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## Getting Results Through Insurance Research

By FRANK LANG

Assistant Director, Division of Research, Association of Casualty and Surety Executives

Mr. Lang declares scientific operation of insurance necessitates extensive research. Views past research efforts as having been devoted to loss prevention, contract simplification, investment operations, actuarial calculations, policy distribution, and administrative procedure. Says important new opportunities for research consist in (1) use of public opinion polls, (2) marketing practice, and (3) centralized departments of investigation.

Insurance in this country is more than a service industry offering protection to millions of individuals and businesses — it is an economic institution. It touches everything we come in contact with, and probably no other individual industry involves so great a volume of money transactions. Its assets have grown in the last quarter of a century from 10 billion dollars to 55 billion dollars; it produced during 1945 premiums of 9 billion dollars; it now gives employment to approximately 600,000 persons.



Frank Lang

for our purpose, being an organized method of trying to find out what to do when you are having trouble doing what you are aiming to do. Unquestionably some of the past and present research efforts in insurance have not been conducted along lines which should be characterized as strictly scientific; yet insurance has performed, in many of its branches, outstanding research investigations which have served as models for other types of business.

### How Insurance Has Used Research During the Past

Following are some more or less arbitrary classifications which will convey an idea of the broad scope of the research now being conducted by insurance companies:

1. Prevention and Conservation Research—To eliminate the cause of loss.
2. Contract and Legal Research—To simplify and standardize their contracts.
3. Investment Research — To

(Continued on page 2276)

## Terms Federal Data Misleading

Brig. General Ayres says there is danger that area of pressure-group political statistics will be enlarged. Questions Treasury reports that Federal Budget is balanced.

In the current issue of the "Business Bulletin," published by the Cleveland Trust Company, Brig. General Ayres, who was formerly a Government statistician, calls attention to what he calls "corruption of Federal statistics by the Government itself on behalf of selected pressure groups." General Ayres comments: "Corruption of Federal statistics by the Government itself on behalf of selected pressure groups is the issue which is producing violent argument in Washington. First there was the scandal which resulted when it became known that a Department of Commerce report had been secretly made available to the automobile union of the CIO last summer, and used as a basis for its demands for a 30% wage increase for General Motors employees. Later on it became part of the evidence made available to the fact-finding board. The day after the strike was settled the report was repudiated by the Secretary of Commerce.



Leonard P. Ayres

"More recently, strong pressure has been brought to bear by labor groups to prevent the nomination as Commissioner of Labor Statistics of Dr. A. Ford Hinrichs who has been Acting Commissioner for nearly six years. His office has for many years com-

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## The Financial Situation

Worldwide and domestic problems, whether threat of starvation, or housing shortages, etc., are the inevitable results of new economic and social philosophies that have paternalism and totalitarianism as underlying strata. By placing "other objectives" ahead of production, these philosophies are responsible for shortages both abroad and at home. Thus, progress toward restoring our economy to healthful vigor is discouraging, and the Administration seems more interested in maintaining planned economy than in following the one road to plenty—Production.

To the careless observer such current phenomena as the world-wide threat of starvation, the housing shortage about which we hear so much in this country but which exists in even more aggravated form in many foreign lands, and the vagaries of the OPA of which we hear more and more with each passing day, may appear unrelated. They are, however, as a matter of fact not so. On the contrary, they are all inevitable results of an economic and social philosophy, and an attitude toward government and by government which antedated World War II and which blossomed forth in great vigor during that conflict virtually all over the world. The foundations of them all rest upon the same underlying stratum of paternalistic, totalitarian, socialistic ideas which are the very antithesis of traditional American conceptions of sound public policy, and upon which during the war certain other equally fantastic notions about international relations were grafted.

### Production and Food

The horrible food situation—we assume, with some hesitation, that it is as bad throughout the world as we are told it is—is, of course, but in limited degree a result of any postwar procedures having to do with production, since the war even in Europe continued so late in the year 1945, as to interfere seriously with last year's crops, and since sufficient time has not yet elapsed for herds to be replenished. There can, however, be no question that our extreme policy

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## Implications of Party Loyalty

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

Secretary Wallace reiterates his view that Democratic Congressmen should be loyal to party principles, and points out that those not loyal should be punished by exclusion from important committees. Upholds party government and lauds Democratic Party policies as progressive, asserting "we welcome every citizen, white or black who believes in the rights of man, into the Democratic Party."

For more than 100 years men and women who were not cowards, and who did not die along the way, have come to California. The plain people

who pushed the frontier back to the Pacific were not only pioneers in developing the economic resources of the nation; they were also pioneers in putting progressive ideals into political practice.



Henry A. Wallace

These pioneers, having experienced every conceivable hardship and danger, were blunt and honest folks. They had no time for mincing words. They said what they meant. And typical of what they said and meant are these

undying words: "The cowards didn't start—and the weaklings died along the way."

Lately, forward looking men and women of the West have reversed the process and gone East to represent California in the halls of the national Congress. For fear of reprisals I will not say that the California delegation is the best Democratic state delegation in Congress. But I will say this—I challenge anyone to name a better state delegation. Senator Sheridan Downey believes in the people as Andrew Jackson did. By and large the members of the

\*An address by Secretary Wallace before the National Citizens Political Action Committee at San Francisco, Cal., April 22, 1946. (Continued on page 2275)

## Republican Party Prospects

By B. CARROLL REECE\*

Chairman, Republican National Committee

New Republican party spokesman, stating there exists a tendency to confuse liberalism with radicalism, scores delays in Congress which handicap reconversion and recovery. Sees drift to State Socialism in Truman Administration and accuses "pink puppets" in control of Federal bureaucracy of causing shortages by hindering American productive capacity. Foresees Republican victory in elections despite "expenditures which may be made by Political Action Committee." In earlier address, stresses GOP liberalism.

This is my first opportunity to address a nation-wide audience as chairman of the Republican National Committee. I want to talk to you tonight



B. Carroll Reece

about what the Republican party proposes to do this year to save your representative republican form of government. My remarks are addressed to all Americans, regardless of party affiliations, who are interested in the preservation of that form of government.

For the last fourteen years, due to causes which time limits will not permit me to review here tonight, we have been drifting away

from our historic system of government for and by the people. We are at the crossroads of government in the United States. This is the year of decision. The nation is called upon to decide whether it will restore and maintain its system of free government or go faster than ever toward rule by a political monopoly. We may never have another chance to make that decision. Already we have drifted dangerously close to the rocks of state socialism—the same rocks upon which other republics have been wrecked in the past.

From its very beginning the

\*A radio address by Mr. Reece over the National Broadcasting network, April 19, 1946. (Continued on page 2277)

# From Washington Ahead of the News

By CARLISLE BARGERON

There is a tremendously moving spectacle in this country, far more dramatic, we think, than the Nuremberg trials. Over there you have the picture of whether our Bob Jackson, will do well enough to be a candidate for Governor of New York, against other such celebrities as Mrs. Roosevelt, or the former railroad man, Good Fellow Jim Mead.

The moving spectacle which is greater is whether Chester Bowles is to retain confidence in himself. We understand from a biographer of his, whom we've just read, that the question of having confidence in himself has always been one of Chester's problems. According to this biographer, very friendly, Chester was born to the purple as John L. Lewis is inclined to say of some of the coal operators who oppose him; indeed as the New Deal propagandists are accustomed to say about most anyone who opposes them.



Carlisle Bargeron

But notwithstanding this, he wondered shortly after he got out of college whether he would be able to fulfill a man's mission in life. There was a time, we are told, when he wondered whether his highly successful advertising business, was fulfilling this mission.

If Chester now loses his great fight against the 531 members of Congress, the Senate and the House, we understand he will just fold up. He will have lost his persuasiveness, so his friends say. Apparently we will have something like another GI psychiatric case on our hands, and there is no provision to take care of it. Undoubtedly, too, Chester will be in the mood to write for the "Editor and Publisher", the newspaper trade magazine, that nothing is to be accomplished by advertising because he has certainly used every advertising wrinkle under the sun to beat the legislative branch in this case.

Frankly, we don't think that the American people realize what is at stake in this fight. Chester has put it up to them as a proposition for or against inflation when the real proposition is Chester's retaining confidence in himself. That he should have picked the Congress of the United States to try to overthrow is not so much in point. Apparently it is utterly essential for Chester to retain confidence in himself, to slay a dragon. To bowl over an agency of the government such as the FCC, Agriculture, the ICC, or some other alphabetical body, would not suffice. Chester chews on very raw meat.

We talked with some people the other night who had been out at Chester's home. They reported that he was fit to kill, that he was unquestionably the country's No. 1 problem. These particular people did not like OPA, but they asked in all seriousness: "Are we, as a people, to be in the light of destroying a man's faith in himself?"

There seems to be no doubt that downing Chester will destroy our face before the world, particularly Russia. How can we ever go before the Russians and those other people whom they dominate, selling democracy, if it turns out that we have been so undemocratic as to deliberately press down on a man who is trying to come up, as is Chester. We have always sold that ours is the land of opportunity. How on earth can he go to

the Senate, how on earth can he subsequently lead the radicals to White House, if we don't sustain him this time? It is not generally realized that the man might quit our government, his confidence in himself destroyed. His successor in OPA, Paul Porter, has warned that he is having a tremendous lot of trouble keeping his staff together. These government jobholders, we are told, are losing their morale. They aren't losing their salary checks but if you are interested in these men continuing to do their harassing job to American industry, you must do something to keep up their morale.

Parenthetically, we were over to the Pentagon building this afternoon and you would be amazed at the number who aren't concerned about morale, but who are sitting there drawing their checks for reading magazines and newspapers. If we ever succeed in demobilizing them they ought to be the most literate people in the world.

We will say this much: If Chester succeeds in killing off the House amendments to the OPA extension bill, it will be the greatest propaganda job we have ever seen in this country and manifestly, it should give Chester plenty of confidence in himself. Mr. Truman recently bawled out the Navy for propagandizing against his proposed merger bill. He said he thought people involved should express their opinion before the Congressional committees and let it go at that. He should have been, but was not, asked about the OPA's propaganda against the House's action on OPA. The two are quite similar. The funny thing though is that Congress gave Chester an appropriation for propaganda to get people to cooperate with the OPA. He is using that now, and more, to prevent Congress' will. But don't think he isn't being effective. His agents have got the CIO to apply the works, the Federation of Women's Clubs, every other organization which the capable propagandists use these days. After all, he learned something in his days as an advertising man.

## France Cuts Gold Reserve

From Paris April 13 a wireless message to the New York "Times" said:

The transfer of 35,000,000,000 francs from the gold reserves of the Bank of France to the Exchange Equalization Fund will be reported tomorrow in "Figaro." The newspaper will say the transfer was necessary to pay for French imports of the next three months. The operation will reduce the gold reserves to below 100,000,000,000 francs. France recently ordered repatriation of gold transported to the colonies and recovered in Martinique and in Senegal.

## Senate Confirms Pawley

On April 12 the U. S. Senate confirmed the nomination of William D. Pawley of Florida to be United States Ambassador to Brazil. Approval was by voice vote, without objection. The nomination was sent to the Senate by President Truman on April 9. Mr. Pawley before his designation to his present post, was Ambassador to Peru.

## N. Y. Clearing House to Close Sat. from June To End of September

Announcement was made on April 18 by the New York Clearing House Association of its decision to close on all the Saturdays from June to September inclusive. The New York Stock Exchange made known on April 4 that it would close on Saturdays during the four months, and various banks in the city have indicated that they would likewise observe the Saturday closing period during those months; the Clearing House gives a list of 24 banks which have taken action to this end. All of the mutual savings banks in the 5 boroughs are likewise to close on Saturdays during the summer months. The action of the Stock Exchange was noted in our issue of April 11, page 1941. A bill signed on March 14 by Gov. Dewey of New York, permitting all banking institutions in the State to close on Saturdays during June, July, August and September was referred to in these columns March 21, page 1531. The announcement of the Clearing House, April 18, signed by Frank K. Houston, Chairman of the Clearing House Committee and Edward L. Beck, Manager of the Association follows:

"Pursuant to the following resolution, which was unanimously adopted by the New York Clearing House Association today, the New York Clearing House will remain closed on each Saturday from June to September inclusive:

"Whereas, the General Construction Law of New York has been so amended by Chapter 111 of the Laws of 1946 as to permit each bank and trust company by resolution of its Board of Directors or Trustees to remain closed on any one or more of the Saturdays from June to September inclusive; and

"Whereas, all the member banks of the Association, as follows, have advised the Clearing House Committee of their decision to remain closed on all Saturdays during the four months' period mentioned:

Bank of New York, Bank of the Manhattan Company, National City Bank, Chemical Bank & Trust Company, Guaranty Trust Company, Manufacturers Trust Company, Central Hanover Bank and Trust Company, Corn Exchange Bank Trust Company, First National Bank, Irving Trust Company, Continental Bank & Trust Company, Chase National Bank, Fifth Avenue Bank, Brooklyn Trust Company, Bankers Trust Company, Title Guarantee and Trust Company, Marine, Midland Trust Company, Lawyers Trust Company, New York Trust Company, Commercial National Bank & Trust Co., Public National Bank & Trust Co., J. P. Morgan & Co. Incorporated, United States Trust Company of N. Y., Grace National Bank.

"Therefore, Be it Resolved, that the New York Clearing House remain closed on each Saturday from June to September inclusive, subject to such regulations as the Clearing House Committee may consider necessary, due notice of which will be given by the Manager."

## Close Books on Fed. Land Bank Bond Offering

Charles R. Dunn, Fiscal Agent, announces that books were closed at 5 P. M. on April 16 on the \$217,000,000 Federal Land Bank 1 1/4% Consolidated Federal Farm Loan Bonds due May 1, 1952 and that the issue has been heavily over-subscribed. The offering was referred to in our issue of April 18, page 2144.

## Let It Grow

"As Governor of the State of \_\_\_\_\_, I endorse the principle that a balanced Federal budget is essential to national solvency.

"I am convinced:

"That further deficit spending and continued borrowing are major threats to the nation's welfare;

"That the alarming growth of inflationary trends is increasingly aggravated by unsound Federal fiscal practices;

"That the further use of such practices is a constant menace to the constitutional position of our State and local governments, a threat to their fiscal solvency; and

"That, if these trends and practices continue, they will lead inevitably to increased costs, increased prices and increased taxes; and thus affect adversely every individual in this country.

"I, therefore, sincerely hope that Congress will provide a balanced Federal budget beginning July 1, 1946, and I urge the people of this State to support their Congressmen in the achievement of this important result." — Text of statement issued jointly by a number of State Governors.

How encouraging it would be if this were to prove the beginning of a movement too powerful for even the spenders to halt!

Let it grow. Let it grow. Let it grow.

## Internat'l Atomic Control Plans Progressing; U. S. Senate Group Completing Legislation

The United Nations' Secretary-General, Trygve Lie, is reported to be urging the 12 member nations of the UN Atomic Energy Commission, set up by the General Assembly in London on Jan. 24, to immediately complete the selection of their delegates so that a meeting of the Commission may be called in New York. Bernard M. Baruch was named as the United States representative on March 18, and on April 5, his appointment was confirmed by the Senate. It is expected that those nations which have not already named their representatives will do so in the early future.

Meanwhile, in Washington, the special Senate Atomic Energy Committee, after months spent in the preparation of legislation designed to control use of atomic energy for peaceful ends is reported by the Associated Press to have nearly completed a measure which can be brought before the legislature. Plans are said to be included for a joint standing committee of the Senate and House to act as a liaison between Congress and the Civilian Atomic Energy Commission so that Congress may be kept informed, as Senator Hickenlooper put it, "of what is going on in the atomic energy field." This group, according to the Associated Press, would be authorized to make a continuing study of atomic controls and to sponsor legislation affecting them.

As the measure is now drawn, subject to final action by the Senate committee, the Associated Press reports that the special commission could do just about anything it considered necessary to advance atomic developments. These advices continued:

It would produce and own all fissionable materials and radioactive by-products. It could distribute them in this country, with or without charge, for research and medical therapy. Under the supervision of Congress and the President, it would license the industrial use of atomic energy.

The commission would direct research and development on military phases and, when the President approved, could produce atomic-bombs and other similar weapons. The President would direct when and in what quantities it would deliver atomic weapons to the armed forces.

The commission's ownership would extend beyond fissionable materials and atomic weapons to all of the plants and facilities for processing and producing fissionable materials. It would own all patents and inventions and previ-

ously constructed property, like the Manhattan District installations where the bomb was produced.

"In a manner such as to assure the common defense and security," the commission would control the dissemination of scientific, technical and military information. It would draw up regulations on how this information was to be passed out and to whom.

"Willful" violation of its security regulations would be punishable by fines ranging from \$5,000 to a maximum of \$20,000 and twenty years in jail.

But Senate committee members pointed out that the commission would have to make semi-annual reports to Congress and go there for money to continue its activities.

The commission would have to keep the proposed fourteen-member joint committee "fully and currently informed with respect to the commission's activities."

The committee would have its own "experts, consultants and technicians" to check up on the atomic commission and members would be required to report from time to time to the Senate and House on how things were going.

Great Britain's plans for joining in the control of atomic energy were disclosed to some extent in the information sent to the New York "Times" from London on April 8, stating that Prime Minister Attlee, declining to make any statement on a control program in the House of Commons, informed the members that Britain would leave discussion of atomic energy to the United Nations commission appointed for the purpose. Under-Secretary Hector McNeill, replying to another question in Commons, stated, according to the New York "Times," that the Soviet Union, China and Mexico had not yet appointed representatives to the atomic-bomb commission. Australia, Brazil, Canada, France, the Netherlands, Poland, the United States and the United Kingdom had already appointed delegates or technical experts, he said.

# Calls for Clarification Of Labor Policy

Guaranty Trust Co. publication says present inequities in labor laws destroy collective bargaining and there is need for a revision of policy and legislation if collective bargaining is to become a universally accepted principle in industrial relations.

"The tragic obstruction of reconversion by industrial disputes has left no room for doubt as to the urgency of the need for re-examination of our national labor policy. The wage-price policy of the transition period is merely the current expression of a continuing national labor policy based on the traditional view that labor needs legal protection against exploitation. In the beginning this view had a validity that has gradually disappeared. The eleven years during which the Wagner Act has been in effect have brought about a situation in which the inequality of bargaining power has to some extent been reversed. In many cases it is now the powerful labor organization that enjoys semi-monopolistic advantages, and management that seems to occupy the inferior position and need legal protection," states the Guaranty Trust Company of New York in the current issue of "The Guaranty Survey," its monthly review of business and financial conditions in this country and abroad.

### Present Inequities

"If the term collective bargaining implies, as it should, the position of approximately competitive equality essential to the equitable and successful operation of a free competitive industrial system, it is fair to ask whether a system of true collective bargaining can be said to exist today," "The Survey" continues.

"One obvious weakness of existing law is the fact that management can be guilty of 'unfair labor practices,' whereas labor legally cannot. The Wagner Act for example, is designed to encourage collective bargaining; but it requires such bargaining only of employers, not of employees. In some recent instances labor organizations have presented their demands with the statement that they were not subject to negotiation. In some cases strikes have begun before management has had an opportunity to reply to the original demands. In other cases the strikes have begun without even so much as a request to management for the opening of negotiations. Action of this kind surely cannot be called collective bargaining, but they are not unfair labor practices within the meaning of the law.

### Special Immunities

"Another fertile source of difficulty is the immunity of labor organizations and their leaders from responsibility for acts that would be clearly illegal if committed by other individuals or groups. Barring products from the market and fixing prices have been held not to be illegal practices if performed by labor unions. Acts that would ordinarily be described as 'racketeering' are covered by the same cloak of immunity. The United States Supreme Court recently ruled that the law has no power to prevent union officials from collecting 'kick-backs' from their own members.

"The law as it now stands contains nothing to prevent unions from strengthening their monopolistic position by a combination of closed-shop agreements and rules of admission restricting membership, or even arbitrary exclusion or expulsion from membership. While it does not appear that this power has been widely abused, it could become a prolific source of future difficulty unless curbed.

"Few recent trends in industrial relations have struck so directly at the foundations of business

settlement as a last resort in such industries.

### Elements of Sound Policy

"For industry in general, the foregoing enumeration of outstanding weaknesses in the collective bargaining system suggests the broad guiding principles to be followed in strengthening the foundations of industrial peace. The rights and obligations of labor and management should be clearly stated, especially the obligation to bargain collectively in good faith. Labor and management should be made equally subject to the civil and criminal laws, including the laws prohibiting combinations in restraint of trade. Federal and State laws should be so amended as to facilitate legal actions for damages sustained through violations of labor contracts, not so much with a view to the recovery of such damages as to increasing the sense of responsibility of the contracting parties. The law should draw a clear line of demarcation between labor and management, with provisions effectually preventing management from being forced to unionize itself. Federal and State conciliation and mediation machinery should be improved, and readily available facilities should be provided for arbitration in cases where both parties desire it. And the general spirit underlying both law and administrative policy should be one of impartiality, not one of bias in favor of either labor or management."

### Need for Revision

"Collective bargaining has become a universally accepted principle in industrial relations; but if it is to continue as a workable part of a free enterprise system, it must be collective bargaining in the true sense. It must be carried on between free, equal and responsible parties and must be cleared of all taint of monopoly. It is very doubtful whether these requirements can be met under the laws and administrative policies that have developed in recent years. Since the Wagner Act was passed, industrial disputes have been more numerous and more costly than they were before, although the period since the enactment of the law includes the war years, when strikes and lockouts were banned by mutual agreement. Almost without exception, industrial executives who have expressed an opinion on the subject have voiced grave misgivings as to their ability to operate successfully under present laws and policies.

"The fact-finding procedures followed in the recent past and proposed for inclusion in Federal labor legislation fall far short of meeting the need. Fact-finding by Government boards tends inevitably to develop into something closely resembling compulsory arbitration and leaves the Government in the unenviable position of having virtually dictated, or tried to dictate, the terms of a settlement. As long as governmental price control continues, some form of wage control must go with it. But when price control is abandoned, every effort should be made to encourage the settlement of disputes by voluntary methods and to avoid settlement by governmental decisions. An exception must be made in the case of industries such as railroads and public utilities, where rates are subject to governmental regulation and where continuous operation is indispensable to public health and welfare. The nominal right to strike in such industries is a legal fiction, since it is obvious that, as a matter of practical necessity, such strikes must be prevented in one way or another. This fact should be candidly faced and provision made for 'fact-finding' or some other form of governmentally sponsored

# The State of Trade

The week just passed was an eventful one in many ways with retail trade for the country as a whole an outstanding feature, rising in the week to 81%, compared with a gain 50% in the week preceding. In a comparison with the like week a year ago, however, consideration must be given to the fact that retail establishments were closed on Saturday in memory of President Roosevelt.

