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The COMMERCIAL and FINANCIAL CHRONICLE

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The Financial Situation

In the first major political conflict following World War I, President-to-be Harding, sensing the temper of the times, called strongly for a return to "normalcy." It helped to sweep him into the White House. It may be seriously questioned whether what followed was really "normalcy," or anything of a similar nature. At any rate, certain shameful events taking place in those early postwar years, which had no bearing upon broad national policy, have blackened the name of that era, politically speaking, perhaps for all time. Such facts as these, together with faulty memories of precisely what took place and when in those early years following World War I, seem to have served to render it possible to prejudice the mind of the rank and file against anything which in any way seems to refer to that which we have in the past thought of as natural, right, fitting or wise—in other words, anything, which can be labeled "normalcy."

Wanted: "Normalcy"

What a pity it is that such is the case! There is nothing that we need more at this moment than a return to traditional American ideas about politics, government, economics and all the rest. We are sadly suffering for want of normalcy. It may help some if it is recalled that, contrary to the insinuations of the Hillmans, the Wallaces and the others, neither the price "orgy" of the first postwar year or two, nor the collapse of values which followed it, occurred during the Harding regime, but during the Administration of President Wilson, to whom many of the professional reformers of this day turn for inspiration, or at all events for support among the intelligentsia. The inflation by which the war was financed, and which was at the bottom of the price spurt in 1919 and early 1920, was a matter with which the

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From Washington Ahead of the News

By CARLISLE BARGERON

While Washington is agitated about OPA and the war profiteering scandal involving Congressman May, there is being fought out behind the scenes the matter of whether the CIO technique of provoking plant seizures by way of getting their demands, is to become an Administration policy.

The CIO has been pursuing a technique of government intervention, or assistance. This they got in the GM strike. In one instance they got it through the collusion of government subordinates. This was when the loudly advertised young brilliant Bob Nathan, then in Snyder's Office of War Mobilization and Reconversion, got up a "study" showing that the automobile industry could raise wages 24% without an increase in price. Not being able to get the OMWR to sponsor this "study," brilliant Bob let his "study" leak to the press and it circulated widely as a finding of a "group of government economists."

Carlisle Bargeron

The next instance was more flagrant because there was not only the collusion of government subordinates, but Henry Wallace joined in. This was the formal release by the Department of Commerce to the effect that the industry could raise wages then 15% and this year 10%, without price increases. Two days after the strike was settled, Wallace repudiated the release, saying it was only "an experiment in statistics."

Now, we have the situation of the Allis-Chalmers strike, in progress, generally, since April 29. The union is Communist-dominated and from the beginning the technique has been to force government seizure. John W. Gibson, Assistant Secretary of Labor, but former CIO head for Michigan, has, from the beginning, encouraged the union to think they could rely upon seizure. A few days after John L. Lewis got his contract with the government under this new technique, Secretary Schwellenbach publicly announced

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Truman and Byrnes Urge British Loan

In message to House, they point to dangers of international economic warfare and to need of worldwide economic cooperation. Both stress loan as a step toward permanent peace.

President Truman from the White House, and Secretary of State Byrnes from Paris have sent messages to the House of Representatives urging the ratification of the Anglo-American Loan Agreement as an essential step to international peace and stability. The ratification, which has already passed the Senate and been approved by the House Committee on Banking and Currency, is now under debate on the House floor.

President Truman

James F. Byrnes

The text of President Truman's letter to Rep. Spence, and of the cable message of Secretary Byrnes, follow:

THE WHITE HOUSE
Washington
June 29, 1946.

My dear Mr. Chairman:

I want to express my appreciation to you and to the Committee on Banking and Currency for the fine spirit in which you have con-

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Snyder Reports Treasury Fiscal Year Operations

New Secretary of Treasury reports reduction in deficit from about $54 billion to less than $22 billion. Public debt just under $270 billion. Receipts slightly above $43 billion or $3,419 million less than 1945. Expenditures reduced above $35 billion. Sales of savings bonds still exceed redemptions.

Secretary of the Treasury John W. Snyder announced on July 2 the results of the Treasury's fiscal operations during the fiscal year ended June 30.

John W. Snyder

The Treasury closed its books with a deficit of $21,981,000,000 as compared with a deficit of $53,948,000,000 last year, excluding transactions in checking accounts of governmental corporations. Operations in these accounts (other than sales and redemptions of obligations in the market) resulted in net receipts for the year of $1,046,000,000, as compared with net receipts for the preceding fiscal year of $374,000,000.

The public debt, including publicly-held guaranteed obligations, stood at $269,898,000,000 on June 30, as compared with $259,115,000,000 a year ago, an increase of $10,783,000,000. The general fund cash balance at the close of the year amounted to $14,238,000,000, which was $10,460,000,000 below the balance on June 30, 1945. The year was marked by drastic reductions in Government expenditures due to the cessation of hostilities, by a substantial improvement in the budgetary outlook, and by the commencement of debt retirement on March 1.

Receipts and Expenditures

Total receipts after deducting $1,201,000,000 for the Federal Old-age and Survivors Insurance Trust Fund, amounted to $43,038,000,000, which is $3,419,000,000 less than the year before. Total expenditures amounted to $65,019,000,000 as compared with $100,405,000,000 last year, a reduction of $35,386,000,000.

The reduction in receipts was accounted for largely by a decrease in income taxes. Income taxes withheld by employers under the Current Tax Payment Act of 1943 amounted to $9,392,000,-

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Economic Concentration And World War II

By HON. JAMES E. MURRAY*
U. S. Senator from Montana
Chairman, Senate Small Business Committee

Chairman of Senate Small Business Committee asserts that increased business concentration as result of war has been confirmed "beyond our worst fears." Cites statistics showing production and financial concentration, and states that such development "is the forerunner of collectivism." Urges strong anti-trust action and decries reduction in appropriation to Anti-Trust Division of Department of Justice.

Today, I wish to present a new report of the Small Business Committee, "Economic Concentration and World War II."

Sen. Jas. E. Murray

This report was prepared for the Committee by the Smaller War Plants Corporation and was transmitted shortly before the functions of that Corporation were transferred to the Reconstruction Finance Corporation and the Department of Commerce.

The report represents a statistical study of the extent of economic concentration with particular reference to the changes which took place during World War II. It does not go into the question of the effects of concentration—that is, whether it is good or bad for the country. Nor does it offer any specific solution to the problem. However, the statistical information which it does present should be of the greatest interest to all of us.

During the last four years, we in the Senate Small Business Committee have been acutely conscious of the fact that economic concentration was rapidly rising. We have seen the signs of this in the increased centralization of prime contracts in the hands of a few of the larger corporations; in the difficulties experienced by capable small busi-

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*Remarks by Senator Murray in presenting to the Senate the Senate's Small Business Committee's Report on "Economic Concentration and World War II," June 14, 1946.

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Bravo!

"The sudden ending of OPA brings a responsibility to business and to labor for carrying on policies that will safeguard the interest of all. We were already in the current of inflation and some price increases are inevitable to readjust production to more satisfactory levels. Minor temporary increases can be absorbed with little permanent change in the purchasing power of our wages. Our major need is increased volume of production.

William Green

"Our safety lies in getting through this period of transition with no major increases in costs or stoppages of production. Major changes will be cumulative in effect and may start the chain of dangerous inflation. Some employers' organizations are wisely taking action against price and rent increases.

"For their own safety the wage-earners of the United States should exercise self-discipline and good judgment, and refrain from taking ill-considered and unwise action pending action by Congress. Labor will then be in a position to demand cooperation for holding prices and especially rent levels. Wage-earners can best stabilize their wage dollars by helping to increase volume of production which can wipe out scarcities and the danger of run-away inflation.

"As workers in a free economy let's first strengthen our foundations so that our strongholds will weather the difficulties. As citizens of a democracy we must preserve our rights by insuring the general welfare."—William Green

It would not be difficult here as it would not be difficult in the case of almost any brief, general statement of this sort, to find weaknesses here and there. However, there is so much good sense in these words of one of our influential labor leaders that we can only express the hope that the unions will have such excellent counsel with increasing regularity in the future.

Reviews U. S. Foreign Credit Commitments

Commerce Department holds total will reach $10 billion at end of year if British loan is approved, but only about $3 billion will be disbursed. Netherlands and its possessions received $300 million in first quarter of 1946.

Combined foreign credit commitments of the United States Government will probably total about $10 billion by the end of 1946 if the proposed British loan is approved by the Congress, the Clearing Office for Foreign Transactions, Department of Commerce, announced on July 1.

It was anticipated that by the end of the year practically all of the Export-Import Bank's $3,500,000,000 lending capacity will have been committed. The remainder of the $10,000,000,000 would consist of the proposed special loan of $3,750,000,000 to the United Kingdom now being considered by the Congress, and credits totaling some $2,750,000,000, the Clearing Office said. These credits include surplus property sold abroad, credits on merchant ships sold to foreign purchasers and lend-lease settlements.

However, since committed funds are made available only as required to meet dollar obligations, and since loan disbursements are being retarded by inability of foreign borrowers to get prompt delivery of goods, it was estimated that only about $3,000,000,000 of the $10,000,000,000 total would be disbursed by the end of the year, including loans already outstanding at the end of 1945.

The balance of $7,000,000,000 in available funds would consist of undisbursed loan commitments of $4,500,000,000; credit commitments in connection with the sale of surplus property and ships abroad, $1,000,000,000; and credit commitments arising from lend-lease, $1,500,000,000, according to the Clearing Office.

At the end of the first quarter 1946 United States Government foreign loans outstanding totaled $655,000,000 and undisbursed commitments were $1,642,000,000, the Clearing Office said.

Of the total loans outstanding, $389,000,000 were made by the Export-Import Bank, $249,000,000 by the Reconstruction Finance Corp. (RFC), $15,000,000 by RFC's Office of Defense Supplies and $2,000,000 by RFC's United States Commercial Co.

The undisbursed commitments included $1,607,000,000 for the Export-Import Bank and $35,000,000 for the RFC.

Most of the credits extended during the first three months of 1946 went to the Netherlands and Possessions, the Clearing Office said. The Export-Import Bank increased its commitments to the Netherlands by $200,000,000 and to the Netherlands Indies by $100,000,000, while $19,000,000 was disbursed to the Netherlands against previous credits totaling $100,000.000.

The new $200,000,000 Netherlands loan is of special interest because of the opportunity afforded commercial banks to participate in the short-term credit without recourse on, or guaranty by, the Export-Import Bank. It is expected that private banking participation in the loan will total $100,000,000. As these private banking participations materialize, the $200,000.000 loan commitment will be reduced to the same degree and funds thereby freed for other credit extensions.

Other commitments negotiated during the first quarter 1946 included a cotton credit of $33,000,000 to China, $35,000,000 credit to Finland, and $25,000,000 credits each to Greece and Saudi Arabia.

List of Army Dead and Missing Reported

The first complete listing of the names of all Army dead and missing in World War II, released by the War Department on June 27, shows a total of 308,978 casualties. New York City, with its 16,112 dead and missing, and New York State, with a toll of 31,215, suffered the greatest numerical losses of any city and Sta e in the nation, it was stated in special Washington advices, June 27 to the New York "Times," from which we also take the following:

Fifty booklets, covering the death lists for each State, the District of Columbia and one for the Territories and Possessions, were released early this morning.

With more than 10,000,000 men and women mobilized into the Army between May 27, 1941, when the unlimited national emergency was declared, and Jan. 31, 1946, the over-all death and missing rate from all causes was 2.98%. Of the total, 307,554 either were killed in action or died of other causes, and 1,424 were carried as missing. The Army said it was "extremely reluctant," however, to hold out any hope that missing persons still would be found alive.

The total dead and missing figure for Navy, Marine and Coast Guard as of June 1 was 87,659, including 928 missing. This makes the country's death toll 396,637.

The highest death rate was 5.05% for the District of Columbia, but this included many Regular Army personnel who do not actually live in the Capital but give their home address as the Adjutant General, Washington. Kings County (Brooklyn), New York, was fourth highest on the list of counties in numerical losses, with 5,841 deaths.

Of New York State's 31,215 casualties, 18,706 were killed in action; 2,603 died of wounds; 97 died of injuries; 8,213 died of non-battle causes; 2,086 have been declared dead, and 140 still are carried as missing.

Connecticut lost 4,347 from all causes, and New Jersey's toll was 10,372.

Parcel Post to Austria

Postmaster Albert Goldman announced on July 2, that ordinary (unregistered and uninsured) parcel post service would be resumed to Austria effective July 5. The parcels will be limited to 11 pounds in weight and a maximum of 72 inches in length and girth combined. Only one parcel a week may be sent by any one person to the same addressee. Foodstuffs are limited to nonperishable items. Contents of parcels must be itemized on the customs declaration. The advices also stated:

"Parcels should bear the name of the addressee and complete address, including street and house number, city, the Land or Province when known, and the apartment number if applicable. It may not be practicable to return relief parcels which cannot be delivered to the addressees. To facilitate disposition, senders are urged to endorse such parcels that they are to be turned over to relief or charitable institutions. Parcels for Austria will be subject to the following rates of postage: 1 pound, 40 cents; 2 pounds, 54 cents; 3 pounds, 71 cents; 4 pounds, 85 cents; 5 pounds, 99 cents; 6 pounds, $1.13; 7 pounds, $1.27; 8 pounds, $1.45; 9 pounds, $1.59; 10 pounds, $1.73; 11 pounds, $1.87.

"The export control regulations of the Office of International Trade, Department of Commerce, will apply to parcels for delivery in Austria."

FHA Will Continue Insuring Mortgages

Raymond M. Foley announces that time limitation of mortgage insurance on existing houses by Federal Housing Administration has been removed in recently enacted Congressional Act. Reports 550,000 mortgages, amounting to $2.3 billion, have already been insured.

The Federal Housing Administration will be able to continue insuring mortgages on existing homes as the result of legislative action by Congress, FHA Commissioner Raymond M. Foley announced on June 29.

Raymond M. Foley

Authority to insure mortgages on other than new homes was to have ended July 1, but Congress has removed from Title II of the National Housing Act both the termination date and the limitation of insurance on existing homes to 35% of all insurance.

"Sound financing of the purchase of existing homes is essential to a stable national mortgage system," Mr. Foley said. "In permitting FHA to continue insuring such mortgages, Congress has recognized that the availability of FHA-insured financing for existing homes is a strongly stabilizing factor in the market, especially under current conditions of inflation in real estate.

"Confining FHA insurance to new homes alone would have produced a permanent disequilibrium in the mortgage market and discriminated against buyers of older-type homes.

"This year the volume of FHA mortgage insurance on existing homes has been larger than ever before," Mr. Foley said, "providing evidence that the home-buying public is looking to FHA as protection against excessive prices."

Since the start of its program the FHA has insured 550.000 mortgages on existing properties in a total amount of about $2,300,000,000.

Mr. Foley pointed out that existing homes are the only ones available to families who do not qualify for veterans' preference in the purchase of new homes. The demand for homes of all kinds, he said, has resulted in heavy mortgage financing and has pushed up prices of older homes at an alarming rate.

When the National Housing Act was passed in June, 1934, it contained no termination date for insurance of mortgages on existing homes under Section 203 of Title II. Amendments to the Act in 1938 provided for termination of this authority on July 1, 1939. This date was extended first to 1941, then to 1944, and finally to 1946. The new amendment strikes out the termination date, as well as removing the limitation as to the proportion of total insurance applicable to existing homes.

In accordance with requirements of Title II of the National Housing Act, mortgages insured must be on properties considered economically sound in accordance with appraisals of long-term values. Technically trained valuators, appraisers, and inspectors of a local FHA office examine the location, the neighborhood, and the entire mortgage transaction in considering a property to be financed with an FHA-insured mortgage.

FHA-insured mortgages for the purchase of existing homes designed for one to four families may amount to 80% of FHA's appraisal up to as much as $16,000 and may run for as long as 20 years. Maximum interest which may be charged by the lending institution is 4½% annually on declining balances, plus ½ of 1% FHA mortgage insurance. Loans are repaid in regular monthly instalments which cover principal and interest, mortgage insurance premium, hazard insurance, and real estate taxes.

Labor Department Activities Reported By Schwellenbach

A report issued by Secretary of Labor Lewis B. Schwellenbach surveys the program completed by his Department during his first year in office in consolidating labor activities of the government. The report, according to advices from the United Press in Washington on July 1, points out that all Federal labor agencies, excepting the National Labor Relations Board and the National Mediation Board, have now been consolidated within the Labor Department, and that the Bureau of Labor Statistics has expanded its service, and that a start has been made toward establishing a labor education service. Mr. Schwellenbach, said the United Press, enumerated separately the following accomplishments by his Department during the past year:

1. The United States Conciliation Service settled 98% of the cases in which it was involved, during what Mr. Schwellenbach called "the most difficult period in the history of the country in labor-management relations."

2. The United States Employment Service made 7,000,000 job placements out of 10,000,000 new applications.

3. About 400,000 servicemen's wives and babies received care under the emergency maternity and infant care program administered by the Department's children's bureau.

4. Child labor employment dropped 500,000.

5. The wage and hour division obtained restitution of $12,024,889 in sub-standard wages for 248,403 employees under the fair labor standards act.

Action Delayed on GI Terminal Pay

The proposal to give enlisted men $2,666,376,000 terminal furlough pay, previously approved by the House, encountered resistance in the Senate July 2 when the Military Affairs Committee agreed to Senator Edwin C. Johnson's (D.-Col.) request to delay action for a week pending receipt of a report from the Bureau of the Budget. Reporting this, Associated Press Washington advices of July 1 added in part:

Senator Johnson instructed clerks of the Senate Military Committee to obtain an immediate report on the Terminal Pay Bill from the Budget Bureau, the White House's fiscal spokesman.

Previously the Budget Bureau had informed Congress that the terminal pay plan was "not in accord with the program of the President."

The House ignored this when it passed by an overwhelming 379 to 0 vote the bill to give all wartime enlisted personnel the same terminal leave pay granted officers.

"Let's get the President's views on the measure as it now is revised," said Mr. Johnson, acting as Chairman of the Military Committee.

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Why Hinrichs Resigned from Labor Department

Acting Commissioner of Labor Statistics, who was storm center of labor union criticism, presents resignation to Secy. Schwellenbach. States he advised against War Manpower Commission's statement that 6 millions would be unemployed after V-J Day and gives reason for quitting that, since he was not slated to be Commissioner, the "problems that remain cannot be solved by an Acting Commissioner."

