82	3.09	3.69	3.46	2.97	2.84

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

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

## Threatened Utility Strike Is Called Off Following Draft Move by Virginia Governor

The threatened strike of approximately 1,600 production and maintenance employees of the Virginia Electric & Power Co. set for April 1 was called off late on March 30 by agreement by the union and the management, according to Associated Press dispatches from Richmond, Va., which further added in part:

Governor William Tuck immediately declared an end to the emergency he had proclaimed on March 29 prior to issuing his order the following day drafting the electrical workers into the State militia in a move to maintain service.

Both parties agreed to submit all issues not already decided to arbitration. The negotiating committee of the union and the company agreed to reconvene on April 9.

The company's 1,600 workers were drafted under an obscure section of the Commonwealth of Virginia's code to prevent them from going on strike. This action was believed to be unprecedented.

In the order sent to the company's employees, Governor Tuck said:

"You are hereby notified that you have been drafted by the Governor into the service of the Commonwealth to execute the law which requires you to provide electric service to the people of Virginia.

"You are therefore ordered and commanded to report to the commanding officer, Virginia State Guard, at

### Trading on New York Exchanges

The Securities and Exchange Commission made public on April 3 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 March 16, 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 March 16 (in round-lot transactions) totaled 2,290,310 shares, which amount was 17.86% of the total transactions on the Exchange of 6,403,750 shares. This compares with member trading during the week ended March 9 of 1,931,142 shares, or 17.14% of the total trading of 5,633,730 shares.

On the New York Curb Exchange, member trading during the week ended March 16 amounted to 635,635 shares, or 14.71% of the total volume on that Exchange of 2,160,945 shares. During the week ended March 9, trading for the account of Curb members of 540,590 shares was 12.49% of the total trading of 2,163,680 shares.

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

WEEK ENDED MARCH 16, 1946		Total for Week	%
<b>A. Total Round-Lot Sales:</b>			
Short sales.....	197,460		↑%
Other sales.....	6,206,290		
<b>Total sales.....</b>	<b>6,403,750</b>		
<b>B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:</b>			
<b>1. Transactions of specialists in stocks in which they are registered—</b>			
Total purchases.....	764,450		
Short sales.....	130,580		
Other sales.....	634,640		
<b>Total sales.....</b>	<b>765,220</b>	11.94	
<b>2. Other transactions initiated on the floor—</b>			
Total purchases.....	118,850		
Short sales.....	11,900		
Other sales.....	125,370		
<b>Total sales.....</b>	<b>137,270</b>	2.00	
<b>3. Other transactions initiated off the floor—</b>			
Total purchases.....	233,402		
Short sales.....	20,410		
Other sales.....	250,708		
<b>Total sales.....</b>	<b>271,118</b>	3.94	
<b>4. Total—</b>			
Total purchases.....	1,116,702		
Short sales.....	162,890		
Other sales.....	1,010,718		
<b>Total sales.....</b>	<b>1,173,608</b>	17.88	

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

WEEK ENDED MARCH 16, 1946		Total for Week	%
<b>A. Total Round-Lot Sales:</b>			
Short sales.....	25,900		↑%
Other sales.....	2,135,045		
<b>Total sales.....</b>	<b>2,160,945</b>		
<b>B. Round-Lot Transactions for Account of Members:</b>			
<b>1. Transactions of specialists in stocks in which they are registered—</b>			
Total purchases.....	213,880		
Short sales.....	10,350		
Other sales.....	183,935		
<b>Total sales.....</b>	<b>194,285</b>	9.45	
<b>2. Other transactions initiated on the floor—</b>			
Total purchases.....	21,800		
Short sales.....	900		
Other sales.....	30,510		
<b>Total sales.....</b>	<b>31,410</b>	1.23	
<b>3. Other transactions initiated off the floor—</b>			
Total purchases.....	49,835		
Short sales.....	9,400		
Other sales.....	115,025		
<b>Total sales.....</b>	<b>124,425</b>	4.03	
<b>4. Total—</b>			
Total purchases.....	285,515		
Short sales.....	20,650		
Other sales.....	329,470		
<b>Total sales.....</b>	<b>350,120</b>	14.71	
<b>C. Odd-Lot Transactions for Account of Specialists—</b>			
Customers' short sales.....	0		
Customers' other sales.....	87,179		
<b>Total purchases.....</b>	<b>87,179</b>		
<b>Total sales.....</b>	<b>87,179</b>		

\*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."

### Civil Engineering Construction Totals \$130,933,000 for Week

Civil engineering construction volume in continental United States totals \$130,933,000 for the week ending April 4, 1946, as reported to "Engineering News-Record." This volume is 3% below the previous week, 289% above the corresponding week of last year, and 55% above the previous four-week moving average. The report issued on April 4 went on to say:

Private construction this week, \$79,870,000, is 21% below last week and 1,443% above the week last year. Public construction, \$51,123,000, is 48% above last week and 79% greater than the week last year. State and municipal construction, \$40,148,000, 93% above last week, is also 317% above the 1945 week. Federal construction, \$10,975,000, 18% less than last week and 51% less than the week last year.

Total engineering construction for the 14-week period of 1946 records a cumulative total of \$1,111,276,000, which is 168% above the total for a like period of 1945. On a cumulative basis, private construction in 1946 totals \$733,260,000, which is 546% above that for 1945. Public construction, \$378,016,000, is 42% greater than the cu-

mulative total for the corresponding period of 1945, whereas state and municipal construction, \$257,116,000 to date, is 425% above 1945. Federal construction, \$120,900,000, dropped 51% below the 14-week total of 1945.

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

	April 4, 1946	March 28, 1946	April 5, 1945
Total U. S. Construction.....	\$130,993,000	\$134,912,000	\$33,709,000
Private Construction.....	79,870,000	100,681,000	5,177,000
Public Construction.....	51,123,000	34,231,000	28,532,000
State and Municipal.....	40,148,000	20,791,000	9,621,000
Federal.....	10,975,000	13,440,000	18,911,000

In the classified construction groups, four of the nine classes recorded gains this week over the previous week as follows: waterworks, bridges, public buildings and streets and roads construction. Eight of the nine classes recorded gains this week over the 1945 week as follows: waterworks, sewerage, bridges, highways, earthwork and drainage, industrial buildings, commercial buildings and unclassified construction.

#### New Capital

New capital for construction purposes this week totals \$25,988,000, and is made up of \$11,868,000 in State and municipal bond sales and \$14,120,000 in corporate security issues. New capital for the 14-week period of 1946 totals \$383,206,000, 48% greater than the \$258,365,000 reported for the corresponding period of 1945.

### Steel Output Drops Sharply—Further Decline Expected—Coal Strike May Cause Cut Back

The national crisis and the blow to reconversion on which John L. Lewis has banked to push action on his demands for the coal miners are well on their way this week, according to "The Iron Age," national metalworking paper. "Within the next 10 days or so, the steel ingot rate will take another sharp drop which will be followed by all the unbalances and trouble in getting started again towards higher ground after the coal strike is settled" adds the same publication, which further goes on to say in its issue of today (April 11):

"The steel industry, not being a seller of coal but a large user from its own mines, has reluctantly become the focal point from which the Government will attempt to end the coal mining stoppage. The national prominence and the serious aspect of a new steel crisis followed so soon after the ending of the steel strike will be the sounding board for various attempts to end the coal impasse.

"Factually steel companies are only remotely connected, if at all, with the commercial sale of coal. Their representatives, however, must attend the negotiations between the coal operators and John L. Lewis because the wage scales agreed upon are written into the contracts which the United Mine Workers have with the "captive" coal mines owned by steel companies. Thus an industry which is not connected with the main coal controversy in a commercial way has in the past several years become the spearhead which has been involved in the ultimate settlements.

"Most major steel companies were able this week to maintain maximum activity, but an important segment of the industry has been forced rapidly to reduce its output to extremely low levels, thus bringing down the average for the country. Within two weeks those steel firms which have been able to maintain output must cut back sharply if there are no signs of a coal settlement.

"Steel users hastening the process of stepping up production of civilian goods are in for several headaches because of the tight steel situation. Optimistic schedules of operations for the immediate future will have to be trimmed sharply. Up to this week most steel consumers have held on to the belief that there was enough steel for their near-term output of autos, refrigerators and other items actively sought after by customers.

"The significance of the terrific steel loss during the steel strike is only now being realized by most steel consumers. This is made all the more serious by losses already incurred because of the coal strike and those which will materialize over the next several weeks.