For the week overall industrial production rose slightly, notwithstanding declines in some industries. While employment continued on the upgrade and unemployment compensation claims dropped by 2% during the week ending April 6, the Ford Motor Company was forced to sharply reduce the number of its workers at midweek by laying off 45,000. At the beginning of April the company found it necessary to lay off 35,000 for one week, since it was consuming steel faster than it could replenish stocks. Many steel companies the past week continued to operate at a high level of output hoping that the coal strike would terminate in time to prevent an industry-wide shutdown. The low level of coal and coke supplies at the week-end, however, provided no alternative to the steel industry but to examine operating schedules on a day-to-day basis. Scheduled output of the steel companies having 94% of the industry's steel capacity for the current week beginning April 22, as estimated by the American Iron and Steel Institute will be 73.6% compared with 77.4% in the previous week.

Steady depletion of bituminous coal stocks held by consumers and increasing appeals for emergency stocks held under Government order was disclosed last Thursday by J. A. Krug, Solid Fuels Administrator, who declared that since the beginning of the mine strike on April 1, approximately 28,000,000 tons of potential coal production had been lost. The soft coal strike entered its fourth week with no sign of a break in deadlock negotiations, and, according to Secretary of Labor Schwellenbach, he has been unable so far to complete arrangements for resuming talks the present week between mine operators and John L. Lewis, chief of the United Mine Workers union.

Automobile output was estimated at 49,425 units last week, being 3.5% above that of a week ago. Production of small electric motors, an integral part of many electric appliances, was impeded somewhat by shortages of materials, while lumber production for the week ending April 6, advanced 2.7%. Shipments on the other hand dropped 9.9% and new orders by 5.4%.

The Government's struggle to check inflation in the country through the medium of the Office of Price Administration was thwarted last week when the House voted to extend the life of OPA for nine more months, but withdrew its teeth by crippling amendments which left little in the way of prices to control. One such amendment known as the "de-control provision" calls for the removal by OPA of price ceilings on commodities when they become as plentiful as they were in 1940-1941, before Pearl Harbor. Another amendment requires OPA to guarantee manufacturers and retailers a "reasonable profit" on items they sell.

From the present attitude of the Senate on price control the chances of restoring some of the power that will in all probability be taken from OPA through the House amendments seems remote. On Thursday of last week Senate opponents of OPA set to work under the leadership of Senator Elmer Thomas (D., Okla.) who introduced an amendment that would lift all price controls except those on rents.

With the suspension by OPA of

ceilings on hard goods now in effect, higher price are already being announced. Depending upon the effective date when its strike ends, Westinghouse Electric will increase the price of its heavy equipment by about 15%, but in contrast to this policy, Iron Fireman has announced that it will cut the prices on residential bituminous coal stokers by 15%, expressing the hope that the lower price will stimulate volume and offset the drop in per-unit revenue.

The railroads last week sought a 25% increase in freight rates to compensate for higher wages. Smaller increases would apply for specific products such as lumber and wood pulp, iron ore, iron and steel, coal and coke, sand and gravel, cement, brick and tile. There can be no question but that higher freight rates will in the final analysis be reflected in increased consumers' costs. The need for higher rates are no doubt justified by increased costs due to wages, maintenance and operation.

Capital expenditures for equipment and other improvements to railway property made by the class I railroads in 1945 totaled \$562,980,000, the greatest for any year since 1930, when expenditures amounted to \$372,608,000, according to the Association of American Railroads. The total for 1945 represents an increase of \$2,868,000 above that of 1944.

The lowest total of capital expenditures of the carriers in the past 16 years was in the depths of the depression in 1933, when the figure amounted to \$103,947,000. By 1937, these expenditures advanced to \$509,793,000, and after a sharp decrease in 1938 and a slightly smaller one in 1939, they rose to \$429,147,000 in 1940 and held well above that figure in succeeding years.

**Steel Trade**—Gambling on the chance that the coal strike would be settled in time to prevent a drastic shutdown in the steel industry, many companies last week maintained a higher operating rate than had been expected. Another segment of the industry, however, was forced to curtail operations further. Diminishing supplies of coal and coke at the weekend forced the whole steel industry to scrutinize operating schedules on a day-to-day basis, according to the "Iron Age," national metalworking paper, in its review of the steel trade.

A continuation of the coal impasse which now seems likely will force steel operations lower this week. Up to last weekend more than 350,000 tons of steel have been lost to the reconversion program because of the coal strike. Hopes that 1946 would show the biggest peacetime production of steel have been dashed because of the tremendous losses due to the steel strike and the coal stoppage, the magazine states.

Significant steel market changes were disclosed the past week when it became apparent that active markets close to steel mills and the high cost of freight absorption are rapidly accomplishing what the Federal Trade Commission has unsuccessfully attempted to achieve for years by regulation. Many steel mills are rapidly withdrawing from distant territories.

Nearly every steelmaker is re-establishing the areas in which he can sell profitably and has started to cut off sales beyond these

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## The Financial Situation

(Continued from first page)

of demanding "unconditional surrender" and our open avowals of intention to execute most if not all of the enemy leaders in Europe and Japan very definitely prolonged the war and made necessary much greater destruction of all kinds of property in these enemy and bordering countries than otherwise would have been the case, and thus must be put down as one of the major causes of the extreme plight of peoples we are now asked to succor.

But we are being told, and apparently with good reason, that this is no temporary state of things. We are daily informed that this year's crops will not provide sustenance for the peoples of the world until still another crop is harvested—or at least that in such places as most of Europe, the danger of hunger next winter and spring and the summer of 1947 is almost as great as the reality of today. Not very much is being said at the moment of clothing and shelter for these millions, but one need hardly be told that these same peoples are as badly off for these necessities of life as they are for food, and are likely to suffer from these shortages as long as they are from lack of adequate food. Our own housing shortage goes back to the unproductive years of the New Deal, and was naturally greatly intensified by war conditions which could not well have been avoided, but our lack of any sort of progress or promise of progress in relieving it is directly chargeable to postwar blunders. Much the same is to be said of the multitude of other vacant places in the market of this, if not of other nations.

### Putting Other Things First

The cause of all this may be expressed in very small compass by saying that it results from an almost worldwide determination to place other "objectives" ahead of production. Abroad we find it in an expressed determination to "crush" all enterprise in Germany which "could be used to make another war," which of course is another way of saying all sorts of modern industry. We find it also in the carting off to Russia—we here are not concerning ourselves with questions of abstract justice—equipment from Germany, and the rearrangement of boundaries in such manner that major changes in the economic unit which was Germany must now be rebuilt (if that is indeed possible) along different lines before it can possibly function effectively. We find it in the partition of Germany into water-tight, we had perhaps better say airtight, compartments, leaving sections of a once closely knit economic system in several sections quite separate from one another and barred from hav-

ing any central, systemic organs to keep them all going in harmony.

In France, the public appears, so far as one can tell from a distance, to be more interested in old, political squabbles than in getting down to work at reviving French industry and trade. If the economy of that unfortunate country were really beginning to function normally, or were even making marked progress in that direction in the circumstances now existing, the fact should be set down as the eighth wonder of the world. In Britain, the central Government is, for all appearances, more interested in "nationalizing" the economy than in seeing industry get quickly down to work to supply the people with the million and one things they so desperately need. Certain reports which have of late been coming from some of the formerly occupied countries on the Continent seem to suggest real progress in those areas, but for the most part the picture is doleful.

### Much the Same at Home

When we turn our eyes to our own country we find a similar picture—embellished of course with some typically American touches, but nonetheless at bottom essentially similar. From soon after the outbreak of war in 1939—and, for that matter, even prior to that—until Pearl Harbor we, or at least the President, repeatedly talked of vast aid to the enemies of Fascism and Nazism when we had almost literally nothing with which to extend such aid. Now, the powers that be are similarly fond of appealing to the people of this country to extend aid to the suffering peoples of the world when there are inadequate supplies here out of which to afford the aid demanded. It is true, of course, that contrasted with the conditions of many parts of Europe we live in the lap of luxury in this country. It is likewise true that compared with the plane of living to which we are accustomed and to which the success of our productive efforts have always in the past entitled us, we are today far from affluent. What is far more significant, and far more discouraging, is the fact that we are making such unsatisfactory progress in restoring our economy to its normal health and vigor.

### The Reason

It appears quite obvious to

us that the reason why we are not making greater progress is found in the fact that the Federal Government is more interested in certain reforms, in manifold controls, in the permanent establishment of a planned economy than it is in the abundant production of the things all of us want. The only other possible explanation is that those who represent us in Washington are stupid enough to suppose that such a monster as the OPA has grown to be could possibly roam the countryside without interfering seriously with production, or that it even helps to stimulate production; to believe that these fantastic procedures of the Housing Expediter can possibly fail to strangle production of what both the returning veteran and all the rest of us want; and to take for granted that the politicians in Washington have somehow found the wisdom to accomplish what no one else anywhere has ever been able to do—to operate an entire economic system from a central office.

There is but one road to plenty, and that is production.

## Adm. Kirby Smith Named to Housing Program Post

Rear Admiral Kirby Smith, USNR (Civil Engineering Corps), it was announced on April 14, has been appointed General Deputy Expediter for the Veterans Emergency Housing Program by Wilson H. Wyatt, National Housing Expediter and Administrator of the National Housing Agency. The announcement says:

Admiral Smith, one of the Navy's top-ranking construction men during both World War I and II, was largely responsible for developing and supervising a \$4,500,000,000 building program for the Navy Department in the United States, Hawaii, the Canal Zone and other strategic outposts. He retired from active duty last week. The Admiral will be General Deputy for Mr. Wyatt in charge of all operations of the program, with its goal of 2,700,000 homes started by the end of 1947, but will concentrate in the coming months on problems of supply and production. The new appointee is known throughout construction circles—civil as well as military—both in this country and abroad. He is Chairman of the Construction Committee of the American Society of Civil Engineers.

## Savings Banks Bond Men Elect Officers

At the annual meeting of the Savings Banks Bond Men of the State of New York the following officers were elected unanimously: President, Alfred C. Middlebrook, Assistant Vice-President of the East River Savings Bank of New York; Vice President, George P. Montgomery, Vice-President of the Seamen's Bank for Savings of New York; Secretary, William G. Licklider of the New York Savings Bank, New York; and Treasurer, Jarvis S. Hicks, Jr., Vice-President of the Long Island City Savings Bank.

## Truman Signs Bill to Curb Petrillo

President Truman signed on April 16, the bill to restrict the powers of James C. Petrillo, President of the American Federation of Musicians (A. F. of L. affiliate) exercised over the radio. The legislation signed by the President was in the form agreed on by Senate and House conferees, the bill as thus accepted having been approved by the House on March 29 by a vote of 186 to 16, and by the Senate on April 6 by a vote of 47 to 3.

Noting the approval by the conferees of the House version of the legislation United Press advices from Washington March 26 said:

They discarded a much milder Senate version and sent back to both chambers a measure which provides a \$1,000 fine and a year in prison for violation of its provisions.

The bill would outlaw alleged restrictive union practices, including the use of force to make broadcasters hire stand-by musicians and pay union royalties for broadcasting recorded music. Broadcasters also could not be prevented from carrying non-commercial or educational programs.

Although it does not mention Petrillo and his union, it was aimed specifically at curbing Petrillo's methods in dealing with radio stations.

The conference vote was not made public, but one member said "we reached agreement with no great trouble."

The conferees upheld the position of the House Interstate Commerce Committee which said in a report that the bill was necessary to protect broadcasters from "ever-increasing extortionate and racketeering demands to which they have been forced to yield by coercive methods."

The House bill, introduced by Chairman Clarence Lea (D-Cal.) of the Interstate Commerce Committee, was passed, 222 to 43.

President Truman never has indicated how he feels about the measure, but its opponents, including Rep. Vito Marcantonio (A-L-N.Y.), have charged that it would take from all workers their right to strike. Its supporters counter, however, that it does not

deny anyone the right to strike legally.

On Feb. 1, 1945, the Senate passed its bill to curb Petrillo's union, but it merely sought to prevent any interference with educational or cultural broadcasts.

The House later substituted the Senate version for one of its own, but amended it to provide penalties and to reach throughout the entire radio industry.

References to the bill appeared in these columns Jan. 24, page 440, Jan. 31, page 620 and March 14, page 1400, the last named item noting the passage of the bill by the House on Feb. 21. From Washington April 16 special advices to the New York "Times" said in part:

The measure provides penalties up to a year's imprisonment and a \$1,000 fine for compelling or trying to force broadcasters to do the following things:

Hire more employees than they need.

Pay for services not performed.

Pay unions for using phonograph records.

Pay again for broadcasting a transcript of a previous program.

Halt programs originating in foreign lands or any type of non-commercial, cultural or educational program.

The bill was introduced by Senator Vandenberg, Republican, of Michigan, who took exception to the action of James C. Petrillo, head of the American Federation of Musicians, AFL, in forbidding the broadcast of a student music festival at Interlochen, Mich. The bill was broadened in the House and the Senate accepted most of those changes.

## FDIC Reports Deposits of Ins. Comm. Banks

Total deposits of all insured commercial banks reached \$147,811,000,000 on Dec. 31, 1945, a gain of \$13,529,000,000, or 10%, from the June 30, 1945 total, and 18% above a year ago, Chairman Maple T. Harl of the Federal Deposit Insurance Corporation announced on April 7. Most of this deposit increase, Mr. Harl reported, occurred in accounts of individuals, partnerships, and corporations. These accounts amounted to \$101,901,000,000 at the close of 1945 as compared with \$91,871,000,000 on June 30, 1945, an increase of 11%. Mr. Harl further reported:

There was a moderate increase in interbank balances which were \$13,884,000,000 at the end of the year. Deposits of the U. S. Government on Dec. 31 amounted to \$23,846,000,000 only slightly above the mid-year total.

The 13,302 insured commercial banks reported total assets of \$157,582,000,000 on Dec. 31, 1945. This represented an increase of \$14,126,000,000 from the mid-year total and was the largest dollar increase in total assets for any half year period since early in the war. During the last half of 1945, the increase in total assets of all insured commercial banks was 10% as compared with 7% in the first half of the year. The rate of increase in total assets in the last six months of 1945 was the highest for any half-year period since the last half of 1942 when the Federal Government's war financing program moved into high gear.

Insured commercial bank holdings of U. S. Government obligations again increased in the last half of 1945 and reached a new high of \$88,933,000,000 at the end

of the year. The \$6,511,000,000 gain over the June 30, 1945 level was about the same as the \$6,526,000,000 increase in the first half of the year and well below the increases shown since the first half of 1942.

Chairman Harl called particular attention to the fact loans and discounts of all insured commercial banks reached a record peak of \$25,769,000,000 at the close of 1945, the highest level since the beginning of deposit insurance. The year-end total was a gain of 10% from the June 30, 1945 level as compared with a 9% increase in the first half of the year. Most significant, said Mr. Harl, was the increase of \$1,960,000,000, or 26%, in commercial and industrial loans. These loans have been increasing substantially as reconversion of industry has rapidly progressed. Loans to brokers and dealers in securities and other loans for the purpose of purchasing and carrying securities amounted to \$6,771,000,000 on December 31, 1945, only slightly above the June 30 total. These security loans largely reflected bank borrowing by individuals and businesses for the purpose of purchasing U. S. Government obligations offered in the Victory Loan.

Mr. Harl added:

The growth in total capital accounts of insured commercial banks during the last half of the year failed to keep pace with the increase in bank assets. As a result, the capital ratio declined to 5.5% on Dec. 31, 1945. Capital stock showed a net increase of \$54,000,000 in the last six months of 1945 and \$227,000,000 was added to other capital accounts bringing the total of capital accounts on Dec. 31, 1945 to \$8,672,000,000.

A previous reference to the report of the FDIC appeared in these columns April 4, page 1840.

## Truman, With Hoover, LaGuardia, Anderson, Pleads for Food Exports

In a special broadcast program on April 19, President Truman, Herbert Hoover, United Nations' Relief and Rehabilitation Administrator LaGuardia, and Agriculture Secretary Anderson appealed to the American people to reduce their consumption of food so that this country might share its supplies with the famine-stricken millions throughout the world. The President told his radio audience that "America is faced with a solemn obligation," he went on to say.

"Long ago we promised to do our full part. Now we cannot ignore the cry of hungry children. Surely we will not turn our backs on the millions of human beings begging for just a crust of bread. The warm heart of America will respond to the greatest threat of mass starvation in the history of mankind.

"We would not be Americans if we did not wish to share our comparative plenty with suffering people. I am sure I speak for every American when I say that the United States is determined to do everything in its power to relieve the famine of half the world.

"The United States Government is taking strong measures to export during the first half of this year a million tons of wheat a month for the starving masses of Asia and Europe. Our reserve stocks of wheat are low. We are going to whittle that reserve even further.

"America cannot remain healthy and happy in the same world where millions of human beings are starving. A sound world order can never be built upon a foundation of human misery."

Mr. Hoover's speech originated in Cairo, Egypt, where the former President had stopped over in his tour of the hunger areas throughout the world, after having surveyed conditions in 17 nations of Europe, and the following, according to Associated Press Washington advices which gave the details of the broadcast, was part of Mr. Hoover's statement:

"The dimensions of this European part of the world food crisis can be quickly summed up. There are about 300 million people on the continent of Europe from the Russian frontier to the English Channel. A few small countries on the continent comprised of about 40,000,000 people have enough food to last them until the next harvest. Of the other nations about one-third of the remainder are able largely to feed themselves. Thus there are over 170,000,000 people remaining, mostly in towns and cities, of whom perhaps less than 10% can support themselves from black markets and from their country relatives.

"The final remainder of about 150,000,000 are mostly the lower income groups and must have overseas supplies during the next four months if widespread famine is to be prevented.

"As against this need the grave fact is that in normal commercial supplies there are not much over 6,000,000 tons available. The problem before us, if we would preserve millions of lives, is to make up this gap of 5,000,000 tons of cereals. I believe this could be done by self-denial and cooperation of the people of the better supplied nations of the world.

"There are seven substantial sources where these supplies can possibly come from. They are Canada, the United States, Great Britain, the Argentine, Russia, Australia and Siam. And to lower this 5,000,000-ton gap between supply and the minimum needed to save these lives I have six suggestions. And let me say that these proposals are my personal views. I shall state them bluntly, as the gravity of the situation requires. If there are criticisms of these suggestions they should be directed at me alone. Truly I have had some experience in these matters and it is my duty to exhaust every possibility of saving these people.

"In making our estimates of food which must be imported to the continental countries from overseas, we have used the grim and dangerous base of about 1,500 calories, with less for children and more for heavy workers. In this figure of 1,500 we have included the domestic as well as the imported supplies and the unrationed foods. At this level we believe most of the adults can come through the short period of four months until the next harvest. The children's health will be weakened morally and physically. They will become susceptible to disease. Many of the children and the aged will fall by the wayside."

Former Mayor LaGuardia, who has taken the place of Herbert Lehman at the head of UNRRA, spoke of the monumental task of getting supplies to the distressed regions in time to be of use to the millions of people dying of hunger. "Czechoslovakia, Poland, Yugoslavia, Greece, Italy, Austria, Albania and China will be without bread in a matter of a few days unless we rush boatloads of wheat at once," he declared.

Secretary of Agriculture Anderson announced the Government's order, effective at 12:01 a.m. April 22, for a cut in flour consumption as part of the following six-point program, to cover a period ending June 30:

"(1) Millers will be required to limit domestic distribution of flour to 75% of the amount they delivered in the corresponding months last year. This order becomes effective at 12:01 a.m. Monday.

"(2) The Government will offer farmers a bonus of 30 cents a bushel of wheat delivered to the Government by May 25. The bonus is designed to entice upward of 150,000,000 bushels of wheat off farms during the current world famine crisis.

"(3) The Government will offer to buy 50,000,000 bushels of corn from farmers at a bonus of 30 cents a bushel over current ceiling prices. Corn obtained under the bonus would be resold to feeders and processors in urgent need.

"(4) Food manufacturers will be required to limit their use of wheat in the manufacture of products for domestic human consumption to 75% of the quantity used in the corresponding months of 1945. This action also becomes effective Monday, April 22.

"(5) Millers and food manufacturers will be limited, effective May 1, to 21 days' inventory of wheat. This action is designed to reduce domestic wheat to make more available for export.

"(6) The Government will offer to buy an unlimited amount of oatmeal from millers for export to hungry areas."

President Truman, on April 18, sent a message to Herbert Hoover, who has been touring Europe to study the famine emergency, suggesting that the latter return to the United States before continuing his trip into the Orient and "forcibly and dramatically" lay before the American people the urgency of the need for food in the hunger-stricken areas. The President in his cable to Mr. Hoover, according to Associated Press Washington advices, added:

"The famine emergency committee in session yesterday with representatives of the Government departments concerned, including the Departments of State, Agriculture and Commerce, felt that with only 75 days left in the current phase of the famine relief program, nothing should be left undone that can increase pub-

lic response in ways to draw more wheat from the farms and to save more food in homes and eating places. Arrangements would be made for a large meeting in New York City and for others elsewhere."

The Associated Press added: "Mr. Truman also appealed to farmers, grain cooperatives and other handlers of wheat to help make the wheat certificate plan work and get the grain from farms to ships. The plan will permit farmers to obtain certificates for delivery of grain but receive pay for it at some later date at the price then in effect."

Representatives of Britain, Canada and the United States on the Combined Food Board met on April 17 but were unable to agree on what should be done by each country in providing more wheat and flour for the needy regions.

## Mortgage Bankers Confer April 29

About 500 bankers, life insurance company officials, bankers and real estate and title and trust company executives from all over the country will open a two-day conference in New York at the Waldorf-Astoria Hotel on April 29 to review the Government's housing plan, the future of the Federal Housing Administration, the new G. I. lending program and the question of interest rates on mortgage investments. It will be sponsored by the Mortgage Bankers Association of America in cooperation with the New Jersey Mortgage Bankers Association. Byron B. Kanaley, Chicago, President of the national association, will give the opening address and John C. Thompson, President of the New Jersey Realty Company, Newark, will preside at the sessions.