Acting Commissioner of Labor Statistics, A. F. Hinrichs, whose reports on living costs during the war were severely attacked by the CIO and other labor organizations in their efforts to break the "Little Steel Formula," presented to Secretary of Labor L. B. Schwellenbach on July 1, his resignation. In his letter, Mr. Hinrichs gave his reason for resigning as chiefly the determination of the Labor Secretary not to name him to permanent appointment.

L. B. Schwellenbach

The text of Mr. Hinrich's letter to Secretary Schwellenbach follows:

U. S. DEPARTMENT OF LABOR
Bureau of Labor Statistics
Washington 25

Office of the Commissioner
July 1, 1946

The Hon. L. B. Schwellenbach
Secretary of Labor
Washington, D. C.

Dear Mr. Schwellenbach:

I am resigning as Acting Commissioner of Labor Statistics.

In turning back responsibility for the detailed administration of the Bureau to you, I believe that I can report that it has never been stronger than it is at this moment despite the fact that this was the most critical year in the Bureau's history. At the very beginning of the year we developed a well balanced program oriented to the problems of the transition period, after eliminating all work connected with munitions production as such and after curtailing our work in consultation with government agencies, with industry and with labor. The morale of the Bureau has been excellent up to this moment despite widely quoted remarks last summer that you told me were incorrectly attributed to you, despite the difficulties that always attend adjustment to a new administration and that were increased by the numerous changes in your staff, and despite confusion and rumors as to who would be Commissioner. I am proud that the Bureau suffered only one serious resignation in this period and gave you completely loyal support during the early days of your administration when you had to be free to give so much of your attention to the place of the Department of Labor in the government structure.

Your oral statements and your letter to me of May 23 would seem to insure the excellence of the Bureau's leadership in the future. No one would ask more than that the Commissioner be a "person concerning whose professional competence and integrity there will be (not) the slightest doubt and that such recommendation (to the President of a candidate) will only be made after consultation with the Presidents of the American Economic Association and the American Statistical Association." This assurance seemed a prerequisite to my appearance before the Appropriations Committee a few weeks ago, in view of your earlier statement to me that if I pressed for an immediate decision on the Commissionership you would have no alternative other than to submit the name of a man whose nomination in the circumstances I was sure would ruin the Bureau. Unpleasant as it has been to "sit tight" during this period of renewed controversy, I feel amply repaid by this assurance as to the future leadership of the fact-finding agency on which we all depend for about half of the most widely used current economic statistics that are compiled by the Federal Government.

Needless to say the staff of the Bureau has continued to make notable contributions to our general body of economic information over the past year. I shall review this work in appropriate detail in my annual report to you. The contribution which gives me greatest pleasure, though not our most important achievement, was our advice to you the day after V-J Day to seek to dissuade the War Manpower Commission from issuing a forecast that six million people would be unemployed in December 1945. I am sorry that you did not succeed in your efforts to squelch this bad guess. I am gratified that in the enlarged Department of Labor you have constituted the Bureau the exclusive authority on national employment trends and prospects.

Finally I am happy to know that I am turning back to you the detailed responsibility for a Bureau with a sound appropriation that may be expected to approximate $6,000,000 for the next year, in contrast with a million dollar budget when I took over the administration of the Bureau six years ago. Obviously I do not want to see government expenditures increased, but I am proud that the work of our Bureau has been so well conceived and solidly developed that the data we compile have become an indispensable tool to the American businessman and labor leader, as well as to Executive Departments and the Congress.

At the beginning of the year our budget was in grave jeopardy. While our regular work has been enormously expanded during the war and has been woven into the fabric of our economic life through use in private contracts and negotiations as well as in the formulation of public policy, this expansion had been financed entirely with so-called National Defense funds. These might have been lopped off in their entirety as a matter of general policy after V-J Day or because of any question as to the unbiased nature of our work. Actually our program received the most careful and detailed consideration of both Houses of Congress with every evidence of complete confidence in the integrity of its leadership and the general soundness of its program. While the appropriation will undoubtedly change from time to time in the future, it is now in a sound form.

In all of these situations I believe I was able to render services to the Bureau and the Department that it would have been difficult for a new appointee to give. I am happy if I have served an organization well in which I have invested twelve years of my life as a civil servant. I assure you that it is a privilege to have a part in shaping the history of the Bureau of Labor Statistics and to feel that one is acting as the servant of a staff such as constitutes the Bureau.

In my opinion the problems that remain cannot be solved by an Acting Commissioner. The Bureau is entitled to the very best leadership under conditions in which you have indicated your complete confidence, and support of its head. In fact over the past five months, since I first learned of your doubts as to the possibility of naming me as Commissioner, I have not been able to give the attention to our regional offices that they deserve. Nor can the morale of the Bureau be indefinitely maintained without a Commissioner. It has rested recently too largely on personal loyalty to a trusted friend.

I very greatly regret that I have not been able as Acting Commissioner to solve the problem of improved union relations. As you know, I have always believed in the desirability of a union advisory committee such as we did have for the first four years of my administration of the Bureau. While I have been able to develop excellent or fairly satisfactory informal relationships with a number of unions, one vitally important group has insisted that it could cooperate and advise effectively only if there were some more formal arrangement for consultation. I indicated in my first report to Mr. Moran last July the kind of help I thought I needed in this matter from the Department. I was prepared to proceed even in the absence of any explicably formulated Department policy, as long as I could presume that I would be named Commissioner unless Lubin returned to the Bureau. But when I learned of your doubts as to this, I felt that my hands were tied. Whoever sets up a procedure for consultation with the unions will have to make immediately a number of critically important decisions. It seemed to me unfair to bind a successor who might be appointed any week. Thus the important problems that remain to be solved call for the prompt appointment of an excellent Commissioner.

Give the Bureau promptly the leadership it deserves. There are people within the Bureau as well as outside who should command the confidence of the staff as well as of the important groups we serve. If you need help in securing the services of such a person, call upon the profession. Those of us who depend upon the Bureau as a source of reliable information and impartial analysis also have pride in its achievements, know that years of work are required to build up a professional staff and appreciate how quickly the strength of such an organization can be dissipated.

The Bureau is a staff of extraordinarily capable and devoted professional men and women who believe that the development of increasingly accurate economic information contributes to social progress. Through the inspiration and use of this staff whoever is Secretary of Labor can become one of the outstanding advisers of the President if he chooses. If this staff disintegrates in a period of uncertainty as to the future character of its leadership, the Bureau ceases to exist and the nation will lose.

I shall appreciate your prompt acceptance of my resignation which I should like to have announced before July 3. I have already given the necessary instructions to speed up the process of collecting prices so that we may know promptly what is happening to prices over the next few weeks. I should like my terminal leave to begin at the close of business on July 5.

Sincerely,
A. F. HINRICHS,
Acting Commissioner of Labor Statistics.

The State of Trade

Overall industrial production a week ago reached levels close to or above the postwar highs in November of last year and March of this year as a result of gains in output in many industries.

With the closing of some factories in several lines for summer vacations of one or two weeks duration beginning July 1, the total output in these fields suffered some curtailment for the week.

Total output of cars and trucks in the United States for the week ended June 29 amounted to 62,488 units compared with 51,204 units in the preceding week and the postwar high of 65,725 units for the week ended May 11. Farm equipment output was at levels equal to those prevailing before the strike period and further gains in copper output were noted the past week following the settlement of more strikes in the copper industry.

Lumber shipments of reporting mills for the week ended June 22 were 8.8% below production, while new orders were 9.3% below production. Operations of paper mills for the same week amounted to 106.2% of capacity as against 104.0% in the previous week and 90.4% in the corresponding week a year ago.

Meat production under Federal inspection for the week ended June 29, the last week of price control amounted to 121.6 million pounds, 13 and 58% respectively under total production for a week and a year ago. Following the expiration of the OPA receipts of livestock by slaughterers increased substantially.

Retail purchases in preparation for the Independence Day holiday caused total sales volume last week to rise slightly above that of the preceding week and held the volume well above that of the corresponding week a year ago. According to reports of department stores, interest centered largely in resort wear and household furnishings. There was no evidence of a buyers' strike nor a rush to stock up with goods with the lifting of price-control. Retail food volume held at former high levels, but prices of some items advanced with the removal of price restrictions and ceilings subsidies.

Wholesale volume last week was equal to that of the previous week and moderately higher than that of the corresponding week a year ago. The past week saw a smaller number of buyers registered in most wholesale markets than in the preceding week. Trading in some wholesale markets was restricted pending the final outcome of Federal price control.

Steel Industry—While the steel industry may soon raise the price of some steel products, this action would have taken place whether or not the OPA passed out of existence, since the agency was expected to grant further price relief. The general view in the industry is that no sharp increases in steel prices will take place in the immediate future now that all government price controls have been removed, according to "The Iron Age," national metalworking paper in its weekly review of the steel trade.

Steel firms at this time are primarily interested in raising the price of those products on which the return is low.

The confusion or the reluctance to make any move price-wise in the steel industry or in the iron and steel scrap industry was reminiscent of the days following the end of the National Recovery Act. Scrap brokers and dealers early last week were sitting tight and shipping on old contracts. Steel companies, on the other hand, were insisting that any scrap they purchased should be at the old ceiling price. If the period during which the government attempts to have passed some type of legislation breathing new life into the OPA corpse is too long, scrap prices may spiral upwards.

Currently steel companies are attempting to keep their operations at as high a level as possible, "The Iron Age" reports. Some firms would pay slightly higher prices for scrap in order to get the material and maintain their operating level. Should prices soar substantially in a wide open scrap market, steelmakers would be forced to rapidly adjust their own prices of steel products in order to offset additional increased steelmaking costs.

For the next few weeks at least the price relationship in the steel industry will probably remain unchanged, the magazine states. Attempts have already been made by some scrap interests to consign scrap on a retroactive basis. This unusual procedure in a free market left steel firms which had been approached with the idea uninterested.

Over the long pull taking in probably the next 6 to 12 months, steel prices are expected to be advanced on most items if controls are not reinstituted. Such an advance will be in addition to any corrected adjustments which might be made much sooner on products giving the markers only a small margin of return.

Huge backlogs and continuing heavy demand caused the steel industry last week in most instances to pay time and a half in primary steelmaking departments for Fourth of July work. Usually steelmaking facilities such as blast furnaces and openhearths shutdown over the holiday.

Steel shipments this month will probably be at the highest level than at any time since V-J Day. Most firms have been able to replenish inventories ahead of steel finishing mills with the result that July operations will present a balanced picture. The only factor which could prevent a continuation of the current high level of operations would be a crisis in the supply of scrap. Scrap this week was still difficult to obtain and the laying of plans for nationwide scrap drives indicated the seriousness with which the Civilian Production Administration views the matter, states "The Iron Age."

Most steel concerns have still failed as yet to open mill order books for 1947 business. This may be interpreted as having been a wise move especially in view of the price situation. If no further controls are reinstituted on steel prices, producers will be free to name their higher quotations before accepting contracts for next year's shipments.

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 87.8% of capacity for the week beginning July 8, as against 87.2% one week ago, 76.1% one month ago and 89% one year ago.

This week's operating rate is equivalent to 1,547,400 tons of steel ingots and castings compared with 1,536,800 tons one week ago, 1,341,200 tons one month ago and 1,630,200 tons one year ago.

Electrical Production—The Edison Electric Institute reports that the output of electricity increased to 4,132,680,000 kwh. in the week ended June 29, 1946, from 4,129,163,000 kwh. in the preceding week. Output for the week ending June 29, 1945, was 5.1% be-

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The Financial Situation

(Continued from first page)

then Senator Harding naturally had little or nothing to do. The collapse and the worst of the crisis had passed before the elections of 1920, and the worst of the rather short-lived if severe depression was a thing of the past before the newly elected President took office in March 1921. From that time forward prices remained rather remarkably steady for the better part of a decade.

The "normalcy" of President Harding obviously had nothing to do with any price boom or crash, since neither boom nor crash accompanied or quickly followed anything that was done in his brief stay in the White House. Following his Administration there was a substantial period when great progress was made industrially in this country, growth which as time passed assumed a pathological nature and structure not because of any pursuance of traditional policies of the past but specifically in consequence of "new" doctrines and "new" devices which were to abolish poverty. It was not fully realized at the time, although understanding of it was certainly not nonexistent, but the newly installed Federal Reserve system, along with a constant watering down of the original law, was making one dollar of bank deposits and one dollar of gold do the work that had required several in the past. In short, the workings of a new banking system was silently priming the pump for years on end. It was what the mathematician would call a "special case" of "compensatory spending"—with private industry being persuaded and stimulated to do the spending both here and abroad.

"Abolishing Poverty"

By 1928 the point had been reached when it was possible for practical politicians and certain economists alike to talk as they are doing today, of abolishing poverty, of "two chickens in every pot," and "two cars in every garage." A year later, the bubble collapsed. What had been needed throughout the whole period was a return to real normalcy. The war financing policies of World War I had enormously e n l a r g e d the money supply of the nation. The debt arising out of that conflict was rapidly reduced. We should have had the gumption to see to it that its place was not taken by all manner of reckless private debt, directly or indirectly supported by tremendously swollen bank credit. Avoidance of this financial orgy of the late twenties without at the same time precipitating an earlier crisis, and without having to sacrifice much legitimate business at home and abroad, could have been arranged without great difficulty—by the mere adoption of plain common sense and the policies dictated by the experience of the century of progress which preceded it.

We did no such thing, however. Instead we steadfastly declined to have anything to do with normalcy; we thought we knew a better way. Apparently 1929 and the depression which followed have not even yet taught us anything about such things. Today, many if not the majority of us, are as opposed to normalcy as we were in the 1920's. We are again equally as insistent that quack financial remedies be applied in order that real cures, which are often not nearly so painless, may be avoided. Of course, we call these things by different names these days, and it is more than likely that a good many are being deceived by the new nomenclature, which incidentally is for the most part being quite unconsciously adopted or followed. Most of us probably have little idea that in many fundamentals we are making precisely the same old mistakes all over again.

Adding New Ones

We are adding new ones, however. Not all of us seem to be quite able to convince ourselves that all is well, that we are following a safer course, or that we have converted folly to wisdom by changing its name. Evidence of this fact is found in insistence that "controls" be exercised to prevent trouble. True, many who so insist seem to have forgotten the precise sequence of events during the first decade after World War I. At times they seem to be thinking of the events of 1920 as though they occurred in 1930, and vice versa, but it is clear that a widespread feeling prevails that somehow fundamentals are not as they should be. The trouble is that no one seems to be much disposed to correct these fundamentals — correct them, as they must be corrected, by a return to normalcy.

Rather, attention appears to be fixed upon employment of main strength and foolishness to prevent these fundamentals from having their normal and natural consequences. Instead of eliminating or reducing inflation, we spend our time trying to think up ways of preventing it from having any effect, or any undesired effect, at any rate. These schemes all involve simple fiat. We are to defeat natural law, like the ancient king was to repel the tide merely by forbidding it to do what we do not want it to do. Instead of permitting prices to rise, allowing the purchaser to pay in full for the article he purchases at the time of the purchase, we permit him to have the article at something less than the normal market, and collect taxes from him and his compatriots to pay the remainder of the bill. It's an answer to a politician's p r a y e r — or would be if too many people had not begun to smell a rat.

May Providence lead us back to normalcy!

FEPC Officially Ends

The Fair Employment Practice Committee, created by executive order of President Roosevelt in June of 1941 for the purpose of preventing discrimination because of race, creed, color or national origin against any person by a Federal agency or company doing business with the Government, came to an end at midnight on June 30. Although President Truman has repeatedly urged Congress to make it permanent, and bills to revive the agency and broaden its field to cover all business are pending on both Senate and House calendars, it is generally conceded, according to advices from Washington from the Associated Press, that nothing will be done by the present Congress to revive it.

The FEPC, after having spent the $250,000 Congress allowed it in 1945 for liquidation, several weeks ago turned its records over to the Treasury Department and ceased functioning. President Truman accepted "with great regret" the official June 30 resignation of Chairman Malcolm Ross and the five other members of the Committee which, in its final report to the President, asserted, according to the Associated Press:

1. The "wartime gains of Negro, Mexican-American and Jewish workers are being lost through an unchecked revival of discriminatory practices."

2. This "denial of equal opportunity, if allowed to become permanent, cannot fail to create civic discord and to be a cause of embarrassment to the United States in its international relations."

3. "Nothing short of Congressional action to end employment discrimination can prevent the freezing of American workers into fixed groups, with ability and hard work of no account to those of the 'wrong' race or religion."

It is anticipated that FEPC will be an issue in 1947, and possibly for several years thereafter.

Salary Increase for U. S. Judges Favored

A bill introduced nearly a year and a half ago by Senator Wagner (D.-N.Y.) won approval of the Senate Judiciary Committee on June 28 when it recommended a $5,000 annual increase in salary for the 286 Federal Judges. In reporting the action the Associated Press in a Washington dispatch stated:

Under the proposed increase the Chief Justice of the United States would collect $25,500 a year as compared with his present $20,500 while the eight Asociate Supreme Court justices would get an even $25,000 as against a present $20,000.

Federal Circuit Judges, and those serving on the Court of Customs and Patent Appeals and Court of Claims would advance to $17,500 from $12,500.

The more numerous Federal District Court Judges would advance to $15,000 from $10,000. This, incidentally, is the same increase recently approved by the Senate for all members of Congress.

U. S. Sovereignty Over Philippines Ends—Republic Born

In a historic ceremony the Philippines became a Republic on July 4, and Manuel A. Roxas was sworn in as President and Elpidio Quirino as Vice-President for the first years of the nation's independence. The new President, as reported in Associated Press advices from Manila, told his people that a "new era has come to the Orient." He said that while the Stars and Stripes no longer fly over the Islands, in the eyes of Filipinos and millions of others in the Orient "the American flag flies more triumphantly today than ever before in history."

"The flag which was first raised in conquest here has been hauled down with even greater glory," President Roxas declared.

Representatives of 50 nations attended the ceremonies marking independence after a ten-year transitional period under which the archipelago was a commonwealth with a Filipino Chief Executive.