"Substantially all makers of stainless steel which is not under OPA control have advanced their prices 8.2%. Whether or not this advance will stick in all cases remains to be seen. Due to competition from other materials and

facilities for galvanized sheets are scheduled to be brought into operation before next year and apparently not much such capacity. Not all existing facilities are being fully utilized at present because of lack of trained workers.

"In spite of the new construction limitation order planned to facilitate the housing program, no early material easing is expected in the position of shape mills. With substantial backlogs, practically all shape mills are quoting late second half delivery. There will be adjustments in schedules as time goes on, with less tonnage of heavy shapes, as suspension of non-residential types of construction is applied.

"Already production of consumer goods is being hampered by lack of steel and this condition is expected to become increasingly evident under present difficulties.

"Scrap shortage persists and consumers are taking all material offered. Should steelmaking be cut down for any length of time it is hoped stocks may be increased during the lull, providing material for renewed steel production after the strike.

"Several more stainless steel producers have advanced base prices and extras on all stainless products 8.2%. Action on this increase was delayed by these steel-makers for some time after other higher prices were put into effect. OPA has allowed an increase of 7% in base prices of bolts, nuts, screws and rivets, effective April 1."

### Young Named to Post in Reserve Bd's Research Div.

It was announced on March 27 by the Board of Governors of the Federal Reserve System that Ralph A. Young has been appointed as an Assistant Director of the Board's Division of Research and Statistics and assumed his new duties on March 20. Prior to joining the Board's staff, Mr. Young served for a number of years as Director of The Financial Research Program of the National Bureau of Economic Research and, concurrently, as Professor of Economics at the Wharton School of Business and Finance of the University of Pennsylvania.

### NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 3, a summary for the week ended March 23 of complete figures showing the daily volume of stock transactions for odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

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

Week Ended March 23, 1946		Total
<b>Odd-Lot Sales by Dealers—</b>		
(Customers' purchases)		For Week
Number of Orders.....	32,016	
Number of Shares.....	935,920	
Dollar Value.....	42,417,798	
<b>Odd-Lot Purchases by Dealers—</b>		
(Customers' sales)		
Number of Orders.....	137	
Customers' short sales.....	28,673	
Customers' other sales.....	28,810	
Customers' total sales.....	28,810	
Number of Shares.....	4,557	
Customers' short sales.....	804,088	
Customers' other sales.....	808,645	
Customers' total sales.....	808,645	
Dollar Value.....	35,340,867	
<b>Round-Lot Sales by Dealers—</b>		
Number of Shares.....	50	
Short sales.....	167,610	
Other sales.....	167,660	
<b>Total Sales.....</b>	<b>167,660</b>	
<b>Round-Lot Purchases by Dealers—</b>		
Number of Shares.....	314,170	

\*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."

## Wholesale Prices Rose 0.3% in Week Ended March 30, Labor Department Reports

Higher prices for fresh fruits and vegetables, cotton and cotton goods raised average primary market prices 0.3% during the week ended March 30, 1946, it was indicated on April 4 by the Bureau of Labor Statistics, U. S. Department of Labor, which reported that the wholesale price index of the Bureau advanced to 108.7% of the 1926 average, 1.0% above a month ago and 3.4% above the corresponding week of 1945. The advances from the Bureau continued:

**Farm Products and Foods.** The price advances for fruits and vegetables and cotton raised market prices of farm products by 0.3% during the week, bringing quotations for this group to 2.0% above the end of February 1946 and 4.7% above late March 1945. Anticipation of a revision of the parity formula to include agricultural wages, caused market prices of cotton to advance. Apple quotations rose with continued short supplies, and oranges were higher with improved quality. White potatoes moved up sharply with larger quantities of new crop potatoes on the market, and sweetpotato quotations advanced seasonally. Decreased marketings of poultry were reflected in higher prices; egg prices were lower. Quotations for oats were up as foreign demand increased and rye prices advanced fractionally. Prices for calves increased with short supplies, while lamb quotations dropped with reduced demand by large packers.

Higher fruit and vegetable prices were largely responsible for the advance of 0.1% in the group index for foods. In addition, rye flour quotations rose with reduced offerings. Average food prices were 1.5% above a month earlier and 4.5% above a year ago.

**Other Commodities.** Average prices for cotton goods advanced 4.0%, following ceiling increases recently granted by OPA for cotton yarns, cotton fabrics and other cotton goods, in accordance with provisions of the Bankhead amendment to the Stabilization Extension Act of 1944. Carded cotton yarns averaged about 3% higher, and increases in cotton grey goods prices ranged from 9% to 15%.

Prices for Northern pine lumber, advanced as ceilings were increased but lower mill realizations for Western pine left average lumber prices unchanged. Carbon tetrachloride prices dropped and ergot quotations declined with larger estimates of commercial supplies. Mercury prices continued to advance, reflecting reduced supplies from foreign sources.

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 March 2, 1946 and March 31, 1945, and (2) percentage changes in subgroup indexes from March 23, 1946 to March 30, 1946.

CHANGES IN WHOLESALE PRICES BY COMMODITY GROUPS FOR THE WEEK ENDED MARCH 23, 1946

Commodity group—	Percentage changes to Mar. 30, 1946, from—							
	3-30	3-23	3-16	3-2	3-31	3-23	3-2	3-31
All commodities	108.7	108.4	108.4	107.6	105.1	+0.3	+1.0	+3.4
Farm products	133.3	132.9	133.1	130.7	127.3	+0.3	+2.0	+4.7
Foods	109.5	109.4	109.5	107.9	104.8	+0.1	+1.5	+4.5
Hides and leather products	120.1	120.1	120.1	120.1	118.3	0	0	+1.6
Textile products	104.3	102.4	101.9	101.4	99.2	+1.9	+2.9	+5.1
Fuel and lighting materials	85.4	85.4	85.4	85.4	83.9	0	0	+1.8
Metal and metal products	107.9	107.9	107.7	107.8	104.3	0	+0.1	+3.5
Building materials	123.6	123.6	123.3	121.0	116.9	0	+2.1	+5.7
Chemicals and allied products	96.0	96.0	96.0	96.0	94.9	0	0	+1.2
Household goods	108.5	108.4	108.4	108.0	106.2	+0.1	+0.5	+2.2
Miscellaneous commodities	95.4	95.4	95.4	95.4	94.4	0	0	+1.1
Raw materials	121.1	120.9	121.0	119.5	116.2	+0.2	+1.3	+4.2
Semi-manufactured articles	100.5	100.3	99.7	99.6	94.9	+0.2	+0.9	+5.9
Manufactured products	104.5	104.3	104.3	103.7	101.9	+0.2	+0.8	+2.6
All commodities other than farm products	103.3	103.0	103.0	102.5	100.3	+0.3	+0.8	+3.0
All commodities other than farm products and foods	102.3	102.0	101.9	101.5	99.4	+0.3	+0.8	+2.9

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM MARCH 23, 1946 TO MARCH 30, 1946

Commodity group—	Increases		Furnishing	Dairy products	Drugs and pharmaceuticals
	7.3	4.0			
Other textile products	7.3	Fruits and vegetables	0.2	0.1	0.1
Cotton goods	4.0	Other farm products	0.2	0.1	0.1
Other foods	0.6	Dairy products	0.1	0.1	0.1

## Non-Ferrous Metals—Ceiling Prices Remain Unchanged—Government Buys Foreign Copper

"E. & M. J. Metal and Mineral Markets," in its issue of April 4, stated: "Non-ferrous metal producers learned last week that higher costs resulting from wage increases will be met through liberalizing the subsidy payment plan, and current price ceilings for copper, lead, and zinc are to be retained. This action by Stabilization Director Bowles disappointed those producers who maintain that higher ceiling prices would soon result.

The primary requirement under present conditions. Strike action at Anaconda's plants in Montana was postponed as negotiations were resumed. In copper the feature was the Government's program for buying the metal in quantity from foreign producers. Purchases are expected to total around 120,000 tons for delivery over the second quarter." The publication further went on to say in part as follows:

### Copper

An understanding on the terms of sale has finally been reached between the authorities in Washington and Chilean copper producers for the renewal of contracts that expired last October. The settlement basis will be 11.875c. per pound, f.o.b. point of shipment. A total of 90,000 tons will be involved in the sale and deliveries are to be made at the rate of about 30,000 tons a month

over the second-quarter period. Contracts that expired last October were closed on the basis of 11.25c., Chile.