Speakers who will address the conference are William Divers, special assistant to Wilson Wyatt, National Housing Agency administrator; J. C. Taylor, Jr., New York, President, American Houses, Inc.; Edward B. Carr, Washington, President, Metropolitan Home Builders Association of Washington; Douglas Whitlock, Washington, Chairman of the advisory board, Producers' Council. Also Donald B. Woodward, New York, Assistant to the President, Mutual Life Insurance Company of New York; Miles L. Colean, Washington, housing economist; Robert C. Effinger, New York, Vice President, Irving Trust Company; John T. Taylor, Washington, Director, national legislative committee, American Legion; George L. Bliss, New York, President, Railroad Federal Savings and Loan Association; F. X. Pavesich, Washington, Veterans Administration; James W. Rouse, Baltimore, Chairman of the Association's G. I. loan committee; Raymond Foley, Commissioner, Federal Housing Administration; George B. Underwood, Irvington, N. J.; F. G. Addison, Washington, Chairman, Federal Legislative Committee, American Bankers Association; W. C. Keesey, Philadelphia, The Fidelity Mutual Life Insurance Company; and William L. Maude, Newark, President Howard Savings Institution.

## Increased Mail to Italy

Postmaster Albert Goldman announced on April 17 that mail service to the Italian provinces of Gorizia, Trieste, Pola, Fiume, and Zara is extended to comprise all classes of regular (Postal Union) mails, that is to say, letters, post cards, printed matter in general, printed matter for the blind, commercial papers and samples of merchandise, except that special-delivery service is not available at this time. The registry fee is 20 cents in addition to the postage. Merchandise is not acceptable for mailing to any place in Italy in packages prepaid at the letter rate of postage.

## National Bank Assets Dec. 31 Over \$90 Billion; Deposits Exceeded \$85 Billion

The assets of National banks on Dec. 31, 1945 totaled \$90,536,000,000, it was announced on March 22 by Comptroller of the Currency Preston Delano. Returns from the call covered the 5,023 active National banks in the United States and possessions. The assets reported were \$8,741,000,000 greater than the total reported by the 5,021 active banks on June 30, 1945, and an increase of \$13,586,000,000 over the amount reported by the 5,031 active banks on Dec. 30, 1944.

The deposits of National banks on Dec. 31, 1945 totaled \$85,243,000,000, an increase of \$8,417,000,000, or 11%, since June, 1945, and an increase of \$13,114,000,000, or 18%, since December, 1944. The Comptroller's advices also stated:

"Included in the current deposit figures are demand deposits of individuals, partnerships and corporations of \$40,971,000,000, which was an increase of \$3,844,000,000, or 10%, since June, and an increase of \$4,650,000,000, or nearly 13%, in the year, and time deposits of individuals, partnerships and corporations of \$15,960,000,000, an increase of \$1,645,000,000, or 11%, since June, and an increase of \$3,305,000,000, or 26% in the year. Also included in the current figures are United States Government deposits, including War Loan accounts, of \$14,160,000,000, which increased \$955,000,000 and \$2,993,000,000 in the six and twelve months, respectively; deposits of States and political subdivisions of \$3,488,000,000, an increase of \$334,000,000 since June, and an increase of \$417,000,000 in the year; postal savings of \$3,000,000; certified and cashiers' checks, etc., of \$1,430,000,000, and deposits of banks of \$9,231,000,000.

"Loans and discounts were \$13,948,000,000, an increase of \$1,559,000,000, or 12%, since June, and an increase of \$2,450,000,000, or 21%, since December, 1944. The percentage of loans and discounts total deposits on Dec. 31, 1945 was 16.36, in comparison with 16.13 on

June 30, 1945, and 15.94 on Dec. 30, 1944.

"Investments by the banks in United States Government obligations, direct and guaranteed, at the end of December, 1945 aggregated \$51,468,000,000, which was greater by \$4,212,000,000 than the amount reported in June, 1945, and an increase of \$7,989,000,000 over the amount reported in December of the previous year. Other bonds, stocks and securities held totaling \$4,144,000,000, including obligations of States and political subdivisions of \$2,342,000,000, showed an increase since June of \$379,000,000, and an increase of \$600,000,000 in the year.

"Cash of \$1,009,000,000, balances with other banks of \$8,719,000,000, and reserves with Federal Reserve banks of \$10,451,000,000, a total of \$20,179,000,000, increased \$2,566,000,000 and \$2,542,000,000 in the six and twelve months, respectively.

"The unimpaired capital stock of the banks on Dec. 31, 1945 was \$1,659,000,000, including \$70,000,000 preferred stock. Surplus was \$2,011,000,000, undivided profits \$689,000,000, and reserves \$297,000,000, or a total of \$2,997,000,000. This was an increase of \$149,000,000 over the surplus, profits and reserves in June, 1945, and an increase of \$289,000,000 over the aggregate of these items at the end of December of the year previous. Total capital funds amounted to \$4,656,000,000, which was \$183,000,000 and \$381,000,000 greater than at the end of the previous six and twelve months, respectively."

## Dividend Payments By U. S. Corporations

During the three-month period ending Feb. 28, 1946, United States corporations making public reports paid \$1,253,500,000 in dividends, on common and preferred stock, 1% more than during the corresponding period a year ago, the Office of Business Economics, Department of Commerce, said on Apr. 10. The advices added that during Feb., 1946, publicly reported dividends amounted to \$149,500,000; Jan., 1946, dividend payments totaled \$358,400,000 and Dec., 1945, \$745,600,000. Stocks of financial and trade corporations each paid during the three-month period 12% more in dividends than during the corresponding period a year ago.

The Commerce Department's report also said:

"Dividends paid by corporations in the miscellaneous group, representing chiefly transportation other than railroads, showed the greatest decline, 9% from a year ago, and communications dividends were down 6%. Manufacturing corporations' dividends declined 2% compared with a year ago, but individual industries in that group showed great diversity.

"Within the manufacturing group, chemicals, textile and leather paid dividends 14% higher than a year ago; paper and printing industry's dividends were up 12%; nonferrous metals up 5%; and electrical machinery up 7%.

"On the other hand oil refining dividends were down 11% and transportation equipment manufacturing was down 10%, and payments by iron and steel, and machinery (except electrical) groups were about 6% lower than a year ago."

## Spoooner Elected Secy. of Morris Plan Bankers

The return of Major Robert R. Spoooner from the Army and his election as Secretary of the Morris Plan Bankers Association as of April 15 was announced at Washington, D. C., on April 13 by Gary M. Underhill, Executive Director. Major Spoooner's return makes a total of four of the Association's present officers who served in the armed forces. Joseph E. Birnie, President of The Bank of Georgia in Atlanta, who was elected President of the Association at the annual convention last fall, served as a Lieutenant in the Naval Reserve. Gary M. Underhill also served as a Lieutenant in the Naval Reserve; and Calvin C. Vane, Treasurer, was a Staff Sergeant in the Army until his return early this year.

Major Spoooner, recently received his honorable discharge at Fort McPherson, Ga., after nearly four years' service with the Army Air Forces. He was chief of the enlisted men's counseling branch at the separation center at Fort McPherson. Previous tours of duty in the Army took him to Air Service Command installations at Patterson Field, Ohio, and Hill Field, Utah. At the time of being commissioned in the Army in May, 1942, he was Assistant Secretary of Morris Plan Bankers Association in Washington.

All of the Association's officers and board members hold similar capacities with the affiliated Consumer Bankers Association, incorporated under the laws of the District of Columbia. It has members in 27 states, with banking offices in 85 cities.

## House Extends Draft With Suspension Period Both Legislative Committees Approved Continuance

The House on April 15 passed by a vote of 290 to 108 a limited bill to extend the Selective Service Act for a period of nine months beyond its expiration date of May 15, but with the stipulation that no inductions were to take place between May 15 and Oct. 15, at which time the President would have the power to reinstitute inductions by Executive Order. The House-passed measure also provides that no 18 or 19-year-olds are to be drafted, which is a blow to War Department plans for maintaining Army strength as this group has been the chief source of inductions. The bill also exempts fathers from service, and limits to 18 months the service period for inducted men. The only apparent purpose in the House-passed bill is to continue the draft law in effect beyond its expiration date, leaving the mechanism of Selective Service operative.

Final action on extension of the draft has yet to be taken by the Senate, and Administration leaders are hoping that any measure passed by this body will not call for a period of suspension. The House action would then be subject to conference. If the legislation as sent to the White House does contain the provision halting inductions, William S. White of the New York "Times" reports that proponents of a stronger measure will urge the President to veto the bill.

The Military Committees of both the House and Senate approved extending the Selective Service Act, the Associated Press reported from Washington. The Senate group on April 11 recommended a full year's extension; the House Committee, on April 9, recommended an extension for nine months instead of the full year sought by the Army and Navy.

The Senate committee in giving its approval to the legislation at the same time sent along for Senate consideration four different service pay increase plans, which the Chairman, Senator Elbert Thomas (D.-Utah) said represented a committee "compromise." The draft extension bill, prepared by Senator Gurney (R.-S. D.), also included a pay increase provision. From press advices we quote:

Only one major change was made in the Gurney bill. This fixed the strength at 1,550,000 next July 1 and at 1,070,000 for the same date in 1947. It would require "consistent" monthly reduction between those levels. Senators estimated that this would mean release of 40,000 men monthly.

The various pay increase proposals sent on to the Senate included:

Gurney's plan for increasing the pay of enlisted men. Lowest grades would be boosted from the present \$50 monthly to \$65, with staggered increases giving top grades \$150 compared with the present \$138.

An identical pay increase plan by Senator Revercomb (R.-W. V.) which would be offered as a separate measure.

A bill by Senator Maybank (D.-S. C.) which would grant \$50 additional monthly to all officers and men of the armed services while serving at sea or outside the United States.

A bill by Chairman Thomas which would provide a flat 20% pay increase for all men and officers in the armed services. This was asked by both the War and Navy departments.

On April 8, Gen. Dwight D. Eisenhower went before the Senate Committee to urge a one-year draft extension, with inducted men serving eighteen months, admitting that 18-year-old youths do not make the best occupation troops but stating that the Army would be short in manpower unless the draft extension was permitted.

In approving the extension on April 9, by an announced vote of

15 to 8, the House committee limited the period to nine months beyond May 15, recommended that the induction of fathers be banned and service limited to 18 months. It also would lower the maximum draft age from 44 to 30, while retaining the minimum at 18.

Another provision would limit inductions to only such numbers as would be necessary, with enlistments, to provide an Army of 1,070,000 a Navy of 558,000 and a Marine Corps of 108,000 on July 1, 1947.

Both Secretary of War Patterson, as well as General Eisenhower and Secretary of the Navy Forrestal had gone before the House Committee on Mar. 21 to urge the draft's extension. "Should the Selective Service Act not be continued and should our recruiting program fail to establish and sustain a volunteer Army of the requisite size," Mr. Patterson said, "the military position of this country, and therefore our ability to preserve the peace we have won, would become precarious. This country cannot afford to take chances on man power for the Army," he added.

Secretary of the Navy Forrestal told the Committee that he believed the Navy's two, three, four and six-year enlistment contracts would offer sufficient inducement for voluntary enlistment and that the Navy's manpower goal would be reached by Sept. 1.

But, he added, ending the Selective Service Act, thus removing the incentive to enlist voluntarily, would seriously affect the Navy's program.

Secretary of State James F. Byrnes also went before the committee on March 21 to add his voice to those urging extension of the draft law. Mr. Byrnes predicted a critical situation before the country if the Selective Service Act were permitted to expire on May 15.

## "A" Bomb Tests to Go On, President Says

In what appeared to be a reply to the move of Senator Huffman (D.-Ohio) who recently introduced in the Senate a resolution calling for cancellation of atomic bomb tests, President Truman on April 12 stated that these tests were of vital importance and that he had been assured that they would be conducted beginning July 1 as scheduled. Associated Press Washington advices state: The President's statement continued:

"Without the information from these experiments, designers of ships, aircraft and military ground equipment, as well as our strategists, tacticians and medical officers will be working in ignorance regarding the effects of this revolutionary new weapon against naval and other targets not previously exposed to it.

"These tests, which are in the nature of a laboratory experiment, should give us the information which is essential to intelligent planning in the future and an evaluation of the effect of atomic energy in our defense establishments."

Senator Huffman's resolution was ordered to "lie on the table," where, the Associated Press points out, it is in position to be moved to the floor at any time should any Senator wish to take it up.

## Vandenberg and Monroney Receive Congress Awards

Senator Arthur H. Vandenberg of Michigan and Representative A. S. Mike Monroney of Oklahoma were the recipients on April 11 of the first annual Collier's Congressional awards for the best service in the nation's interests at a ceremony in the Rose Garden of the White House where President Truman made the presentations of a silver plaque and check for \$10,000 to each winner. Regarding the choice of Senator Vandenberg for the award, Owen D. Young, Chairman of the Awards Committee, stated, according to Washington advices to the New York "Times":

"In that year (1945) especially there was great need, as there has been for a generation, that the foreign policy of the nation on major questions be unified, so that at the frontier our people speak as one. The opportunity came to Senator Vandenberg, as a member of the minority party, to bring about the needed results; and in the opinion of a majority of the committee he met this great opportunity and great responsibility well."

From the "Times" we also quote:

Stating that Representative Monroney was selected because of his work toward streamlining Congressional procedures, Mr. Young continued:

"Without the aid of seniority he has worked with conspicuous usefulness to adapt Congressional equipment and procedure to current needs and thus facilitate representative government in meeting the functional test of these times and the needs of the future."

Senator Vandenberg designated the Red Cross as the recipient of his \$10,000 check, the "Times" stated in its Washington account of the occasion, and Mr. Monroney stipulated the Episcopal Diocese of Oklahoma for his money award.

## Hungary Reparations

A reparations agreement between Hungary, a German ally, and Russia, Czechoslovakia and Yugoslavia, which may be a preview of what is in store generally for the war losers, was announced in its final form on April 7, it was stated in Associated Press advices from Prague, Czechoslovakia, which further reported:

Hungary is required to pay \$300,000,000 in cash, materials and labor. Russia will receive \$200,000,000, Yugoslavia \$70,000,000 and Czechoslovakia \$30,000,000.

By agreement Hungary undertook to make complete payment to Czechoslovakia in six years, with a 5% monthly penalty on the unpaid balance if payment lags.

## U. S.-Belgian Air Pact

Announcement of the conclusion of a commercial air agreement between the United States and Belgium was made on April 5 by the State Department, according to Associated Press advices from Washington on that date, from which we also quote:

Under its terms, this nation's air lines will be permitted entry at Brussels on a route from the United States, via Great Britain and Belgium, to India. They also will be allowed entry at Leopoldville, Belgian Congo, on a route from the United States to South Africa. In return, Belgian air services will receive the right to operate on a route from Belgium to New York.

## Approval of British Loan Agreement Urged by Commerce & Industry Assn.

"In the interest of the United States, Congress should approve the loan agreement with Great Britain," declared the Commerce and Industry Association of New York on April 11 following a study of the economic, sociological and political implications of the problem. One reservation was made by the Association in its all-out endorsement of the loan: "In view of the recent decision of the British Government to buy cotton in bulk, which is against the interest of world trade, if the loan agreement is to be approved by Congress, foreign traders in the United States should be assured by our Government that it will protect the rights of United States nationals to engage directly in commerce with Great Britain."

"The effect of the loan should be to enable a growing betterment in the standard of living of Great Britain," said the Association's statement. "This should result in reducing governmental controls and furthering private enterprise. If world trade is rebuilt, the same value—that is, an increase in the standard of living—should reach out into many, many countries of the world. As such standard of living in other foreign countries improves, their ability to trade with the United States is certain to grow. All of this being true, the loan agreement, as arranged, is a constructive document whose terms, if carried out, should not make for waste, which is one of the great menaces that lie in financial operations between governments."

The statement continued: "Many fear that if the British loan is made, it will serve to further the aims of the present British Government, which leans so strongly toward socialism. On the contrary, if the loan is made and the standard of living in Britain begins to rise, it is fair to anticipate that the people will then naturally desire greater freedom from Government controls.

"On the other hand, it is very probable that if the loan is not made and the difficulties of the British people become much greater, that the Government will go more and more toward the left. The false promise that lies in procedure toward the left always acts to attract a people who are under great stress.

"It must not be forgotten that if the loan is not made and Britain is unable to continue to import from us as in the past, that it will seriously affect the trade of the United States. Further, that without the loan, if she is to save herself, Britain will have to expand the sterling area, continue the dollar pool, and strive for greater empire preferences, all of which will seriously affect American trade in other parts of the world, as well as that with Great Britain herself."

## Income Payments in Feb. Reported by Commerce Dept.

Income payments to individuals in February totaled \$12,106 millions, 5% less than in February 1945, the Department of Commerce reported on April 12. The announcement continued:

The Department's index of total income payments, which is based on 1935-39=100, and makes allowance for seasonal influences, declined from 233.5 in January to 232.4 in February.

Income payments in February, after seasonal adjustment, were equivalent to the annual rate of \$156.1 billions compared with the actual record total of \$160.8 billions in calendar year 1945.

The February decline in the index of total income payments resulted in part from a sharp reduction in total military pay caused by continued demobilization of the armed forces. Contraction in factory payrolls—attributable to work stoppages—also was an important factor.

However, income payments to civilians advanced slightly during February because of continued gains in income paid out by trade and contract construction establishments, a rise in agricultural income, and a large increase in unemployment benefits to discharged servicemen.

The Department noted also that, despite the drop in factory payrolls, total wage-and-salary disbursements by private industries were virtually unchanged from January to February. Private-industry payrolls were at the seasonally adjusted annual rate of \$77.5 billions in February—4% above the \$74.7 billions rate of last September, the first month of reconversion.

## ABA Endorses British Loan Pact

The proposed British Loan agreement now pending before Congress was endorsed on April 16 by the American Bankers Association as "in the interests of the United States," through action taken by its Executive Council, during its annual spring meeting at French Lick, Ind. The Executive Council is the governing body of the Association, consisting of representatives elected by ABA members in the 48 states and District of Columbia.

Action by the council was taken after weeks of study of the proposed British loan agreement by the Association's Advisory Committee on Special Activities, under the Chairmanship of W. L. Hemingway, President of the Mercantile Commerce Bank & Trust Co. of St. Louis, Mo. The report adopted by the Council on April 16 expressed the opinion that among other things the proposed loan will provide at a critical and unique point, working capital essential to the world's economic well-being, that it will assist in the removal of international trade barriers, promote world economic recovery, and contribute materially to future world peace. The ABA also states:

In its report the Council stated that the loan should not preclude a program of domestic economy, reduced Government expenditures, and balanced budgets. It recognized the trend toward socialization of some of the basic industries of the United Kingdom as being incompatible with the broad philosophy of the loan agreement, and pointed to the recent action of the British Government closing permanently the Liverpool cotton market and replacing it with state trading in cotton as something "not reassuring to those who seek the revival of private enterprise in trade between nations. . . ."

"If the present world were one of balanced economies such as prevailed prior to 1914" it observed, "objections of this sort might outweigh the advantages of the proposed credit agreement, but in the war-torn world of today actions must be directed toward what seems the best way out of unprecedentedly difficult conditions.

"In the efforts this country is making to establish international peace and well-being we need partners on whom we can rely it stated, who share our objectives. Britain has proved herself a staunch and loyal partner. Today Britain needs our help to rebuild her strength to make her a more effective partner. It is in our interest to strengthen Britain."

## Implications of Party Loyalty

(Continued from first page)  
Democratic delegation in the House of Representatives were elected because they believed in the people and the President who represented the people—Franklin D. Roosevelt. The votes of most of the Democratic Congressmen from California have been in line with the promises they made to the people of California when they stood for election. Most of the Democratic Congressmen from California have realized that they owed a responsibility to the Democratic Party.

I recently made some remarks about party responsibility. I do not wish to take back anything I said and, because I feel so deeply on the subject, I would like to pursue the matter further.

The two-party system is the only system that has worked, and can work, in the United States. This was true in Thomas Jefferson's day. It is true now. The only third party which has attempted to operate on a national scale in the United States within the memory of man was officially buried in Wisconsin the other day. It had been dead for twenty-two years.

The idea of party responsibility is so non-controversial that even Republicans have subscribed to it. Ex-President Herbert Hoover says, "I am a believer in party government. It is only through party organization that our people can give coherent expression to their views on great issues which affect the welfare and future of the Republic." President Calvin Coolidge added, "Common honesty and good faith with the people who support a party at the polls require that party, when it enters office, to assume the control of that portion of the government to which it has been elected."

The furor which was raised when I called for party responsibility the other day reminds me of an incident which occurred in a debating society. One of the members offered a resolution. Another member made a bitter speech against the resolution. He finally said, "To tell you the truth, I do not object to the resolution. I object to the so-and-so who proposed the resolution."

A forward-looking, progressive man who seeks to secure the Republican nomination for President of the United States is wasting his time.

### Welcomes Republicans to Democratic Party

There are a few Republicans in the House of Representatives and in the Senate who are not subservient to the rulers of the Republican party. We invite them to join us. Our welcome mat is out for them.

There are a few men who wear the Democratic label who consistently vote against the general welfare of the American people. We ask them to repent, to live up to the principles and platform of the Democratic Party and to follow in the path of Franklin D. Roosevelt. Our welcome mat is out for them too.

### Upholds Party Loyalty

Unless a member of the majority party in Congress votes in favor of major issues upon which he and other members of his party were elected, the legislative branch of our government ceases to function. The voters do not have an opportunity to reject him for two years. To prevent a stalemate, his party in Congress should discipline him immediately. Much of the work in Congress is done through committees, and the most effective way to discipline a member who has turned his back upon his party is to deny him committee appointments.

Believing as I do that the people have a right, not only to choose their representatives but to vote on important issues, I say

that it is a fraud upon the voters when a candidate says, "I stand in full agreement with President Harry S. Truman" if he then votes in Congress against the forward-looking program enunciated by President Harry S. Truman.

New issues arise from time to time upon which parties have not taken stands in their platforms. When an important new issue arises, if the President, the President Pro Tem of the Senate, the Speaker of the House, the Majority Leaders in the Senate and House, and a party caucus agree upon it, the members of the majority party in Congress should, when the issue is up for a vote in Congress, be governed by such majority agreement. A Congressman who is against his party's program should not expect his party to make him Chairman of a Committee which has the power of life or death over legislation sponsored by his party.

Nobody is trying to stifle the free speech or the free vote of any member. He can vote as he pleases. He can let his conscience be his guide, but he should not expect any ice cream and cake if he has set fire to the living-room.