President Truman broadcast a message to the Philippine people in which he pledged that the United States would assist the new republic "in every way possible" in a "new partnership of two free and sovereign nations working in harmony and understanding". Concluding, Mr. Truman told his radio audience:

Our two countries will be closely bound together for many years to come. We of the United States feel that we are merely entering into a new partnership with the Philippines—a partnership of two free and sovereign nations working in harmony and understanding.

The United States and its partner of the Pacific, the Philippines Republic, have already charted a pattern of relationships for all the world to study. Together in the future our two countries must prove the soundness and the wisdom of this great experiment in Pacific democracy.

May God protect and reserve the Republic of the Philippines!

President Truman was represented at the ceremonies by Postmaster General Robert E. Hannegan, W. Stuart Symington, Assistant Secretary of War for Air, and J. Weldon Jones, Assistant Director of the Budget Bureau.

S e p a r a t e committees represented the House and Senate of the United States Congress. Paul V. McNutt atended as the first American Ambassador to the new nation. He was the last High Commissioner to the Philippines under the Commonwealth.

Senator Millard E. Tydings, Democrat, of Maryland, first to speak, called the granting of independence "one of the most unprecedented, most idealistic and most far-reaching event in all recorded history." He said it established "a new example of human justice, human dignity and friendly relations between great peoples . . . and an entirely new concept of international relationships."

General Douglas MacArthur, who led the liberation of the Islands from the Japanese, described the infant republic as coming into being amid issues "which have never weighed more heavily upon the destiny of the human race". The General told his listeners that "the eyes of all oppressed peoples are cast with the burning light of a new faith" upon the new republic—"a nation conceived in the centuries-old struggle of a people to attain political liberty."

Formal recognition of the independence of the Philippines was contained in a proclamation by President Truman read at ceremonies in Washington in his absence by Frank P. Lockhart, Chief of the Philippine Division of the State Department. The proclamation said:

Whereas the United States of America by the treaty of peace with Spain of Dec. 19, 1898, commonly known as the Treaty of Paris, and by the Treaty with Spain of Nov. 7, 1900, did acquire sovereignty over the Philippines, and by the convention of Jan. 2, 1930, with Great Britain did delimit the boundary between the Philippine Archipelago and the State of North Borneo; and

Whereas the United States of America has consistently and faithfully during the past forty-eight years exercised jurisdiction and control over the Philippines and its people; and

Whereas it has been the repeated declaration of the legislative and executive branches of the Government of the United States of America that full independence would be granted the Philippines as soon as the people of the Philippines were prepared to assume this obligation; and

Whereas the people of the Philippines have clearly demonstrated their capacity for self-government; and

Whereas the Act of Congress approved March 24, 1934, known as the Philippine Independence Act, directed that, on the 4th day of July immediately following a ten-year transitional period leading to the independence of the Philippines, the President of the United States of America should by proclamation withdraw and surrender all rights of possession, supervision, jurisdiction, control, or sovereignty of the United States of America in and over the territory and people of the Philippines, except certain reservations therein or thereafter authorized to be made, and, on behalf of the United States of America, should recognize the independence of the Philippines:

Now, therefore, I, Harry S. Truman, President of the United States of America, acting under and by virtue of the authority vested in me by the aforesaid Act of Congress, do proclaim that, in accord with and subject to the reservations provided for in the applicable statutes of the United States,

The United States of America hereby withdraws and surrenders all rights of possession, supervision, jurisdiction, control, or sovereignty now existing and exercised by the United States of America in and over the territory and people of the Philippines; and,

On behalf of the United States of America, I do hereby recognize the independence of the Philippines as a separate and self-governing nation and acknowledge the authority and control over the same of the Government instituted by the people thereof, under the Constitution now in force.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the City of Washington this Fourth Day of July in the year of our Lord, Nineteen Hundred and Forty-six, and of the independence of the United States of America the one hundred and seventy-first.

(Seal)

HARRY S. TRUMAN.

By the President,

Dean Acheson, Acting Secretary of State.

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Items About Banks, Trust Companies

The statement of condition of the Bankers Trust Co. of New York as of June 30, 1946, shows total capital funds of $145,144,039 in comparison with $144,660,067 on March 31, 1946. Total resources amounted on June 30 to $1,758,506,190, as against $1,795,350,367 on March 31, and total deposits of $1,586,045,425 compare with the March 31, 1946 figure of $1,596,679,986. Holdings of U. S. Government securities declined from $826,253,001 on March 31 to $787,279,766, while loans and bills discounted decreased from $606,915,423 to $511,797,641.

The Irving Trust Company of New York in its statement of condition as of June 30, 1946 reported total resources of $1,259,475,064 compared with $1,428,354,898 Dec. 31, 1945, and total deposits of $1,138,023,205 (including official checks of $7,687,211) against $1,303,269,219 on Dec. 31 1945. Cash on hand and due from banks on June 30, 1946 is shown to be $254,085,256 compared with $271,510,231 on Dec. 31, 1945; U. S. Government securities in the latest report amounted to $725,724,386 against $841,113,588 on Dec. 31, 1945. The capital of the trust company has remained unchanged at $50,000,000, while the surplus and undivided profits has increased from $60,411,340 Dec. 31, 1945 to $62,066,853 on June 30, 1946.

The statement of condition of Sterling National Bank & Trust Company of New York as of June 30, 1946 shows deposits of $160,925,778, and resources at $169,783,365. These figures compare with deposits of $149,879,318, and resources of $165,708,494 shown on March 31, 1946, and deposits of $146,876,255, and resources of $153,439,196 shown on June 30, 1945. Commercial and other deposits (exclusive of U. S. Government deposits) total $143,346,126, and are the highest in the history of the bank. They compare with $118,641,323 three months ago, and $108,872,112 a year ago. Cash and due from banks is listed at $39,315,670, which compares with $28,966,949 at the end of the first quarter, and $30,376,544 on June 30, 1945. U. S. Government securities are shown at $91,341,807 as against $94,425,302 three months ago, and $86,849,158 12 months ago. Loans and discounts are $36,067,386 as against $39,461,526 on March 31, and $34,198,028 on June 30 last year.

Capital funds total $6,535,882, comprising capital of $1,500,000; surplus of $4,500,000; and undivided profits of $535,882. On March 31, 1946 capital and surplus were the same and undivided profits were $521,206. On June 30, 1945 the respective figures were $1,500,000, $3,500,000 and $368,573.

As of June 30, total resources of the United States Trust Co. of New York were $183,065,078 against $169,411,530 on March 31; deposits of $149,888,728 compared with $136,368,157; Government holdings were $100,121,173 on June 30 against $90,317,715 March 31, and loans amounted to $28,753,355 compared with $37,348,412. Capital and surplus are unchanged at $28,000,000 and undivided profits were $2,744,885 on June 30 compared with $2,728,577 on March 31.

Clinton Trust Company of New York reports in its condition statement of June 28, 1946, total deposits of $26,555,790 compared with $27,408,213 as of March 31, 1946, and $23,433,780 on June 30, 1945. Total assets were $28,298,636 compared with $29,336,982 at March 30, 1946, and $24,919,036 a year ago. Surplus and undivided profits amounted to $759,990 against $748,496 in the previous quarter and $592,476 as of June 30 last year. Loans and discounts were $4,826,260 compared with $4,754,508 and $3,998,216. Holdings of U. S Government securities and municipal bonds totaled $13,268,418 against $15,756,589 and $13,469,352. Cash on hand and due from banks totaled $6,953,577 against $5,948,050 and $5,232,917.

Kings County Trust Company, of Brooklyn, reported surplus and undivided profits on June 28, 1946 of $7,781,362, as against $7,672,514 on Dec. 31, 1945. Deposits amounted to $58,224,274 on June 26 against $61,136,554 Dec. 31, 1945, and holdings of U. S. Government securities were $31,551,244 on June 28, compared with $31,071,970. Cash on hand amounted to $2,246,805 against $2,775,123 and in banks aggregated $18,513,816 against $21,221,505. Surplus is unchanged at $7,000,000 and capital of $500,000 remained unchanged on June 28 from Dec. 31, 1945.

In its statement of condition as of June 29, 1945 the Fifth Third Union Trust Company of Cincinnati, Ohio announced total deposits (including U. S. Government deposits) of $236,696,215 and total resources of $256,160,559 compared with the figures for Dec. 31, 1945 of $262,457,103 and $280,934,596 respectively. Cash on hand and due from banks is now $55,710,044 against $60,994,913 for Dec. 31, 1945; U. S. Government obligations $118,862,713 compared with $133,533,580; loans and discounts of $58,724,253 against $63,661,689. Undivided profits during the six months advanced from $2,028,572 to $2,375,573 at the present time, while capital and surplus remained unchanged at $6,000,000 each.

Total resources of the American National Bank and Trust Company of Chicago amounted to $209,418.000 on June 29, 1946 as reported in the bank's published statement as of that date. This is a decrease from $236,976,000 on Dec. 31, 1945. Deposits decreased during the first half of 1946 from $228,346,000 to $198,196,000, and loans and discounts increased from $55,775,000 at the year-end to $64,992,000 on June 29. The bank's holdings of government bonds decreased from $100,454,000 to $73,467,000. The bank's holdings of municipal and other marketable securities increased from $21,431,000 to $24,791,000, while cash and due from banks decreased from $58,606,000 to $43,286,000.

A marked upward trend in earnings, chiefly due to increased loan volume, is revealed by the Bank of America statement of condition as of June 29, 1946. Capital funds were supplemented from earnings and the equity of common shareholders increased; continued growth in all departments of normal operation was reflected, and a gain in deposits had an offsetting effect on Government withdrawals from the U. S. war loan account during recent months. Deposits totaled $5,238,524,000, an increase of $715,971,000 over a year ago, comparing with $5,339,307,000 at Dec. 31, 1945. The balance in the war loan account at June 29, included in the above, was $277,000,000, compared with $439,000,000 at the year-end. Total resources stood at $5,554,310,000, a gain of $772,459,000 over June 30, 1945, comparing with $5,626,063,000 at the year-end. Total loans and discounts amounted to $1,198,680,000. This was an increase of $267,433,000 since June 30, 1945 a gain of 28.7% over the corresponding figure a year ago. Offsetting in part the increase in loans, total investments in securities were $3,308,236,000, representing a decrease of $224,936,000 since Dec. 31, but an increase of $334,707,000 over a year ago. Investments in U. S. Government obligations decreased $287,614,000 since Dec. 31. Holdings of State, county and municipal bonds increased $47,028,000, and other securities increased $15,605,000. Earnings for the half-year were $26,389,000. From this total, $6,566,000 was reserved for depreciation of bank premises and other real estate and amortization of bond premiums, and $204,000 was set up in reserves and applied to the revaluation of assets and absorption of losses other than loans. Loan losses are charged to "reserve for bad debts," L. H. Giannini, President, pointed out, to which reserve an annual allocation is customarily made at the year-end for losses which may develop in the future. After charges of $387,000 for loan losses during the current semi-annual period the "reserve for bad debts" stood at $17,719,000. After payment of $8,530,000 in dividends for the semi-annual period at the increased annual rate of $2 per share on the common stock and $2 per share on the preferred, and after a profit-sharing bonus of $499,000 to employees, capital funds were increased from earnings for the six months by $110,590,000, compared to $8,101,000 in the corresponding period last year.

Conversion of 398,020 shares of preferred stock into common stock increased the equity of all present common stockholders by approximately $20,000,000 and reduced the preferred stock outstanding to 6,258 shares. Any such shares not converted to common by July 1 have been called for retirement as of July 31, 1946, at the issue price of $50 per share plus accrued dividends.

At the regular meeting of the Board Directors of The National City Bank of New York held on July 9, Joseph W. Webb was appointed an Assistant Cashier.

Eric J. Stanley, until recently a Squadron Leader in the Royal Air Force, has joined John H. Fea at 34 Wall Street, New York, as a Representative of Lloyds Bank Limited, London.

The New York Agency, at 67 Wall Street, of the Standard Bank of South Africa, Ltd., announced on July 5 the receipt of advices from its Head Office in London that Michael Francis Berry has been elected a Director of the Bank effective June 26.

E. Chester Gersten, President of The Public National Bank and Trust Company of New York, announced the formal opening on July 9 of the bank's newly enlarged and remodeled Midtown Office at 7th Avenue and 39th Street. The new facilities, larger by more than 60% in area, were made necessary by a substantial growth of business, as well as enlarged demand for all of the various types of banking services, including Foreign and Trust departments. An augmented staff with added convenience and efficiency, both on the main banking floor and on the expanded mezzanine, are provided in the enlarged quarters.

Joseph Singer, Vice-President, continues in charge of the Midtown Office. Associated with Mr. Singer are John Obeda, Vice-President, Herbert K. Baskin, Assistant Vice-President, Peter White, Assistant Vice-President and Benjamin Sloan, Assistant Cashier.

Guaranty Trust Company of New York announced on July 3 the appointment of John M. Eldridge as an Assistant Treasurer of the Company. He has been associated with the personal division of the banking department for the last six years and with his new apointment continues in that connection.

Henry Frederick Hagemann, Jr., Vice-President of the Boatmen's National Bank of St. Louis, Mo. has been chosen to succeed the late Robert B. Rugg as President of the National Rockland Bank, of Boston, Mass., Roger Amory, Chairman of the Board of Directors, announced after a meeting on July 2. Mr. Hagemann became Assistant Vice-President and Manager of the Bond Department of the Boatmen's National Bank in 1933; Vice President in 1938, and since January, 1943, has been Vice-President in the Banking Division. He is President and Director, 18th Street Building Company; Director, Lindell Real Estate Company; Director, Bethesda General Hospital; Treasurer and Director, Barnard Free Skin and Cancer Hospital; member of the Board of Directors, Investment Bankers Association since 1943; member, American Bankers Association Committee on Treasury War Borrowing, 1944-45 and 1945-46; Chairman, American Bankers Association Treasury Savings Bonds Committee; Chairman, committee on taxation, Missouri Bankers Association, 1944-45, 1945-46, and 1946-47; and member of the Board of Directors, St. Louis Chamber of Commerce. He was Chairman for Metropolitan St. Louis, First War Loan Drive; Chairman, National Municipal Securities Committee, Investment Bankers Association, 1943-44; and member of American Bankers Association Committee on War Bond Drives, 1945.

While we noted in our July 4 issue, page 144, an item received from the Land Title & Trust Co., of Philadelphia, regarding the retirement of several of its employees, a revision of the item has come to us from the company, which states that under its pension plan, 15 employees with a total of 508 years of service with the bank retired on July 1. The latest advices said:

"They include Frederick S. Habicht, mortgage department and President of the bank's Pioneer Club, who is the longest in point of service, having been with the bank for 55 years; Frank G. Treston, Assistant Treasurer, with 44 years of service and Aaron L. Deeter, trust officer, 36 years. Others retiring are: T. Sparks Bishop, James M. Boyd, Harry S. Buck, Laura M. Coward, John C. Dorsey, Ida M. Landenberger, Andrew J. Martin, Calvin P. Neilson, Edward M. Pearson, Edward Richardson, William Shakespeare, Irwin J. Stout."

Stockholders of the Upper Darby National Bank (Philadelphia) have approved an increase in capital stock outstanding from $450,000 to $500,000 it is learned from the Philadelphia "Evening Bulletin" of July 1, which also said:

"The additional stock will be paid out as a dividend to holders of record June 29 on the basis of one new share for each nine shares held.

"At the same time directors declared the regular 2½% semi-annual dividend, Joseph C. Wilkinson, President announced."

The new Peoples First National Bank & Trust Co., of Pittsburgh, representing a consolidation of the First National Bank, of Pittsburgh, and the Peoples-Pittsburgh Trust Co., began functioning on July 1. The enlarged bank has a common capital stock of $11,658,460 divided into 582,993 shares of the par value of $20 each, and a surplus of $12,000,000. The plans for the consolidation were referred to in our issue of May 30, page 2988.

The directors of the newly formed institution formally completed the merger on July 1, when they elected the officers of the Peoples First National Bank & Trust Co. The Pittsburgh "Post Gazette" reports the election as follows:

"Frank F. Brooks was elected Chairman of the Board and Robert C. Downie, President. It had been announced previously they would be chosen for these posts.

"John O. Miller was named Vice-Chairman of the Board and Clyde C. Taylor, Senior Vice-President and Chairman of the Executive Committee. William H. Fawcett and J. Boyd McKown were chosen Senior Vice-Presidents.

"The following were elected Vice-Presidents: J. Howard Arthur, E. I. H. Bennett, James B. Davis, John D. Dupuis, Robert D. Ferguson (in charge of trusts), G. Allen Patterson (also Cashier), Henry K. Holmes, John Kinneman, Jr., Malcolm E. Lambing, John H. Lucas, Ralph J. Miller, Wilfrid Murtland, Vincent P. Schneider, James B. Warden and J. Edwin Wilson.

"Mr. McKown was named Secretary and Mr. Arthur Assistant Secretary."

From the "Post Gazette" we also take the following:

"The new bank will have two downtown offices: the Fifth Avenue, formerly the First National Bank, at Fifth Avenue and Wood Street, and the Fourth Avenue, formerly the Peoples-Pittsburgh, at Fourth Avenue and Wood Street. Both are being remodeled, an operation which is not expected to be completed until some time in September.

"The bank's capital structure, in excess of $28,000,000, has an unusually high ratio of deposits to capital—approximately 12 to one. Its total resources approximate $400,000,000.

"A new loan limit of $2,300,000 for single loans to individuals or business has been established, double the amount either bank would loan prior to the consolidation.

"Branch offices will be maintained at the following locations:

"Dormont, 2882 West Liberty Avenue; East End, Penn and Highland Avenues; Etna, 435 Butler Street, Etna; Lawrenceville, Butler and 41st Streets; Northside, 524-26 Federal Street; Oakland, Forbes Street and Meyran Avenue; Southside, Carson and South 18th Streets; Squirrel Hill, Forbes Street near Murray Avenue.

"Directors of the new bank are: Charles A. Brooks, Frank F. Brooks, George H. Bucher, Henry Chalfant, Robert L. Clause, Robert C. Downie, K. C. Gardner, W. D. George, Louis H. Gethoefer, Robert B. Heppenstall, J. H. Hillman, Jr., William Larimer Jones, Jr., George M. Laughlin, III, A. J. McFarland, J. O. Miller, Lawrence P. Monahan, Gwilym A. Price, Earl F. Reed, John H. Ricketson, III, A. C. Robinson, Alexander L. Robinson, Willard F. Rockwell, E. W. Smith, Joseph V. Smith and William P. Witherow."