It was also revealed that Great Britain has arranged to purchase 30,000 tons of copper from Chile on the 11.875c. basis. In prewar years, Great Britain consumed substantial tonnages of Chilean fire-refined copper.

During 1945, Chile produced 509,331 tons of bar copper (standard and electrolytic), against 539,831 tons in 1944 and 538,509 tons in 1943.

Buying of copper by the Government from foreign producers strengthened the market outside of this country and prices realized abroad last week were moderately higher.

### Lead

CPA announced that second-quarter lead allocations will amount to about 230,000 tons, against 257,000 tons in the first quarter. Inventory control has been removed from M-38 to PR-32, and consumers have been requested not to carry more than a 30-days' inventory supply. A revised lead-chemical order, L-354, further restricts use of lead in chemicals, insecticides, and pigments. Allocations of lead to the cable industry have been cut from 33,000 tons in the first quarter to 27,000 tons in the second quarter. Battery manufacturers will be permitted to use 66,000 tons of lead in the second quarter, the same tonnage as in the Jan.-March period. The order limits delivery of ethyl fluid to 27% monthly of the quantity used in November, December, and January. Motor gasoline is to be limited to 80 octane, and CPA approval is required for production of 100 octane aviation fuel.

In view of the tight situation in lead, both producers and consumers showed only moderate interest in the revised limitation order. Sales of lead last week totaled 3,144 tons.

### Zinc

The zinc situation remains about unchanged. Demand for both Prime Western and Special High Grade was fairly active last week, reflecting a high rate of activity in galvanizing and die casting. Strike action at Anaconda's zinc plants in Montana was postponed as wage negotiations were resumed.

Mine output of zinc in the United States in February in terms of recoverable metal came to 48,137 tons, against 52,995 tons in January and a monthly serage for 1945 of 51,000 tons, the Bureau of Mines reports.

### Tin

The Combined Tin Committee announced last week that it has made further interim allocations

against requirements for the first half of 1946. The total quantity of pig tin made available to various countries now stands as follows: Canada, 1,500 long tons; Denmark, 200; France, 4,260; India, 960; Middle East, 350; Netherlands, 360; Norway, 220; South America, 200; Sweden, 200; Switzerland, 400; UNRRA, 3,000; and the United States, 6,650. A further interim allocation to South America will be made at a later date. The tonnages concerned will be made available largely from United Kingdom and Belgian sources, and, in regard to South America, from the United States. Of the United States allotment, 2,000 tons may be obtained from Siam and 150 tons from the Netherlands East Indies.

The British Ministry of Supply has reduced the British export price of tin from £375 to £357 per long ton. The price in the home market continues at £300, but tin authorities believe that an upward revision is likely, owing to rising costs.

There were no price developments in tin in the domestic market. Straits quality tin for shipment, in cents per pound, was nominally as follows:

	April	May	June
March 28	52.000	52.000	52.000
March 29	52.000	52.000	52.000
March 30	52.000	52.000	52.000
April 1	52.000	52.000	52.000
April 2	52.000	52.000	52.000
April 3	52.000	52.000	52.000

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

### Quicksilver

With foreign metal being offered rather freely for forward delivery, buyers became more reserved, and the market last week was quiet. Prices covering spot and nearby metal were unsettled. Spot quicksilver was offered at \$104 per flask, or \$1 lower than a week ago. Nearby metal was available at \$103. Agents representing Spanish producers appeared to be anxious for business, and it was reported that they offered metal for shipment at prices ranging from \$100.50 to \$101.50 per flask.

Though new uses have been developed for quicksilver, some market authorities doubt whether consumption this year will greatly exceed 30,000 flasks.

### Silver

Pressure to raise the price of silver continues and prospects for a compromise that would lift the price to slightly more than \$1.03 an ounce are regarded as favorable by politically minded observers in Washington.

The New York Official price of foreign silver was unchanged last week at 70 3/4c. an ounce troy. London was unchanged at 44d.

DAILY PRICES OF METALS ("E. & M. J." QUOTATIONS)

Mar.	—Electrolytic Copper—		Straits Tin, New York	—Lead—		Zinc
	Dom. Refy.	Exp. Refy.		New York	St. Louis	
28	11.775	11.975	52.000	6.50	6.35	8.25
29	11.775	11.925	52.000	6.50	6.35	8.25
30	11.775	11.925	52.000	6.50	6.35	8.25
Apr. 1	11.775	12.050	52.000	6.50	6.35	8.25
2	11.775	12.050	52.000	6.50	6.35	8.25
3	11.775	12.050	52.000	6.50	6.35	8.25
Average	11.775	11.996	52.000	6.50	6.35	8.25

Average prices for calendar week ended March 30 are: Domestic copper f.o.b. refinery, 11.775c; export copper, f.o.b. refinery, 11.933c; Straits tin, 52.000c; New York lead, 6.500c; St. Louis lead, 6.350c; St. Louis zinc, 8.250c; and silver, 70.750c.

The above quotations are "E. & M. J. M. & M. M.'s" appraisal of the major United States markets, based on sales reported by producers and agencies. They are reduced to the basis of cash, New York or St. Louis, as noted. All prices are in cents per pound.

Copper, lead and zinc quotations are based on sales for both prompt and future deliveries; tin quotations are for prompt delivery only.

In the trade, domestic copper prices are quoted on a delivered basis; that is, delivered at consumers' plants. As delivery charges vary with the destination, the figures shown above are net prices at refineries on the Atlantic seaboard. Delivered prices in New England average 0.225c. per pound above the refinery basis.

Effective March 14, the export quotation for copper reflects prices obtaining in the open market and is based on sales in the foreign market reduced to the f.o.b. refinery equivalent, Atlantic seaboard. On f.a.s. transactions we deduct 0.075c. for lighterage, etc., to arrive at the f.o.b. refinery quotation.

Quotations for copper are for the ordinary forms of wirebars and ingot bars. For standard ingots an extra 0.05c. per pound is charged; for slabs 0.075c. up, and for cakes 0.125c. up, depending on weight and dimensions; for billets an extra 0.75c. up, depending on dimensions and quality. Cathodes in standard sizes are sold at a discount of 0.125c. per pound.

Quotations for zinc are for ordinary Prime Western brands. Contract prices for High-Grade zinc delivered in the East and Middle West in nearly all instances command a premium of 1c. per pound over the current market for Prime Western but not less than 1c. over the "E. & M. J." average for Prime Western for the previous month.

Quotations for lead reflect prices obtained for common lead only.

## Reece New Republican National Chairman

At a meeting in Washington on April 1, of the Republican National Committee, Representative B. Carroll Reece of Tennessee was elected Chairman to replace Herbert Brownell, Jr., who had indicated his intention of resigning as early as last February. Other nominees for the Chairmanship were former Senator John A. Danaher of Connecticut and John W. Hanes of New York, former Under Secretary of the Treasury, but the vote went to Mr. Reece on the third ballot. Mr. Brownell, who served as Chairman without salary since the 1944 national convention, in resigning, said that he wanted to be free to devote his entire time to his New York law practice. He suggested that his successor be asked to retain the year-round organization at national headquarters which he built up since 1944. At the April 1 meeting leaders were agreed that the Chairmanship should be a full-time salaried position. Mr. Reece is reported to have indicated that he would relinquish his other duties, public and private, to steer the party in the 1948 Presidential campaign.

In Mr. Brownell's report to the meeting, the retiring Chairman declared that the 1946 Congressional campaign was in "full swing." He added, "all the energies of the headquarters staff of the national committee are being devoted to this campaign to win a minimum of 27 additional seats to gain control of the House of Representatives and nine additional seats to gain control of the United States Senate."

The incoming Chairman, Mr. Reece, expressing appreciation of his appointment, according to the report given in the "New York Herald Tribune," decried the record of the New Deal, and in pointing out the place he considered the Republican Party held in the nation, said in part:

"The great issue which faces the American people today is to save this nation in peace as we all struggled successfully to save it in war. To make it strong enough to occupy its rightful place in world affairs as Wendell Willkie so masterfully said in 1940, 'Only the productive can be strong and only the strong can be free...'

"The Republican Party must do its utmost to wipe out the kind of subversion that seeks by force and violence, by deception and stealth to overthrow this nation. The Republican Party must do its utmost to eradicate class hatreds and suspicions, sectional jealousies and strife, racial suspicion and enmity. . . . The Republican Party must do its utmost to preserve our Constitutional Government, our free economy and our free society; the Republican Party will work with wage earners, union members, veterans, Legionnaires, farmers—every class everywhere. The only people who are going to save our nation from bankruptcy, from being torn asunder by civil strife or by political blocs are the American people. The only people who are going to restore normal life, cooperation, productivity and peace in the United States are Americans."