There are, and I am glad that there are millions of independent voters in the United States. These voters, who are often the balance of power in elections, are entitled to know before they vote, whether the candidates they vote for are masquerading under phony labels. We cannot tell the Republican Party that it must remain reactionary, but we can make certain that the Democratic Party remains progressive. If the Democratic Party ever turns its back upon labor's right to organize and bargain collectively, upon the farmers' right to fair prices, upon the right of business men to operate profitably and free from the threat of monopolies; if it will lose control of the government. The independent voters will see to that, and it will deserve to lose.

### Reactionary South?

Some people talk about the liberal North and West, and the reactionary South. They are wrong. We live in a liberal America. You can no more call Texas reactionary because Martin Dies once served in Congress than you can call Ohio reactionary because Senator Taft comes from there. Ellis Arnall of Georgia, Claude Pepper of Florida, Luther Patrick of Alabama, Kefauver, Priest, and Gore of Tennessee, Homer Rainey of Texas, and other Southerners in and out of Congress, as well as hundreds of thousands of people in the South who follow their lead, are Democrats and progressive. The overwhelming majority of the people of the United States, North, South, East, and West, are against bigotry and reaction.

Let us dedicate ourselves to the realization of a few primary objectives. We are short 3 million homes in the United States now. This is a good time to prove to real estate lobbyists, lumber lobbyists, household material lobbyists, and others who speculate while people are homeless that we really believe in the general welfare.

The President and Congress are vigorously tackling the housing shortage, but you in California can lead the way in housing just as you have led the way in progressive measures from the early days of Hiram Johnson until this good hour. If and when you elect a progressive, forward-looking, hard-hitting Democratic Governor of California this fall, he and you will make certain that there are good homes at fair prices for all of the people of California.

In California you built ships and airplanes and produced steel and aluminum during the war. A few years ago all of the manufac-

tured material came from the East and the Middle West. You are growing up. You now have the biggest bank in the United States. This means that the people of California have made and saved money and deposited money in that bank. If you and your elected Democratic representatives will fight continuously against monopolies and cartels, and for the industrialization of the West, you can surpass your great accomplishments of the past. The millions who are here, the millions who will come, and Siberia, India, and China will be your customers.

While I was in Soviet Asia I saw cities of one hundred thousand people which do not even appear on the ordinary maps. It is time for the people of the Far West to shake hands with the people of the Far East. More than half of the people of the world live across the Pacific. The ports of the Pacific are destined to handle more traffic than the ports of the Atlantic. San Francisco can, and will, become the world's greatest port. You will sell to the Far East, but in order to build up a real foreign trade you must buy from other countries. You will thus help build up the standard of living in the Far East. When the standard of living is raised anywhere in the world, it is raised everywhere in the world. As the Orient prospers, the West prospers. As the West prospers, the nation benefits, for we are members one of another.

### No Belief in Old "Normalcy"

We Democrats do not believe in the good old days of normalcy. We do not believe in standing still. We are unalterably opposed to the theory that we must fight anybody, whether it is England or Russia. We believe that atomic energy can, and will, be a blessing and not a curse to the people of the United States and of the world. We believe in civilian control of atomic energy. We believe that full employment and full production can be attained in the United States. We shall continue to work for full employment and full production and an age of abundance. These are our objectives.

There are no superior races in America. We welcome every citizen, white and black, into the Democratic Party, who believes in the rights of man. We are grateful to California and to the West for the men and women in, and out, of Congress who upheld the good right arm of Franklin D. Roosevelt. We can use some additional good Democratic Congressmen from California as we fight for progress and peace.

### United States Recognizes Yugoslav Regime

Upon the assurance of Yugoslavia that it accepts all treaties existing between it and the United States, this country has agreed to full diplomatic recognition of the Tito Government, which includes the exchange of representatives of the two nations. When the State Department on April 18 made announcement of the acceptance of the Yugoslav regime, it also stated that American willingness had been indicated to accept as Yugoslav Ambassador Sava N. Kosanovic, Tito's Minister of Information at Belgrade, the Associated Press reported in its Washington dispatch. Richard C. Patterson, Jr., will be United States Ambassador to Yugoslavia. Mr. Patterson was formerly envoy to the former Government of King Peter, and has recently been political representative at Belgrade.

Conceivably our recognition of the Yugoslav government is of particular interest to Moscow, as it removes one more country from the group not yet recognized by the United States because, in most instances, of differences with Russia on their policies.

## Describes Federal Data as Misleading

(Continued from first page)  
piled the monthly figures showing changes in the cost of living. The case of organized labor against him is that he refused to change the official figures so as to support the claims of the unions that they must have wage increases because the cost of living had advanced more rapidly than industrial pay.

"Implications of these developments are sinister in the extreme. Nothing will more quickly and effectively destroy the public's confidence in the Government's fact-gathering agencies than the suspicion that their reported statistics are shaped by politics. The Treasury Department has recently issued a news release reporting that the budget was balanced in February and March. That is a condition of political value as well as of economic solace. But it is really so? How would an ordinary, private citizen go about finding out whether it is really so or not?"

"Cynics among the economists and statisticians have long held in doubt and distrust the methods by which parity prices for farm products are computed, but they have never been able to secure a full disclosure of the facts in that matter. Now there is danger that the area of pressure group political statistics will be enlarged to include more departments and agencies. Ought we to credit reports that the national debt has been reduced? If the volume of industrial production increases vigorously just before the fall election, shall we believe the figures? When the next Census is taken shall we take seriously the announced population figures?"

## Would Make President's Term Six Years

A move which began more than a year ago to amend the Constitution so that the President of the United States will have a tenure of office comprising one term of six years instead of the present system has been revived by its sponsor, Representative Dirksen (R.-Ill.), according to Associated Press advices from Washington on April 8. The movement it is stated is supported by a strong group of Republicans in the House, including the minority leader, Representative Martin of Massachusetts, who have started a drive to obtain 218 signatures among Representatives, which would be sufficient to have the amendment removed from the Elections Committee, where it has been pigeonholed since its introduction, and brought before the House for a vote. Mr. Martin has predicted that the required signatures will be readily forthcoming.

Before a proposed amendment becomes effective, it must be ratified by the Legislatures of three-fourths of the States, it was pointed out by the Associated Press, which also stated:

"Next year most of the State Legislatures will be in session and if the amendment is submitted to them now there will be time for action before the 1948 Presidential election," Mr. Dirksen said.

"A situation has developed whereby the President in his capacity as the head of a political party, plus the power of appointment which is vested in him, plus the power of propaganda, plus the fact that people naturally associate any President with benefits which flow from the Federal Treasury, may be able to perpetuate himself in office."

That situation, he contended, would exist whether the President was a Democrat or a Republican, and the people should have a chance to say whether "such enormous powers should be subject to some limitation."

## New York Mutual Savings Banks to Close Saturdays During Summer

All of the 55 mutual savings banks in the five boroughs of New York City will not be open for business on Saturdays during the four summer months starting Saturday, June 1 through Saturday, Sept. 28, according to an announcement made jointly on April 18 by Harris A. Dunn and Paul W. Connelly, Chairmen respectively of Groups IV and V of The Savings Banks Association of the State of New York. The Association states:

"The announcement was the result of a canvass which has just been completed of all of the savings banks in the area, following the permissive legislation enacted this year extending the Saturday closing privilege from July and August to the four summer months. The savings banks strongly supported this change in the law as nearly all of them in the City have remained closed on Saturday during July and August in recent years except during the war emergency. This extension to four months enables bank employees to enjoy longer weekends during the summer without undue inconvenience to depositors. The special banking hours in effect one or more evenings a week at most savings banks accommodate those who are unable to transact their business during the normal banking periods.

"Further, according to a survey just made by one savings bank, depositors generally favor Saturday closing during the summer months. In response to a questionnaire sent to depositors who transacted business with the bank only on Saturdays, the replies were seven to one in favor of the plan, irrespective of any inconvenience it might cause them, while only 71 were opposed. Of those not in favor, 21 were not active savers."

Reference to the bill which permits Saturday closing by all banking institutions in New York State, was made in "The Chronicle" of March 21, page 1531. The decision of the Stock Exchange to close on Saturdays during the four months was noted in our April 11 issue, page 1941; similar action has since been taken by the Clearing House Association.

## Truman Addresses Pan-American Group

President Truman on April 15 addressed the Governing Board of the Pan-American Union in the Hall of the Americas at the Pan-American Building in Washington, urging the American republics to help eradicate "the poverty and despair" which breed wars, the Associated Press reported. Declaring that the danger of war would never be completely eliminated until "the economic ills which constitute the roots of war are themselves eliminated," the President continued, in part:

"We must achieve the kind of life—material, cultural and spiritual—to which the peoples of this world are entitled. To that objective we must dedicate all our energies and resources."

This objective, he said, is embodied in the word "democracy," which "is the rallying cry today for free men everywhere in their struggle for a better human life."

Asserting that "democracy" carries "different meanings in different languages," he added: "It is fortunate that we of the Pan-American nations do have certain common, fundamental understandings of what the word 'democracy' means."

"Despite our differences in language and cultures, we do have in common a love of liberty, a recognition of the dignity of man and a desire to improve the well-being of our citizens."

## Getting Results Through Insurance Research

(Continued from first page)  
bring about a better utilization of insurance reserves and funds.

4. Actuarial Research—To provide a sound basis for the insurance rate structure.

5. Distribution Research — To provide information on agency management, recruitment, costs, causes of lapses, production, financing and innumerable other matters of importance in the distribution of life insurance.

6. General Management Research—To improve general administrative procedures, working conditions and employee relations.

Let us turn now to one of these major fields—the one directed toward reducing loss: Prevention and Conservation Research—and a few of the major accomplishments made by various branches of our business in this field.

### Increasing the Life Span

The Life Insurance companies have long been engaged in all types of research, aiming toward increasing the life span of our population. Committees of the Actuarial Society of America and the Association of Life Insurance Medical Directors have been engaged for over 26 years in joint research on insurance medicine, resulting, for example, in the table of average weights in popular use, as well as some of our knowledge on the adverse effects of overweight on health and longevity. Probably the greatest single organization for any type of medical research is the Life Insurance Medical Research Fund. This organization, started in November, 1945, will be supplied with funds of more than \$3,500,000 over the next six years, and as its first research project will concern itself with heart and arterial diseases which together constitute "the No. 1 killer" in America. Of equal importance are the general welfare research programs conducted by life insurance companies, both individually and jointly, among which are nursing services for industrial policyholders and the distribution of welfare pamphlets, millions of which have been distributed over all parts of the world, translated into almost every language. Research resulting in detailed statistical records of the health and mortality experience of policyholders have been most valuable to outside health agencies and has stimulated similar methods by Federal, State and city health departments.

### Fire Prevention

Fire Insurance companies have carried on individual and cooperative research in fire prevention since the early days of this business. The National Board of Fire Underwriters, for example, has been responsible for the establishment of the Underwriters Laboratories, Inc., a non-profit organization, familiar to everyone who has ever bought electrical fixtures for his home, as its tag of approval is a guarantee of safety and good workmanship. The National Board has been conducting research activities on its own, such as reports on fire hazards for specific industries, and recently it established a special Division of Research which will keep abreast of the latest technological developments and study special hazards. The most important private fire organization is the National Protective Association, composed of Federal, State and local agencies and other individuals interested in fire prevention, which sets up technical standards of fire prevention. Although it is a non-insurance group, the Association's founder and several of its presidents have been insurance men. Fire Insurance companies have made detailed surveys of entire cities and made special recommendations for eliminating all discoverable fire hazards. Tremendous progress has been made through

fire prevention research, as is shown by the Index of Fire Losses. This Index, using 1926 as its base year, shows the relationship between the amount of insurance written each year and the amount of loss caused by fire. In 1930 the Index was 94.0. Continuous fire prevention effort reduced this figure to 49.7 by 1942.

### Research by the Casualty Companies

Casualty Insurance companies, as a result of the losses which they sustained in the early days, soon began to turn to research in order to learn more about the factors influencing losses on the risks they were insuring. Research in accident prevention has resulted in such tremendous savings in working conditions that an industrial worker today has almost a 3 to 1 chance over the industrial worker of 1913 of never being killed at his job.

Almost every casualty insurance company today has its staff of engineers continuously carrying on inspections, surveys and consultations for their policyholders. Typical research carried on by companies includes the development of special types of machine guards for mechanical hazards. Many companies maintain experimental machine shops for the developing and perfecting of such devices.

In addition to their own work in industrial safety carried on independently of each other, insurance companies have long cooperated with and aided other agencies. They have, for example, played a leading role in both the National Safety Council and the American Standards Association, from the time these organizations were founded. Cooperatively a group of companies maintain the National Conservation Bureau, which for more than 20 years has worked to combat accidents occurring in the home, in public places, in traffic and elsewhere. In addition to a large number of books, pamphlets and booklets on safety, the Bureau has published the Handbook for Industrial Safety Standards, which has been accepted as text throughout the

### Preventing Losses Through Dishonesty

Surety companies also have recently installed research departments aiming to prevent embezzlement and loss through dishonesty. Careful studies are made of the cause of losses, audit systems used by the employers are analyzed, and reports are rendered offering suggestions to prevent the repetition of such losses. Surety research develops techniques which make it increasingly difficult for an employee to be able to steal. One large wholesaler, for example, showed 85 defalcations in a single year before such a research investigation was made of his business; after the research, only 14 occurred during the year.

These instances are only indicative of the outstanding research strides undertaken by insurance companies in preventing and eliminating the causes of losses. Companies today recognize that they cannot simply insure against existing hazards, but must seek in every possible way to diminish the hazards against which they offer protection. This practice is not only good business but good public relations, and insurance companies recognize it to be both.

### New Fields for Insurance Research

During the last few years, insurance, like most other businesses, has turned toward new fields of research, realizing that its operations had reached a point where it had become a trustee of public funds with definite social obligations to fulfill. This new research involved three new devel-

opments: (1) the more extensive use of public opinion polls; (2) the use of market research techniques; and (3) the setup of centralized research departments.

For a number of years many insurance companies have used polls of agents' opinions concerning company policies and advertising methods. However, polls on the opinion of the general public, relating to insurance company management, Government regulation, need for new coverages and other subjects vital to the insurance business, were not given much attention until comparatively recently. National polls by insurance trade associations on the public's opinion of the business as a whole, have been conducted for a number of years by the Life Insurance Institute, and a similar survey is now being sponsored by our Association of Casualty & Surety Executives.

### Public Opinion Polls

Polls conducted for the insurance business are one of the major ways to keep management in touch with important trends, particularly the opinion of the public. Let me cite just one of the more important issues treated by various surveys.

The consuming public as a whole has been most friendly toward insurance company management. One of the first polls found that in general about 96% of the public had absolute confidence in the safety and stability of insurance companies but were dubious about other management policies. Another poll found that between 92% and 96% of the people had favorable impressions of the insurance business. This latter poll indicated that between 83% and 90% of the people interviewed had no criticism or comment on the insurance business at all. According to a third survey, 63% considered insurance companies as serving the public efficiently and honestly. This same survey also found that the majority of the people felt that they personally benefited from the services performed by insurance companies. Insurance fire prevention work was considered beneficial by 84% of the people; 77% approved of the accident prevention work and 74% felt that highway safety programs devised by insurance companies personally benefited them. A fourth survey showed that 85% of the people thought that insurance companies contributed to the general welfare of the people and 75% thought that the companies had aided the growth and development of this country.

With the extension of Government control over business, a number of interesting polls have been conducted on the attitude of the public toward such regulation. In this connection, public opinion has been polled on the major issues of social insurance, particularly in the fields for which protection is now being provided by private insurance.

Let me call your attention to just one question which is much in the news today, and which was researched by several national polls. I am referring to the controversial issue of Government extension of the Social Security Act to include accident and sickness insurance.

In the first survey conducted during July, 1943, 32% of the American people approved of a plan increasing social security taxes for the use of a medical and hospital insurance program. Of these, 16% would still approve if this meant the increasing of social security taxes to 6%. According to a second survey during August of the same year, 59% favored an extension of social security to include health insurance and 44% of those favoring were willing to pay 6% of their salary to make this program possible. In a third survey undertaken during August,

1944, 68% of the pollees approved an extension of the social security laws to provide doctor and hospital care. Of these, 58% still favored the plan if it meant that 2½% of people's pay checks would be taken out instead of 1%. Of the same 68% referred to above, 48% preferred that the Federal Government handle such a plan.

Whereas all three surveys show that the great majority of the American people prefer a system of private insurance and non-regimented medicine, there are three surveys claiming an answer to substantially the same question that 48%, 44% and 16% of our people are approving a certain type of program. Space does not permit the analysis I would like to make here, but I believe it would be possible to explain the divergence by breaking down the charts as to differences in timing, differences in the composition of the sample selected and, most important, variations in the choice of words and the order of questions employed in the questionnaire. Undoubtedly public opinion on this controversial issue is not as crystallized as claimed in certain quarters, but it does seem to favor some type of reform in the economic structure of U. S. medicine even though it may not quite know the type of reform it wants.

### Polls on Distribution

Opinion polls on distribution methods are, of course, of vital importance to both companies and agents. According to the surveys made, nearly half of the policyholders in fire and casualty insurance companies could not give the name of the insurance companies which covered their policies. Of interest are the reasons why people buy from a particular agent or broker. The major reason, according to all surveys, seems to be the quality of service which he renders. (The percentage of people buying insurance from an agent because of his service varies in different surveys between 43% and 58%.) Thirty-six per cent of the people, according to one study, choose an agent because of the company he represents; 29% deal with him because he is a friend; and 3% because of business reciprocity.

According to a second survey, 43% deal with friends and relatives; 18% buy because some one recommended the agent; 14% expect business reciprocity; to 11% the agent represents a well known company and to 4% he did a good job of selling. Still another survey lists 15% choosing an agent because of confidence in the insurance company and 4% because of price.

Agents' opinions of company advertising vary greatly. One survey shows 37% of the agents as considering most insurance promotional material uninteresting and lacking sales appeal. According to the same survey, 50% do not use any of the material sent to them by the home offices or if they do, they use it only to a negligible extent. Blotters and folders were considered the most effective methods of advertising; newspaper and radio advertising, as constituted at present, rated low.

### Market Research

Little has been done in market research of potential insurance which could be sold. The few surveys made may be classified according to (1) consumer opinion on coverage they intended to buy; (2) agents' opinions as to coverage they believe will be sold; and (3) estimates of insurable risks which are not covered. According to one survey of small home owners, 52% of the people questioned intended to take out some form of casualty insurance on their homes. Another survey made of a small community in California discovered that roughly 50% of the families take out additional fire insurance, 20% additional life insurance and 17% ad-

ditional casualty insurance, over and above their initial purchase. A survey of agency opinion was made in the late war years by one of the larger companies. According to that same study, the majority of agents believed that their best potential markets for casualty insurance would be in the automobile comprehensive lines, windstorm, automobile collision and use and occupancy insurance. Among statistical estimates of insurable risks, I would like to mention one which showed that in 1938 the market in New York City for fire insurance on homes was 60% covered for fire insurance, for furnishings only 18%, for passenger automobiles 20%, and for health and accident needs 13%.

Many surveys have not been utilized to their full extent because the survey organizations, which did a splendid job of scientific sampling and tabulation of results, did not understand some of the problems peculiar to insurance and were unable to interpret them properly.

### Centralized Research Departments

In certain major fields of research, insurance has used centralized research methods for a long time. I am referring to organizations such as the Life Insurance Agency Management Association (formerly the Life Insurance Sales Research Bureau) and the National Conservation Bureau, referred to above. In others, centralized research is new or just developing.

In the development of centralized research, sincere tribute should be given to the significant contribution made by the insurance trade press and organizations responsible for insurance trade publications. For more than half a century they, almost single-handed, have compiled over-all statistics for our business. Inasmuch as the Government had concerned itself little with insurance statistics, a great part of the general research data had to be based upon compilation of trade publications, and I would like to express my personal thanks on behalf of our industry to the splendid assistance and help which we have been always receiving from those in charge of such publications.

One major study on workmen's compensation will be published soon in a fully documented book, "Workmen's Compensation Insurance: Monopoly—or Free Competition?" The study, based primarily on original research, aims to determine the accomplishments of private carriers as opposed to those of monopolistic State funds, particularly in medical, rehabilitation and accident prevention work, with many case studies taken from company files. Another major project covers the employment opportunities in casualty and surety insurance, describing in simple language the functions of insurance, the various forms of coverages, the organizational set-up of companies, the activities of the various departments and, finally, the qualifications necessary for a successful career in the various branches of the business.

In addition there are reports on such diverse subjects as an analysis of fidelity and surety experience over a 15-year period, insurance companies owned and operated by finance companies, and the outlook of insurance in South America. Throughout our research projects, I have followed the principle that while our studies are strictly impartial and unbiased, they must offer practical solutions to current, and, more important, to coming problems.

From this sketchy outline it is evident that insurance research has become an important function in the insurance business, important not only for its accomplishments of the past, but for the promise it holds for the future. Insurance today is a bulwark

# Republican Party Prospects

(Continued from first page)

Republican party has been dedicated to the protection and preservation of human freedom. The party came into being for the express purpose of freeing a large element in our population from outright chattel slavery. The party is determined that no new forms of slavery shall succeed the old. The Republican party is the liberal party in America.

In recent years there has been a tendency to confuse liberalism with radicalism. A real liberal fights for the rights and liberties of the individual against any attempt to disregard or destroy them, whether by a monarch, a self-anointed dictator, or a ruthless political machine in Washington. Certainly the record of Republican members of Congress, and of Republican Governors in many of our states during the past decade and more, proves conclusively the Republican party has remained true to its liberal tradition.

This is true liberalism, in contrast to the philosophy and practices of the Red reactionaries of today who have sought to steal the name of liberal. What they mean by liberalism is being liberal with other people's money and wasteful of other people's rights.

The men who wrote the Declaration of Independence and the Constitution certainly were liberals. The Republican party still believes in that Declaration of Independence and in that Constitution, as did George Washington and Thomas Jefferson and Abraham Lincoln. All of these men made it clear that any monopoly of power in the central government would be dangerous, if not fatal, to American freedom.

I do not wish to be understood as saying, or even intimating, that only Republicans are devoted to the maintenance of our form of government. There are many Democrats, both in and out of Congress, who are willing to stand up and be counted in support of true republican principles. But the assistance of "captive Democrats" in Congress is not fully effective so long as they are compelled to support their party on organization issues. Let me illustrate what I mean; Congress functions through committees. These committees consider all bills and resolutions before such measures are permitted to come to the House or Senate floor for final action. Whichever party has a majority in the House or Senate dominates all committees. That means, in practice, so long as the Democrats have even nominal majorities in the two houses, no Republican bills are reported out of committee.