Under the name of the Mellon National Bank & Trust a merger is to be effected of the Mellon National Bank and the Union Trust Co. of Pittsburgh. The plans, approved on July 8 by the directors of the two institutions, will be acted upon by the stockholders on Sept. 16. Special advices from Pittsburgh July 8 to the New York

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Steel Output Slightly Higher—Scrap, Pig Iron and Coke Supply Tight—Prices Steady

Tightness in the supply of scrap, pig iron and coke, basic products in steelmaking, has temporarily blocked any sustained thinking on the matter of steel price increases, according to "The Iron Age," national metalworking paper. "While most steel firms have their ears cocked towards the price debate in Congress and their eyes glued to news dispatches looking for the trend which the price control question will take, there is practically no chance of any major steel price changes in the immediate future," continues the "Age," which further states in its issue of today (July 11) in part as follows:

"When the air is cleared and it becomes definite whether OPA price controls will be resurrected or whether the OPA will have a decent burial then steel firms will begin to take serious action on straightening out the unbalanced price structure under which many steel products are not carrying their economic responsibilities. On the other hand, it is almost certain that no general across-the-board advance in steel prices will be made until the latter part of this year if the entire price controls are permanently eliminated.

"The steel industry and the scrap industry through their respective institutes engaged this week in a mild debate as to who was responsible for the present dearth of scrap. The accusation by an American Iron & Steel Institute official that some brokers and dealers were holding back scrap because higher prices might soon be effective was answered by the Institute of Scrap Iron & Steel which pointed out that the lack of small dealers who were a wartime casualty and the unrealistic attitude of the OPA in handling the scrap situation coupled with strikes at steel consumer plants were the major reasons for the present situation.

"This public argument between the two groups is not a new story since the same general exchanges took place several times during the war. Steel producers have been insisting that new contracts on scrap should be written at the old OPA ceiling price while many scrap brokers have insisted that new contracts should carry a retroactive feature. The amount scrap being held back because of the price confusion is probably not a very large share of the total scrap movement. Many brokers while not obtaining a retroactive clause from steelmakers have nevertheless agreed with their suppliers, the dealers, to accept such a clause.

"More basic than these surface arguments over the scrap supply situation are the facts that: First, large reservoirs of scrap accumulated over the past decade were used up in the war effort; second, manufacturing concerns which furnish scrap as a byproduct have not attained full reconversion production levels; third, thousands of small dealers known as 'scrappies' or 'junkies' have left the scrap collection business for better paying jobs; fourth, war supplies sent abroad represented a definite loss in return scrap; and fifth, the confusion surrounding free markets which have not existed for several years is no different in the scrap and steel trades than it is in other industries.

"Since OPA was eliminated only one increase in prices has occurred in the iron and steel industry. A Southern pig iron producer has raised the price of pig iron $3 a ton, while another Southern maker upped his price $4 a ton, but the latter advance was approved by OPA before June 30. Still another iron producer continues to sell pig iron at the OPA ceiling price and no price action has been taken as yet by Northern pig iron producers. Because of the increase in the South, 'The Iron Age' composite price for pig iron has advanced this week from $26.12 a gross ton to $26.45 a ton."

The American Iron and Steel Institute on July 8 announced that telegraphic reports which it had received indicated that he operating rate of steel companies having 94% of the steel capacity will be 87.8% of capacity for the week beginning July 8, compared with 87.2% one week ago, 76.1% one month ago and 89.0% one year ago. This represents an increase of 0.6 points or 0.7% over the preceding week. The operating rate for the week beginning July 8 is equivalent to 1,547,400 tons of steel ingots and casting, compared to 1,536,800 tons one week ago, 1,341,200 tons one month ago and 1,630,200 tons one year ago.

"Steel" of Cleveland, in its summary of latest news developments in the metalworking industry, on July 8 stated in part as follows:

"Steelmakers continue to operate at the highest rate possible and in some items are making some impression on heavy order backlogs. Structural shapes are being manufactured in an increasing volume and deliveries are being improved somewhat. Production of nails is being enlarged to some degree and in all lines an improvement is seen, though mills are loaded wtih orders to take up all their production for the remainder of the year, except in an occasional instance. Principal handicap to capacity operation is shortage of scrap and pig iron, though the latter is being eased by relighting of additional furnaces each week. Pig iron is being distributed to best advantage possible but is not in sufficient supply yet to meet needs of foundries and steel mills.

"Following the lapse of Office of Price Administration at the end of June steel prices have held steady, a conservative attitude being taken in all directions.

"At the time of the last general increase, about $5 per ton, in February, higher prices had been sought by the industry to meet a succession of increased costs. Since then there have been still further increases as a result of higher fuel costs and freight rates, among other factors. It appears that whatever price adjustments eventually are made they will be moderate and apply mainly to especially high cost items.

"A point of great pressure is in scrap, which is especially scarce but the attitude of the trade last week was to hold the line and prevent any major increases in price until the situation is clarified. Contracts continued to be made and material shipped at the ceiling prices prevailing at the time OPA ceased to function.

"While contracts were actually nullified by termination of OPA control steel producers continue to ship against commitments and to accept orders on the basis of price prevailing at time of shipment. In many lines new business is limited by the fact that mills are sold to the end of the year and have not opened books for next year."

R. E. Johnson Forms Own Investment Co. in Texas

SAN ANTONIO, TEX.—R. E. Johnson is engaging in the securities business from offices at 509 Howard Street under the firm name of R. E. Johnson & Co. Mr. Johnson was previously associated with Rauscher, Pierce & Co., Inc.

From Washington Ahead of The News

(Continued from first page)

that seizure was being recommended.

But it seems that Truman, the much maligned John W. Snyder and Clinton W. Anderson, Secretary of Agriculture, are in agreement that this would open up a Pandora's box, that the CIO, inexperienced in collective bargaining, would come to rely wholly upon this procedure. Furthermore, the Allis-Chalmers people complained that it was utterly impossible for them to get the union leaders to bargain, with the promise of seizure held out to them.

Therefore, Truman deliberately sought to outdo what the Leftist Labor Department had established. At a press conference on June 14, in answer to a question, he said that seizure was not under consideration and that he expected collective bargaining to prevail.

This was a blow to the union leaders' attitude. So two days later, a government official gave an anonymous source story to the Associated Press that seizure was on the way. Again the negotiations were deadlocked.

At nearly every press conference since, Truman has been asked about Allis Chalmers and he has repeatedly said that seizure was not under consideration. Immediately, Department of Labor sources tell the newspapermen, oh yes, it is.

Here is a straight and clear proposition of government subordinates circumventing the announced policy of the President. Presumably, it is their hope that by, in this manner, prolonging the strike, and at the same time stirring up agitation about the need of farm machinery to feed a "hungry world," they may compel Truman to change his mind.

In that event, you will have started something. A dangerous precedent was set in the case of John L. Lewis, of course. Now, it is sought to apply it to the Allis-Chalmers people, whose production is only 50% related to agriculture in the first place, and secondly, their farm implement output constitutes only 20% of the whole.

Collective bargaining will have manifestly broken down. There will be a waive of seizures all over the country.

During the war, the government used seizures in some instances to break a strike, in others to enforce a War Labor Board's decision. In the first instance, the union status quo was maintained. The unions didn't like it at all.

Now the proposition is that the government seize plants to give the union a better contract than it could get from the employer. This seems to be an impossible situation and one which Truman and his advisers are determined not to embark upon.

But instead of his subordinates accepting this attitude in good faith and playing ball with it, they are seeking in every way at their command, to undermine it.

It is a quiet struggle, one behind the scenes. But if it were not for the more headline developments it would be on the front pages, because it has vast implications, as you can readily see.

The Allis-Chalmers people are convinced that once the hope of government seizure is definitely taken away from the strike leaders they will be able to arrive at a bargain, wages not being in dispute any longer. But the Labor Department is seeking to frustrate the President's efforts to remove this hope.

Production Record Overshadowed by Publicity Given to Work Stoppages

Widespread publicity given to work stoppages, production difficulties and commodity shortages during the first four months of this year has overshadowed the impressive flow of goods that actually emanated from the nation's factories, Secretary of Commerce Henry A. Wallace said on June 28. He noted that factory shipments during the four-months period were about 10% higher in physical volume than shipments during the corresponding months of 1941. Shipments, he said, in the first four months of 1946 totaled about $35,000,000,000—40% more in dollar value than shipments in the first four months of 1941 and two-thirds of the peak volume of wartime production a year ago. Part of the dollar value increase in 1946 shipments over the comparable 1941 period resulted from a rise in prices, Mr. Wallace said. He added that the price-increase factor cannot be measured exactly, but a reasonable and fairly satisfactory adjustment can be made by considering that it accounts for about one-fourth of the total dollar value in the 1946 period. This is in line with the Bureau of Labor Statistics report that average wholesale prices increased 25% from the first four months of 1941 to the first four months of this year.

However, Mr. Wallace said that despite the impressive flow of goods from the nation's factories, reconversion is still far from completed and the supply of many finished goods is below normal. The result is a continuous pressure for increased prices. The over-all position of manufacturers' shipments and inventories during the first four months of 1946 as noted by Mr. Wallace were:

"1. All of the decline in inventories during April was in the nondurable goods field and the largest decrease was in food stocks.

"2. Manufacturers' shipments during April reached nearly $10,000,000,000, about three-fourths of the value of shipments a year ago and an increase of $400,000,000 over March, 1946, shipments. Virtually the entire increase was in deliveries by durable goods industries; shipments of nondurable goods industries remained at about the March level.

"3. In the first four months of 1946 deliveries by durable goods industries were about 40% by volume of those made during the same period last year. By dollar value they were about equal to shipments during the first four months of 1941.

"4. In the nondurable goods field, the physical quantity of goods delivered during the first four months of 1946 was one-fourth larger than deliveries for the same period of 1941. In dollar value, nondurable goods shipments during the first four months of 1946 were only slightly below shipments in the same period of 1945 and were two-thirds above those in the same period of 1941."

Parcel Post to Dodecanese

It was made known on June 28 by Postmaster Albert Goldman that ordinary (unregistered and uninsured) parcel post service to the Dodecanese Islands (Rhodes, Cos, Patmos, Lipso, Kalymnos, Leros, Nisyros, Tilos, Karchi, Symi, Astypalaea, Karpathos, Casos and Castelrosso) is resumed subject to the same rates and conditions as are applicable to Greece. Only one parcel may be sent each 2 weeks from the same sender to the same addressee. The weight of each parcel is limited to 11 pounds. The licensing requirements of the Office of International Trade, Department of Commerce, Washington, D. C., are applicable to parcels for delivery in the Dodecanese Islands, said the announcement.

Completes Sixteen Yrs. Of Deficit Spending

The sixteenth successive fiscal year of deficit spending, which ended June 30, witnessed the spending by the Treasury of $64,000,000,000 as against receipts of $43,000,000,000, resulting in a net deficit of some $21,000,000,000 compared with $53,000,000,000 in the previous fiscal year. Expenditures were about a third reduced from the previous year's $100,000,000,000 but receipts were only a little lower than the record $47,000,000,000 taken in the year before. Although spending in the period was somewhat below the estimate given out by President Truman last April, the saving appears to have been the result of a lag in the granting of foreign loans, the amount actually employed for this purpose falling short of the President's $1,614,000,000 estimate by nearly a billion dollars. Associated Press Washington dispatches of June 28, reported this and continued:

Spending on defense, war and war liquidation, and on the "aftermath of war"—veterans, debt interest and tax refunds—also seemed likely to fall below Mr. Truman's guesses of $48,683,000,000 and $11,303,000,000, respectively.

Spending on other Government activities, however, appeared likely to exceed his estimates of $3,004,000,000.

The President's April figures constituted a $6,898,000,000 downward revision of his January forecast of a $28,620,000,000 deficit.

Minimum Wage Bill Action Deferred

Another of President Truman's "must" bills has apparently been put off for action by the present Congress by the refusal on June 26 of the House Rules Committee to clear to the House floor the minimum wage measure urged by the President and passed by the Senate, according to advices to the Associated Press from Washington. The Senate-approved bill would raise the minimum wage requirements from 40 to 65 cents an hour.

Congressional leaders are planning a recess late in July until after the November elections, and Chairman Sabath (D.-Ill.) of the Rules Committee admitted that there was now little likelihood of House action on the bill until after the recess. Several committee members pointed out that to throw the wage bill on the floor at this time would probably open the way for a battle on every piece of labor legislation now pending, all of which could be offered as amendments.

Veto Property Exch. Bill

A bill to authorize the exchange of Federal property for non-Federal property in the Glacier National Park was vetoed on June 29 by President Truman who said, according to Associated Press Washington advices, that he was disapproving the bill because it would transfer from the Attorney General to the Secretary of Interior authority to pass upon the title to the lands. Such authority has been held by the Attorney General for over a hundred years.

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Regular Army Officer Increase Backed by Senate Subcommittee

Doubling of the officer strength of the Regular Army, by the immediate commissioning of 25,000 officers was requested June 27 by General of the Army Dwight D. Eisenhower, and at once approved by a Senate Military Affairs subcommittee. The subcommittee's approval was unanimous and General Eisenhower was assured that every effort would be made to win Congressional approval for the necessary legislation before the approaching recess. Washington advices of June 27 to the New York "Herald Tribune" reporting this also said:

General Eisenhower, in his testimony, told the Committee members that the larger corps would be needed "for the next 25 or 30 years, or until the United Nations becomes a definitely effective force."

General Eisenhower said that as long as American troops occupy Germany and Japan the United States must maintain an army of 1,000,000 men. He said that even with this number the forces for guarding vital bases and for the reserve "had to be stripped."

Once the occupation task is finished the Army might be cut down to 850,000 men, including 50,000 for duty on bases, General Eisenhower estimated. He said this was a personal guess and that he didn't want to guess this early the Army's peace-time needs.

The Army's plan, if the increase is approved, calls for assignment of four-fifths of the new officers to the Air Corps. When the war ended, the Air Forces had only 3,000 regular officers. Nearly half of the recently authorized increase of 9,600 officers were assigned to the Air Corps. With 20,000 of the 25,000 now requested the Air Forces would have 27,500 regular officers. The Ground Forces would have 10,500 and the Service Forces 12,000.

"If some solution is not provided by some such measure as this, we are threatened with a serious shortage of commissioned officers this summer," General Eisenhower warned.

He said the greatest need was in the ranks of Lieutenants and Captains, and that a large portion of the new officers would be commissioned in those grades.

Would Deny Funds to Nations Barring Free News Distribution

The use of funds for the UNRRA would be barred to countries denying American newsmen the right to report freely on the distribution of the relief supplies as a result of an amendment to this end tentatively approved by the House on June 27. The amendment is carried in the $726,571,909 third deficiency appropriation bill in which provision is made for funds of $465,000,000 for the UNRRA. Although directed at all nations imposing such censorship, the amendment, according to its supporters, is aimed chiefly at the existing Russian situation. Reporting this, advices of June 27 from Washington to the Associated Press also said:

Sentiment behind the proposal gained strength after President Truman reported to Congress on Tuesday [June 25] that Moscow had refused to permit uncensored reports from American correspondents to UNRRA operations in the Soviet Republics of Ukraine and Byelorussia (White Russia). Representative Dirksen (R.-Ill.) told reporters in advance of debate on the relief fund that he would offer the amendment to restrict the money to nations giving free access to visiting reporters seeking information on UNRRA activities.

If accepted, it would block UNRRA aid, not only for the Ukranian and Byelorussian Republics, Mr. Dirksen said, but also for Romania and possibly Northern Korea, because of the difficulties which have been raised to unhampered American press coverage of the latter two areas.

"In view of the President's report that other European nations except the two Soviet republics have made arrangement for reporting of UNRRA operations," Rep. Dirksen told reporters, "I think it is only right that Congress refuse to provide any more funds for use in those republics."

While Romania was not mentioned in the President's report, Mr. Dirksen said that an American reporter recently was ejected from that country. How much of the new $465,000,000 fund is earmarked for Ukraine and Byelorussia, Rep. Dirksen said he did not know, nor was the information available from the House Appropriations Committee, which recommended the allotment.

The latest committee figures indicated that up to last April 30 approximately $82,000,000 of UNRRA aid had been given the two Soviet republics, both of which were heavy sufferers throughout the war years. Dirksen and Representative Taber of New York, top Republican on the Appropriations Committee, predicted that the "no news—no cash" amendment would be adopted easily by the House.

Last November, in another UNRRA bill, the House approved a similar amendment by a roll-call vote of 188 to 168, but backed down after the Senate refused to go along.

"Since then," Mr. Dirksen said, "we have had the President's report, which leaves no doubt as to what is going on. I believe we can make the amendment stick this time."

The UNRRA fund was the major controversial item in a $726,571,909 deficiency appropriation bill sent to the House floor yesterday.

Following the action of the House in approving the amendment on June 27 Marshall MacDuffie of New York resigned on July 7 as chief of the United Nations Relief and Rehabilitation Administration's Ukraine mission because, he said, he believes House approval of legislation withholding relief from nations censoring news of UNRRA activities violates "a sound pledge by the United States Government."

Associated Press advices from Washington July 7 reporting this, added:

His letter of resignation, made public today by UNRRA headquarters after it was accepted by Director General F. H. La Guardia, said the United States in December committed $1,350,000,000 for world-wide relief and cannot attach "strings" to present appropriation bills.

He asserted that "breach of faith and broken promises were greatly the cause of this last holocaust" and said he wanted "to be dissociated from any such broken covenant and bartering of relief for political concessions."

Clark & McAdoo Formed

CARLSBAD, N. MEX.—William W. McAdoo and Myron K. Clark have formed Clark & McAdoo with offices at 309 West Mermod Street. Mr. McAdoo was formerly proprietor of W. W. McAdoo & Co. of Carlsbad, and is Vice-President and director of Investment Service Corporation of Denver, Colo.

The State of Trade

(Continued from page 255)

low that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 183,000,000 kwh. in the week ended June 30, 1946, compared with 171,600,000 kwh. for the corresponding week of 1945, or an increase of 6.6%. Local distribution of electricity amounted to 175,000,000 kwh. compared with 169,000,000 kwh. for the corresponding week of last year, an increase of 3.6%.