## Sherrill Director of L. A. Branch of Reserve Bank

The Board of Governors of the Federal Reserve System announced on April 4 the appointment of Fred G. Sherrill, Vice-President, J. G. Boswell Company, Los Angeles, Calif., as a director of the Los Angeles Branch of the Federal Reserve Bank of San Francisco for the unexpired portion of the term ending Dec. 31, 1946.

### Daily Average Crude Oil Production for Week Ended March 30, 1946 Decreased 6,800 Bbls.

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended March 30, 1946, was 4,424,150 barrels, a decrease of 6,800 barrels per day from the preceding week and 357,265 barrels per day less than in the corresponding week of 1945. The current figure was also 25,850 barrels below the daily average figure of 4,450,000 barrels estimated by the United States Bureau of Mines as the requirement for the month of March, 1946. Daily production for the four weeks ended March 30, 1946 averaged 4,418,250 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 4,684,000 barrels of crude oil daily and produced 13,896,000 barrels of gasoline; 2,011,000 barrels of kerosene; 5,357,000 barrels of distillate fuel, and 8,738,000 barrels of residual fuel oil during the week ended March 30, 1946; and had in storage at the end of the week 104,715,000 barrels of finished and unfinished gasoline; 9,307,000 barrels of kerosene; 28,240,000 barrels of distillate fuel, and 37,746,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*B. of M. Calculated Requirements March	State Allowables Begin Mar. 1	Actual Production		4 Weeks Ended Mar. 30, 1946	Week Ended Mar. 31, 1945
			Week Ended Mar. 30, 1946	Change from Previous Week		
Oklahoma	366,000	359,525	1,365,200	- 2,300	371,450	372,950
Kansas	252,000	245,200	1,253,200	- 6,200	252,500	275,850
Nebraska	800		1,800		800	1,000
<b>Panhandle Texas</b>			81,000		81,000	88,000
North Texas			146,050		146,050	149,300
West Texas			436,550		436,550	477,400
East Central Texas			127,500		127,500	146,700
East Texas			317,400		317,400	381,000
Southwest Texas			290,200		290,200	352,150
Coastal Texas			418,800		418,800	564,450
<b>Total Texas</b>	<b>1,910,000</b>	<b>1,791,553</b>	<b>1,817,500</b>		<b>1,817,500</b>	<b>2,159,000</b>
North Louisiana			83,850	+ 1,400	82,800	70,500
Coastal Louisiana			293,350		293,350	295,650
<b>Total Louisiana</b>	<b>372,000</b>	<b>406,454</b>	<b>377,200</b>	+ 1,400	<b>376,150</b>	<b>366,150</b>
Arkansas	76,000	79,603	77,050	- 200	77,200	80,600
Mississippi	52,000		57,000	+ 1,750	55,650	52,300
Alabama	600		1,000		1,000	250
Florida			100		100	15
Illinois	198,000		209,700	+ 1,050	208,100	188,300
Indiana	13,000		16,400	+ 750	18,150	10,100
Eastern						
(Not incl. Ill., Ind., Ky.)	61,200		65,850	+ 2,200	64,600	68,400
Kentucky	29,000		32,300	+ 300	31,750	16,750
Michigan	46,000		46,900	+ 2,600	44,900	47,000
Wyoming	94,000		108,500	+ 3,150	105,900	105,900
Montana	20,400		20,150	+ 50	19,900	19,950
Colorado	23,000		23,150	+ 600	24,800	9,550
New Mexico	98,000	106,000	95,650	+ 50	95,600	103,850
<b>Total East of Calif.</b>	<b>3,612,000</b>		<b>3,569,650</b>	- 1,100	<b>3,568,450</b>	<b>3,877,915</b>
California	838,000	824,000	854,500	- 5,700	849,800	903,500
<b>Total United States</b>	<b>4,450,000</b>		<b>4,424,150</b>	- 6,800	<b>4,418,250</b>	<b>4,781,415</b>

\*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 March. As requirements may be supplied either from stocks or from new production, contemplated withdrawals from crude oil inventories must be deducted from the Bureau's estimated requirements to determine the amount of new crude to be produced. 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., Mar. 27, 1946.

‡This is the net basic allowable as of March 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of those fields which were exempted entirely the entire state was ordered shut down for 10 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 10 days shutdown time during the calendar month.

§Recommendation of Conservation Committee of California Oil Producers.

### CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, KEROSENE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED MARCH 30, 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 Still, Av. per day	Gasoline Produced at Ref. Inc. Nat. Blended	Unfin. Gasoline Stocks	Kerosene Stocks	Gas Oil Stocks	Stks. of Fuel Oil	Stks. of Dist. Resid. Fuel Oil	Stks. of Resid. Fuel Oil
<b>East Coast</b>	99.5	737	93.2	1,635	23,081	4,397	9,084	6,030	
Appalachian									
District No. 1	76.8	93	63.7	322	2,887	187	449	220	
District No. 2	81.2	48	96.0	159	1,187	25	88	235	
Ind., Ill., Ky.	87.2	747	87.2	2,383	24,150	1,255	3,222	3,019	
Okl., Kan., Mo.	78.3	391	83.4	1,398	10,198	389	1,513	1,072	
Inland Texas	59.8	229	69.4	915	3,134	313	311	654	
Texas Gulf Coast	89.3	1,157	93.5	3,529	15,887	1,400	4,791	4,476	
Louisiana Gulf Coast	96.8	336	129.2	920	4,562	427	1,339	1,004	
No. La. & Arkansas	55.9	47	37.3	138	1,800	257	487	247	
Rocky Mountain									
District No. 3	17.1	13	100.0	43	120	20	36	32	
District No. 4	72.1	117	73.6	372	2,483	108	404	60	
California	86.5	769	79.5	2,082	15,226	529	6,518	20,149	
<b>Total U. S. B. of M. basis Mar. 30, 1946</b>	<b>85.7</b>	<b>4,684</b>	<b>86.7</b>	<b>13,896</b>	<b>104,715</b>	<b>9,307</b>	<b>28,240</b>	<b>37,746</b>	
<b>Total U. S. B. of M. basis Mar. 23, 1946</b>	<b>85.7</b>	<b>4,683</b>	<b>86.6</b>	<b>13,732</b>	<b>104,562</b>	<b>8,917</b>	<b>26,667</b>	<b>37,906</b>	
<b>U. S. B. of M. basis Mar. 31, 1945</b>		<b>4,653</b>		<b>14,876</b>	<b>197,602</b>	<b>6,894</b>	<b>26,682</b>	<b>41,111</b>	

\*Includes unfinished gasoline stocks of 8,691,000 barrels. †Includes unfinished gasoline stocks of 11,788,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 2,011,000 barrels of kerosene, 5,357,000 barrels of gas oil and distillate fuel oil and 8,738,000 barrels of residual fuel oil produced during the week ended March 30, 1946, which compares with 2,334,000 barrels, 5,514,000 barrels and 8,596,000 barrels, respectively, in the preceding week and 1,603,000 barrels, 4,660,000 barrels and 8,834,000 barrels, respectively, in the week ended March 31, 1945.

### Weekly Coal and Coke Production Statistics

The total production of soft coal during the week ended March 30, 1946 (the last working week before the strike), as estimated by the United States Bureau of Mines, was 13,270,000 net tons, approximately 20,000 tons below the output for the week ended March 23, 1946 when it reached a new 19-year high of 13,290,000 tons. Production in the corresponding week of 1945 was 12,297,000 net tons. The output for the March 23, 1946 week was the highest since the week ended March 26, 1927 when it reached 13,320,000 tons. The all-time record was set in the week ended Dec. 4, 1926, when the mines turned out 14,551,000 tons. For the period from Jan. 1, 1946 to March 30, 1946, production amounted to 160,939,000 net tons, an increase of 7,344,000 tons, or 4.8% over the 153,595,000 tons produced during the period from Jan. 1, 1945 to March 31, 1945.

Bituminous coal output during the month of March, 1946, was estimated at about 56,800,000 tons, the highest production for any calendar month since March, 1927. J. A. Krug, Solid Fuels Administrator, announced on April 6.

Production of Pennsylvania anthracite for the week ended March 30, 1946, as estimated by the Bureau of Mines, was 1,310,000 tons, an increase of 9,000 tons (0.7%) over the preceding week. When compared with the output in the week ended March 31, 1945, there was an increase of 128,000 tons, or 10.8%. The calendar year to date shows an increase of 10.0% when compared with the corresponding period of 1945.