Therefore, no opportunity is ever given to vote upon Republican measures, and a Republican legislative program is never permitted to see the light of day. The only effective solution of this problem is the election of Republican majorities to Congress. That is what we propose to do next November.

I am emphasizing the importance of this legislative situation tonight because I have found in some quarters a disposition on the part of a few Republicans to be satisfied with representation in Congress by what they call "sound Democrats." Remember that however "sound" a Democrat Representative or Senator may be, he is required to vote with his party on questions such as the election of presiding officers and the appointment of Congressional committees.

We are on our way to a great victory. In the House of Representatives the winning of only twenty-seven seats will give us control. I am confident we will

register a gain considerably in excess of that number. Remember in 1942, which was the last Congressional election in a non-Presidential year, we actually gained forty-seven seats in the House—twenty more than we need to win control this year. In the Senate we need elect nine more Republicans to organize that body. In 1942, we gained ten Senate seats.

Today with Republican administrations in twenty-three states containing 56% of the total population of the nation, it is apparent our prospects for victory are indeed bright. However, it will not be enough to win only a hairline victory. We must have majorities sufficiently large to insure definite party control at all times. That is the only way we can guarantee enactment of the constructive legislation program which has already received the enthusiastic approval of Republican members of Congress, and the hearty indorsement of our Republican national organization.

Many of my listeners tonight must feel a sense of national humiliation mixed with apprehension, at the spectacle presented by the Truman administration today. Here is an Administration which has substantial majorities in both houses of Congress, and yet is unable to translate any important part of its legislative program into actuality. In this fact-moving age, no great nation can long survive with a government which is unable to act, and to act promptly. We have seen essential reconversion from war to peace production delayed for more than six months by family quarrels within the present Administration.

Today we have shortages in many of the necessities of life at the very moment when millions of returned war veterans, eager and able to produce those necessities, are out of jobs. Already we have experienced an inflationary rise in prices. I am talking about the actual price you have to pay for actual commodities—not meaningless ceiling prices pasted on the walls of stores. You can not eat or wear ceiling prices.

It seems to me that the "puppets" in control of the Federal bureaucracy have determined to prevent American productive capacity from supplying the needs of the people. So much confusion cannot be accidental. It must be the result of planning—planning to produce chaos. In any event, chaos has been the result. The way to bring order out of this chaos is to dislodge these alien-minded wreckers our economy who apparently hope to rise to power and fatten themselves on the remains of the greatest nation the world ever knew.

So, I say to you the welfare of the nation requires the election of a Republican Congress—a Congress in which the Republican party will have workable majorities in both houses—a legislative body which will be both able and willing to act promptly and effectively.

We can elect a Congress, but we must not assume it will be an easy task. Already we have been put on notice by the leaders of the Political Action Committee—the spearhead of Red reactionism in the United States—that they are raising a campaign slush fund of \$6,000,000 to be used to defeat members of Congress who refuse to do their bidding.

Perhaps I should remark in passing that existing law limits expenditures by the national committee of any political party to \$3,000,000 in any one year. Apparently, however, under the law as enforced by the present Administration, there is no limit upon the expenditures which may be made by the Political

Action Committee. Remember that this \$6,000,000 fund is in addition to whatever may be spent by the national committee of the Democratic party to assist the P. A. C. in its current attempt to "purge" Democratic members of Congress who have committed the crime of voting for the maintenance of American principles of government.

However, despite the strength of these entrenched forces of reaction, we are confident of Republican victory. Every facility of the Republican National Committee will be made available to support Republican candidates duly nominated in their respective states or districts. But the national committee itself cannot elect these candidates. What we need, and what we are now building, and what we propose to have, is a nation-wide organization springing out from the smallest precinct and embracing every contested state and Congressional district throughout the land.

Every true American, regardless of party, has an important stake in the success of our efforts this year. We are striving to maintain the system of government under which this nation has reached a position of pre-eminence and prosperity unequalled elsewhere. We are striving to maintain a system which during the recent war was able in three years to catch up with, and out-produce, not only the dictator nations which had been preparing for war for decades but all the rest of the world as well—and this despite the handicaps imposed upon American productive genius by bungling bureaucratism in Washington.

Of those so-called Americans, who are so loud in their praises of other forms of government, I ask, why is it that practically every foreign nation is now seeking loans, or gifts, or food, or clothing from the United States? Surely there must be some reason why we are the envy of the entire world.

There is a very good reason. It is our American system of free government. Let's make sure we keep it by electing a Republican Congress next fall.

In an address at a luncheon of the National Press Club in Washington on April 17, Mr. Reece supported further his contention that the Republican Party is a "liberal" though not a radical party. In his speech, he stated:

I know of no group in this country which has fought harder or more consistently to prevent governmental infringements upon personal rights than the Republican Party. You may be sure the fight will continue. It is upon the basis of this record I have asserted, and now reiterate, that the Republican Party is in reality the liberal party in this nation. It is the only party for those who believe the average man is capable of participating on a basis of full equality with all other citizens in his Government. Let me illustrate what I mean by analyzing our opposition—the party which is mislabeled the Democrat Party.

One large element in that party maintains itself in power by outrageous racial discrimination against millions of American citizens. Certainly that part of the Democrat Party can not be called liberal. The other section of the Democrat Party is composed of those who draw their political inspiration from Moscow. Since the full fruition of their ambitions would Sovietize the United States, we may justifiably look to their model abroad for a picture of the system which would prevail here if they should be successful. I take it there is no one who would attempt to argue before this audience, or any other intelligent group, that the Govern-

ment of Soviet Russia is "liberal" in the sense the average citizen has any rights which the rulers are compelled to respect. There is still a third element, in the Democrat Party which can not be defined with accuracy so far as ideology is concerned because it has no ideals except pure selfishness. That is the element composed of the corrupt political machines, of which the one formerly operated by Mr. Pendergast in Kansas City is an outstanding example.

The point I am striving to make is that the groups which, queerly asserted though they may be, have combined to control the Government of the United States for the past fourteen years have no real, honest interest in protecting the rights of the individual. Therefore, they have no claim to the title of liberal.

Many of you in this room, I am sure, have noted an increasing tendency on the part of the Administration to exercise more and more governmental control in fields where no such control can be justified. Many of you, I assume, are interested particularly in the maintenance of freedom of the press. You have in recent years seen many infringements upon that freedom. Some of those infringements were made under the plea of war-time necessity. Whether or not they were justified, need not be discussed now, but you are also seeing today, months after hostilities have ended, attempts on the part of this Administration to substitute so-called "official" news for the untrammelled news reports of American news services and newspapers. Such a substitution would be just as dangerous as the more obvious forms of censorship used in totalitarian nations. I am sure many of you also are familiar with similar attempted infringements upon the freedom of the air. If any governmental agency is ever permitted to control the radio programs of the nation, then freedom of the air will be dead.

It may be true that so far no serious damage has been done. But that is no reason for complacency. The time to prevent the destruction of the edifice of freedom is before, and not after, it has been undermined.

All of you here today know that Republicans in Congress, and out of Congress, have been vigilant in opposition to attempted infringements upon such basic rights as freedom of the press and of the air. They will continue that vigilance. That is another reason why the Republican Party is actually the liberal party in America.

## Messersmith to Argentina

George S. Messersmith of Delaware recently became United States Ambassador to Argentina, his nomination to that post sent to the Senate by President Truman on April 9, having been confirmed by the Senate on April 11. Before assuming his new office, Mr. Messersmith was Ambassador to Mexico. The post of Ambassador to Argentina has been vacant since last September, when Soruille Braden resigned to become Assistant Secretary of State for American Republic Affairs.

United Press advices from Buenos Aires April 3 stated that the Argentine Government had that night officially consented to the appointment of Mr. Messersmith as the new Ambassador to that country. Indicating that Mr. Messersmith had conferred with President Truman and Secretary of State Byrnes at the White House on April 11, Associated Press accounts from Washington on that day stated:

"He said that current matters relating to his work as Ambassador to Mexico and his forthcoming mission to Argentina were reviewed and expressed keen interest in returning to Argentina where he served as American Consul-General in 1928 and 1929."

## Retirement & Ins. Plan For Conn. Savings Bank Employees

It is learned that approximately 70 savings banks throughout Connecticut will soon have the option of putting into effect a Retirement and Insurance Plan for their employees. Authorization for such a plan was granted by the General Assembly last year with the provision that the plan be approved by State Bank Commissioner Richard Rapport and that at least 10 banks subscribe to it. As a result, a special committee of the Savings Bank Association of Connecticut, headed by C. L. Avery of New London, submitted a plan to Commissioner Rapport and his approval was obtained on March 13, 1946.

Advices coming to us state that although the law permits financing the plan through either a trust fund or an insurance company, the committee decided to have all the benefits guaranteed by an insurance company and selected the Aetna Life Insurance Company of Hartford as the underwriter.

## More Credit to Netherlands by Export-Import Bank

The approval by the Board of Directors of the Export-Import Bank of a credit of \$200,000,000 to the Kingdom of the Netherlands was announced on March 22 by William McChesney Martin, Jr., Chairman of the Board. Mr. P. Liefinck, Minister of Finance, represented the Netherlands Government in the negotiation of the credit. Mr. Martin commented that this credit is for the purpose of meeting the most urgent requirements of the Netherlands for dollar financing pending the time when the facilities of the International Bank will become available to the Netherlands Government. "It is my understanding," he said "that the Netherlands Government intends to apply for a loan from the International Bank as soon as it is on an operating basis."

It was indicated that full details regarding the terms of the credit and the conditions on which private capital may participate in the credit will be announced later by the Export-Import Bank.

In Associated Press advices from Washington, March 22, it was stated: Mr. Liefinck, who returned recently from the first meeting of the Board of Governors of the International Bank and Monetary Fund at Savannah, Ga., said he will apply for a loan from the International Bank as soon as it is opened for business. He expressed "great appreciation" for the understanding he said he had found in the United States of the Netherlands reconstruction program.

## The State of Trade

(Continued from page 2271)

economic boundaries on certain products. Simultaneously, low profit items are being dropped altogether from schedules. The realignment has hit particularly hard the Chicago, Western and Pacific Coast territories on sheets, wire rods, wire and tubular products. Reflecting this situation, one large pipe manufacturer notified its customers last week that it would close its Chicago sales office and withdraw from business in that territory and adjacent Western states.

Withdrawals from these various markets have left in their wake scores of customers without a source of steel. Local mills have been forced to turn a cold shoulder to pleas of steel users to be placed on schedules. These companies find their order books already loaded with deliveries scheduled far into the future. This tightening up and revision of sales policies is a direct aftermath of the wage and price increase.

Aggregate steel order volume this past week remained heavy with deliveries extended far into this year. Tubular products of all types including pressure tubing, mechanical tubing and oil country goods are in extremely heavy demand with all firms having unusually heavy backlogs. Flat-rolled steel is currently tighter than at any time in years. Companies which have been affected by the coal strike are concentrating attention on the output of sheets and strip in an attempt to alleviate the critical supply outlook.

In the nonferrous field, the plight of the low cost producers of metals such as copper and lead, which the Premium Payment Plan is not designed to aid, has been brought to the attention of Congress, according to the "Iron Age," adding, considerable pressure has been brought to bear on the need for legislative action in the interest of such producers. These producers have been squeezed between higher costs and fixed prices, but the country's need for their products would prevent any closing down of mine properties.

The American Iron and Steel Institute announced on Monday of this week the operating rate of steel companies having 94% of the steel capacity of the industry will be 73.6% of capacity for the week beginning April 22, compared with 77.4% one week ago, 88.5% one month ago and 93.2% one year ago. This represents a decrease of 3.8 points or 4.9% from the previous week.

This week's operating rate is equivalent to 1,297,100 tons of steel ingots and castings and compares with 1,364,100 tons one week ago, 1,559,700 tons one month ago and 1,707,100 tons one year ago.

**Electrical Production**—The Edison Electric Institute reports that the output of electricity increased to 4,014,652,000 kwh. in the week ended April 13, 1946, from 3,987,673,000 kwh. in the preceding week. Output for the week ended April 13, 1946, was 7.3% below that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 183,600,000 kwh. in the week ended April 14, 1946, compared with 160,000,000 kwh. for the corresponding week of 1945, or an increase of 14.8%. Local distribution of electricity amounted to 177,600,000 kwh., compared with 158,400,000 kwh. for the corresponding week of last year, an increase of 12.2%.

**Railroad Freight Loadings**—Car loadings of revenue freight for the week ended April 13, 1946, totaled 649,194 cars, the Association of American Railroads announced. This was an increase of 4,531 cars (or 0.7%) above the preceding week and 197,819 cars, or 23.4% below the corresponding week for

1945. Compared with the similar period of 1944, a decrease of 149,489 cars, or 18.7%, is shown.

**Railroad Equipment**—On April 1, 1946, the class I railroads had 40,217 new freight cars on order, according to the Association of American Railroads as compared with 36,272 on the same date last year.

They also had 494 locomotives on order April 1, this year, as against 564 on the same day in 1945.

The class I carriers put 8,006 freight cars in service in the first three months in 1946 compared with 12,993 in the same period last year and 31 new locomotives as against a total of 136 in the same period last year.

**Paper and Paperboard Production**—Paper production in the United States for the week ending April 13 was 103.6% of mill capacity, against 104.1% in the preceding week and 87.4% in the like 1945 week, according to the American Paper & Pulp Association. Paperboard output for the current week was 101%, compared with 99% in the preceding week, and 97% a year ago.

**March Building Permits**—Reflecting the huge pent-up demand for all types of construction, the value of building permits issued throughout the country during March soared to unprecedented heights, exceeding all previous monthly records, with the one exception of April, 1929, according to the latest compilation by Dun & Bradstreet, Inc. Volume of March permits for new residential buildings, new non-residential buildings, additions, alterations and repairs in 215 identical cities of the United States rose 114.8% to \$426,864,210, from \$198,686,543 in February. It was more than six times the March, 1945, sum of \$66,602,227.

Excluding New York, permits in 214 outside cities last month reached the highest total ever recorded—\$384,501,964. This was more than twice that for February, and represented an eightfold increase over March last year.

**Business Failures Decline**—Turning downward in the week ending April 18, commercial and industrial failures were a third below the number occurring in the previous week and in the comparable week of 1945. Dun & Bradstreet, Inc., reports 16 concerns failing against 24 both last week and a year ago. Failures this week were at the lowest level in the past seven weeks of 1946; compared with the corresponding week last year, this was the fourth time in 14 weeks that the number of concerns failing has fallen below the 1945 level.

The decline occurred in both large and small failures. Concerns failing with losses of \$5,000 or more fell from 17 a week ago to 12 this week, exceeding by one the number occurring in the same week last year. These large failures comprised three-fourths of this week's total. Only four concerns failed with liabilities under \$5,000. In the previous week, there were seven failures in the size group and 13 a year ago.

**Manufacturing and Retailing** each accounted for six failures in the week just ended. Concerns failing in manufacturing, up one from last week, were also higher than in the comparable week of 1945. Retail failures, on the other hand, were not only a third lower than in the preceding week, but also amounted to only half those occurring last year. In wholesale trade concerns failing remained at four, the same number as in 1945.

One Canadian failure was reported as compared with three both in the prior week and in the corresponding week of 1945.

**Wholesale Commodity Price Index**—The movement of the daily

wholesale commodity price index, compiled by Dun & Bradstreet, Inc., turned irregular after reaching a further new peak of 189.64 on April 10. The index closed at 189.09 on April 16, as against 189.46 a week earlier, and 176.63 at this time a year ago.

Active trading in oats and rye featured grain futures markets last week, the latter grain selling at new record highs, aided by strength in the cash market. Wheat, corn and barley continued in tight supply; trading was slight as prices pressed hard against ceilings. Due to the continuing drop in available wheat supplies, many additional flour mills were reported reducing their output and offerings shrank to very small proportions. Users sought to obtain as much flour as possible pending issuance of a new order restricting deliveries to the domestic trade.

The Department of Agriculture in its April 1 report forecast this year's yield of winter wheat at an all-time record of 830,636,000 bushels. Stocks of wheat on farms on April 1, estimated at 204,000,000 bushels, were the lowest recorded on that date since 1941. Hog receipts were moderate with demand good at full ceiling prices. Cash lard was slow with trading confined mostly to packer distribution.

Responding largely to developments in Washington, cotton prices fluctuated over a wide range in the past week. The general upward trend appeared to level off at mid-week after the new and higher margin requirements went into effect on April 9. Subsequent sharp declines in values reflected strong Presidential opposition to any legislation that would change the existing parity formula. Demand for the staple in leading spot markets was slower, with buyers inclined to exercise caution pending a clearer view of the situation.

Registrations under the cotton export program dropped quite sharply to 62,050 bales in the week ended April 6, from 139,802 in the preceding week.

Trading in the Boston raw wool market was slower last week. There was steady demand for specific types but actual volume sold on the whole was only moderate. Activity in spot foreign wools declined also, reflecting continued heavy arrivals of foreign wools. Imports of foreign grease and scoured wools combined, in the ports of Boston, New York, and Philadelphia during the week ended April 5 totaled 108,168,300 pounds.

A sharp lowering of offering prices was noted on the part of some importers of South African wools, due to inability to find storage space. Supply problems continued a major factor in the woolen and worsted industries. Deliveries of spring men's wear fabrics were reported still under way with many inquiries being received regarding manufacturers' fall preparations.

**Food Price Index at New 25½-Year Peak**—Up 1 cent in the week, the Dun & Bradstreet wholesale food price index rose to \$4.20 on April 16 to register a new high level since Oct. 7, 1920, when it stood at \$4.24. The latest figure represents a gain of 2.2% over the comparable 1945 index of \$4.11. Potatoes dropped slightly during the week but advances occurred in rye, sheep and lambs. The index represents the sum total of the price per pound of 31 foods in general use.

**Wholesale and Retail Trade**—Heavy consumer buying last week was reported in almost all lines as retail volume continued to mount. Over-all retail volume exceeded that of last week and was considerably above that of the five-day week a year ago when stores throughout the nation were closed in mourning for the late President, reports Dun & Bradstreet,

Inc., in its review of trade. Slightly increased selections of many previously scarce goods were available although inventories continued to be limited in some lines.

Retail food volume increased slightly this week. The supply of meat continued to decrease with the shortages in some localities acute. The supply of fish and poultry generally remained adequate. An abundance of greens and fresh vegetables was evident and varieties of fresh fruit were more plentiful than they had been for several weeks. A seasonal increase in the demand for candy was very pronounced the past week.

Apparel continued to attract much attention. Consumer interest in children's wear increased noticeably. Stocks were adequate and generally well-rounded. Main floor items such as gloves, blouses, and handbags drew throngs of shoppers. Women's suits and coats continued to rank among the best sellers along with dresses and shoes. Many men welcomed the slightly larger selection of suits available last week but were discouraged by the continued shortage of shirts.

The variety of durable goods appearing in retail stores continued to increase. Frequent requests for garden supplies and hardware were made. Jewelry and gift lines attracted many eager consumers. Retail furniture volume was sustained at a high level and interest in modern designs was mounting although demand was more frequently directed toward traditional pieces. Curtain and drapery departments were well attended by consumers, though selections of piece goods remained limited.

Retail volume for the country was estimated to be from 40 to 45% over the corresponding five-day week a year ago. Estimates of regional percentage increases were: New England 20 to 24, East 50 to 54, Middle West 42 to 45, Northwest 27 to 30, South 29 to 33, Southwest 38 to 42, and Pacific Coast 37 to 41.

A moderate rise in wholesale volume was reported last week, being well above that of the corresponding week a year ago. New order and re-order volume was high and some reports indicated that it was as much as 25% above that of the similar week a year ago. Wholesale food volume, too, continued to be well above that of the like week last year and slightly above that of a week ago.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended April 13, 1946, increased by 81% above the same period of last year. This compared with an increase of 50% in the preceding week. For the four weeks ended April 13, 1946, sales increased by 34% and for the year to date by 21%.

In using year-ago comparisons for the current week an allowance should be made, in addition to that made for the differing dates of Easter, for the fact that last year many stores were closed on either all or a part of Saturday, April 14, a day of mourning for President Roosevelt.

Retail trade in New York last week, the peak of the Easter season, continued to rise sharply and according to estimates exceeded department store volume by 50% of that for a year ago. Most consideration was given to accessories and last minute Easter gift items. However, variety, general merchandise and food sales were also in heavy demand. Impetus was given to food purchases as a result of reports of the food situation abroad.

With legislative changes in prospect in the OPA framework, in addition to that of pre-Easter week, conditions in wholesale garment and textile lines were the quietest of the year. Demand for

fabrics, especially cottons, remained unabated.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to April 13, 1946, increased 89% above the same period last year. This compared with an increase of 55% in the preceding week. For the four weeks ended April 13, 1946, sales rose by 40% and for the year to date by 28%.

## US Policy Toward Argentina Softening

Secretary of State Byrnes, at a news conference on April 8, revealed a change in the official United States attitude toward Argentina by indicating that a hemispheric defense agreement, including Argentina would be signed if the new Government of Juan D. Peron lives up to its commitments. In the memorandum which Mr. Byrnes issued it was indicated that this country was ready to relax its earlier stand of refusing to sign a defense treaty with Argentina if the Peron regime "will give prompt implementation by positive acts to commitments under the inter-American system," a Washington dispatch to the Associated Press stated. But, the document continued, "there must be deeds and not merely promises," and it went on to describe the chief undertaking to be the "elimination from this hemisphere of Axis influences which have threatened the security of the inter-American system."

Under the new arrangement, to which a majority of the 19 other American republics have agreed, Col. Peron's Government will be given a reasonable time to fulfill promises Argentina made at the Chapultepec conference in Mexico City early in 1945.

It was also reported from Washington on April 8, according to the New York "Journal of Commerce," that normal trade relations between the United States and Argentina would be resumed in the near future, and that in cooperation with the State Department, the Office of International Trade of the Commerce Department is now preparing the arrangement which will place our commercial activities with Argentina on the same basis as that of Allied countries. The friendlier relationship between the two countries was anticipated with an earlier State Department announcement that the United States would send an Ambassador to Buenos Aires. This country has had no Ambassador in the Argentine capital since Spruille Braden left that post nearly six months ago to become Assistant Secretary of State for American Republic Affairs.