Railroad Freight Loading—Car loadings of revenue freight for the week ended June 29, 1946, totaled 879,545 cars, the Association of American Railroads announced. This was an increase of 21,108 cars or (2.5%) above the preceding week and 14,402 cars, or 1.6% below the corresponding week for 1945. Compared with the similar period of 1944, a decrease of 17,665 cars, or 2.0%, is shown.

Paper and Paperboard Production—Paper production in the United States for the week ending June 29 was 105.5% of mill capacity, as against 106.2% for the preceding week and 88.8% in the like 1945 week, according to the American Paper & Pulp Association. Paperboard output for the curent week was 98% against 97% in the preceding week and 96% for the corresponding week a year ago.

Business Failures Continue Low—In the holiday-shortened week ending July 4, commercial and industrial failures showed little change, but remained above the 1945 level, Dun & Bradstreet, Inc. reports 13 concerns failing, as compared with 14 in the previous week and 9 in the corresponding week of last year.

All except 2 of the week's failures involved liabilities of $5,000 or more. At 11, these large concerns failing increased sharply from the 7 a week ago and were almost twice as numerous as in the same week of 1945 when only 6 concerns failed in this size group. Small failures with losses under $5,000, on the other hand, fell off to less than a third their number in the preceding week and fell short by 1 of the low of 3, reported last year.

Manufacturing accounted for 11 of the 13 failures occuring during the week. No other trade or industry group had more than one failure and two, construction and commercial service, did not have any failures. The number of manufacturers failing rose in the week just ended to almost six times that recorded in the comparable week of 1945. Except for a decline in both retail trade and construction from last week's level, there were no marked fluctuations in any other trade or industry group.

Two Canadian failures were reported, the same as in the previous week. This represented an increase of only one from that reported in the corresponding week of 1945.

Food Price Index Rises to New 26-Year High—Eclipsing the sharp advance which occurred in the first week of September, 1939, when the war started, the wholesale food price index, compiled by Dun & Bradstreet, Inc., rose 19 cents, or 4.4%, to $4.54 as of July 2. The upsurge, which reflected the removal of price controls from all commodition, brought the current level of the index to the highest point since July 29, 1920, when it stood at $4.57. Compared with last year's figure of $4.11, the gain is equal to 10.5%.

The list of advances during the week included flour, wheat, corn, oats, barley, lard, butter, coffee, cocoa, beans, steers, hogs, sheep, and lambs, while declines occurred in eggs and potatoes. The index represents the sum total of the price per pound of 31 foods in general use.

Wholesale Commodity Price Index—The abrupt termination of the OPA on June 30 left most commodity markets in a state of confusion with many producers and wholesalers withholding quotations until the situation became clearer, states Dun & Bradstreet, Inc. in its current review of the commodity markets. Both buyers and sellers exerted considerable caution in trading and most cash markets came to a virtual halt. Livestock and grains, however, scored substantial advances.

The daily wholesale commodity price index reached new high ground, rising from 200.12 on June 30, it jumped 11 full points to register 211.02 on July 1. A further rise of 6 points brought the July 2 figure to 217.15, the highest since this index was started. Up 9.0% for the week, the latest number reflects a gain of 22.1% as compared with 177.87 a year ago.

Advances in corn, barley, and oats futures were held in check by the 5c daily limit permitted on the Chicago Board of Trade. Cash grains rose sharply, however, with wheat up 8c., corn 71c., and oats 14c., over former ceilings. Livestock markets soared as cattle prices advanced to a new all-time high of $22.50 per hundredweight for top grades. Hogs rose to $3.65 over the old ceiling to reach a top of $18.50 per hundredweight, and sheep went $2.50 higher. The flour market was at a standstill with prices nominally unchanged pending a clearing up of uncertainties. Cocoa futures and cash lard were bid up the daily limit of 100 points without drawing any offerings. The shortage in lard and fats was expected to continue for some time due to the extremely small run of hogs. Coffee prices in producing countries continued to rise following the mark-up of two cents per pound recorded last Friday. Sugar markets remained unchanged with rationing and existing controls continuing as heretofore.

Cotton prices moved upward all through last week and continued to rise following the Presidential veto of the Price Control Act. A net rise of about two cents per pound for the week brought current prices to the highest levels for 23 years. Aside from the removal of all price controls, sustaining factors included prospects for enlarged domestic consumption, strong foreign demand and the small world supply of raw cotton. Leading textile markets held to a withdrawn position pending developments at Washington.

Activity in domestic wools in the Boston market last week continued on a moderate scale as traders awaited the outcome of legislation affecting prices. Lack of spot offerings continued a drawback in foreign wools. Selections in South American markets were poor, and with prices seven to nine cents per pound above domestic wools, U. S. buyers were virtually out of those markets. Australian markets are expected to remain closed until sales are resum[illegible] through auctions some [illegible] in September. During the we[illegible] ended June 21, appraisals of domestic wools for purchase by the CCC amounted to 14,172,171 pounds, bringing the total for the season to date to 93,488,503 pounds, as compared with 107,442,351 in 1945, a loss of 13%.

Retail and Wholesale Trade—Last-minute buying before the Independence Day holiday pushed total retail volume this week slightly above that of the previous week and dollar volume continued to range well above that of the corresponding week a year ago. Many stores publicly announced policies of maintaining prices at former ceiling levels with the ending of the OPA, states Dun & Bradstreet, Inc. in its review of trade.

Total food volume last week remained moderately above that of the corresponding week a year ago. Shortages of meat, butter, flour, and certain canned goods continued to prevail; prices of some of these commodities rose somewhat when the OPA expired. Large quantities of fresh fruit and vegetables in the stores sold well.

Department stores reported consumer buying heavy due to the approaching holiday; no attempt on the part of the public to hoard goods was noted. Demand was particularly strong for resort-wear, cosmetics, and novelty and gift items. Summer clothing was extensively promoted and sold in large quantities. Slightly better selections of men's furnishings were reported available in some sections of the country. Men's straw hats and sport suits moved quickly.

Fabrics of all kinds sold well when available. Consumers sought draperies and rugs. Floor coverings, however, generally were not easily obtained. The volume of selling of household furnishings remained high and stocks of many items were slightly larger than previously. Paints, lumber, and other building materials continued to meet heavy consumer demand. Farm and gardening tools were frequently asked for.

Retail volume for the country for the week ended last Wednesday was estimated to be from 23 to 27% above that of the corresponding week a year ago. Regional percentage increases were: New England 14 to 18, East 28 to 32, Middle West 23 to 27, Northwest 21 to 25, South 22 to 26, Southwest 20 to 24, and Pacific Coast 18 to 22.

Total wholesale dollar volume for the week ended last Wednesday was virtually unchanged from that of the previous week but continued to be moderately above that of the corresponding week a year ago. Reports indicated that better quality goods were appearing in many lines.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended June 29, 1946, increased by 38% above the same period of last year. This compared with an increase of 35% in the preceding week. For the four weeks ended June 29, 1946, sales increased by 37% and for the year to date by 2[illegible].

Retail trade in New York continued to be active the past week. However, a comparison with last year was affected by the variations in store closings for the holiday. Food sales reflected a sharp recession for the week.

As for wholesale markets here, determination of the OPA question, and the protracted July 4 holiday, resulted in one of the dullest weeks in recent years.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to June 29, 1946, increased 43% above the same period last year. This compared with an increase of 38% in the preceding week. For the four weeks ended June 29, 1946, sales rose by 42%, and for the year to date 34%.

Burton, Cluett & Dana To Admit Two Partners

Burton, Cluett & Dana, 129 Broadway, New York City, members of the New York Stock Exchange, will admit John J. McLaughlin and Franklyn Boutelle to partnership as of August 1st. Mr. Boutelle is Manager of the bond department for the firm, with which Mr. McLaughlin has also been associated for a number of years.

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Snyder Reports Treasury Fiscal Year Operations

(Continued from first page)

000 as compared with $10,289,000,000 the year before. Other income taxes amounted to $21,493,000,000 as compared with $24,884,000,000 in 1945. The following table shows the principal items (in millions):

Receipts:	Fiscal Year 1946	Fiscal Year 1945	1946 Increase (+) Decrease (—)
Internal revenue:			
Income tax:			
Withheld by employers (current tax taxment Act of 1943)	$9,392	$10,289	—$897
Other	21,493	24,884	—3,391
Miscellaneous internal revenue	7,725	6,949	+ 776
Social security taxes:			
Employment taxes	1,238	1,310	— 72
Tax on employers of eight or more	180	185	— 5
Taxes upon carriers and their employees	283	285	— 2
Railroad unemployment ins. contributions	13	13	----
Customs	435	355	+ 80
Miscellaneous receipts	3,480	3,470	+ 10
Total receipts	44,239	47,740	—3,501
Deduct:			
Net appropriation to Federal Old-Age and Survivors' Insurance Trust Fund	1,201	1,283	— 82
Net receipts	43,038	46,457	—3,419

Miscellaneous receipts for fiscal year 1946 included proceeds from sales of surplus property under the Act of Oct. 3, 1944, amounting to $501,000,000. Approximately $1,151,000,000 was received on account of renegotiation of war contracts as compared with $2,041,000,000 for fiscal year 1945. Also, there was included in miscellaneous receipts for 1945 an amount of $188,000,000 on account of surplus postal revenue, but no amounts from this source were received in the fiscal year 1946, since a deficiency of $161,000,000 is included in expenditures.

Expenditures have declined substantially since V-E Day. The following table shows comparative expenditures by quarters (in millions):

Period—	Fiscal Year 1945	Fiscal Year 1946	1946 Decrease
July 1-Sept. 30	$24,159	$22,523	$1,636
Oct. 1-Dec. 31	24,267	16,052	8,215
Jan. 1-Mar. 31	25,094	13,003	12,091
Apr. 1-June 30	26,884	13,441	13,443
Total	$100,405	$65,019	$35,386

Although actual hostilities ended 10½ months before the close of the fiscal year 1946, war spending did not stop, such expenditures amounting to $48,542,000,000 for the year compared with the peak of $90,029,000,000 in the previous fiscal year. Liquidation of war is costly. The demobilization of millions of men and their mustering-out pay, and outlays to terminate war contracts, contributed to keep war spending at a high rate. It is interesting to note, however, that expenditures for war activities amounted to more than $7.3 billion in July 1945, the month preceding V-J Day, and have dropped to $2.4 billion for June 1946, the month just ended, and will continue at a declining rate. These figures do not include net war outlays of the Reconstruction Finance Corporation, which amounted to $328,000,000 in the fiscal year 1946.

There were decreases under all major categories of war expenditures, as follows: War Department, $22,547,000,000; Navy Department, $14,886,000,000; Treasury Department, principally for lend-lease purchases, $767,000,000; U. S. Maritime Commission, $2,533,000,000; War Shipping Administration, $675,000,000; and decreases under other miscellaneous categories aggregating $744,000,000. There were offsetting increases in the following items: Payments for United Nations Relief and Rehabilitation Administration $550,000,000; National Housing Agency, $10,000,000; and $106,000,000 for expenses of surplus property disposal agencies, there being no expenditures classified for this item in the fiscal year 1945 under "War activities," such expenditures being included under "General" in that year.

Expenditures classified as "General," including transfers to trust accounts, amounted to $16,477,000,000 an increase of $6,102,000,000 compared with 1945. Of this increase, $4,617,000,000 or about 76% is accounted for by expenditures that are war related and sometimes referred to as "aftermath of war," i. e., interest on the public debt, refunds of taxes and duties, and veterans' benefits (including transfers to the National Service Life Insurance Fund shown under "transfers to trust accounts, etc."). In addition, a substantial amount of general expenditures were made to carry out responsibilities of the postwar period. Chief among these was $500,000,000 paid to the Commodity Credit Corporation to be used for postwar price support of agriculture; $674,000,000 for subscription to capital stock of the Export-Import Bank; and $159,000,000 for subscription to the International Bank for Reconstruction and Development. The remaining categories of other general expenditures showed a net increase of only $152,000,000, due to the receipt in 1946 of repayments of $165,000,000 capital and surplus from the Federal Land Banks and the Federal Farm Mortgage Corporation, as compared with $63,000,000 in 1945, and the fact that no provision was made for payments in 1946 to restore the capital impairment of the Commodity Credit Corporation, whereas in 1945 there was an expenditure of $257,000,000 for this purpose.

The following table shows the principal items of expenditure (in millions):

Classification—	Fiscal Year 1946	Fiscal Year 1945	1946 Increase (+) Decrease (—)
War and defense activities:			
War Department	$27,852	$50,399	—$22,547
Navy Department	15,161	30,047	— 14,886
All other	5,529	9,583	— 4,054
Subtotal	48,542	90,029	— 41,487
General expenditures:			
Interest on the public debt	4,722	3,617	+ 1,105
Refund of taxes	3,034	1,715	+ 1,319
*Veterans	4,253	2,060	+ 2,193
Agriculture Department	396	683	— 287
Postwar price support of agriculture	500	----	+ 500
Export-Import Bank	674	----	+ 674
International Bank	159	----	+ 159
Federal Security Agency	624	549	+ 75
Federal Works Agency	122	100	+ 22
Reclamation projects	61	50	+ 11
River and harbor work and flood control	168	142	+ 26
National Housing Agency	40	12	+ 28
Postal deficiency	161	1	+ 160
Government employees' retirement funds	247	197	+ 50
Railroad Retirement Board	307	329	— 17
All other	1,009	926	+ 83
Subtotal	16,477	10,375	+ 6,102
Total expenditures	65,019	100,405	—$35,386

*Includes National Service Life Insurance Fund and Adjusted Service Certificate Fund classified in daily treasury statements as "transfers to trust accounts, etc."

Public Debt

The gross public debt amounted to $269,422,000,000 on June 30, 1946, as compared with $258,682,000,000 at the close of last year, an increase of $10,740,000,000. This increase is accounted for by a deficit of $21,981,000,000, a decrease in the general fund balance of $10,460,000,000, and an excess of receipts in trust accounts, etc., amounting to $781,000,000.

Of the increase in the public debt during the fiscal year 1946, $8,234,000,000 was represented by interest-bearing public issues, and $3,520,000,000 by interest-bearing special issues to trust accounts administered by the Treasury; these increases being offset by a net decrease of $1,014,000,000 in matured debt on which interest has ceased, and non-interest bearing debt, the latter item decreasing $970,000,000 on account of excess profits tax refund bonds.

Of the public issues, marketable obligations increased $8,287,000,000, as follows; Outstanding Treasury bonds increased $12,875,000,000; certificates of indebtedness increased $668,000,000, while Treasury notes and other marketable securities decreased $5,254,000,000.

There was a net decrease of $53,000,000 in non-marketable obligations. In the non-marketable group, outstanding United States Savings Bonds increased $3,449,000,000, while Treasury savings notes and Depositary bonds decreased $3,425,000,000, and $78,000,000, respectively.

The following statement shows the public debt on June 30, 1945, and June 30, 1946, classified by types of issues:

STATEMENT OF THE OUTSTANDING PUBLIC DEBT ON JUNE 30, 1945, AND JUNE 30, 1946 (IN MILLIONS OF DOLLARS)

Issues—	June 30, 1945	June 30, 1946	Change During Fiscal Year 1946
Public issues (interest bearing):			
Marketable obligations:			
Treasury bills	$17,041	$17,039	— $2
Certificates of indebtedness	34,136	34,804	+ 668
Treasury notes	23,497	18,261	— 5,236
Treasury bonds	106,448	119,323	+ 12,875
Postal savings and other bonds	196	180	— 16
Total marketable obligations	181,319	189,606	+ 8,287
Nonmarketable obligations:			
Treasury savings notes	10,136	6,711	— 3,425
United States savings bonds	45,586	49,035	+ 3,449
Depositary bonds	505	427	— 78
Total nonmarketable obligations	56,226	56,173	— 53
Total public issues	237,545	245,779	+ 8,234
Special issues (interest-bearing):			
Retirement accounts:			
Alaska Railroad retirement fund	2	2	----
Canal Zone retirement fund	10	11	— 1
Civil Service retirement fund	1,848	2,155	+ 307
Foreign Service retirement fund	8	9	+ 1
Railroad Retirement account	501	657	+ 156
Special funds:			
Adjusted service certificate fund	15	13	— 2
Federal old-age and survivors ins. trust fund	5,308	5,910	+ 602
Government life insurance fund	588	684	+ 96
National service life insurance fund	3,187	5,240	+ 2,053
Unemployment trust fund	6,747	6,699	— 48
Investment accounts:			
Canal Zone postal savings system	4	4	----
Federal Deposit Insurance Corporation	97	120	+ 23
Federal Savings and Loan Insurance Corp.	37	49	+ 12
Postal savings system	461	779	+ 318
Total special issues	18,812	22,332	+ 3,520
Matured debt on which interest has ceased	269	376	+ 107
Debt bearing no interest:			
Excess profits tax refund bonds	1,028	58	— 970
Other	1,029	877	— 152
Grand total	258,682	269,422	+ 10,740

NOTE—Figures are rounded to the nearest million and do not necessarily add to totals shown.

The direct debt reached its peak on Feb. 28, 1946, when it amounted to $279,214,000,000. Due to prompt cancellation of war contracts, speedy demobilization of the armed forces, and curtailment of war emergency agencies, combined with other factors which improved the budgetary outlook, a substantial part of the money raised during the Victory Loan was not required to finance Government expenditures. Consequently, since the end of February a substantial debt reduction program has been under way. About $10,243,000,000 of maturing and called marketable issues have been paid off (exclusive of the $2 billion pay-off of the Treasury notes maturing July 1 which was announced on June 14, 1946). To the extent that the maturing obligations were not paid off, they were refunded into ⅞% one-year certificates of indebtedness. Other public debt transactions which have taken place during the fiscal year have resulted in a further net reduction in the debt. The following table shows the securities which have been paid off and the extent to which they have been refunded into ⅞% certificates of indebtedness:

Date of Refunding or Redemption	Description of Security	Amt. of Maturing Issue	Cash Amt.	Cash %	Exchange Amt.	Exchange %	Exchange For
			Method of Retirement (Dollar Figures are in Millions)				
3- 1-46	⅞% ctf.	$4,147	$1,014	24.5	$3,133	75.5	⅞% ctf.
3-15-46	1% note	1,291	1,291	100.0	*	---	------
3-15-46	3¾% bond	489	489	100.0	*	---	------
4- 1-46	⅞% ctf.	4,811	1,991	41.4	2,820	58.6	⅞% ctf.
5- 1-46	⅞% ctf.	1,579	1,579	100.0	*	---	------
6- 1-46	⅞% ctf.	4,799	2,024	42.2	2,275	57.8	⅞% ctf.
6-15-46	3% bond	1,036	1,036	100.0	*	---	------
6-15-46	3⅛% bond	819	819	100.0	*	---	------
Total		$18,971	$10,243	54.0	$8,728	46.0	

*No exchange offered.