The Bureau of Mines also reported that the estimated production of beehive coke for the week ended March 30, 1946 showed an increase of 1,100 tons when compared with the output for the week ended March 23, 1946; but was 24,200 tons less than for the corresponding week of 1945.

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

	Week Ended		Calendar Year to Date	
	Mar. 30, 1946	Mar. 23, 1946	Mar. 30, 1946	Mar. 30, 1945
Bituminous coal & lignite—	13,270,000	13,290,000	12,297,000	160,939,000
Total, including mine fuel	13,270,000	13,290,000	12,297,000	160,939,000
Daily average	2,212,000	2,215,000	2,050,000	2,115,000
				1,979,000

\*Revised. †Subject to current adjustment.

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

	Week Ended		Calendar Year to Date	
	Mar. 30, 1946	Mar. 23, 1946	Mar. 30, 1946	Mar. 30, 1945
Penn. Anthracite—	1,310,000	1,301,000	1,182,000	15,262,000
Total incl. coll. fuel	1,310,000	1,301,000	1,182,000	15,262,000
Commercial produc.	1,258,000	1,249,000	1,135,000	14,651,000
Beehive coke—	107,100	106,000	131,300	1,489,200
United States total	107,100	106,000	131,300	1,489,200

\*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		
	Mar. 23, 1946	Mar. 16, 1946	Mar. 24, 1945
Alabama	446,000	460,000	370,000
Alaska	7,000	7,000	7,000
Arkansas and Oklahoma	91,000	100,000	83,000
Colorado	160,000	140,000	161,000
Georgia and North Carolina		1,000	1,000
Illinois	1,603,000	1,598,000	1,501,000
Indiana	578,000	567,000	541,000
Iowa	37,000	33,000	45,000
Kansas and Missouri	129,000	138,000	139,000
Kentucky—Eastern	1,150,000	1,165,000	1,036,000
Kentucky—Western	475,000	474,000	366,000
Maryland	60,000	57,000	38,000
Michigan	4,000	3,000	2,000
Montana (bitum. & lignite)	82,000	92,000	104,000
New Mexico	31,000	28,000	37,000
North & South Dakota (lignite)	31,000	42,000	33,000
Ohio	787,000	867,000	607,000
Pennsylvania (bituminous)	3,272,000	3,110,000	2,690,000
Tennessee	165,000	174,000	134,000
Texas (bituminous & lignite)	2,000	1,000	1,000
Utah	150,000	147,000	140,000
Virginia	400,000	408,000	377,000
Washington	23,000	25,000	35,000
West Virginia—Southern	2,282,000	2,300,000	2,115,000
West Virginia—Northern	1,130,000	1,082,000	1,068,000
Wyoming	194,000	190,000	186,000
Other Western States	1,000	1,000	
<b>Total bituminous &amp; lignite</b>	<b>13,290,000</b>	<b>13,210,000</b>	<b>11,817,000</b>

†Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and on the B. & C. 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.

#### Stocks of Bituminous Coal in Consumers' Hands Higher

Stocks of bituminous coal in consumers' hands on March 1 were estimated at 51,182,000 tons, which was an increase of 10.7% over those on hand Feb. 1, Solid Fuels Administrator J. A. Krug announced on April 4. This represents an over-all average supply for 31 days' burn. [According to a United Press dispatch from Washington on April 5, it was estimated that there were 56,000,000 tons above ground on April 1, 1946.]

On Feb. 1, stocks were estimated at 46,528,000 tons, or an average of 28 days' supply, and on Jan. 1 they were about 45,665,000 tons, an average of 27 days' supply, Administrator Krug said. In fact, he added, the total stocks on March 1 were higher than those at the start of any month since Oct. 1 last fall when stocks of 53,350,000 tons had been piled up against the winter's burn.

Retail dealers' stocks of soft coal were about 20% higher on March 1 than on Feb. 1, totaling an estimated 3,111,000 tons. This represented an average of six days' supply.

Electric power utilities had, on March 1, total stocks approximating 14,802,000 tons, or an average of 84 days' supply, an increase of 7.7% over their stocks as of Feb. 1. Steel and rolling mills had stocks of about 704,000 tons on March 1, averaging 50 days' supply, an increase of 42.9% over the preceding month. General manufacturing industries had about 14,469,000 tons, averaging 37 days' supply, an increase in the month of 15.6%, and first-class railroads reported stocks of approximately 11,069,000 tons, or an average of 32 days' supply and an increase of 18.5% during the month.

Estimated consumption during the month of February was about 12% less than during January. Estimated burn for the month was as follows: electric power utilities, 4,937,000 tons, a decrease of 13.5% below that of the preceding month; by-product coke ovens 3,638,000 tons, a decrease of 31.3%; steel and rolling mills, 396,000 tons, a decrease of 28.3%; general industries, 11,087,000 tons, a decrease of 14.1%; first-class railroads, 9,547,000 tons, a decrease of 13.0%. Retail dealer deliveries approximated 14,963,000 tons, a decrease of 2.1% below those of January.

The estimates of days' supply are averages only, and vary widely for individual consumers.

### Pass Minimum Wage Bill With Farm Rider

The Senate passed by voice vote on April 5 a bill to increase the minimum wage to 65 cents an hour, to begin 10 months after final enactment of the legislation, and sent the measure on to the House where it is believed it may be the center of a fight even stronger than that which waged in the Upper Chamber for more than three weeks. As passed by the Senate the bill carries a rider, according to Associated Press Washington advices, to increase farm parity prices, despite the fact that President Truman has already served notice that he will veto such a measure if finally enacted.

On March 28, the Associated Press reported, Senator Alben W. Barkley (D-Ky.), in urging the Senate not to attach the farm price increase amendment to the wage bill, declared that the major organized farm groups such as the American Farm Bureau Federation, the Grange and the Farmers' Union all opposed the provision, which seeks to include the cost of farm labor in the parity formula. Sponsored by Senator Russell (D-Ga.), the amendment would revise the parity formula by taking into account wages paid out by the farmers. The present formula simply attempts to establish a way in which the farmers can get a price for the things they raise, in terms of the things they buy, commensurate with the ratio which prevailed in a base period generally favorable to agriculture.

Opponents of the farm price amendment contend that the proposed increase would result in retail price increases which would lead to a further race between prices and wages. Senator Barkley expressed himself as "open minded" on the need for revising the parity formula, but added that the proper way to do so would be in separate legislation, not in the minimum-wage bill.

The 65-cent wage minimum was approved after the Senators had reaffirmed their farm parity stand by a vote of 46 to 38 on a proposal by Senator Russell. Congressional leaders have stated that prospects are that the House will go along with the Senate on the farm price boost provision.

### Ill.-Wis. Savs. Loan Associations Report Record Assets in 1945

Maintaining a percentage of liquid assets, available for 1946 home loans, at practically the same high point it reached in the middle of 1945, the Illinois and Wisconsin savings, building and loan associations reached a new record in total assets at the close of last year. This, it is stated, is apparent from the figures for the member associations of the Federal Home Loan Bank of Chicago, whose statistics were made available on April 1 by A. R. Gardner, President of the Bank. From the Bank's advices we also quote:

The 458 home financing institutions which the Bank served in the two states closed the year with assets at an all-time high of \$771,547,000, he said. Figures from annual reports of associations show that the gain for the last half of the year was greater both by volume and percentage-wise than it was during the first half. Assets went up 12.7% between June 30 and Dec. 31, and only 11.9% from Jan. 1 to June 30.

Cash and Government bonds, which constitute the principal liquid assets, made up of 28.9% of these associations' assets on Dec. 31 and 29.7% six months earlier. "For the first time in some

## Revenue Freight Car Loadings During Week Ended March 30, 1946 Increased 4,536 Cars

Loading of revenue freight for the week ended March 30, 1946, totaled 809,142 cars, the Association of American Railroads announced on April 4. This was a decrease below the corresponding week of 1945 of 26,858 cars, or 3.2%, but an increase above the same week in 1944 or 23,036 cars, or 2.9%.

Loading of revenue freight for the week of March 30 increased 4,536 cars, or 0.6% above the preceding week.

Miscellaneous freight loading totaled 373,260 cars, an increase of 8,463 cars above the preceding week, but a decrease of 37,948 cars below the corresponding week in 1945.