George S. Messersmith, previously Ambassador to Mexico, recently became Ambassador to Argentina.

## Senate Confirms Foley

The U. S. Senate confirmed on April 10 the nomination of Edward H. Foley Jr. to be Assistant Secretary of the Treasury in place of Herbert E. Gaston resigned. The nomination was sent to the Senate by President Truman on April 8. Under date of April 8 Associated Press advices from Washington said:

Mr. Foley left a law practice in New York in 1932 to join the legal staff of the Reconstruction Finance Corp. The following year he went with the Public Works Administration, then under Harold Ickes.

In 1937 he entered the legal division of the Treasury Department and became General Counsel May 8, 1939. He held that post until July, 1942, when he entered the Army as a Lieutenant Colonel to set up a legal division in the Quartermaster General's office.

Moody's Bond Prices and Bond Yield Averages

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

MOODY'S BOND PRICES (Based on Average Yields) Table with columns for Date, U.S. Govt. Bonds, Corporate by Ratings (Aaa, Aa, A, Baa), and Corporate by Groups (R.R., P.U., Indus.).

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices) Table with columns for Date, U.S. Govt. Bonds, Corporate by Ratings (Aaa, Aa, A, Baa), and Corporate by Groups (R.R., P.U., Indus.).

Electric Output for Week Ended April 20, 1946 9.6% Below That for Same Week a Year Ago

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended April 20, 1946, was 3,987,145,000 kwh., which compares with 4,411,325,000 kwh. in the corresponding week a year ago, and 4,014,652,000 kwh. in the week ended April 13, 1946.

PERCENTAGE DECREASE UNDER SAME WEEK LAST YEAR Table showing percentage decrease for various geographical divisions and total U.S. average.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours) Table showing weekly data for 1946 and 1945, including percentage change.

Freight Cars on Order Increased in March

The Class I railroads on April 1, 1946, had 40,217 new freight cars on order, the Association of American Railroads announced on April 22. This included 13,721 hoppers, including 3,575 covered hoppers; 5,121 gondolas, 1,163 flat, 13,576 plain box, 4,963 automobile, 1,568 refrigerator, and 100 miscellaneous freight cars.

They also had 494 locomotives on order April 1, this year, which included 82 steam, six electric and 406 Diesel locomotives. On April 1, 1945, they had 564 locomotives on order, which included 138 steam, two electric and 424 Diesel.

The Class I railroads put 8,003 freight cars in service in the first three months of 1946, which included 2,277 hopper cars, including 55 covered hoppers; 1,545 gondolas, four refrigerators, 55 flat, 835 automobile box and 3,290 plain box freight cars.

Labor Dept. Reports Hours and Earnings Down in January

Gross average hourly earnings for factory workers rose moderately in January and stand now at the same level as in the beginning of 1944, just over \$1 per hour, the Bureau of Labor Statistics of the U. S. Department of Labor reported on March 29.

The Department's announcement continued: "Gross average hourly earnings of factory workers reached the highest level of the war in January 1945 when they amounted to \$1.046. This level was fairly well maintained through May 1945. The average dropped sharply after V-J Day to a level of \$0.985 in October.

est hourly earnings ever reported. The 94 cent figure for January represents a 10 cent increase over a year ago, and is 3 cents higher than in August 1945. Workers in the apparel industries averaged about 91 cents or 3.6% more per hour than in December as the result of recent wage increases.

"The workweek for all manufacturing is now almost 10% below what it was a year ago, but still averages over 41 hours indicating a scheduled workweek averaging about 43 hours.

"Weekly earnings for factory workers average \$41.27, only slightly less than in December. The decline since last January is due almost entirely to decreased earnings in the durable goods group which are about \$10 or 17 1/2% below the level of last January. In the nondurable group weekly earnings are slightly higher than a year ago. The increase in hourly earnings in the nondurable goods group has been sufficient to offset the effects of a shorter workweek on weekly earnings."

Civil Employes Abroad Guaranteed Jobs

In an effort to hasten demobilization of military forces in occupied areas, President Truman on April 12 issued an executive order ruling that former Federal employees now in the armed forces and about to be discharged would retain their reemployment benefits and their rights to their original positions if they accepted civilian service with the War or Navy Departments in the occupied zones.

Edmiston Quits St. Louis Fed. Res. to Be Ins. Official

Announcement was made on April 16 by the Federal Reserve Bank of St. Louis that Henry H. Edmiston, Vice-President, has resigned effective May 1, to become Assistant Vice-President of the National Life Insurance Company, Montpelier, Vermont. He has been with the St. Louis Reserve Bank since the spring of 1941.

Result of Treasury Bill Offering

The Secretary of the Treasury announced on April 22 that the tenders for \$1,300,000,000 or thereabout of 91-day Treasury bills to be dated April 25 and to mature July 25, which were offered on April 19, were opened at the Federal Reserve Banks on April 22. Total applied for, \$1,902,106,000. Total accepted, \$1,315,262,000 (includes \$42,492,000 entered on a fixed price basis of 99.905 and accepted in full).

Cotton Spinning for March

The Bureau of the Census announced on April 18 that, according to preliminary figures, 23,815,614 cotton spinning spindles were in place in the United States on March 31, 1946, of which 21,957,254 were operated at some time during the month, compared with 21,628,796 in February, 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 22,231,952 in March 1945.

Parcels to Netherland Indies

On Oct. 15 Postmaster Albert Goldman announced that ordinary (unregistered and uninsured) gift parcels not exceeding 11 pounds in weight will be accepted for mailing when addressed to the following cities in Netherlands Indies: Balikpapan, Bandjermasin, Bandoeng, Batavia, Buitenzorg, Makassar, Medan, Menado, Padang, Palembang, Pontianak, Sabang, Semarang, Soerabaya and Tarakan.

Mr. Goldman's advice state: The parcels will be subject to the same conditions as were in effect prior to the suspension of the service and also to the following further restrictions:

(1) Only one parcel per week may be sent by or on behalf of the same person to the same addressee.

(2) Contents are limited to nonperishable items which are not prohibited in the parcel post mails to Netherlands Indies.

The parcels and relative customs declarations must be conspicuously marked "Gift Package" by the senders, who must clearly state the contents and value on the customs declarations. The export control regulations of the Office of International Trade, Department of Commerce, Washington 25, D. C. (formerly the Foreign Economic Administration), are applicable to parcels for delivery in Netherlands Indies.

Moody's Daily Commodity Index

Table showing commodity index values for various dates from April 16, 1946, to January 2, 1946.

Daily Average Crude Oil Production for Week Ended April 13, 1946 Increased 245,000 Bbls.

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended April 13, 1946 was 4,691,400 barrels, an increase of 245,000 barrels per day over the preceding week, and was 71,400 barrels in excess of the daily average figure of 4,620,000 barrels estimated by the United States Bureau of Mines as the requirement for the month of April, 1946.

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,636,000 barrels of crude oil daily and produced 13,351,000 barrels of gasoline; 1,985,000 barrels of kerosine; 5,265,000 barrels of distillate fuel, and 8,608,000 barrels of residual fuel oil during the week ended April 13, 1946; and had in storage at the end of the week 102,444,000 barrels of finished and unfinished gasoline; 10,409,000 barrels of kerosine; 30,047,000 barrels of distillate fuel, and 37,862,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

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

These are Bureau of Mines calculations of the requirements of domestic crude oil (after deductions of condensate and natural gas derivatives) based upon certain premises outlined in its detailed forecast for the month of April. 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.

Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m., April 10, 1946. This is the net basic allowable as of April 1 calculated on a 30-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 six 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 six days shutdown time during the calendar month.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, KEROSENE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL OIL, WEEK ENDED APRIL 13, 1946

Table with columns: District, % Daily Report'g, Crude Runs to Still, % Op-erated, % of Prod'n, % of Ref. Inc., % of Nat. Gasoline, % of Stocks, % of Kero-sine, % of Gas Oil, % of Fuel Oil, % of Resid. Fuel Oil. Rows include East Coast, Appalachian, Ind., Ill., Ky., Okla., Kan., Mo., Inland Texas, Texas Gulf Coast, Louisiana Gulf Coast, No. La. & Arkansas, Rocky Mountain, District No 3, District No 4, California, Total U. S. B. of M. basis Apr. 13, 1946, Total U. S. B. of M. basis Apr. 6, 1946, U. S. B. of M. basis Apr. 14, 1945.

Includes unfinished gasoline stocks of 8,800,000 barrels. Includes unfinished gasoline stocks of 11,928,000 barrels. Stocks at refineries, at bulk terminals, in transit and in pipe lines. Not including 1,985,000 barrels of kerosine, 5,265,000 barrels of gas oil and distillate fuel oil and 8,608,000 barrels of residual fuel oil produced during the week ended April 13, 1946, which compares with 1,946,000 barrels, 5,060,000 barrels and 8,401,000 barrels, respectively, in the preceding week and 1,391,000 barrels, 5,083,000 barrels and 8,875,000 barrels, respectively, in the week ended April 14, 1945.

Civil Engineering Construction Totals \$154,743,000 for Week

Civil engineering construction volume in continental United States totals \$154,743,000 for the week ending April 18, 1946 as reported to "Engineering News-Record." This is the highest since the Nov. 12, 1942 weekly volume which reached \$304,000,000. This volume is also 30% above the previous week, 598% above the corresponding week of last year and 10% above the previous four-week moving average.

Private construction this week, \$104,944,000, highest since March 30, 1930, is 32% above last week and 1,612% above the week last year. Public construction, \$49,799,000 is 28% above last week and 210% greater than the week last year. State and municipal construction, \$32,077,000, 28% above last week, is also 955% above the 1945 week. Federal construction, \$17,722,000 is 28% above last week and 36% above the week last year.

Total engineering construction for the 16-week period of 1946 records a cumulative total of \$1,384,879,000, which is 184% above the total for a like period of 1945. On a cumulative basis, private construction in 1946 totals \$918,013,000, which is 502% above that for 1945. Public construction, \$466,866,000, is 39% greater than the cumulative total for the corresponding period of 1945, whereas state and municipal construction, \$314,361,000 to date, is 457% above 1945. Federal construction, \$152,505,000, dropped 45% below the 16-week total of 1945.

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

Table with columns: Construction Type, Apr. 18, '46, Apr. 11, '46, Apr. 19, '45. Rows include Total U. S. Construction, Private Construction, Public Construction, State & Municipal, Federal.

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

New Capital

New capital for construction purposes this week totals \$23,253,000, and is made up of \$18,153,000 in state and municipal bond sales and \$5,100,000 in corporate security issues. New capital for the 16-week period of 1946 totals \$423,908,000, 56% greater than the \$272,249,000 reported for the corresponding period of 1945.

Steel Operations at 73.6% of Capacity—Fuel Shortage May Bring Sharp Reduction Soon

"By the end of next week the coal mine stoppage will have cost the country more than 1,000,000 tons of steel ingots and in terms of finished steel products about 700,000 net tons, and before the strike is settled, the ingot loss may exceed 2,000,000 tons," "The Iron Age," national metalworking paper, states in its issue of today (April 25), further going on to say:

"Considering the 7,500,000 tons of steel ingots lost because of the steel strike earlier this year, and the 1,000,000 tons which will be irretrievably lost by the end of next week because of the coal strike, this 8,500,000 tons of raw steel represents the disappearance of approximately 5,900,000 tons of finished steel—the total shipments to the automotive industry during the full year of 1939.

"While some steel companies continue to operate at high levels this week, by the end of next week at least two large firms will be forced to cut production by as much as 50%. The United States Steel Corp., which began to reduce activity early this month, will by the end of this week be operating at new lows in the Chicago and Pittsburgh districts. The gamble which many companies took that the coal strike would be short-lived has been definitely lost.

"Indications this week are that the coal strike will run well into May. Governmental plans for ending the tieup, so far have no substance, and the controversy has settled down to the usual coat dispute pattern—a waiting game. In past bouts with the coal operators, Mr. Lewis has held out for his demands without budging an inch, despite the drastic effects of the coal shutdown.

"There is more than 50-50 chance that the steel industry will become paralyzed and reduced to an insignificant operating level before the coal situation is cleared up. Several companies in the East and in some other parts of the country will be able to operate on cold pig iron and scrap charges, but even these firms will be hampered due to the growing scarcity of pig iron due to blast furnace shutdowns.

"Many small plants through-

ment of a pattern in the copper and brass industry."

The American Iron and Steel Institute on Monday of this week announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 73.6% of capacity for the week beginning April 22, compared with 77.4% one week ago, 88.5% one month ago and 93.2% one year ago. This represents a decrease of 3.8 points or 4.9% from the preceding week. The operating rate for the week beginning April 22 is equivalent to 1,297,100 tons of steel ingots and castings, compared to 1,364,100 tons one week ago, 1,559,700 tons one month ago, and 1,707,100 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on April 22 stated in part as follows:

"With the soft coal strike now entering its fourth week and few signs of immediate settlement, indications point to loss of about a million tons of steel this month, and should the strike continue into May the reduction in output will be much more drastic.

"Various large producers who have been able to maintain fair production so far are on the point of sharply curtailing and those already seriously affected will make further reduction within a week or so. The sharper the decline in general the longer it will take mills to regain normal stride after the coal dispute has been settled.

"Meanwhile, steel and iron consumers are being increasingly affected. Various foundries report that coke is becoming more of a factor than pig iron and some nonintegrated producers are confronted by greater scarcity of fuel than of iron. However, there is little easing of pressure in any quarter.

"In finished steel, production of sheets and strip is being affected after having held up better than most other major lines. Producers operating on a quarterly basis again have postponed setting up quotas for third quarter, with little likelihood that action will be taken before some time in May.

"The situation in bars is increasingly tighter, in both hot-rolled and cold-drawn. Only in large rounds and flats can tonnage be had before fourth quarter and in smaller sizes most sellers are out of the market for the entire year.

"Tin plate producers are feeling the effect of steel shortage but are pressing for all the tonnage they can produce, to provide material for cans for the seasonal food packs. It seems likely the tonnage earmarked for export during second quarter will be pushed into third quarter.

"Tightness in pig iron is increasing as supply of coke for blast furnaces becomes more problematical. Every effort is being made to distribute production to best advantage and foundries have not suffered so far, but inventories are being depleted and castings production must inevitably be curtailed if coal mining is not resumed soon.

"Scrap scarcity continues as great as ever and demand is unabated. Steel mills, though not producing as much steel as usual nevertheless require more scrap to eke out shortened pig iron supply for open hearths. Consumers of cast scrap are paying as much as \$12 per ton freight to move material from remote areas, so great is need."

"The strike, wage and price situation in the nonferrous industries is very similar to that of the steel industry some three months ago, with the establishment of fact-finding boards to study the wage and price structure of copper mines and smelters. Price increases have now been granted to the brass mills, and all but one major wage adjustment have been settled in the industry. Other stoppages in the lead and zinc mines are awaiting the establish-

## Trading on New York Exchanges

The Securities and Exchange Commission made public on April 17 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 30, 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 30 (in round-lot transactions) totaled 2,397,448 shares, which amount was 16.13% of the total transactions on the Exchange of 7,430,600 shares. This compares with member trading during the week ended March 23 of 2,413,088 shares, or 17.24% of the total trading of 6,999,770 shares.

On the New York Curb Exchange, member trading during the week ended March 30 amounted to 648,620 shares, or 12.95% of the total volume on that Exchange of 2,504,250 shares. During the week ended March 23, trading for the account of Curb members of 597,650 shares was 13.46% of the total trading of 2,219,875 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 30, 1946		
A. Total Round-Lot Sales:	Total for Week	%
Short sales.....	240,390	
Other sales.....	7,190,210	
<b>Total sales.....</b>	<b>7,430,600</b>	
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	786,870	
Short sales.....	155,200	
Other sales.....	612,860	
<b>Total sales.....</b>	<b>768,060</b>	<b>10.46</b>
2. Other transactions initiated on the floor—		
Total purchases.....	117,770	
Short sales.....	8,500	
Other sales.....	121,380	
<b>Total sales.....</b>	<b>129,880</b>	<b>1.67</b>
3. Other transactions initiated off the floor—		
Total purchases.....	283,170	
Short sales.....	25,150	
Other sales.....	286,548	
<b>Total sales.....</b>	<b>311,698</b>	<b>4.00</b>
4. Total—		
Total purchases.....	1,187,810	
Short sales.....	188,850	
Other sales.....	1,020,788	
<b>Total sales.....</b>	<b>1,209,638</b>	<b>16.13</b>

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

WEEK ENDED MARCH 30, 1946		
A. Total Round-Lot Sales:	Total for Week	%
Short sales.....	36,800	
Other sales.....	2,467,450	
<b>Total sales.....</b>	<b>2,504,250</b>	
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases.....	224,545	
Short sales.....	22,275	
Other sales.....	182,210	
<b>Total sales.....</b>	<b>204,485</b>	<b>8.57</b>
2. Other transactions initiated on the floor—		
Total purchases.....	37,300	
Short sales.....	1,500	
Other sales.....	36,900	
<b>Total sales.....</b>	<b>40,400</b>	<b>1.55</b>
3. Other transactions initiated off the floor—		
Total purchases.....	58,365	
Short sales.....	9,250	
Other sales.....	74,275	
<b>Total sales.....</b>	<b>83,525</b>	<b>2.83</b>
4. Total—		
Total purchases.....	320,210	
Short sales.....	33,025	
Other sales.....	295,385	
<b>Total sales.....</b>	<b>328,410</b>	<b>12.95</b>
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales.....	0	
Customers' other sales.....	112,634	
<b>Total purchases.....</b>	<b>112,634</b>	
<b>Total sales.....</b>	<b>110,279</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."

## Wholesale Prices Rose 0.2% in Week Ended April 13, Labor Department Reports

"Higher prices for non-agricultural commodities were largely responsible for a rise of 0.2% in average primary market prices during the week ended April 13, 1946," said the Bureau of Labor Statistics, U. S. Department of Labor on April 18, its advice adding that the wholesale price index of the Bureau rose to 109.3% of the 1926 average. This was 0.8% above mid-March 1946 and 3.6% above a year ago, it was noted by the Bureau, which likewise reported:

**"Farm Products and Foods"** — Primary market prices for farm products averaged fractionally lower during the week. Prices declined for lower grades of eggs. Average prices for lemons dropped with an increased proportion of smaller sizes on the market and old crop potatoes moved lower in most markets. Quotations for hay were down on light demand as pasturage improved. Slightly lower prices were reported for some foreign wools as poorer grades came on the market. Potatoes in Eastern markets, and onions, sold at higher prices during the week reflecting new crop shipments, and apple quotations were fractionally higher. Cotton prices continued to advance. Sheep quotations rose reflecting short supplies on the

market and continued strong demand from Eastern order buyers. Prices for oats, in increasingly short market supply, rose about 1%.

"Higher average prices for fresh and canned fruits and vegetables were primarily responsible for the 0.2% rise in the group index for foods. In addition dressed poultry prices increased on holiday buying, and rye flour quotations rose with declining market supplies.

**"Other Commodities"**—Average prices for all commodities other than farm products and foods rose 0.4% during the week, continuing the accelerated rise of recent months. The group index for these commodities was 0.9% above a month ago and 3.3% above the corresponding week of 1945. Prices for cotton fabrics continued to advance to higher ceilings granted earlier and cotton yarn quotations rose nearly 2% with revised ceilings. Men's top-coats were higher with increased ceilings. Further price advances were reported for crude petroleum, bringing prices to new ceilings recently granted. Quotations for bolts, rivets and screws rose approximately 1%, following OPA ceiling adjustments to cover cost increases which occurred prior to 1946. Southern pine lumber prices continued to advance fractionally with further adjustments to higher ceilings. Quotations for quebracho extract rose about 12% with OPA approval to reflect higher world market prices. Manufacturers' prices for mechanical refrigerators were reported at levels slightly higher than prewar."

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 16, 1946 and April 14, 1946 and (2) percentage changes in subgroup indexes from April 6, 1946 to April 13, 1946.

CHANGES IN WHOLESALE PRICES BY COMMODITY GROUPS FOR THE WEEK ENDED APRIL 13, 1946

Commodity group—	Percentage changes to April 13, 1946, from—					
	4-13 1946	4-6 1946	3-30 1946	3-16 1946	4-14 1946	4-14 1945
All commodities.....	109.3	109.1	108.7	108.4	105.5	+0.2 +0.8 +3.6
Farm products.....	135.1	135.2	133.3	133.1	128.9	-0.1 +1.5 +4.8
Foods.....	109.9	109.7	109.5	109.5	105.5	+0.2 +0.4 +4.2
Hides and leather products.....	120.3	120.1	120.1	120.1	118.3	+0.2 +0.2 +1.7
Textile products.....	105.0	104.5	104.3	101.9	99.1	+0.5 +3.0 +6.0
Fuel and lighting materials.....	86.5	85.5	85.4	85.4	84.0	+1.2 +1.3 +3.0
Metal and metal products.....	108.2	108.0	107.9	107.7	104.3	+0.2 +0.5 +3.7
Building materials.....	124.0	124.0	123.6	123.3	117.0	0 +0.6 +6.0
Chemicals and allied products.....	96.1	96.0	96.0	94.9	94.9	+0.1 +0.1 +2.4
Household furnishings goods.....	108.7	108.7	108.5	108.4	106.2	0 +0.3 +2.4
Miscellaneous commodities.....	95.4	95.4	95.4	94.6	94.6	0 +0.8 +4.7
Raw materials.....	122.8	122.2	121.1	121.0	117.3	+0.5 +1.5 +4.7
Semi-manufactured articles.....	100.8	100.6	100.5	99.7	94.8	+0.2 +1.1 +6.3
Manufactured products.....	104.8	104.6	104.5	104.3	102.0	+0.2 +0.5 +2.7
All commodities other than farm products.....	103.7	103.4	103.3	103.0	100.4	+0.3 +0.7 +3.3
All commodities other than farm products and foods.....	102.8	102.4	102.3	101.9	99.5	+0.4 +0.9 +3.3

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM APRIL 6, 1946 TO APRIL 13, 1946

Increases		Decreases	
Petroleum and products.....	3.1	Chemicals.....	0.2
Cotton goods.....	1.0	Grains.....	0.2
Fruits and vegetables.....	0.7	Livestock and poultry.....	0.1
Clothing.....	0.5	Lumber.....	0.1
Iron and steel.....	0.3	Meats.....	0.1
Cement.....	0.2	Other building materials.....	0.1
Other farm products.....	0.1	Other food.....	0.1

## National Fertilizer Association Commodity Price Index Continues to Rise

The weekly wholesale commodity price index compiled by the National Fertilizer Association, and made public on April 22, was fractionally higher in the week of April 20, 1946 when it rose to 145.9 from 145.8 in the preceding week. This was the seventh consecutive week that the index had risen, each week reaching a new high level for the index. A month ago the index stood at 144.4, and a year ago at 104.3, all based on the 1935-1939 average as 100. The Association's report continued as follows:

Three of the composite groups of the index advanced and the remaining groups were unchanged. The farm products group showed a small gain lifting the index to a new high peak. The cotton subgroup resumed its upward trend and reached another new high point, after registering a decline in the preceding week. The grain index showed a small rise because of higher prices for rye. The livestock index was higher with advances in the prices for eggs and fluid milk more than offsetting lower prices for lambs. The food index advanced fractionally. The textile index advanced slightly, registering a new high point. The rise was due principally to higher yarn prices. White lead prices advanced but the rise was not sufficient to change the index of the building material group.