Of the $18,971,000,000 marketable debt maturing or called for payment from March 1 through June 15, commercial banks reporting in the Treasury Survey of Ownership of United States Government Securities held about 50% another 18% was held by Federal Reserve Banks; and 32% by non-bank investors and nonreporting banks. The following table shows the ownership distribution of the matured and called issues according to the latest reports received in the Treasury Survey of Ownership prior to the date of payment in each case.

(In Millions of Dollars)

Maturity or Call Date	Security—	Total Amount Outstanding	Reported Ownership: Commercial Banks	Federal Reserve Banks	Other Investors	*Date of Reports	% of Issue Paid Off
Mar 1	⅞% ctfs.	$4,147	$2,544	$953	$650	Feb 28	24.5
Mar 15	1% note	1,291	1,007	74	209	Feb 28	100.0
Mar 15	3¾% bond	489	213	44	232	Feb 28	100.0
Apr 1	⅞% ctfs.	4,811	2,459	1,318	1,034	Mar 31	41.4
May 1	⅞% ctfs.	1,579	964	362	253	Apr 30	100.0
Jun 1	⅞% ctfs.	4,799	1,356	580	2,863	Apr 30	42.2
Jun 15	3% bond	1,036	526	100	410	Apr 30	100.0
Jun 15	3⅛% bond	819	424	48	346	Apr 30	100,0
	Total	$18,971	$9,493	$3,479	$5,997		54.0

*Treasury survey of the ownership of securities issued or guaranteed by the United States.

NOTE—Figures are rounded to nearest million and will not necessarily add to totals.

Average Interest Rate

Interest payments on the public debt during the fiscal year 1946 amounted to $4,722,000,000, an all-time high, which is $1,105,000,000 more than was paid in 1945. The average interest rate on the interest-bearing debt increased from 1.936% on June 30, 1945, to 1.996% on June 30, 1946. This increase in the general average was due to several factors, one of which was the retirement of $6,608,000,000 of ⅞% certificates of indebtedness since the end of February. Special issues, which carried an average interest rate on June 30, 1946 of 2.448%, or about ½% above the general average were increased during the year by $3,520,000,000. The following table shows the trend of average interest rates for the various types of interest-bearing securities, as well as the general average:

End of Month—	Marketable: Bonds	Marketable: Notes	Marketable: Ctfs.	Marketable: *Bills	Nonmarketable: Savings Bonds	Nonmarketable: Tax and Savings Notes	Nonmarketable: Other	Special Issues	Gen. Avge.
1945									
June	2.315	1.204	.875	.381	2.789	1.076	2.0	2.436	1.936
July	2.314	1.204	.875	.381	2.789	1.076	2.0	2.463	1.943
Aug.	2.314	1.204	.875	.381	2.788	1.076	2.0	2.459	1.945
Sept.	2.309	1.204	.875	.381	2.788	1.070	2.0	2.455	1.943
Oct.	2.309	1.204	.875	.381	2.787	1.070	2.0	2.460	1.945
Nov.	2.312	1.204	.875	.380	2.787	1.070	2.0	2.459	1.950
Dec.	2.323	1.215	.875	.381	2.786	1.070	2.0	2.480	1.965
1946									
Jan.	2.324	1.270	.875	.381	2.784	1.070	2.0	2.494	1.970
Feb.	2.325	1.270	.875	.381	2.783	1.070	2.0	2.498	1.972
Mar.	2.319	1.289	.875	.381	2.781	1.070	2.0	2.493	1.979
Apr.	2.319	1.289	.875	.381	2.780	1.070	2.0	2.498	1.989
May	2.319	1.289	.875	.381	2.778	1.070	2.0	2.499	1.996
June	2.307	1.289	.875	.381	2.777	1.070	2.0	2.448	1.996

*Computed on true discount basis.

United States Savings Bonds

While sales of savings bonds decreased and redemptions increased in the fiscal year 1946 compared with the previous year, sales (including accrued discount) exceeded redemptions by $3,467,000,000. Sales have held up remarkably well, notwithstanding the termination of the war loan drives, averaging better than $650,000,000 a month since January 1946. Redemptions contrary to the fears of many have not been unreasonable. They reached their high point in March 1946, when redemptions of all series of savings bonds amounted to about $634,000,000, followed by $621,000,000 in April, $552,000,000 in May, and $519,000,000 in June. Possibly an even better gauge is a comparison of redemptions with amounts outstanding. Redemptions of Series E Bonds stated as a

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percentage of the amount of E Bonds outstanding amounted to 1.45% in June 1946, and were lower on this basis than in any month since July 1945.

The redemption of savings bonds should be viewed in the light of the fact that these bonds are non-transferable and are redeemable at any time after fixed periods (60 days for Series E Bonds) from date of issue. These features were especially incorporated in the bonds to adapt them primarily for the investment of savings of individuals of limited means and so that they could be readily redeemed to meet emergencies without loss of principal. The following tables show (a) sales and redemptions of Series E, F, and G savings bonds for the fiscal years 1941 to 1946 and for each month of the current fiscal year, and (b) a monthly comparison of sales and redemptions of all series of savings bonds for the fiscal years 1945 and 1946:

SALES AND REDEMPTIONS OF SERIES E, F AND G SAVINGS BONDS
(In Millions)
(Sales include accrued discount; redemptions at current redemption value)

Period—	Series E		Series F		Series G	
	Sales	Redemptions	Sales	Redemptions	Sales	Redemptions
Fiscal year:						
1941	$203	*	$67	*	$395	$1
1942	3,528	$60	435	$3	2,032	12
1943	8,304	689	760	17	2,759	55
1944	11,938	2,100	811	58	2,875	134
1945	11,818	3,846	698	89	2,658	220
1946	7,173	5,912	440	149	2,465	348
Month:						
1945—						
July	1,069	375	51	8	215	22
August	599	485	23	8	107	22
September	451	487	20	8	76	20
October	537	562	10	10	107	23
November	893	474	56	10	265	26
December	953	490	86	13	262	31
1946—						
January	685	541	44	14	278	33
February	400	492	32	15	225	30
March	407	550	30	16	228	37
April	424	546	32	13	250	31
May	381	469	27	17	225	37
June	373	439	28	16	226	36

*Less than $500,000.

Economic Concentration And World War II

(Continued from first page)

ness concerns in obtaining subcontracts; in the construction of great new war facilities which often merely duplicated the unused plants of small business; in the holding back of civilian production by small firms until the big firms had completed their war contracts and were in a position to resume civilian peacetime operations; in certain surplus property disposal policies; and in many other ways.

Our general impressions concerning this increase of business concentration have now been confirmed, far beyond our worst fears, by the statistical evidence presented in this report.

Distribution of War Contracts

The key to the great increase in concentration which took place during the war was the distribution of war contracts. Two-thirds of the value of the prime contracts awarded during 1940-1944 went to the top 100 corporations. The top 10 corporations received no less than 30% of the awards. Furthermore, only a relatively small proportion of these awards were subcontracted out to small firms.

A high degree of concentration also prevailed in the other aspects of war production. Thus the hundred top corporations consumed 45% of the carbon steel, 70% of the alloy steel, 81% of the aluminum, 79% of the copper, and 66% of the copper-base alloy; they operated 75% of the Government-owned war-built facilities, and built 51% of the privately-financed war facilities.

As a result of this centralization of war production, the relative importance of big business grew rapidly. Large firms employing more than 500 workers increased their share of manufacturing employment from 48% of the total in 1939 to 62% in 1944. Most of this increase took place in the very largest concerns—those employing more than 10,000 workers—which increased their share of manufacturing employment from 13% of the total in 1939 to fully 30% in 1944.

This increase in concentration is by no means a temporary matter. Rather, the report points out a number of reasons for assuming that big business will retain most of its wartime gains. In the first place, the big corporations greatly increased their productive capacity. Before the war, the gross value of our manufacturing plants amounted to approximately $40 billion. During the war, some $26 billion of new facilities were added, of which some $20 billion is considered in the report to be usable for peacetime production. Most of these increased facilities were owned or operated by big business. The report points out that if the 250 largest manufacturing corporations were to acquire the usable government-owned facilities which they operated, they would have approximately as much facilities as the entire economy had before the war, or two-thirds of the nation's entire manufacturing capacity.

Financial Concentration

But economic concentration does not end with the giant corporations, since on top of them are a handful of immensely strong financial interest groups. Thirty-one of the nation's 250 largest manufacturing corporations are controlled by five of these interest groups, namely, Morgan-First National, Mellon, Rockefeller, du Pont, and the Cleveland group. If these 31 corporations were to acquire the usable Government-owned facilities which they operated during the war, they would hold about half as much facilities as the entire economy had before the war, or 30% of the Nation's manufacturing facilities. That is economic concentration carried almost to the ultimate.

In addition to facilities, big business obtained most of the fruits of the scientific research carried on during the war, which, it should be pointed out, was conducted largely at Government expense. Some 68 corporations received no less than 66% of the Federal funds awarded to private industrial firms for scientific research.

It should be obvious that these corporations will have the first crack at putting into effect the peacetime applications of this research. And further than this, the contracts under which most of this research was conducted generally gave to the private corporations the patent rights on the peacetime applications, the Government receiving only a royalty-free license for its own use.

Furthermore, the financial position of the big corporations, and thus their general economic strength, was greatly improved during the war. The 63 largest manufacturing corporations now hold nearly $10 billions of net working capital, and a large part of their current assets is in liquid form. With this capital, these few corporations could purchase the assets of 94% of the total number of all manufacturing corporations in the United States.

Mergers

Actually, big business is now actively engaged in buying up small independent firms. In the last year, the trend of mergers in manufacturing has shot almost straight up and now resembles the sharp upward sweep which took place at the end of the first World War. Merger activity is particularly intensive in the fields of iron and machinery, drugs and pharmaceuticals, liquors, foods, and textiles.

As the Report states, "The trend of mergers and acquisitions is a symptom in peacetime of growing concentration of economic power. The fact that big business is now actively engaged in buying up small companies strongly suggests that it will probably follow other courses of action designed to increase its economic power."

Concentration a Forerunner of Collectivism

What is the real meaning of this increase in concentration? In my opinion, it lies basically in the fact that concentration is the forerunner of collectivism. It is a fact that every industrialized nation which has become highly concentrated has succumbed to one form or another of collectivism. What right have we to assume that we can automatically escape this historical trend?

We have just waged a terrible war and sacrificed the lives of our youth in order to prevent collectivism from being imposed on us from without. Are we now to permit it to develop from within?

Are we preventing collectivism when 250 giant corporations hold two-thirds of the Nation's productive capacity; when corporations controlled by five financial interest groups hold nearly one-third of our capacity; when 2% of the concerns account for 62% of the total manufacturing employment; and when big corporations are granted the patent rights on the fruits of scientific research conducted at the taxpayers' expense?

Anti-Trust Action Urged

The situation is one which demands action. And the opportunity for that action is now at hand. The one agency of the Government which is really attempting to hold this increase in concentration is the Anti-Trust Division of the Department of Justice. In fact, the anti-trust laws are the only means at our disposal of holding in check the forces of monopoly. They are the last bulwark of the people against a collectivism which, as the figures in the Report indicate, is now almost upon us.

The House of Representatives has passed an appropriation for the Anti-Trust Division of $1,700,000, or $200,000 less than last year's appropriation. Frankly, I am at a loss to understand the logic behind such a cut. It will be recalled that last year, as in all the war years, important anti-trust suits were withheld, at the request of the War and Navy Departments. The excuse given was that such suits might, in some way, affect war production. But now that this excuse no longer exists, is the Congress to cripple the Division in still another way by the simple expedient of not granting it an adequate appropriation?

As a first and modest step of demonstrating our real concern and anxiety over this problem, the Senate should insist that the appropriation for the Anti-Trust Division be made the equivalent of the cost of fighting the war for one hour—just one hour! Such an appropriation would amount to $7,000,000. That is indeed a small price to pay for the prevention of collectivism and the maintenance of freedom and opportunity in our economic world.

If we believe that our system of free enterprise should be preserved, if we believe that the American economy should be the expression of a free society, then we cannot stand idly by and watch the march of monopoly to power. We cannot risk the consequences—for in this struggle, if we are "too little and too late," there will be no second chance.

Truman and Byrnes Urge British Loan

(Continued from first page)

sidered the British Financial Agreement which is now before the House.

The British Financial Agreement is an integral part of the international economic policy of the United States. Without this Agreement it will be difficult, if not impossible, to proceed with the United Nations program for international economic cooperation. This program has had the wholehearted approval of Congress. It is the one way we can avoid the danger of a conflict in economic policy between the United States and the United Kingdom. Such a conflict would be disastrous to the economic well-being of both countries and to the peace and security of the entire world.

On such matters of international policy there must be no partisan division between Americans. Your Committee has shown the highest degree of statesmanship in its hearings and report on the British Financial Agreement. The splendid example you have set will be an inspiration to all of us.

Very sincerely yours,
/s/ HARRY TRUMAN.

Honorable Brent Spence,
Chairman
Committee on Banking and Currency
The House of Representatives
Washington 25, D. C.

Byrnes' Message

Secretary Byrnes' cable to the State Department, from Paris, dated July 1, 1946, read as follows:

The foundations of peace can never be secure if they rest exclusively on a political base.

If nations continue to wage economic warfare through discriminatory trade practices and through formation of economic blocs, international trade will languish, the standard of living will decline, irritations will develop, and there will be no peace.

Here in Paris it is more apparent to me than ever that a prompt return to normal healthy trade between nations is essential if we are to lay the foundations for permanent peace and prosperity.

The British financial agreement should prove a powerful instrument to this end. It will dissolve a whole vast system of trade controls and discriminations arising out of the economic dislocations of the war.

Without the agreement, this system, so destructive of free enterprise and of friendly relations between nations, is almost certain to continue for many years to come.

We cannot solve all our problems at once.

The British loan is the first essential economic step toward peace and security. If we permit ourselves to be sidetracked by other problems, if we attempt to hinge our assistance to Britain on other considerations, there is a good chance that our efforts to secure world trade expansion may fail.

I do hope that the Congress will recognize the stakes that are involved and that it will promptly approve the financial agreement with the United Kingdom.

McElroy Dir. of Reserve Branch in Cincinnati

Appointment of Neil H. McElroy, Vice-President and director of the Procter & Gamble Co. of Cincinnati, to the board of directors of the Cincinnati Branch of the Federal Reserve Bank of Cleveland was announced on June 28 by President Ray M. Gidney of the Federal Reserve Bank. Mr. McElroy was chosen by directors of the Cleveland Federal Reserve to fill the unexpired term of Frederick V. Geier, President of the Cincinnati Milling Machine Co., who was reappointed last January 1 for a three-year term on the Cincinnati board. Mr. Geier submitted his resignation as director due to the pressure of other business. Mr. McElroy entered the employ of Procter & Gamble in 1925 after his graduation from Harvard University. He was Manager of the promotion department in 1929, Manager of advertising and promotion in 1940 and, in 1943, was elected to the board of directors and appointed Vice-President in charge of advertising and promotion. He is regional Vice-President of the Associated Harvard Clubs, member of the executive committee of the Cincinnati Summer Opera Association, President of the Citizens Planning Association of Cincinnati, etc.

Mail to Philippines

Postmaster Albert Goldman announced on June 28 that effective July 4, when the Philippine Island became a separate and independent country, articles in the regular mails to the Philippine Islands will be subject to the rates and conditions applicable to foreign countries generally. For example, the rate for letters, including packages containing merchandise prepaid at the letter rate, will be 5 cents for the first ounce and 3 cents for each additional ounce; post cards, 3 cents each single card and 6 cents for a reply-paid card. Postmaster Goldman added:

"It is to be noted specially that publications entered as second-class matter, when addressed to the Philippine Islands, will be subject to the international printed matter rate and that small packets for delivery in the Philippine Islands will be accepted at the risk of the senders.

"Also, the registry fee and limit of indemnity applicable to registered articles mailed to the Philippine Islands will be the same as to foreign countries generally, as provided by the Universal Postal Union Convention. The maximum indemnity for loss (total loss, is envelope or wrapper and total contents) of registered articles mailed to the Philippine Islands wil be $16.33. The registry fee will be 20 cents per article.

"Articles will not be accepted for special delivery in the Philippine Islands.

"Letters in their usual and ordinary form may be accepted for registration, but subject to the registry fee and indemnity above mentioned, when addressed for delivery at Manila or at any provincial capital in the Philippine Islands. Other registered articles in the regular mails are restricted to those addressed for delivery in Manila only.

"Until further notice, there will be no change in the money order service to and from the Philippine Islands, which at present is restricted to Manila."

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Gross and Net Earnings of United States Railroads for the Month of March

In comparison with the corresponding month of 1945, the railroad earnings for the month of March showed marked decreases in both gross and net groupings. The gross earnings are the highest, whereas in contrast the net earnings are by far the lowest of the current year.

The gross earnings for March were $646,099,474 as compared with $812,918,455 for the same month in 1945. This represents a decrease of 20.52%. The net earnings of $18,209,342 were $250,120,535 less than in March 1945 and equivalent to a decrease of 93.21%. Operating expenses were up $83,301,554 or 15.30%. A comparison of the gross and net earnngis of March, 1946 with the same month in 1945 for the whole country follows:

Month of March—	1946	1945		Incr. (+) or Decr. (—) Amount	%
Mileage of 131 roads	227,794	228,288	—	494	— 0.22
Gross earnings	$646,099,474	$812,918,455	—	$166,818,981	—20.52
Operating expenses	627,890,132	544,588,578	+	83,301,554	+15.30
Ratio of expenses to earns.	(97.18)	(66.99)			
Net earnings	$18,209,342	$268,329,877	—	$250,120,535	—93.21

Next, we break these totals down into geographical subdivisions, and it is noted that all the districts and regions once again showed decreases in both gross and net categories. The most substantial decrease in gross earnings in both amount and percentage was recorded by the Central Western region. This decrease of 28.43% was just slightly greater than the decrease of 28.06% registered by the Southwestern region. The Pocahontas region showed the smallest decrease, one of 5.90%. In the net classification three regions—namely Great Lakes, Central Eastern, and Northwestern—showed deficits in March of the current year. The largest decrease of 117.41% was registered by the Northwestern region, and the Central Eastern and Great Lakes regions were second and third with decreases of 105.81% and 103.34% respectively. Once again the Pocahontas region showed the smallest decrease, one of 44.14%. A complete breakdown of mileage, and gross and net earnings into geographical subdivisions is presented in the following tabulation. An explanation of the grouping is appended to the table.