Loading of merchandise less than carload lot freight totaled 128,742 cars, an increase of 3,721 cars above the preceding week, and an increase of 16,320 cars above the corresponding week in 1945.

Coal loading amounted to 186,217 cars, a decrease of 3,841 cars below the preceding week, but an increase of 14,542 cars above the corresponding week in 1945.

Grain and grain products loading totaled 42,631 cars, a decrease of 826 cars below the preceding week and a decrease of 3,929 cars below the corresponding week in 1945. In the Western districts alone, grain and grain products loading for the week of March 30 totaled 28,028 cars, a decrease of 1,569 cars below the preceding week and a decrease of 2,096 cars below the corresponding week in 1945.

Livestock loading amounted to 15,854 cars, an increase of three cars above the preceding week and an increase of 1,333 cars above the corresponding week in 1945. In the Western districts alone loadings of livestock for the week of March 30 totaled 12,179 cars, an increase of 56 cars above the preceding week, and an increase of 1,002 cars above the corresponding week in 1945.

Forest products loading totaled 39,508 cars, a decrease of 2,149 cars below the preceding week and a decrease of 2,266 cars below the corresponding week in 1945.

Ore loading amounted to 9,748 cars, a decrease of 568 cars below the preceding week and a decrease of 12,453 cars below the corresponding week in 1945.

Coke loading amounted to 13,182 cars, a decrease of 267 cars below the preceding week, and a decrease of 2,457 cars below the corresponding week in 1945.

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

	1946	1945	1944
4 weeks of January	2,883,620	3,003,655	3,158,700
4 weeks of February	2,866,710	3,052,487	3,154,116
Week of March 2	782,397	785,736	786,893
Week of March 9	786,202	767,055	780,265
Week of March 16	799,882	816,556	785,195
Week of March 23	804,606	816,741	777,578
Week of March 30	809,142	836,000	786,106
<b>Total</b>	<b>9,732,559</b>	<b>10,078,230</b>	<b>10,228,853</b>

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended March 30, 1946. During this period 54 roads reported gains over the week ended March 31, 1945.

Railroads	REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED MARCH 30		Total Loads Received from Connections	
	1946	1945	1946	1945
<b>Eastern District—</b>				
Ann Arbor	389	297	232	2,104
Bangor & Aroostook	3,648	3,239	2,327	424
Boston & Maine	8,235	7,297	7,309	15,444
Chicago, Indianapolis & Louisville	1,227	1,252	1,320	2,141
Central Indiana	29	36	33	73
Central Vermont	1,184	1,160	1,035	2,156
Delaware & Hudson	4,876	5,414	5,008	12,358
Delaware, Lackawanna & Western	8,401	8,393	7,649	9,487
Detroit & Mackinac	298	185	241	192
Detroit, Toledo & Ironton	2,637	1,943	1,763	1,582
Detroit & Toledo Shore Line	285	464	307	3,334
Erie	12,165	13,222	13,766	15,574
Grand Trunk Western	3,258	4,437	3,813	7,827
Lehigh & Hudson River	199	162	187	2,877
Lehigh & New England	2,428	1,731	2,041	1,771
Lehigh Valley	9,162	8,478	8,985	8,302
Maine Central	2,891	2,535	2,317	5,800
Monongahela	5,568	6,094	6,512	278
Montour	3,135	2,680	2,179	24
New York Central Lines	50,612	50,744	47,993	53,701
N. Y., N. H. & Hartford	10,847	11,004	10,965	16,566
New York, Ontario & Western	990	914	1,033	2,800
New York, Chicago & St. Louis	5,976	7,056	6,237	14,682
N. Y., Susquehanna & Western	424	448	469	2,106
Pittsburgh & Lake Erie	7,738	8,559	8,222	8,087
Pere Marquette	5,454	5,353	4,932	7,816
Pittsburgh & Shawmut	1,174	874	778	29
Pittsburgh, Shawmut & North	278	247	285	245
Pittsburgh & West Virginia	993	1,007	988	1,931
Rutland	405	400	395	1,337
Wabash	6,032	5,927	5,405	11,960
Wheeling & Lake Erie	4,544	6,099	5,124	3,724
<b>Total</b>	<b>165,882</b>	<b>167,641</b>	<b>159,883</b>	<b>216,712</b>
<b>Allegheny District—</b>				
Akron, Canton & Youngstown	691	813	705	1,453
Baltimore & Ohio	44,860	45,957	42,985	25,479
Bessemer & Lake Erie	2,044	2,732	3,101	1,957
Cambria & Indiana	1,259	1,616	1,494	14
Central R. R. of New Jersey	6,537	6,837	7,041	18,328
Cornwall	404	565	591	71
Cumberland & Pennsylvania	361	208	163	10
Ligonier Valley	62	105	133	8
Long Island	1,591	1,863	1,256	5,473
Penn-Reading Seashore Lines	1,796	2,178	1,772	2,200
Pennsylvania System	84,539	88,367	80,150	61,877
Reading Co.	15,680	14,990	14,623	28,278
Union (Pittsburgh)	18,308	19,316	20,373	3,852
Western Maryland	4,936	4,287	4,322	12,245
<b>Total</b>	<b>182,868</b>	<b>189,834</b>	<b>178,709</b>	<b>161,245</b>
<b>Pocahontas District—</b>				
Chesapeake & Ohio	32,464	28,920	27,941	13,623
Norfolk & Western	22,726	21,545	21,584	7,013
Virginian	4,455	4,600	4,209	1,486
<b>Total</b>	<b>59,645</b>	<b>55,065</b>	<b>53,734</b>	<b>22,122</b>

Railroads	Total Revenue Freight Loaded		Total Loads Received from Connections	
	1946	1945	1946	1945
<b>Southern District—</b>				
Alabama, Tennessee & Northern	382	413	247	279
Atl. & W. P.—W. R. R. of Ala.	946	907	820	1,945
Atlanta, Birmingham & Coast	1	1	576	1
Central Coast Line	16,403	15,075	13,285	10,737
Central of Georgia	4,675	3,999	3,801	5,308
Charleston & Western Carolina	515	491	341	1,673
Clinchfield	1,840	1,608	1,601	3,482
Columbus & Greenville	402	227	207	324
Durham & Southern	103	125	108	749
Florida East Coast	3,996	3,764	4,191	1,695
Gainesville Midland	79	47	50	147
Georgia & Florida	1,223	1,226	1,031	2,416
Georgia & Alabama	455	450	348	845
Gulf, Mobile & Ohio	4,779	4,664	3,845	4,110
Illinois Central System	27,699	27,996	25,742	15,949
Louisville & Nashville	26,054	26,679	23,862	10,094
Macon, Dublin & Savannah	215	209	179	1,076
Mississippi Central	335	399	220	394
Nashville, Chattanooga & St. L.	3,739	3,794	3,392	4,133
Norfolk Southern	1,337	1,118	886	1,640
Piedmont Northern	437	466	444	1,499
Richmond, Fred. & Potomac	490	442	407	10,623
Seaboard Air Line	12,662	11,986	10,977	9,166
Southern System	27,230	26,109	21,308	25,906
Tennessee Central	625	685	829	886
Winston-Salem, Southbound	141	146	154	1,040
<b>Total</b>	<b>136,762</b>	<b>133,025</b>	<b>118,851</b>	<b>116,116</b>
<b>Northwestern District—</b>				
Chicago & North Western	15,990	17,090	15,447	13,874
Chicago Great Western	2,499	2,639	2,669	3,457
Chicago, Milw., St. P. & Pac.	21,194	21,332	19,784	11,207
Chicago, St. Paul, Minn. & Omaha	3,767	3,414	3,207	4,814
Duluth, Missabe & Iron Range	1,049	4,175	2,706	286
Duluth, South Shore & Atlantic	638	551	688	574
Flt. Joliet & Eastern	8,207	9,416	9,202	10,775
St. Dodge, Des Moines & South	442	364	399	133
Great Northern	10,443	11,881	12,051	4,337
Green Bay & Western	468	501	468	1,108
Lake Superior & Ishpeming	234	320	326	101
Minneapolis & St. Louis	2,156	2,055	1,975	2,293
Minn., St. Paul & S. S. M.	5,132	4,298	5,053	3,678
Northern Pacific	8,978	9,216	10,158	4,801
Spokane International	76	238	94	436
Spokane, Portland & Seattle	2,204	2,264	2,583	2,440
<b>Total</b>	<b>83,477</b>	<b>89,754</b>	<b>86,810</b>	<b>64,394</b>
<b>Central Western District—</b>				
Atch., Top. & Santa Fe System	22,725	25,586	21,540	10,128
Alton	2,997	3,759	2,828	3,074
Bingham & Garfield	3	359	483	11
Chicago, Burlington & Quincy	19,647	20,424	17,944	11,147
Chicago & Illinois Midland	2,887	3,021	2,795	835
Chicago, Rock Island & Pacific	11,787	12,439	10,577	12,665
Chicago & Eastern Illinois	2,804	3,143	2,644	3,311
Colorado & Southern	737	759	693	1,574
Denver & Rio Grande Western	2,721	3,327	3,355	3,974
Denver & Salt Lake	689	513	648	70
Fort Worth & Denver City	978	938	745	1,291
Illinois Terminal	2,081	2,498	2,035	1,724
Missouri-Illinois	1,087	976	1,139	640
Nevada Northern	1,421	1,223	1,826	113
North Western Pacific	543	700	768	511
Peoria & Pekin Union	25	2	9	0
Southern Pacific (Pacific)	27,689	27,993	29,296	10,038
Toledo, Peoria & Western	0	330	312	0
Union Pacific System	14,283	16,086	15,515	12,308
Utah	817	539	571	6
Western Pacific	1,817	1,779	2,016	2,993
<b>Total</b>	<b>117,738</b>	<b>126,394</b>	<b>117,729</b>	<b>76,413</b>
<b>Southwestern District—</b>				
Burlington-Rock Island	309	404	456	441
Gulf Coast Lines	5,256	7,155	7,684	2,270
International-Great Northern	2,142	2,871	2,123	3,669
K. O. & G., M. V. & O. C.-A.-A.	1,176	1,301	919	1,907
Kansas City Southern	2,874	5,461	5,891	3,483
Louisiana & Arkansas	2,203	3,398	2,939	2,255
Litchfield & Madison	451	354	288	1,298
Missouri & Arkansas	189	133	185	390
Missouri-Kansas-Texas Lines	5,951	7,296	6,096	4,354
Missouri Pacific	16,174	16,347	15,446	14,727
Juanah Acme & Pacific	161	118	110	198
St. Louis-San Francisco	9,898	9,514	7,620	7,469
St. Louis-Southwestern	2,584	3,548	3,085	5,039
Texas & New Orleans	9,165	10,779	11,961	5,215
Texas & Pacific	4,317	5,481	5,484	6,792
Wichita Falls & Southern	84	83	81	51
Weatherford M. W. & N. W.	36	44	22	13
<b>Total</b>	<b>62,770</b>	<b>74,287</b>	<b>70,390</b>	<b>59,571</b>