During the week six price series in the index advanced and two declined; in the preceding week six advanced and one declined; in the second preceding week nine advanced and two declined.

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

%	Each Group	Group	Latest Week	Preceding Week	Month Ago	Year Ago
Bears to Total Index			Apr. 20, 1946	Apr. 13, 1946	Mar. 23, 1946	Apr. 21, 1945
25.3	Foods		144.3	144.0	144.0	141.9
	Fats and Oils		147.4	147.4	147.4	145.3
	Cottonseed Oil		163.1	163.1	163.1	163.1
23.0	Farm Products		175.7	175.1	173.2	166.5
	Cotton		264.2	263.8	254.1	211.4
	Grains		173.9	173.8	173.3	163.5
	Livestock		162.2	161.5	160.5	160.1
17.3	Fuels		131.7	131.7	126.5	130.4
10.8	Miscellaneous commodities		133.9	133.9	134.3	133.7
8.2	Textiles		167.1	166.9	165.4	156.6
7.1	Metals		117.2	117.2	117.1	104.7
6.1	Building materials		127.5	127.5	127.2	125.4
1.3	Chemicals and drugs		118.2	118.2	118.2	118.3
-3	Fertilizer materials		119.8	119.8	119.8	119.9
-3	Fertilizers		105.3	105.3	105.3	104.8
	Farm machinery		145.9	145.8	144.4	140.3
100.0	All groups combined		145.9	145.8	144.4	140.3

\*Indexes on 1926-1928 base were: April 20, 1946, 113.7; April 13, 1946, 113.6; and April 21, 1945, 109.3.

## Senate Opens Debate On British Loan

The second day of debate April 18 on the Senate floor over legislation to approve the \$3,750,000,000 loan to Great Britain opened with a proposal by Senator William A. Stanfill (R-Ky.) that with the granting of the loan, interest on veterans' loans made by the Government be reduced to the 2% which the British will be expected to pay on their borrowings after 1951. Senator Stanfill declared his intention of supporting the legislation to extend the credit to Britain because "it is an investment in peace and prosperity." Asserting that "we can no more survive another economic war than we can another atomic war," Senator Stanfill went on to say, according to Associated Press Washington advices, that he thought the "democracies of the world ought to stand together, although I want no military alliance."

Summing up his viewpoint Senator Stanfill said he felt that the lifting of trade restrictions which the British promised if the loan goes through holds the only prospect of peaceful world trade in the future.

Without the loan, he said "there can be no hope of creating conditions under which the nations of the world can trade together in peace. I believe American business will reap dividends by getting free access to these markets."

Senator Barkley of Kentucky Democratic leader, in opening debate on the proposed loan on April 17, stated it as his opinion that it was "an economic necessity in our own best interests."

"This is not a matter of charity," he said. "It is an effort to bring economic stability to the world." The majority leader frequently used the term "line of credit" rather than "loan" in referring to the proposed transaction. Administration leaders are optimistic of eventual passage of the measure in the Senate by a margin of 12 to 18 votes.

## NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 17, a summary for the week ended April 6 of complete figures showing the daily volume of stock transactions for odd-lot accounts 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 April 6, 1946	
—Odd-Lot Sales by Dealers—	
Total	Per Week
(Customers' purchases).....	39,329
Number of orders.....	1,165,554
Number of shares.....	\$51,765,771
Dollar value.....	
Odd-Lot Purchases by Dealers (Customers' sales)	
Number of Orders:	
Customers' short sales.....	90
Customers' other sales.....	39,416
Customers' total sales.....	39,506
Number of Shares:	
Customers' short sales.....	2,718
Customers' other sales.....	1,083,448
Customers' total sales.....	1,086,166
Dollar value.....	\$46,769,261
Round-Lot Sales by Dealers	
Number of Shares:	
Short sales.....	90
Other sales.....	240,000
Total sales.....	240,090
Round-Lot Purchases by Dealers	
Number of shares.....	323,000
*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."	

### Weekly Coal and Coke Production Statistics

The total production of soft coal in the week ended April 13, 1946, as estimated by the United States Bureau of Mines, was 650,000 net tons, a decrease of 200,000 tons, or 23.5% from the preceding week. In the corresponding week of 1945, output amounted to 10,225,000 tons. For the calendar year to April 13, 1946, production of bituminous coal and lignite amounted to 162,439,000 net tons, a decrease of 5.3% when compared with the 171,536,000 tons produced in the period from Jan. 1 to April 14, 1945.

Production of Pennsylvania anthracite for the week ended April 13, 1946, as estimated by the Bureau of Mines, was 1,339,000 tons, an increase of 278,000 tons, or 26.2%, over the preceding week. When compared with the corresponding week of 1945 there was an increase of 93,000 tons, or 7.5%. The calendar year to date shows an increase of 9.3% when compared with the corresponding period of 1945.

The Bureau also reported that the estimated production of beehive coke in the United States for the week ended April 13, 1946, showed a decrease of 11,200 tons when compared with the output for the week ended April 6, 1946; and was 61,900 tons less than for the corresponding week of 1945.

Steady depletion of bituminous coal stocks held by consumers and increasing appeals for emergency stocks held under government order was disclosed on April 18 by J. A. Krug, Solid Fuels Administrator, who declared that since the beginning of the mine strike on April 1, approximately 28,000,000 tons of potential coal production had been lost.

More than 4,200 soft coal mines in the United States are idle because of the strike. Negotiations for a new working agreement between the United Mine Workers of America and the operators which began in Washington on March 12 collapsed when John L. Lewis, President of the mine union walked out on the wage conference.

The rate of soft coal production for the four weeks preceding the strike was in excess of 13,000,000 tons per week.

	Week Ended				Jan. 1 to Date	
	Apr. 13, 1946	Apr. 6, 1946	Apr. 14, 1945	Apr. 13, 1945	Apr. 17, 1945	Apr. 17, 1945
Bituminous coal & lignite—	650,000	850,000	10,225,000	162,939,000	171,536,000	1,932,000
Total, including mine fuel—	108,000	170,000	1,704,000	1,865,000	1,932,000	
Daily average—						

	Week Ended			Calendar Year to Date		
	Apr. 13, 1946	Apr. 6, 1946	Apr. 14, 1945	Apr. 13, 1946	Apr. 14, 1945	Apr. 17, 1937
Penn. Anthracite—	1,339,000	1,061,000	1,245,000	17,682,000	16,160,000	16,526,000
*Total incl. coll. fuel	1,285,000	1,019,000	1,196,000	16,955,000	15,514,000	15,700,000
*Commercial produc.						
Beehive coke—	6,600	17,800	68,500	1,206,800	1,632,600	1,086,800
United States total—						

\*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

State	Week Ended			Calendar Year to Date		
	Apr. 6, 1946	Mar. 30, 1946	Apr. 7, 1945	Mar. 30, 1946	Apr. 7, 1945	Apr. 7, 1945
Alabama	447,000	447,000	122,000	447,000	447,000	6,000
Alaska	6,000	6,000	67,000	6,000	6,000	91,000
Arkansas and Oklahoma	172,000	172,000	105,000	172,000	172,000	172,000
Colorado	1,000	1,000	1,126,000	1,000	1,000	1,126,000
Georgia and North Carolina	1,537,000	1,537,000	233,000	1,537,000	1,537,000	233,000
Illinois	622,000	622,000	44,000	622,000	622,000	44,000
Indiana	44,000	44,000	26,000	44,000	44,000	26,000
Iowa	137,000	137,000	126,000	137,000	137,000	126,000
Kansas and Missouri	1,147,000	1,147,000	472,000	1,147,000	1,147,000	472,000
Kentucky—Eastern	445,000	445,000	269,000	445,000	445,000	269,000
Kentucky—Western	62,000	62,000	2,000	62,000	62,000	2,000
Maryland	4,000	4,000	70,000	4,000	4,000	70,000
Michigan	DATA	DATA	74,000	DATA	DATA	74,000
Montana (bitum. & lignite)	NOT AVAILABLE	NOT AVAILABLE	21,000	NOT AVAILABLE	NOT AVAILABLE	21,000
New Mexico	34,000	34,000	28,000	34,000	34,000	28,000
North & South Dakota (lignite)	34,000	34,000	456,000	34,000	34,000	456,000
Ohio	824,000	824,000	1,720,000	824,000	824,000	1,720,000
Pennsylvania (bituminous)	3,347,000	3,347,000	46,000	3,347,000	3,347,000	46,000
Tennessee	150,000	150,000	2,000	150,000	150,000	2,000
Texas (bituminous & lignite)	4,000	4,000	105,000	4,000	4,000	105,000
Utah	392,000	392,000	215,000	392,000	392,000	215,000
Virginia	26,000	26,000	27,000	26,000	26,000	27,000
Washington	2,198,000	2,198,000	1,462,000	2,198,000	2,198,000	1,462,000
†West Virginia—Southern	1,115,000	1,115,000	850,000	1,115,000	1,115,000	850,000
†West Virginia—Northern	215,000	215,000	114,000	215,000	215,000	114,000
Wyoming						
‡Other Western States						
Total bituminous & lignite	850,000	13,270,000	7,716,000	850,000	13,270,000	7,716,000

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

### Non-Ferrous Metals—Upward Revision of Ceiling Prices Likely to Lift Output

"E. & M. J. Metal and Mineral Markets," in its issue of April 18, stated: "Authorities in Washington are becoming increasingly aware of the need for speedy action to end work stoppages in non-ferrous metal mines, mills, smelters, and refineries, and this has opened up the subject of price relief in copper, lead, and zinc along the lines incorporated in a bill presented earlier in the year by Senator McFarland, OPA, it was believed in market circles, may act on a similar plan even before the measure comes up for debate. Industry leaders have maintained all along that higher ceiling prices, plus subsidies to marginal producers, are necessary to bring out volume production to cope with the present situation." The publication further went on to say in part as follows:

#### Copper

The March copper statistics revealed that production of refined in this country dropped to 20,139 tons, with deliveries down to 53,599 tons. This compares with production of 49,923 tons and deliveries of 86,998 tons in February. [See report of the Copper

Institute in "The Commercial and Financial Chronicle" of April 18, for further details.—Ed.] Work stoppages accounted for the severe decline. The supply situation has shown further deterioration, with wire mills unable to obtain needed shapes in quantity to maintain production.

Further specific price relief to brass mills is expected, which may hasten the end of strikes at fabricating plants.

Prices obtained for copper in the foreign market last week were irregular, owing chiefly to the fact that some fair tonnages sold for delivery to points that took somewhat lower freight charges. The undertone remains firm.

#### Lead

CPA has asked producers to ration available supplies of lead because of the state of emergency that exists in the industry. The stockpile of lead, which stood at 41,219 tons at the end of March, has been declared frozen. Those best qualified to pass on the lead situation maintain that a higher ceiling price is necessary to stimulate production once the strikes have been settled. Higher subsidy payments alone will not bring out the metal to meet heavy demands of consumers, it is claimed.

Sales of lead during the last week totaled 3,431 tons, against 5,380 tons in the previous week.

#### Zinc

Stocks of slab zinc owned by the RFC at the end of March amounted to 257,932 tons, of which 149,119 tons was High Grade, 7,879 tons Special High Grade, 5,588 tons Intermediate, 16,736 tons Brass Special, and 78,610 tons Prime Western.

Prime Western and Special High Grade are being sold about as rapidly as these grades become available, indicating that galvanizers and die-casters are operating at a high rate.

#### Chrome Ore

Offerings of refractory grades of chrome ore have been increasing and prices have been easier. Recently, a shipment of 5,500 tons of refractory ore left the Philippines consigned to Baltimore. This ore was taken from a stockpile at the Masinloc mine left by the Japanese. Demand for metallurgical ore remains relatively active, owing to expected gains in consumption of special alloys.

#### Platinum

A strong situation in refined platinum outside of the United States has tightened the market here and led to widespread speculation on whether OPA intends either to abolish ceiling prices or revise them upward to bring quotations approximately in line with those prevailing abroad. Foreign buyers have been bidding for platinum at prices ranging from \$45 to \$50 an ounce troy. There is a possibility that at least some of the demand abroad represents hedging against weak currencies.

#### Aluminum

The British Ministry of Supply has purchased 215,000 tons of aluminum from Canada for shipment in 1946 and in 1947, according to an announcement in London. The terms of sale were not divulged. However, it was also announced that the official delivered price to the British consumer was reduced from £85 per long ton to £67. The lower price is equivalent to 12.05c., United States currency.

Production of aluminum in Canada increased substantially in the war years to meet heavy de-

mands for the metal from the United States. New facilities to raise Canada's output were made possible by advances of \$68,500,000 by the United States Government to the Canadian producer. The aluminum Co. of Canada obtained orders in 1941 and 1942 to supply 500,000 tons of aluminum to this country.

#### Tin

Rehabilitation of tin properties in Malaya will be hastened if an offer to render financial assistance at low interest through the Malayan Government is accepted, London advises state. The Malayan Chamber of Mines is expected to agree to the terms, details of which have not been released.

The second-quarter quota for tin that processors may consume is approximately the same as that established in the first quarter, CPA announced recently. Strikes curtailed consumption of tin in some industries in the Jan.-March period, but consumers will be permitted to use metal carried over, which should raise actual consumption in the second quarter to a higher level than in the preceding three-months' period.

Straits quality tin for shipment was as follows:

	April	May	June
April 11	52.000	52.000	52.000
April 12	52.000	52.000	52.000
April 13	52.000	52.000	52.000
April 14	52.000	52.000	52.000
April 15	52.000	52.000	52.000
April 16	52.000	52.000	52.000
April 17	52.000	52.000	52.000

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

#### Quicksilver

Though the market was quotable last week at \$102 to \$105 per flask, or \$1 lower than in the week previous, sellers looked upon the general situation as about unchanged. It was felt that most of the metal that arrived here from abroad in recent weeks has been absorbed. There was no pressure to force sales, either by foreign or domestic producers. Domestic quicksilver statistics are no longer being issued monthly. The Bureau of Mines, however, plans to issue the figures quarterly.

#### Silver

Last week's hearings on proposed silver legislation revealed that producers and consumers remain apart in their views on the price at which Treasury metal should be released for use by industry. Senator McCarran (Nev.) again said he would agree to a price of \$1.03 an ounce for one year, but thereafter the price would have to be raised to \$1.29. Spokesmen for silver manufacturers insisted that the industry would suffer under the plans presented by those representing producers: It was stated unofficially that a compromise offer was made to end the debate.

The New York Official price of foreign silver continued at 70 3/4c. London was unchanged at 44d.

Apr.	Electrolytic Copper		Straits Tin		Lead		Zinc
	Dom. Refy.	Exp. Refy.	New York	New York	St. Louis	St. Louis	
11	11.775	12.020	52.000	6.50	6.35	8.25	
12	11.775	12.275	52.000	6.50	6.35	8.25	
13	11.775	12.175	52.000	6.50	6.35	8.25	
14	11.775	12.000	52.000	6.50	6.35	8.25	
15	11.775	12.175	52.000	6.50	6.35	8.25	
16	11.775	12.175	52.000	6.50	6.35	8.25	
17	11.775	12.175	52.000	6.50	6.35	8.25	
Average	11.775	12.137	52.000	6.50	6.35	8.25	

Average prices for calendar week ended April 13, are: Domestic copper f.o.b. refinery, 11.775c.; export copper f.o.b. refinery, 12.170c.; 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 obtained 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.

### Credit to Foreign Countries By U. S.

During the fourth quarter 1945 the United States Government advanced lines of credit totaling \$825,000,000 to various foreign countries, the Department of Commerce said on April 1. Though this figure the Department stated, represented a substantial increase over previous lending activity, unused credits of \$1,311,000,000 remained undrawn upon as of Dec. 31, according to the Clearing Office for Foreign Transactions, Department of Commerce, which compiles statistics covering all foreign transactions of the United States Government. From the Department's advices we also quote:

The Export-Import Bank opened new lines of credit during the fourth quarter totaling \$550,000,000 to France; \$100,000,000 to Belgium; and \$5,000,000 to Saudi Arabia, the Clearing Office said. In addition, the Bank also increased the lines of credit to the Netherlands by \$50,000,000, to Mexico by \$20,000,000; to Finland by \$5,000,000; and extended \$95,000,000 in additional credits to various countries for the purchase of cotton.

In the three-month period, Sept. 30-Dec. 31, 1945, various foreign countries drew upon their lines of credit for only \$40,000,000 in loans. Because of repayments of previous loans the total amount outstanding was only \$523,000,000 as of Dec. 31 compared with \$516,000,000 on Sept. 30.

Advances by the Government for articles purchased abroad showed relatively little change from the previous quarter. Commitments were up \$7,000,000 while outstanding advances were down \$25,000,000 chiefly because of deliveries of sugar against advances by the Department of Agriculture. Outstanding advances equaled \$59,000,000 at the end of the fourth quarter.

Financial aid extended to foreign countries during the quarter remained comparatively steady, commitments showing no change and disbursements increasing only \$2,000,000.

Loans, advances and financial aid to foreign countries currently represent a considerable part of the Government's lending activity. These may ultimately be exceeded by lend-lease credits, foreign surplus disposal credits and open account items such as "bills rendered" in connection with the War Department's civilian supply operations abroad.

### Parcels Post to Siam, French Indo-China, etc.

Postmaster Albert Goldman announced on April 15 that, effective at once, ordinary (unregistered and uninsured) parcel-post service to Siam, French Indo-China, Macao, Hong Kong, Burma, Brunei, Federated Malay States, Malay States (Nonfederated), North Borneo, Sarawak, and Straits Settlements, is resumed subject to the same conditions as were in effect prior to the suspension of the service. The parcels will be subject also to the following further restrictions:

(1) Only one parcel per week may be sent by or on behalf of the same person or concern to or for the same addressee.

(2) The weight of each parcel is limited to 11 pounds.

(3) Contents are limited to non-perishable items which are not prohibited in the parcel post mails to those countries.

It is added that the export control regulations of the Office of International Trade, Department of Commerce, Washington 25, D. C. (formerly the Foreign Economic Administration), are applicable to parcels for delivery in the countries mentioned.

### Revenue Freight Car Loadings During Week Ended April 13, 1946 Increased 4,531 Cars

Loading of revenue freight for the week ended April 13, 1946 totaled 649,194 cars, the Association of American Railroads announced on April 18. This was a decrease below the corresponding week of 1945 of 197,819 cars, or 23.4%, and a decrease below the same week in 1944 of 149,489 cars or 18.7%.

Loading of revenue freight for the week of April 13, increased 4,531 cars or 0.7% above the preceding week.

Miscellaneous freight loading totaled 373,220 cars, an increase of 5,613 cars above the preceding week, but a decrease of 26,822 cars below the corresponding week in 1945.

Loading of merchandise less than carload lot freight totaled 130,548 cars, an increase of 2,234 cars above the preceding week, and an increase of 15,843 cars above the corresponding week in 1945.

Coal loading amounted to 31,561 cars, a decrease of 2,340 cars below the preceding week, and a decrease of 122,763 cars below the corresponding week in 1945, due to coal strike.

Grain and grain products loading totaled 35,296 cars, a decrease of 2,341 cars below the preceding week and a decrease of 14,463 cars below the corresponding week in 1945. In the Western Districts alone, grain and grain products loading for the week of April 13 totaled 23,032 cars, a decrease of 1,885 cars below the preceding week and a decrease of 10,214 cars below the corresponding week in 1945.

Livestock loading amounted to 17,534 cars, an increase of 1,552 cars above the preceding week and an increase of 2,088 cars above the corresponding week in 1945. In the Western Districts alone loading of livestock for the week of April 13 totaled 13,586 cars, an increase of 1,226 cars above the preceding week, and an increase of 1,484 cars above the corresponding week in 1945.

Forest products loading totaled 43,703 cars, an increase of 1,037 cars above the preceding week and an increase of 2,335 cars above the corresponding week in 1945.

Ore loading amounted to 9,832 cars, an increase of 225 cars above the preceding week but a decrease of 49,002 cars below the corresponding week in 1945.

Coke loading amounted to 7,500 cars, a decrease of 1,449 cars below the preceding week, and a decrease of 5,035 cars below the corresponding week in 1945.

All districts reported decreases compared with the corresponding weeks in 1945 and 1944.