SUMMARY BY GROUPS—MONTH OF MARCH

District and Region	Gross Earnings 1946 $	1945 $	Inc. (+) or Dec. (—) $	%
Eastern District—				
New England region (10 roads)	25,113,281	30,099,475	— 4,986,194	—16.57
Great Lakes region (23 roads)	103,946,269	129,255,142	— 25,308,873	—19.58
Central Eastern region (18 roads)	128,216,455	159,805,633	— 31,589,178	—19.77
Total (51 roads)	257,276,005	319,160,250	— 61,884,245	—19.39
Southern District—				
Southern region (26 roads)	96,869,669	118,551,375	— 21,681,706	—18.29
Pocahontas region (4 roads)	35,230,574	37,441,106	— 2,210,532	— 5.90
Total (30 roads)	132,100,243	155,992,481	— 23,892,238	—15.32
Western District—				
Northwestern region (16 roads)	66,650,718	72,572,337	— 5,921,619	— 8.16
Central Western region (14 roads)	135,476,794	189,303,705	— 53,826,911	—28.43
Southwestern region (20 roads)	54,595,714	75,889,682	— 21,293,968	—28.06
Total (50 roads)	256,723,226	337,765,724	— 81,042,498	—23.99
Total all districts (131 roads)	646,099,474	812,918,455	—166,818,981	—20.52

District and Region—	Mileage 1946	Mileage 1945	Net Earnings 1946 $	1945 $		Inc. (+) or Dec. (—) $	%
Eastern District—							
New England region	6,538	6,563	823,873	9,636,545	—	8,812,672	— 91.45
Great Lakes region	25,551	25,562	*1,199,588	35,956,057	—	37,155,645	—103.34
Central East. region	23,881	23,881	*2,566,600	44,200,730	—	46,767,330	—105.81
Total	55,970	56,006	*2,942,315	89,793,332	—	92,735,647	—103.28
Southern District—							
Southern region	37,259	37,323	6,182,150	44,546,298	—	38,364,148	— 86.12
Pocahontas region	6,024	6,004	8,003,222	14,327,386	—	6,324,164	— 44.14
Total	43,283	43,327	14,185,372	58,873,684	—	44,688,312	— 75.91
Western District—							
Northwestern region	45,538	45,668	*2,910,829	16,716,069	—	19,626,898	—117.41
Cent. Western region	54,528	54,686	5,825,750	71,116,999	—	65,291,249	— 91.81
Southwestern region	28,475	28,601	4,051,364	31,829,793	—	27,778,429	— 87.27
Total	128,541	128,955	6,966,285	119,662,861	—	112,696,576	— 94.18
Total all districts	227,794	228,288	18,209,342	268,329,877	—	250,120,535	— 93.21

*Deficit.

NOTE—Our grouping of the roads conforms to the classification of the Interstate Commerce Commission, and the following indicates the confines of the different groups and regions:

EASTERN DISTRICT

New England Region—Comprises the New England States.

Great Lakes Region—Comprises the section on the Canadian boundary between New England and the westerly shore of Lake Michigan to Chicago, and north of a line from Chicago via Pittsburgh to New York.

Central Eastern Region—Comprises the section south of the Great Lakes Region east of a line from Chicago through Peoria to St. Louis and the Mississippi River to the mouth of the Ohio River, and north of the Ohio River to Parkersburg, W. Va., and a line thence to the southwestern corner of Maryland and by the Potomac River to its mouth.

SOUTHERN DISTRICT

Southern Region—Comprises the section east of the Mississippi River and south of the Ohio River to a point near Kenova, W. Va., and a line thence following the eastern boundary of Kentucky and the southern boundary of Virginia to the Atlantic.

Pocahontas Region—Comprises the section north of the southern boundary of Virginia, east of Kentucky and the Ohio River north to Parkersburg, W. Va., and south of a line from Parkersburg to the southwestern corner of Maryland and thence by the Potomac River to its mouth.

WESTERN DISTRICT

Northwestern Region—Comprises the section adjoining Canada lying west of the Great Lakes Region, north of a line from Chicago to Omaha and thence to Portland, and by the Columbia River to the Pacific.

Central Western Region—Comprises the section south of the Northwestern Region west of a line from Chicago to Peoria and thence to St. Louis, and north of a line from St. Louis to Kansas City and thence to El Paso and by the Mexican boundary to the Pacific.

Southwestern Region—Comprises the section lying between the Mississippi River south of St. Louis and a line from St. Louis to Kansas City and thence to El Paso, and by the Rio Grande to the Gulf of Mexico.

In the table which follows we furnish our customary summary of the March comparisons in the gross and net earnings of the railroads from the current year back to and including 1909:

Month of March	Gross Earnings Year Given	Year Preceding	Inc. (+) or Dec. (—)	%	Mileage Year Given	Year Preced'g
1909	$205,700,013	$183,509,935	+$22,190,078	+12.09	223,563	220,421
1910	238,725,772	205,838,332	+ 32,887,440	+15.98	230,263	226,965
1911	227,564,915	238,829,705	— 11,264,790	— 4.72	237,735	234,258
1912	237,564,332	224,608,654	+ 12,955,678	+ 5.77	238,218	234,692
1913	249,230,551	238,634,712	+ 10,595,839	+ 4.44	240,510	237,295
1914	250,174,257	249,514,091	+ 660,166	+ 0.26	245,200	243,184
1915	238,157,881	253,352,099	— 15,194,218	— 6.00	246,848	243,598
1916	296,830,406	238,098,843	+ 58,731,563	+24.67	247,363	246,548
1917	321,317,560	294,068,345	+ 27,249,215	+ 9.27	248,185	247,317
1918	362,761,238	312,276,881	+ 50,484,357	+16.17	230,336	228,835
1919	375,772,750	365,096,335	+ 10,676,415	+ 2.92	226,086	225,631
1920	408,582,467	347,090,277	+ 61,492,190	+17.72	213,434	212,770
1921	456,978,940	458,462,330	— 1,483,390	— 0.32	234,832	233,389
1922	473,433,886	457,374,460	+ 16,059,426	+ 3.51	234,986	234,202
1923	533,553,199	473,747,009	+ 59,806,190	+12.62	235,424	235,470
1924	504,016,114	534,644,454	— 30,628,340	— 5.73	235,715	236,520
1925	485,498,143	504,362,976	— 18,864,833	— 3.74	236,559	236,048
1926	528,905.183	485,236,559	+ 43,668,624	+ 9.00	236,774	236,500
1927	529,899,898	529,467,282	+ 432,616	+ 0.08	237,804	236,948
1928	504,233,099	530,643,758	— 26,410,659	— 4.98	239,649	238,729
1929	516,134,027	505,249,550	+ 10,884,477	+ 2.15	241,115	240,427
1930	452,024,463	516,620,259	— 64,595,796	—12.50	242,325	241,964
1931	375,588,844	452,261,696	— 76,672,852	—16.95	242,566	242,421
1932	289,633,741	375,617,147	— 85,983,406	—22.89	241,996	241,974
1933	219,857,606	288,880,547	— 69,022,941	—23.89	240,911	241,489
1934	292,775,785	217,773,265	+ 75,002,520	+34.44	239,228	241,194
1935	280,492,018	292,798,746	— 12,306,728	— 4.20	238,011	239,246
1936	307,833,663	280,484,056	+ 27,349,607	+ 9.75	237,054	238,226
1937	377,085,227	307,749,980	+ 69,335,247	+22.53	236,158	236,607
1938	282,571,467	376,997,755	— 94,426,288	—25.04	234,828	235,829
1939	314,460,087	282,514,278	— 31,945,809	—11.31	233,659	234,761
1940	326,243,592	314,460,087	+ 11,783,505	+ 3.75	232,976	233,617
1941	415,525,798	326,366,143	+ 89,159,655	+27.31	232,300	233,020
1942	540,299,056	415,525,798	+124,773,258	+30.03	231,575	232,297
1943	756,250,563	540,300,226	+215,950,337	+39.97	229,525	231,555
1944	797,029,214	756,195,714	+ 40,833,500	+ 5.40	228,746	229,219
1945	813,327,614	797,029,215	+ 16,298,399	+ 2.04	228,530	228,811
1946	646,099,474	812,918,455	—166,818,981	—20.52	227,794	228,288

Month of March	Net Earnings Year Given	Year Preceding	Increase (+) or Decrease (—)	%
1909	$69,613,713	$55,309,871	+$14,303,842	+25.86
1910	78,322,811	69,658,705	+ 8,664,106	+12.44
1911	69,209,357	78,357,486	— 9,048,129	—11.67
1912	69,038,987	68,190,493	+ 848,494	+ 1.24
1913	64,893,146	69,168,291	— 4,275,145	— 6.18
1914	67,993,951	64,889,423	+ 3,104,528	+ 4.78
1915	68,452,432	67,452,082	+ 1,000,350	+ 1.48
1916	97,771,590	68,392,963	+ 29,378,627	+42.96
1917	88,807,466	96,718,706	— 7,911,240	— 8.18
1918	82,561,336	87,309,806	— 4,748,470	— 5.44
1919	29,596,482	82,011,451	— 52,414,969	—63.91
1920	40,872,775	27,202,867	+ 13,669,908	+50.25
1921	58,538,958	39,882,642	+ 18,656,316	+46.78
1922	113,468,843	58,831,644	+ 54,637,199	+92.87
1923	117,117,122	113,697,798	+ 3,419,324	+ 3.01
1924	114,754,514	117,668,590	— 2,914,076	— 2.48
1925	109,230,086	114,677,751	— 5,447,665	— 4.75
1926	133,642,754	109,081,102	+ 24,561,652	+22.52
1927	135,691,649	134,064,291	+ 1,627,358	+ 1.21
1928	131,840,275	135,874,542	— 4,034,267	— 2.97
1929	139,639,086	132,122,686	+ 7,516,400	+ 5.69
1930	101,494,027	139,756,091	— 38,262,064	—27.38
1931	84,648,242	101,541,509	— 16,893,267	—16.64
1932	67,670,702	84,706,410	— 17,035,708	—20.11
1933	43,100,029	68,356,042	— 25,256,013	—36.95
1934	83,939,285	42,447,013	+ 41,492,272	+97.75
1935	67,659,321	83,942,886	— 16,283,565	—19.40
1936	71,711,908	68,205,090	+ 3,506,818	+ 5.14
1937	111,515,431	71,708,880	+ 39,806,551	+55.51
1938	54,102,703	111,501,626	— 57.398.923	—51.48
1939	74,688,342	54,100,286	+ 20,588,056	+38.06
1940	78,332,834	74,688,343	+ 3,644,491	+ 4.88
1941	132,899,823	78,414,722	+ 54,485,101	+69.48
1942	180,204,500	132,899,824	+ 47,304,676	+35.59
1943	306,810,484	180,147,743	+126,662,741	+70.31
1944	269,595,859	306,785,045	— 37,189,186	—12.12
1945	268,517,737	269,595,860	— 1,078,123	— 0.40
1946	18,209,342	268,329,877	—250,120,535	—93.21

Cottonseed Receipts to May 31

On June 13 the Bureau of Census issued the following statement showing cottonseed received, crushed and on hand, and cottonseed products manufactured, shipped out, on hand and exported for the month ended May 31, 1946 and 1945.

COTTONSEED RECEIVED, CRUSHED AND ON HAND (TONS)

State—	Received at mills, Aug. 1-*May 31 1945-46	1944-45	Crushed Aug. 1-May 31 1945-46	1944-45	Stocks at mills, May 31 1945-46	1944-45
United States	3,093,427	4,288,085	3,165,037	4,001,972	146,738	396,969
Alabama	253,506	271,502	250,170	257,791	13,892	20,848
Arizona	†	53,840	48,398	53,908	†	59
Arkansas	328,652	467,369	343,947	389,503	31,031	87,666
California	127,089	118,303	124,550	116,706	4,632	1,791
Georgia	293,053	361,175	290,434	354,316	21,072	26,711
Louisiana	113,427	173,461	115,034	174,079	149	1,357
Mississippi	544,686	703,199	534,984	644,617	27,108	74,148
North Carolina	162,028	285,010	166,877	257,592	10,281	34,655
Oklahoma	95,636	217,763	93,266	217,826	3,497	1,999
South Carolina	177,070	229,313	179,574	230,145	2,008	4,840
Tennessee	260,457	344,918	258,692	313,088	15,955	41,607
Texas	618,963	935,816	689,502	879,711	13,660	87,001
All other states	118,860	126,416	69,609	112,690	3,453	14,287

*Includes 992 and 7,400 tons destroyed during 1945-46 and 1944-45, respectively. Does not include 219,340 and 118,256 tons on hand Aug. 1, 1945 and 1944, respectively, nor 54,003 and 73,065 tons reshipped during the seasons 1945-46 and 1944-45.

†Included in all other State.

COTTONSEED PRODUCTS PRODUCED, SHIPPED AND STOCKS

Products—	Season	Stocks at beginning of Season Aug. 1	Produced Aug. 1-May 31	Shipped Aug. 1-May 31	Stocks May 31
Crude oil (thousand pounds)	1945-46	*55,121	986,348	988,279	†43,994
	1944-45	29,759	1,242,009	1,230,554	95,547
Refined oil (thousand pounds)	1945-46	‡275,625	§903,564	------	¶353,322
	1944-45	239,934	1,087,090	------	312,574
Cake and meal (tons)	1945-46	52,258	1,391,967	1,398,487	45,738
	1944-45	28,050	1,837,861	1,767,316	98,595
Hulls (tons)	1945-46	61,697	760,614	783,633	38,678
	1944-45	14,793	927,202	868,491	73,504
Linters (running bales)	1945-46	18,576	**959,577	926,773	††51,380
	1944-45	61,920	1,171,488	1,180,202	53,206
Hull fiber (500-lb. bales)	1945-46	323	16,288	16,263	348
	1944-45	476	19,966	20,041	401
Grabbots, motes, &c. (500-lb. bales)	1945-46	2,451	41,402	40,181	3,672
	1944-45	10,025	46,839	48,797	8,067

*Includes 11,323,000 pounds at oil mills, 37,297,000 pounds at refining and manufacturing establishments and 6,501,000 pounds in transit.

†Includes 9,392,000 pounds at oil mills, 29,739,000 pounds at refining and manufacturing establishments and 4,863,000 pounds in transit.

‡Includes 257,591,000 pounds at refining and manufacturing establishments and 18,034,000 pounds held elsewhere and in transit.

§Produced from 1,000,372,000 pounds of crude oil.

¶Includes 327,662,000 pounds at refining and manufacturing establishments and 25,660,000 pounds held elsewhere and in transit.

**Includes 251,439 bales first cut, 606,862 bales second cut and 101,276 bales mill run.

††Includes 29,633 bales first cut, 18,515 second cut and 3,232 bales mill run.

May Cotton Consumption

The Census Bureau at Washington on June 18 issued its report showing cotton consumed in the United States, cotton on hand and active cotton spindles in the month of May.

In the month of May, 1946, cotton consumed amounted to 871,559 bales of lint and 84,830 bales of linters, as compared with 813,732 bales of lint and 89,442 bales of linters in April and 830,414 bales of lint and 130,693 bales of linters in May, 1945.

In the 10 months ending May 31 cotton consumption was 7,643,441 bales of lint and 874,352 bales of linters, which compares with 8,109,014 bales of lint and 1,258,475 bales of linters in the corresponding period a year ago.

There were 2,331,842 bales of lint and 327,149 bales of linters on hand in consuming establishments on May 31, 1946, which compares with 2,387,836 bales of lint and 346,412 bales of linters on April 30, 1946, and 2,139,974 bales of lint and 320,902 bales of linters on May 31, 1945.

On hand in public storage and at compresses on May 31, 1946, there were 6,410,431 bales of lint and 64,626 bales of linters, which compares with 7,605,701 bales of lint and 53,561 bales of linters on April 30 and 10,105,783 bales of lint and 35,976 bales of linters on May 31, 1941.

There were 21,958,496 cotton spindles active during May, which compares with 21,972,784 cotton spindles active during April, 1946, and with 22,167,678 active cotton spindles during May, 1945.

Hinrichs Leaves Labor Bu.

The resignation of A. Ford Hinrichs as Acting Commissioner of the Bureau of Labor Statistics, which collects and publishes vital government figures on wages and prices, was accepted on July 2 by Labor Secretary Lewis B. Schwellenbach with the assurance that Mr. Hinrichs' successor would be selected "only after consultation with the President of the American Statistical Association and the American Economic Association," and Mr. Schwellenbach added that this assurance was "the result of the firm determination on my part that the Bureau of Labor Statistics shall be free and independent and one upon which every one can rely." The Bureau's cost-of-living figures have been criticized by labor unions as being unrepresentative of price fluctuations. Mrs. Aryness Joy Wickens, Assistant Commissioner, the Associated Press reported, has been designated to replace Mr. Hinrichs temporarily.

Federal Home Loan Bank of Chicago Closes Saturdays

Saturday closing for the Federal Home Loan Bank of Chicago went into effect beginning with July 6, and will continue until further notice. A. R. Gardner, President, in sending the word to the bank's 459 member savings, building and loan associations in Illinois and Wisconsin, pointed out that a survey had shown an overwhelming majority of the members in favor of the plan. Since the bank is a reserve institution dealing solely with its member home financing associations and not with the general public, its office hours are not subject to regular commercial banking rules, it was pointed out.