\*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.

Period	STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY		Unfilled Orders		Percent of Activity Current Cumulative
	Orders Received Tons	Production Tons	Remaining Tons	Percent of Activity	
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
Feb. 16	139,681	149,794	516,211	94	92
Feb. 23	139,993	155,381	500,507	97	93
Mar. 2	198,985	161,122	533,794	98	93
Mar. 9	178,443	158,229	551,081	99	94
Mar. 16	157,227	167,243	538,572	100	94
Mar. 23	169,355	164,267	539,100	99	95
Mar					

## Items About Banks, Trust Companies

S. Sloan Colt, President of Bankers Trust Co. of New York, announced on April 2 the election of Edmund F. Ebert, formerly Assistant Treasurer, as an Assistant Vice-President. Mr. Ebert will be associated with E. S. Chappelle in the Commodity Division of the Banking Department. Edgar C. Earle also was elected an Assistant Vice-President and will assist W. F. Rutherford in the Personnel Department. Edgerton P. T. Jennison and Harry F. Tappen were elected Assistant Treasurers and will continue their association with the Credit and Security Research Department.

Guaranty Trust Co. of New York announced on April 4 the appointment of Edwin Furman, Edmund C. O'Brien and Everett St. Aubyn as Assistant Secretaries of the company. All are associated with the Foreign Department at the company's main office, and both Mr. O'Brien and Mr. St. Aubyn have been on leaves of absence with the Armed Forces.

Arthur S. Kleeman, President of Colonial Trust Co. of New York, announced on April 8 the appointment of William H. Bassett as Assistant to the President. Mr. Bassett will make his headquarters in the institution's principal office in Rockefeller Center, and will work with Mr. Kleeman in the development of correspondent bank business and broker relations. Mr. Bassett was formerly an Assistant Vice-President of the Grace National Bank, serving in various official capacities for 19 years, during which time he represented that organization in the metropolitan area.

The statement of condition of the Grace National Bank of New York as of March 31, 1946, shows deposits of \$90,000,002 as compared with \$95,139,501 on December 31, 1945, and \$74,708,654 a year ago. Surplus and undivided profits amounted to \$3,836,415 as compared with \$3,324,458 on December 31, 1945, and \$3,355,279 a year ago. Cash in vault and with banks totaled \$15,811,095 as compared with \$22,211,860 on Dec. 31, 1945, and \$15,534,161 a year ago. U. S. Government Securities were \$50,140,917 as compared with \$49,852,878 on Dec. 31, 1945, and \$41,598,473 a year ago. Loans and discounts were \$27,049,754 as compared with \$28,372,304 on Dec. 31, 1945, and \$17,261,572 a year ago.

Thomas J. Shanahan, President of the Federation Bank & Trust Co. of New York reported as of March 30, 1946, deposits of \$39,547,893, and total resources of \$44,510,501 against \$37,618,806 and \$41,744,253, respectively, as of Dec. 31, 1945. Cash on hand and due from banks amounted to \$8,397,701 against \$9,922,247. Holdings of United States Government Securities totaled \$12,205,960 against \$16,874,401. Loans and discounts were \$13,197,737 against \$9,400,785. Capital remained unchanged at \$1,500,000. Surplus reflected an increase from \$1,400,000 to \$1,500,000 and undivided profits had been increased from \$468,237 to \$482,383.

Lewis Fuhr, Assistant Vice-President of Kings County Savings Bank of Brooklyn, N. Y., celebrated his 45th anniversary with that institution on April 3. The Brooklyn "Eagle" reporting this said:

"He is the oldest employe in point of years of service. Mr. Fuhr is in charge of the Williamsburg office of the bank."

Herman Ringe has been advanced from the post of First Vice-President to that of President of the Ridgewood Savings Bank, Queens, N. Y., it is learned from the Brooklyn "Eagle" of April 5. Mr. Ringe is also director of the Fidelity National Bank of Queens.

Approval of a merger of the Manufacturers & Traders Trust Co. of Buffalo, N. Y., and the Farmers Bank of Springville, N. Y., by directors of the two institutions was announced on March 27 by President Lewis G. Harriman of the M. & T. and President Stanley Aldrich of the Springville bank, it is learned from the Buffalo "Evening News," from which we also quote:

"The consolidation, which must also be approved by stockholders of both banks and the New York State Superintendent of Banks, will be effected by an exchange of stock of the two banks on the basis of 8½ shares of M. & T. stock for each share of the Farmers Bank of Springville stock.

"Present directors of the Farmers Bank will continue to serve as an advisory board for the Springville are under the active chairmanship of W. A. Davis. Mr. Aldrich will become a Vice-President of the Manufacturers & Traders and will be in charge of the Springville office. H. B. Richardson will be an Assistant Secretary, Donald J. Smith and Kenneth R. Hooper will be Assistant Managers of the office, and the present staff of the Farmers Bank will continue unchanged."

The New York State Banking Department announces that on April 3 approval was given to plans of the Erie County Trust Co. of East Aurora, N. Y., to increase its capital from \$150,000, consisting of 6,000 shares (par value \$25 each) to \$250,000 consisting of 10,000 shares of stock, par \$25 each.

A change in the title of the Pittsfield Third National Bank and Trust Company of Pittsfield, Mass., to the Pittsfield National Bank effective April 1 was recently announced in the Bulletin issued by the Comptroller of the Currency's office.

An increase in the capital stock of the Northern Valley National Bank of Tenafly, N. J., from \$100,000 to \$150,000 by the sale of \$50,000 of new stock, effective March 20, was announced recently by the Treasury Department.

The directors of Industrial Trust Company of Philadelphia, have authorized the transfer of \$140,000 from undivided profits account to surplus account, thus increasing surplus to \$300,000. For the first three months of 1946, total deposits of the bank showed an increase of \$898,669, reaching a new high of \$23,552,446.