	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
5 weeks of March	3,982,299	4,022,098	3,916,037
Week of April 6	644,663	765,872	787,985
Week of April 13	649,194	847,013	798,683
<b>Total</b>	<b>11,026,416</b>	<b>11,690,915</b>	<b>11,815,521</b>

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended April 13, 1946. During this period only 39 roads reported gains over the week ended April 14, 1945.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED APRIL 13

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1946	1945	1944	1946	1945
<b>Eastern District—</b>					
Ann Arbor	389	256	290	1,309	1,628
Bangor & Aroostook	3,014	2,836	2,048	409	514
Boston & Maine	7,707	7,208	6,649	12,913	16,300
Chicago, Indianapolis & Louisville	960	1,238	1,224	1,688	2,189
Central Indiana	38	25	28	33	39
Central Vermont	1,210	1,091	1,017	1,904	2,214
Delaware & Hudson	4,934	5,089	4,618	9,662	14,079
Delaware, Lackawanna & Western	8,048	7,917	7,068	8,446	11,841
Detroit & Mackinac	377	248	268	220	181
Detroit, Toledo & Ironton	2,214	1,834	1,638	868	1,344
Detroit & Toledo Shore Line	320	461	296	2,684	3,527
Erie	12,293	12,694	13,118	11,690	17,991
Grand Trunk Western	4,261	4,282	3,664	6,531	9,084
Lehigh & Hudson River	219	185	165	2,337	4,071
Lehigh & New England	2,673	1,672	1,865	985	1,528
Lehigh Valley	9,193	8,645	7,780	7,002	12,254
Maine Central	2,657	2,569	2,332	4,260	4,583
Monongahela	173	5,396	6,625	263	280
Montour	19	2,012	2,448	36	26
New York Central Lines	43,111	51,178	44,574	34,549	50,421
N. Y., N. H. & Hartford	10,512	10,968	10,331	14,392	18,736
New York, Ontario & Western	1,049	1,063	1,038	3,072	3,491
New York, Chicago & St. Louis	6,144	6,895	6,198	11,327	16,104
N. Y., Susquehanna & Western	4,775	4,911	448	1,486	2,218
Pittsburgh & Lake Erie	5,775	7,484	7,720	3,044	7,594
Pere Marquette	142	849	642	36	21
Pittsburgh & Shawmut	144	262	310	145	295
Pittsburgh, Shawmut & North	222	943	1,162	2,008	3,171
Pittsburgh & West Virginia	449	340	349	1,050	1,199
Rutland	5,862	6,607	5,097	9,420	12,669
Wabash	2,648	5,904	4,944	3,165	5,270
<b>Total</b>	<b>142,607</b>	<b>163,846</b>	<b>150,649</b>	<b>162,571</b>	<b>233,313</b>
<b>Allegheny District—</b>					
Akron, Canton & Youngstown	635	813	718	955	1,288
Baltimore & Ohio	25,933	45,390	41,414	20,113	29,309
Bessemer & Lake Erie	756	5,838	3,594	768	1,541
Cambria & Indiana	3	1,263	1,523	7	10
Central R. R. of New Jersey	7,044	6,604	6,810	13,826	22,043
Cornwall	452	535	527	43	66
Cumberland & Pennsylvania	25	163	224	21	10
Ligonier Valley	0	90	130	7	66
Long Island	1,609	1,865	1,152	4,878	5,978
Penn.-Reading Seashore Lines	1,941	2,003	1,801	2,041	2,704
Pennsylvania System	62,652	84,391	80,260	43,260	65,720
Reading Co.	35,007	15,894	14,634	17,259	30,748
Union (Pittsburgh)	9,883	14,914	20,076	1,727	6,492
Western Maryland	2,642	4,021	4,325	7,930	14,634
<b>Total</b>	<b>129,243</b>	<b>183,789</b>	<b>177,188</b>	<b>112,815</b>	<b>180,609</b>
<b>Peachontas District—</b>					
Chesapeake & Ohio	8,076	27,658	28,110	8,465	16,283
Norfolk & Western	6,855	21,193	20,594	5,544	9,216
Virginian	891	4,421	4,078	1,150	3,307
<b>Total</b>	<b>15,822</b>	<b>53,272</b>	<b>52,782</b>	<b>15,159</b>	<b>28,806</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1946	1945	1944	1946	1945
<b>Northern District—</b>					
Alabama, Tennessee & Northern	441	450	392	182	392
Atl. & W. P.—W. R. R. of Ala.	980	925	843	1,991	2,400
Atlanta, Birmingham & Coast	↑	↑	782	↑	↑
Atlantic Coast Line	16,577	14,927	13,776	10,119	13,479
Central of Georgia	4,484	4,099	4,029	4,661	5,883
Charleston & Western Carolina	494	494	465	1,441	1,499
Cincinnati	595	1,629	1,583	2,135	2,691
Columbus & Greenville	412	229	240	243	264
Durham & Southern	97	109	118	289	614
Florida East Coast	4,129	2,263	4,289	1,676	1,515
Gainesville Midland	77	53	48	97	151
Georgia	1,468	1,112	1,336	2,060	2,359
Georgia & Florida	433	452	377	913	795
Gulf, Mobile & Ohio	4,606	4,752	3,992	3,912	4,394
Illinois Central System	20,197	29,808	26,211	13,135	19,006
Louisville & Nashville	13,898	23,215	24,428	10,226	13,021
Macon, Dublin & Savannah	252	211	142	1,209	374
Mississippi Central	350	450	319	274	408
Nashville, Chattanooga & St. L.	3,296	3,634	3,130	3,667	4,545
Norfolk Southern	1,256	1,197	1,022	1,395	1,549
Piedmont Northern	432	473	400	1,187	1,213
Richmond, Fred. & Potomac	477	492	437	10,340	13,044
Seaboard Air Line	13,109	11,868	10,623	8,128	9,165
Southern System	24,387	25,711	22,798	20,648	26,617
Tennessee Central	527	705	822	491	720
Winston-Salem Southbound	131	138	120	763	1,211
<b>Total</b>	<b>113,105</b>	<b>129,397</b>	<b>122,722</b>	<b>101,312</b>	<b>127,943</b>

Northwestern District—					
Chicago & North Western	15,788	19,014	17,299	12,200	13,792
Chicago Great Western	2,600	2,934	2,412	2,712	3,591
Chicago, Milw., St. P. & Pac.	19,378	19,806	19,152	8,252	10,698
Chicago, St. Paul, Minn. & Omaha	3,429	3,384	3,029	3,942	3,847
Duluth, Missabe & Iron Range	1,004	21,096	16,827	213	244
Duluth, South Shore & Atlantic	568	784	666	607	687
Elgin, Joliet & Eastern	6,915	9,169	8,365	6,716	11,618
Ft. Dodge, Des Moines & South	473	412	361	83	110
Great Northern	9,987	18,164	17,062	4,372	6,731
Green Bay & Western	445	427	467	826	898
Lake Superior & Ishpeming	198	2,077	1,778	44	58
Minneapolis & St. Louis	1,686	2,095	1,930	2,324	2,385
Minn., St. Paul & S. S. M.	4,878	5,466	5,722	3,410	3,167
Northern Pacific	8,522	9,920	9,759	4,630	5,737
Spokane International	116	169	112	484	601
Spokane, Portland & Seattle	1,935	2,475	2,510	2,076	3,448
<b>Total</b>	<b>77,722</b>	<b>116,492</b>	<b>107,451</b>	<b>52,891</b>	<b>67,612</b>

Central Western District—					
Atch., Top. & Santa Fe System	22,801	25,910	21,528	9,832	16,032
Alton	2,895	3,927	2,871	2,633	4,214
Bingham & Garfield	2	2	530	6	68
Chicago, Burlington & Quincy	15,378	19,262	17,841	9,709	12,082
Chicago & Illinois Midland	309	3,254	3,104	820	985
Chicago, Rock Island & Pacific	12,240	12,908	10,619	11,217	13,454
Chicago & Eastern Illinois	2,056	2,409	2,258	2,701	4,653
Colorado & Southern	626	519	642	1,422	1,895
Denver & Rio Grande Western	1,325	3,214	3,081	3,647	6,469
Denver & Salt Lake	141	442	709	82	23
Fort Worth & Denver City	1,032	932	783	1,483	1,519
Illinois Terminal	2,209	2,541	1,987	1,346	2,421
Missouri-Illinois	1,079	1,081	962	505	648
Nevada Northern	1,477	1,359	1,754	31	117
Northern Western Pacific	555	726	804	473	611
Peoria & Pekin Union	8	5	1	0	0
Southern Pacific (Pacific)	29,640	29,314	29,242	10,402	15,492
Toledo, Peoria & Western	0	283	294	0	2,667
Union Pacific System	13,206	16,576	14,359	10,482	17,886
Utah	0	553	528	1	5
Western Pacific	1,918	1,950	1,774	2,772	4,875
<b>Total</b>	<b>108,597</b>	<b>127,522</b>	<b>115,671</b>	<b>69,584</b>	<b>105,916</b>

Southwestern District—					
Burlington-Rock Island	308	337	277	412	455
Zulf Coast Lines	6,825	7,023	7,547	2,669	3,366
International-Great Northern	2,502	2,860	2,199	4,555	4,283
K. O. & G., M. V. & O. C.-A.-A.	1,233	1,229	976	1,649	2,154
Kansas City Southern	2,974	4,961	6,332	3,338	3,420
Louisiana & Arkansas	2,590	3,057	3,327	2,547	3,172
Utchfield & Madison	376	269	349	1,126	1,456
Missouri & Arkansas	260	118	185	345	441
Missouri-Kansas-Texas Lines	5,475	7,161	6,013	4,296	6,115
Missouri Pacific	14,101	16,240	15,349	14,978	19,583
Quannah Acme & Pacific	128	115	118	189	450
St. Louis-San Francisco	8,043	8,502	7,894	6,901	8,436
St. Louis-Southwestern	2,696	3,970	3,009	4,777	8,897
Texas & New Orleans	9,387	11,524	12,316	5,705	5,943
Texas & Pacific	5,114	5,218	6,227	7,321	8,582
Wichita Falls & Southern	84	76	83	48	42
Weatherford M. W. & N. W.	22	35	19	21	34
<b>Total</b>	<b>62,118</b>	<b>72,695</b>	<b>72,220</b>	<b>60,877</b>	<b>76,829</b>

## Items About Banks, Trust Companies

J. Milton Cartmell, Comptroller of the Bank of Savings in the City of New York has been promoted to Assistant Vice-President and will head the Bank's new office at Broadway and 86th Street when it opens later this spring. Mr. Cartmell was formerly auditor, and joined the Bank in 1927.

Col. Alfred G. Tuckerman has returned to the Chemical Bank & Trust Co. of New York after four years service with the United States Army. He is an Assistant Manager at the bank's Madison Avenue and 46th Street office.

At a meeting of the Board of Directors of Bankers Trust Co. of N. Y. held on April 16, G. Ronald Ince, Frank J. Jones, Joseph C. Kennedy and Robert P. Ulm were elected Assistant Secretaries, and will continue their association with the Corporate Trust Department. Charles A. Frank was elected an Assistant Treasurer and will be assigned to Division III of the Banking Department. Messrs. Frank and Jones recently returned from active duty with the Navy with the rank of Lieutenant-Commander, and Mr. Kennedy from the Army with the grade of Master Sergeant.

Joseph C. Bickford and Gordon Woodward, formerly Assistant Treasurers, were elected Assistant Vice-Presidents, and will continue their association with the Credit and Security Research Department. Effective May 1, Mr. Bickford will be in charge of answering inquiries and providing investment service for correspondent banks and other institutional investors. Mr. Woodward will continue to supervise the credit work of the department.

On April 29, C. A. Hemminger will become a member of the newly created Development Department of Bankers Trust Co. as advertising manager. For the last three and a half years Mr. Hemminger has been director of the New York State Bankers Association's news bureau and editor of the *New York State Banker*. Prior to joining the State Bankers Association Mr. Hemminger was director of public information for the Taxpayers Federation of Illinois Department of Public Works and Buildings and editor of several downstate Illinois newspapers.

Arthur S. Kleeman, President of Colonial Trust Co. of N. Y., announced on April 18 the addition to the bank's official staff of Lionel C. Perera, as Assistant to the President. Mr. Perera will make his headquarters in the institution's principal office in Rockefeller Center. Formerly an officer of the Central Hanover Bank and Trust Company, Mr. Perera has returned from four years' service with the U. S. Army. Mr. Perera held the rank of Major and while in Europe was the Chief Military Government Finance Officer for General Patton's Third U. S. Army. He is the son of the late Lionello Perera, who for many years conducted a private banking business in New York City under his own name. Mr. Perera attended the Harvard Graduate School of Business Administration and is a former President of the Harvard Business School Club of New York.

At the meeting of the Board of Trustees of Title Guarantee and Trust Co. of N. Y. held April 16, Edwin L. Weisl was elected a member of the Board. Mr. Weisl is a partner of the law firm of Simpson, Thacher & Bartlett and

a director of numerous corporations, including Paramount Pictures Inc., Madison Square Garden Corporation and Bonwit Teller, Inc. He served for many years as a Federal prosecutor and was with the War Production Board during the late war.

DeCoursey Fales, President of The Bank for Savings in the City of New York announces the election of George T. Bowdoin and Thatcher M. Brown, Jr. as Trustees of the bank. Mr. Bowdoin is a grandson of George S. Bowdoin a former Trustee and is associated with the National Association of Credit Men. During the war he served as an officer in the Navy. Mr. Brown succeeds his father, a partner in Brown Brothers Hariman & Co., as a Trustee and is the fourth generation of his family to serve the bank. He is a partner in G. R. Walker & Sons, to which he returned recently after service overseas as Red Cross Commissioner in the Paris area.

E. Chester Gersten, President of The Public National Bank & Trust Co. of New York announced on April 22 that Henry C. Weisbecker has been appointed an Assistant Manager of the Foreign Department.

Howard A. Grant, and Peter F. X. Sullivan have recently returned to their posts with the Sterling National Bank & Trust Co. of New York, following their discharge from the armed forces; they are both Assistant Cashiers of the bank.

William L. DeBost, President of the Union Dime Savings Bank of New York has announced that in accordance with a recently enacted banking law, the Bank will not be open for business on Saturdays during the months of June, July, August and September, 1946. However, at the meeting of the Trustees held April 17, it was voted to have the Bank remain open on Mondays until 6:30 p.m., except on Labor Day, for the convenience of depositors during these months.

The statement of condition of the Brooklyn Trust Co., B'klyn., N. Y. as of March 30 reported total resources of \$287,271,979 and total deposits of \$270,113,996 compared respectively with \$295,538,969 and \$278,403,262 on Dec. 31, 1945. Holdings of United States Government securities was shown at \$190,996,504 in the most recent report against \$189,976,038; cash on hand and due from banks amounted to \$48,218,634 compared with \$52,002,083 three months ago, while loans and bills purchased was shown to be \$31,250,903 against \$35,896,787 on Dec. 31 last. The capital remained unchanged for the quarter at \$8,200,000, while surplus and undivided profits both advanced. Surplus of the bank advanced to \$5,600,000 from \$5,400,000 while undivided profits rose from \$1,592,639 at the end of 1945 to \$1,667,075 at the present time.

Michael T. Kelleher, Vice-President and Director of Marsh & McLennan, Inc., prominent in Greater Boston business and charitable circles was on April 15 elected a Director of the State Street Trust Company of Boston.

C. Frank Schwep, one of the organizers of the Mid-City Trust Co. of Plainfield, N. J. of which he was Chairman of the Board, died at his home in that city on April

17. In the Newark "Evening News" it was stated:

"He was born in Easton, Pa., 76 years ago. He had been associated with Ingersoll-Rand Co. about 50 years.

"Mr. Schwep was nationally known as a metallurgist and was a member of several engineering societies. Earlier in his association with the Ingersoll-Rand Co., he had represented them in Africa and Sweden.

"Other activities included serving as director of the North Plainfield Building & Loan Association and of the Plainfield Title & Mortgage Guarantee Co.

Franklin Conklin Jr. of Newark was elected a member of the board of directors of the Fidelity Union Trust Co. of Newark, N. J. on April 16. Announcement of the election of Mr. Conklin was made by Horace K. Corbin, President of the bank, after a board meeting said the Newark "Evening News," in which it was also noted:

"Mr. Conklin is Vice-President of Flood & Conklin Manufacturing Co. of Newark and a director of Prudential Insurance Co., New Jersey Bell Telephone Co., American Insurance Co. and Bankers Indemnity Insurance Co.

"He also is Vice President of the Essex County Park Commission, President of the board of trustees of the University of Newark and President of the board of trustees of Newark Museum."

Special meetings of stockholders of the First National Bank and the Peoples-Pittsburgh Trust Co. of Pittsburgh, Pa. have been called for May 20 to take action on a proposed consolidation of the two institutions it is learned from the Pittsburgh "Post-Gazette" of Apr. 19, from which we also quote:

"The plan to merge the First National and Peoples-Pittsburgh was reached without dissent by the boards of directors of each bank and announced in January. The agreement of consolidation, preliminarily approved by the Comptroller of the currency Wednesday, April 17, is subject to ratification by at least two-thirds of the stockholders of each institution. The merger proposal would name the new enterprise the "Peoples First National Bank & Trust Co.

The proposed consolidation was referred to in our Feb. 7 issue, page 772.

Stockholders of the Pitt National Bank of Pittsburgh, Pa. on April 18 approved without a dissenting vote a merger with the Farmers Deposit National Bank of Pittsburgh. Referring to the approval of the merger on March 14 by the director of Pitt National and Farmers Deposit the Pittsburgh "Post Gazette" on April 19 added:

"Under the agreement the Farmers Deposit acquires the business of the other institution.

"With the resumption of business tomorrow—following today's Good Friday holiday—the Farmers Deposit will conduct a branch to be known as the Pitt Branch of the Farmers Deposit in the quarters of the Pitt Bank at Liberty and Fifth Avenues.

"All the executives and employees of the Pitt National will be retained to operate the new branch."

The directors' approval of the merger, and details of the consolidation were reported in our issue of March 21, page 1556.

An increase on April 12 in the capital of the Conestoga National Bank of Lancaster, Pa. from \$400,000 to \$600,000 by a stock dividend of \$200,000 was made known in the April 22 issue of the Bulletin of the Comptroller of the Currency.

A proposal to change the 35,300 shares of \$10 par value capital stock of the Union Bank of Commerce of Cleveland, Ohio into

353,000 shares of \$10 par value will be voted on by the bank's shareholders at the annual meeting May 22, President J. K. Thompson announced on April 20. As Union Commerce shares are currently quoted above \$500 a share, the ten-for-one exchange would tend to give the issue the benefit of a broader market, Mr. Thompson said. Such a change has been suggested from time to time by various shareholders, he added. The advices from the bank also state:

"When the Union Bank of Commerce was formed in 1938, consenting stockholders of the old Union Trust Co. received one share of Union Bank of Commerce stock for each 20 old shares on which liability had been paid. If the exchange is approved on May 22, the old stockholders will then own half as many Union Commerce shares as they held in the old Union Trust Co.

"The notice of the annual meeting also contains proposals to change the date of the annual meeting from the fourth Wednesday in May to the second Wednesday in January in each year, in order to conform to general banking custom, and to remove the existing limitation on the bank's use of its trust powers, in order to permit it to conduct trust company business.

"The later proposal, Mr. Thompson stated, is being presented so that the Union Commerce, primarily a commercial bank, can round out its service to corporations and organizations by serving them in various trust capacities. The bank actually has possessed broad trust powers from its beginning, but use of them has been restricted by its own code of regulations."

The City National Bank of Houston, Houston, Texas has increased its capital from \$2,000,000 to \$4,000,000 by the sale of new stock to the amount of \$2,000,000 it was reported by the Comptroller of the Currency on April 15.

The issuance of a charter on April 16 for Santa Fe National Bank, of Santa Fe, N. M. was announced in the April 22 Bulletin of the Comptroller of the Currency. The capital stock consists of \$200,000 all common stock. Primary organization is reported with L. C. Wright as President and E. B. Healy as Cashier.

R. Langford James, after 21 years as a Director of the National Bank of India Ltd. during which he was Chairman for the last 10 years, decided to relinquish his seat on the Board as from March 31, it was made known under date of April 3. Walter Shakespeare also decided to retire as from the same date after 17 years on the Board of Directors. J. K. Michie has been appointed Chairman in place of Mr. James.

On April 9 it was announced that A. N. Stuart has been appointed Deputy Chairman of the Board of Directors of the National Bank of India.

### Kilpatrick Named Director Of NY Mtge. Conference

Harry C. Kilpatrick, Vice-President of Manufacturers Trust Company of New York in charge of the real estate and mortgage management department, has been elected a Director of the Mortgage Conference of New York, an association of lending institutions which hold mortgage investments in Greater New York. Mr. Kilpatrick returned to the bank recently after serving as a Lieutenant Colonel in the Corps of Engineers during the war.

### Farm Mortgage Course By MBA May 20-24

In cooperation with Purdue University, the Mortgage Bankers Association of America will sponsor a Mortgage Bankers Farm Seminar at Lafayette, Ind., May 20 to 24 for executives of banks, life insurance companies, farm mortgage firms and other institutional investors, Lester W. Miner, Assistant Vice-President of the First National Bank of Chicago and Chairman of the Farm Loan Section of the Association's Education Committee, announced on April 2. The Seminar is part of the organization's educational program and is designed as an advanced study course for dealers in and buyers of farm mortgage loans. Principal phases of the nation's economy will be covered by the lectures, including appraising, cropping and livestock systems, rural housing and agricultural income. The course is open to anyone interested in farm loans.

Among the principal speakers will be Dr. Norman J. Wall, Chief, Division of Agricultural Finance of the Bureau of Agricultural Economics; Walter B. Carver and Darryl Francis, agricultural economists of the Chicago and St. Louis Federal Reserve banks, respectively; True D. Morse, Doane's Agricultural Service, St. Louis; Dr. John D. Black, Division of Agricultural Economics, Harvard University; A. G. Brown, Deputy Manager, American Bankers Association and head of its agricultural credit operations; and Dr. O. B. Jesness, Division of Agricultural Economics, University of Minnesota.

Members of the Purdue faculty who will speak include Dr. E. C. Young, Dean of the Graduate School; Prof. T. M. Bushnell, H. J. Barre, R. H. Baumann, Dr. I. M. Sears, J. C. Bottum and Prof. N. S. Hadley. Dr. E. L. Butz of Purdue's agricultural school will direct the course. George H. Patterson, Association Secretary and Treasurer, will be registrar.

### Life Insurance Sales Higher in March

New life insurance purchases in the United States in March were 41% greater than in the corresponding month of last year and nearly double the total of March in pre-war 1941, it was reported on April 18 by the Life Insurance Agency Management Association of Hartford, Conn. Total purchases in March were \$1,826,315,000, compared with \$1,292,337,000 in March of last year and \$951,844,000 in March, 1941. The Association under date of April 19 further said:

Purchases of ordinary life insurance in March were \$1,356,821,000, up 56% over March a year ago and 127% over March, 1941.

Industrial life insurance purchases were \$355,691,000 in March, an increase of 17% over the corresponding month last year and 18% over March, 1941.

Group life insurance purchases were \$113,803,000 in March, a decrease of 3% from the previous March, but more than double March, 1941. These purchases represented new groups set up and do not include additions of insured personnel under group insurance contracts already in force.

For the first quarter of the year, total life insurance purchases were \$4,694,063,000, an increase of 38% over the first three months of 1945 and 78% over the same period of 1941. First quarter purchases of ordinary insurance accounted for \$3,503,652,000, up 49% from last year and 111% greater than in 1941. Industrial insurance accounted for \$938,412,000, and group life insurance for \$251,000,000.