Allen W. McEldowney, formerly prominent in the Pittsburgh, Pa., banking field, died on April 5. He was 76 years of age, according to the Pittsburgh "Post-Gazette." Mr. McEldowney retired in May, 1942, as Vice-President and Director of the Mellon National Bank after 40 years' service. Mr. McEldowney continued his association in an advisory capacity.

Austin McLanahan, President of the Savings Bank of Baltimore, Md., for 23 years, and formerly President of the National Association of Mutual Savings Banks, died on April 3, at the age of 74. Mr. McLanahan was President of the Savings Bank of Baltimore

from 1922 until February of last year when he became Chairman of the board. He was also a member of the board of directors of the First National Bank of Baltimore. His first employment it is learned from the Baltimore "Sun" was as secretary to Alexander Brown, of the banking house that bears that name. He became a partner in the firm of Alexander Brown & Sons in 1902.

From the same paper we quote: "In 1918, during World War I, he went to Europe as a Red Cross worker on the battlefield. On his return to Baltimore, he was elected President of the Export and Import Board of Trade and immediately set about propagandizing Baltimore's harbor.

"Mr. McLanahan was chosen in 1921 to represent Baltimore at the Subsidiary Council of the United States Chamber of Commerce. A year later he was Chairman of a committee of the United States Chamber of Commerce appointed to draw up a program for rehabilitating the nation's merchant marine. In addition he was chairman of the organization's free zones committee which drew up a report on the relation of such free ports to the rehabilitation program.

"He succeeded Charles C. Homer, Jr., as President of the Savings Bank of Baltimore, in February, 1922, at which time he resigned from the Brown banking house. He resigned the presidency of the Export and Import Board of Trade two months later."

A \$200,000 stock dividend was declared on March 28, by the First National Bank & Trust Company of Kalamazoo, Mich., thus increasing the capital stock from \$600,000 to \$800,000, according to the Bulletin of the Treasury Department at Washington issued April 1.

Announcement has been made by E. E. Bewley, Chairman of the Board of the Fort Worth National Bank of Fort Worth, Tex., that an increase in the surplus from \$3,000,000 to \$3,500,000 was authorized at the meeting of the board of directors held on March 28. Capital of the bank now stands at \$3,500,000 and surplus at \$3,500,000 or a total of \$7,000,000. This is the second change made in the capital structure of the bank in 1946. On Jan. 3, 1946, capital was increased from \$2,500,000 to \$3,500,000 and surplus from \$2,500,000 to \$3,000,000 as a result of a 20% stock dividend amounting to \$500,000 and sale of 25,000 shares of stock at \$40.00 per share, of which \$500,000 was placed to capital and \$500,000 to surplus.

Bank of Montreal announces that Charles J. Burchell has been appointed a director of the bank. Mr. Burchell is the senior partner in the law firm of Burchell, Smith, Parker & Fogo, of Halifax.

The Midland Bank Limited of London announced on March 18 that Walter James, Secretary of the bank and of the Midland Bank Executor and Trustee Company Limited, would retire on pension as from March 31, and that W. Kerr Chalmers had been appointed to succeed him.

### Senate Hopes of Recess Dim

Apparently prompted by the remark of Speaker Rayburn on April 2 that the House might be able to recess between April 19 and 29, Senate Majority Leader Barkley announced to his colleagues from the floor of the Senate on April 3 that he was opposed to any Easter recess, because it would be "inexcusable" to take time off with all the work facing the Senate. "It is my earnest hope," Mr. Barkley said, according to United Press Washington advices, "that we will all stay here and work on our tasks with a diligence that will permit us some time around July to go home for the rest of the year."

## Negro Progress and Racial Bias

(Continued from first page)

schools, and half of our country was bankrupt. Booker T. Washington knew that opportunities for his students and for the members of his race were, at that time, few. He knew that opportunities would come and he was determined that his students and others whom he could influence would be ready for those opportunities when they came. He knew that we help make our own opportunities and he labored in the vineyard to make this a country in which people could advance. A bust of Booker T. Washington is in the Hall of Fame—not because he was a Negro, but because he was a great educator and a great man.

During the past 65 years men and women have left this school, and other schools like it, to teach children to live uprightly and to do useful work.

There are thousands of farmers who are better farmers and better citizens because they are better educated than their fathers. There are thousands of business men in the United States who have profited by education spearheaded by Booker T. Washington and those who worked with him at Tuskegee. There are preachers, scientists, and doctors who would not be serving America so well had it not been for this college.

### No Inferior Race in the U. S.

There is no inferior race in the United States. There are people in the United States who have never contributed to the welfare of this country because of ill health, lack of education, or lack of opportunity. Given good health, education, and opportunity the color of a man's skin is no handicap.

In 1881 there were few Negro farm owners or Negro farm tenants in the United States. Sixty-five years later—today, while we are taking stock, let it be noted that there are 202,000 Negro farm owners and 520,000 Negro farm tenants. There were no Negro doctors in the United States 65 years ago. There are 4,000 Negro doctors in the United States now. That is not enough. There are 64,000 Negro teachers in the United States now. That is not enough, either. There are 286,000 Negroes operating their own businesses in the United States. We need more.

A few years ago in the Santuc Community in Union County, South Carolina, 55 Negro families and five white families lived on a plantation which had been abandoned for commercial farming. At that time all of these families were bordering on starvation. The Farm Security Administration made it possible for them to begin to buy the land. It took time to build up the soil. Finally they went into sweet potato raising and, working cooperatively and scientifically, they formed an association, built curing houses, sold their crops advantageously, and now live prosperously, and help feed America. They were given opportunities. They took advantage of them.

### Progress in Farm Ownership

Here in the South, in the heart of the Temperate Zone, men who are willing to learn and to work can better their lot and the lot of their children if they are encouraged, and the best sort of encouragement is a farm on which they can make down payments and then pay for out of their earnings. In the Bricks Community of North Carolina there were only eight families 10 years ago—none of whom was solvent. Today there are 400 families in that community who are on their way to owning their own farms. This story can be repeated in Tyrell County, North Carolina; Walker County, Texas, and at Tuscaloosa, in Alabama.

At Tuskegee Institute you can be increasingly useful to farm-

ers by developing new methods for dealing with agricultural problems. I am sure that the Swift & Co. grant for the use of the Carver Institute will be helpful, for in the Carver research laboratories you will train more and more bacteriologists who will at least indirectly help every farmer in the country.

Notwithstanding the great progress which has been made by the colored people of America in education, on the farm, in business, and in the professions, it is nevertheless true that today most public schools provided for Negroes are poorly equipped. Many Negroes who are well prepared by education for good jobs are unable to secure them because they are black. In most stores, clerks—including clerks who sell to Negro customers—are white. The construction industry is operated almost exclusively by white men. Street cars, railroads, and buses, some of whose customers are Negroes, are operated almost altogether by white operators. If two men—one black and one white—are equally qualified by education and experience for a job, the white man gets the job.

### What Fair Employment Practice Committee Can Do

This condition can be improved to some extent by a permanent Fair Employment Practices Committee. It can be helped by abolishing the poll tax. It can be aided by educating white people. A revival of religion in the hearts of all of the people will help. The real answer, however, lies elsewhere. This, I believe, is the answer. When, by education, you at Tuskegee and at other schools throughout the land have prepared the Negroes of America to do useful, skillful, and remunerative work, they will be capable of and ready to go forward happily and prosperously in a prosperous America. All we need, then, is such an America. We must have continuous full employment opportunities here at a fair minimum wage. The average American laborer, farmer, school teacher, and professional man lives in fear. He has seen depressions before. He expects depressions again. When he sees a Negro operating a street-car, he thinks, "Tomorrow, business will be bad. This Negro is taking a white man's job. There must be no Negroes operating street-cars." Some carpenters, bricklayers, and farmers feel the same way. So do all white Americans who feel insecure.

It is your duty, and the duty of all of us, to work diligently for education, and more diligently for full production, full employment, full use of all our resources, and a more abundant life in America.

When full employment is achieved, when the fear of insecurity is gone, all of the races which make up this great country can dwell together in peace.

### Redeem Land Bank Bonds Through New Offering

It was announced on April 4 by W. E. Rhea, Land Bank Commissioner, that the 12 Federal Land Banks are completing arrangements for the redemption as of May 1, 1946 of all outstanding Consolidated Federal Farm Loan 3% Bonds of May 1, 1946-56. Mr. Rhea stated that funds for this purpose are to be obtained chiefly from the proceeds of a public offering of Consolidated Federal Farm Loan Bonds and borrowings from commercial banks. He said that details of the public offering of consolidated bonds will be announced at a later date.