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Moody's Bond Prices and Bond Yield Averages

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

MOODY'S BOND PRICES
(Based on Average Yields)

1946— Daily Averages	U. S. Govt. Bonds	Avge. Corpo-rate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus.
July 9	124.24	119.00	123.56	121.46	118.80	112.56	116.02	119.41	121.67
8	124.24	119.00	123.56	121.46	118.60	112.56	115.82	119.20	121.67
6	Stock Exchange Closed								
5	124.24	118.80	123.34	121.25	118.60	112.37	115.82	119.20	121.46
4	Stock Exchange Closed								
3	124.17	118.80	123.34	121.25	118.60	112.56	115.82	119.20	121.46
2	124.11	118.80	123.56	121.25	118.40	112.56	116.02	119.20	121.46
1	124.11	118.80	123.56	121.25	118.60	112.56	116.02	119.20	121.46
June 28	124.11	118.80	123.34	121.25	118.40	112.56	116.02	119.20	121.46
21	124.17	118.80	123.34	121.25	118.40	112.56	116.02	119.20	121.46
14	124.17	118.80	123.34	121.25	118.40	112.56	116.02	119.20	121.25
7	124.02	118.80	123.13	121.25	118.40	112.56	116.02	119.00	121.25
May 31	123.99	118.80	122.92	121.46	118.40	112.56	116.22	119.00	121.04
24	123.99	118.80	123.13	121.46	118.40	112.56	116.22	119.00	121.04
17	124.14	118.60	122.71	121.46	118.20	112.56	116.20	119.00	121.04
10	123.83	118.80	122.92	121.46	118.60	112.75	116.41	119.20	121.04
3	124.49	119.00	122.92	121.67	118.60	113.12	116.61	119.41	121.04
Apr. 26	124.33	119.00	123.34	121.25	118.40	113.12	116.41	119.41	121.04
19	125.30	119.61	123.99	121.88	119.20	113.89	117.20	120.22	121.67
12	125.77	120.02	123.99	122.29	119.61	114.27	117.60	120.22	121.88
5	125.92	120.02	123.99	122.29	119.61	114.46	117.60	120.22	122.09
Mar. 29	125.61	119.82	123.99	122.29	119.41	114.27	117.40	120.22	122.09
Feb. 21	126.02	120.22	123.34	121.88	119.00	114.27	116.41	120.22	122.09
Jan. 25	126.28	119.00	123.12	121.25	119.00	113.31	115.63	119.41	122.09
High 1946	126.28	120.02	124.20	122.50	119.61	114.46	117.60	120.43	122.50
Low 1946	123.45	117.60	121.46	119.82	117.40	112.19	114.46	117.80	120.63
1 Year Ago July 9, 1945	122.92	116.02	121.04	119.41	116.02	108.34	113.12	115.63	119.41
2 Years Ago July 8, 1944	120.33	112.37	118.60	117.00	112.19	102.96	106.21	114.08	117.40

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

1946— Daily Averages	U. S. Govt. Bonds	Avge. Corpo-rate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus
July 9	1.46	2.70	2.48	2.58	2.71	3.03	2.85	2.68	2.57
8	1.46	2.70	2.48	2.58	2.72	3.03	2.86	2.69	2.57
6	Stock Exchange Closed								
5	1.46	2.71	2.49	2.59	2.72	3.04	2.86	2.69	2.58
4	Stock Exchange Closed								
3	1.46	2.71	2.49	2.59	2.72	3.03	2.86	2.69	2.58
2	1.47	2.71	2.48	2.59	2.73	3.03	2.85	2.69	2.58
1	1.47	2.71	2.48	2.59	2.72	3.03	2.85	2.69	2.58
June 28	1.47	2.71	2.49	2.59	2.73	3.03	2.85	2.69	2.58
21	1.46	2.71	2.49	2.59	2.73	3.03	2.85	2.69	2.58
14	1.46	2.71	2.49	2.59	2.73	3.03	2.85	2.70	2.59
7	1.47	2.71	2.50	2.59	2.73	3.03	2.85	2.70	2.59
May 31	1.48	2.71	2.51	2.58	2.73	3.03	2.84	2.70	2.60
24	1.48	2.71	2.50	2.58	2.73	3.03	2.84	2.70	2.60
17	1.47	2.72	2.52	2.58	2.74	3.03	2.84	2.70	2.60
10	1.49	2.71	2.51	2.58	2.72	3.02	2.83	2.69	2.60
3	1.44	2.70	2.51	2.57	2.72	3.00	2.82	2.68	2.60
Apr. 26	1.45	2.70	2.49	2.59	2.73	3.00	2.83	2.68	2.60
18	1.38	2.67	2.46	2.56	2.69	2.96	2.79	2.64	2.57
12	1.35	2.65	2.46	2.54	2.67	2.94	2.77	2.64	2.56
5	1.34	2.65	2.46	2.54	2.67	2.93	2.77	2.64	2.55
Mar. 29	1.36	2.66	2.46	2.54	2.68	2.94	2.78	2.64	2.55
Feb. 21	1.33	2.67	2.49	2.56	2.70	2.94	2.83	2.64	2.55
Jan. 25	1.31	2.70	2.50	2.59	2.70	2.99	2.87	2.68	2.55
High 1946	1.51	2.77	2.58	2.66	2.78	3.05	2.93	2.76	2.62
Low 1946	1.31	2.65	2.45	2.53	2.67	2.93	2.77	2.63	2.53
1 Year Ago July 9, 1945	1.60	2.85	2.60	2.68	2.85	3.26	3.00	2.87	2.68
2 Years Ago July 8, 1944	1.77	3.04	2.72	2.80	3.05	3.57	3.38	2.95	2.78

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

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

Electric Output for Week Ended July 6, 1946 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 July 6, 1946, was 3,741,006,000 kwh., which compares with 3,978,426,000 kwh. in the corresponding week a year ago, and 4,132,680,000 kwh. in the week ended June 29, 1946. The output for the week ended July 6, 1946, was 6% below that of the same week in 1945.

PERCENTAGE DECREASE UNDER SAME WEEK LAST YEAR

Major Geographical Divisions—	Week Ended— July 6	June 29	June 22	June 15
New England	4.7	0.4	1.2	§0.1
Middle Atlantic	4.0	2.1	3.9	3.7
Central Industrial	8.7	6.2	6.0	9.2
West Central	§0.6	§1.5	§2.0	1.0
Southern States	8.0	8.0	7.4	12.1
Rocky Mountain	§5.8	§1.8	§4.9	§7.2
Pacific Coast	5.6	7.6	7.2	7.1
Total United States	6.0	5.1	5.3	7.3

§Increase.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended—	1946	1945	% Change under 1945	1944	1932	1929
April 6	3,987,673	4,321,794	— 7.7	4,361,094	1,480,738	1,696,543
April 13	4,014,652	4,332,400	— 7.3	4,307,498	1,469,810	1,709,331
April 20	3,987,145	4,411,325	— 9.6	4,344,188	1,454,505	1,699,822
April 27	3,976,750	4,415,889	— 9.9	4,336,247	1,429,032	1,688,434
May 4	4,011,670	4,397,330	— 8.8	4,233,756	1,436,928	1,698,942
May 11	3,910,760	4,302,381	— 9.1	4,238,375	1,435,731	1,704,426
May 18	3,939,281	4,377,221	—10.0	4,245,678	1,425,151	1,705,460
May 25	3,941,865	4,329,605	— 9.0	4,291,750	1,381,452	1,615,085
June 1	3,741,256	4,203,502	—11.0	4,144,490	1,435,471	1,689,925
June 8	3,920,444	4,327,028	— 9.4	4,264,600	1,441,532	1,699,227
June 15	4,030,058	4,348,413	— 7.3	4,287,251	1,440,541	1,702,501
June 22	4,129,163	4,358,277	— 5.3	4,325,417	1,456,961	1,723,428
June 29	4,132,680	4,353,351	— 5.1	4,327,359	1,341,730	1,592,075
July 6	3,741,006	3,978,426	— 6.0	3,940,854	1,415,704	1,711,625
July 13		4,295,254		4,377,152	1,433,903	1,727,225
July 20		4,384,547		4,380,930	1,440,386	1,732,031
July 27		4,434,841		4,390,762	1,426,986	1,724,728

Bankers Dollar Acceptances Outstanding on April 30, $168,879,000

The volume of bankers' dollar acceptances outstanding on April 30, amounted to $168,879,000, an increase of $6,084,000 from the March 30 total, according to the monthly acceptance survey issued May 16 by the Federal Reserve Bank of New York. As compared with a year ago, the April 30 total represents a gain of $52,054,000.

In the month-to-month comparison, exports, domestic shipments, and domestic warehouse credits, were lower, while imports, dollar exchanges, and those based on goods stored in or shipped between foreign countries were higher, while in the yearly analysis all the items except domestic shipments were higher in April, 1946, than a year ago.

The Reserve Bank's report follows:

MONTHLY ACCEPTANCE SURVEY
BANKERS DOLLAR ACCEPTANCES OUTSTANDING—UNITED STATES
BY FEDERAL RESERVE DISTRICTS

Federal Reserve District—	Apr. 30, '46	Mar. 30, '46	Apr. 30, '45
1 Boston	$21,712,000	$23,053,000	$19,624,000
2 New York	100,514,000	91,165,000	68,870,000
3 Philadelphia	12,578,000	12,375,000	8,919,000
4 Cleveland	794,000	1,350,000	349,000
5 Richmond	1,215,000	1,469,000	1,047,000
6 Atlanta	3,591,000	4,030,000	3,023,000
7 Chicago	3,868,000	4,614,000	2,707,000
8 St. Louis	728,000	784,000	721,000
9 Minneapolis	300,000	308,000	48,000
10 Kansas City	------	------	------
11 Dallas	551,000	357,000	564,000
12 San Francisco	23,028,000	23,290,000	10,953,000
Grand Total	$168,879,000	$162,795,000	$116,825,000

Increase for month $6,084,000 Increase for year $52,054,000

ACCORDING TO NATURE OF CREDIT

	Apr. 30, '46	Mar. 30, '46	Apr. 30, '45
Imports	$114,224,000	$103,906,000	$81,020,000
Exports	15,519,000	16,919,000	9,792,000
Domestic shipments	11,029,000	11,943,000	11,761,000
Domestic warehouse credits	18,634,000	21,355,000	12,039,000
Dollar exchange	386,000	282,000	149,000
Based on goods stored in or shipped between foreign countries	9,087,000	8,390,000	2,064,000

The increase in acceptances created during April may be considered contra-seasonal as since 1925 there have been 18 decreases as against 4 increases in that month. The increase in the import classification was due largely to an increase in coffee shipments.

BILLS HELD BY ACCEPTING BANKS

Own bills $65,043,000 Bills of others $44,012,000 Total $109,055,000
Decrease for month $9,898,000

CURRENT MARKET RATES ON PRIME BANKERS ACCEPTANCES MAY 16, 1946

Days	Dealers' Buying Rates	Dealers' Selling Rates
30	9/16	½
60	9/16	½
90	9/16	½
120	⅝	9/16
150	11/16	⅝
180	11/16	⅝

The following table, compiled by us, furnishes a record of the volume of bankers' acceptances outstanding at the close of each month since February 1943:

1943—	$	1944—	$	1945—	$
Apr. 30	128,350,000	Feb. 29	134,772,000	Feb. 28	126,269,000
May 29	135,815,000	Mar. 31	129,358,000	Mar. 31	127,512,000
June 30	139,846,000	Apr. 29	125,566,000	Apr. 30	116,825,000
July 31	110,250,000	May 31	113,139,000	May 31	104,356,000
Aug. 31	130,244,000	June 30	111,675,000	June 30	106,893,000
Sept. 30	117,016,000	July 31	138,692,000	July 31	116,717,000
Oct. 30	114,883,000	Aug. 31	109,632,000	Sept. 29	134,533,000
Nov. 30	111,289,000	Sept. 30	111,101,000	Oct. 31	134,592,000
Dec. 31	116,814,000	Oct. 31	114,953,000	Aug. 31	128,035,000
Jan. 31	120,497,000	Nov. 30	115,336,000	Nov. 30	144,790,000
		Dec. 30	128,944,000	Dec. 31	154,349,000
		Jan. 31	129,743,000		

1946—	$		$
Jan. 31	166,352,000	Mar. 30	162,790,000
Feb. 28	166,852,000	Apr. 30	168,879,000

Commercial Paper Outstanding in April

Reports received by the Federal Reserve Bank of New York from commercial paper dealers show a total of $148,700,000 of open market paper outstanding on April 30, 1946, compared with $171,-500,000 on March 29, 1946, and $118,600,000 on April 30, 1945, the Bank reported on May 16.

The following are the totals for the last two years:

1946—	$	1945—	$
Apr 30	148,700,000	Apr 30	118,300,000
Mar 29	171,500,000	Mar 30	146,700,000
Feb. 28	178,200,000	Feb 28	157,300,000
Jan 31	173,700,000	Jan 31	162,400,000
1945—		1944—	
Dec 31	158,900,000	Dec 30	166,000,000
Nov 30	156,100,000	Nov 30	166,900,000
Oct 31	127,100,000	Oct 31	141,700,000
Sep 28	111,100,000	Sep 29	140,800,000
Aug 31	110,200,000	Aug 31	140,900,000
July 31	106,800,000	July 31	142,900,000
Jun 29	100,800,000	Jun 30	136,500,000
May 31	102,800,000	May 31	150,700,000
		Apr 29	171,500,000

US Citizens Assets in Denmark Released From Controls

All assets in Denmark belonging to United States nationals will be released from controls imposed during the German occupation of Denmark, the Department of State has been informed; in indicating this, on June 14 the Department said:

"An order of Dec. 27, 1940, issued by the Danish Ministry of Commerce, provided for the registration of all assets located in Denmark which were foreign-owned on or after April 9, 1940. Furthermore, disposition of such assets outside the scope of normal administration or beyond the requirements for the upkeep of a household were forbidden save by special authorization of the Ministry of Commerce.

"Another order of March 20, 1941, provided for the appointment of trustees for foreign assets registered under the order of Dec. 27, 1940, referred to above. These trustees were acting under the supervision of the Probate Division of the Copenhagen Maritime and Commercial Tribunal.

"The above orders will now be repealed in so far as they cover assets belonging to physical or juridical persons or companies, domiciled in or carrying on business in the United States of America at any time after April 9, 1940, as well as the assets belonging to United States citizens domiciled in Denmark. Trustees appointed for American assets will contact the owner of assets under such trusteeship with a view to the liquidation of the trusteeship.

"Through these measures American assets will be exempted from the regulations resulting from the German occupation of Denmark. Henceforth, only certain general exchange controls will apply. These do not have particular regard to American assets but apply universally to both Danish and foreign nationals. Since the liberation of Denmark, these controls have been relaxed on several points, and it is the intention of the Danish Government to pursue the policy of liberalizing the administration of the exchange control restrictions to the fullest extent that the Danish foreign exchange position will permit."

End Liquidation Agency

The Office of the Director of Liquidation was terminated as of June 30 by Executive Order of President Truman, a dispatch from Washington to the New York "Times" stated. This is the department which has been concluding the affairs of other emergency war agencies now considered non-essential. It was also announced that the President had "regretfully" accepted the resignation of R. L. McKeever, Director of Liquidation, who had sought the ending of his agency by the end of June. The "Times" continued:

In a report to the President, Mr. McKeever said that the task of planning for the ultimate liquidation of emergency war agencies has been "substantially accomplished." The job which remains, he continued, will require "follow up" but not necessarily the active participation of the Director.

"The Bureau of the Budget with its general authority in the field of management can carry on with this job after July 1, 1946," he stated.

Mr. McKeever concluded his report with five recommendations dealing with the termination date of the present agency, the transfer of authority and records to the Budget Bureau and the efforts of the Civil Service Commission to ease the shock of liquidation to employes of agencies being ended or reduced in size.

He pointed out that it had been hoped, as well as recommended in an initial liquidation report by George E. Allen, now a member of the Board of the Reconstruction Finance Corporation, that all war agencies could have been terminated by the end of this month.

"It is now apparent," he declared, "that this will be impossible."

The report to the President added, however, that the number of emergency war agencies had been cut from 22 on June 30, 1945, to 12 on April 30, 1946, with employes reduced from 161,958 to 58,451. An appendix to the report also listed 116 agencies or divisions of agencies, including several corporations of the RFC, which it said were "no longer in existence or currently being liquidated."

Moodys Daily Commodity Index

Tuesday, July 2, 1946	305.1
Wednesday, July 3	312.0
Thursday, July 4	*
Friday, July 5	309.1
Saturday, July 6	308.4
Monday, July 8	311.1
Tuesday, July 9	313.9
Two weeks ago, June 25	287.6
Month ago, June 8	285.2
Year ago, July 9	256.5
1945 High, Dec. 27	265.0
Low, Jan. 24	252.1
1946 High, July 9	313.9
Low, Jan. 2	264.7

*Holiday.

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Trading on New York Exchanges

The Securities and Exchange Commission made public on July 3, figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended June 15, 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 June 15 (in round-olt transactions) totaled 1,824,149 shares, which amount was 16.04% of the total transactions on the Exchange of 5,688,490 shares. This compares with member trading during the week ended June 8 of 2,020,537 shares or 16.39% of the total trading of 6,166,320 shares.

On the New York Curb Exchange, member trading during the week ended June 15 amounted to 594,205 shares, or 14.19% of the total volume on that exchange of 2,093,730 shares. During the week ended June 8, trading for the account of Curb members of 627,600 shares was 15.43% of the total trading of 2,033,745 shares.

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

WEEK ENDED JUNE 15, 1946

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	155,170	
‡Other sales	5,533,320	
Total sales	5,688,490	
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	552,540	
Short sales	94,600	
‡Other sales	479,480	
Total sales	574,080	9.90
2. Other transactions initiated on the floor—		
Total purchases	84,600	
Short sales	8,200	
‡Other sales	102,410	
Total sales	110,610	1.72
3. Other transactions initiated off the floor—		
Total purchases	194,912	
Short sales	36,300	
‡Other sales	271,107	
Total sales	307,407	4.42
4. Total—		
Total purchases	832,052	
Short sales	139,100	
‡Other sales	852,997	
Total sales	992,097	16.04

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

WEEK ENDED JUNE 15, 1946

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	27,375	
‡Other sales	2,066,355	
Total sales	2,093,730	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	176,610	
Short sales	9,805	
‡Other sales	183,850	
Total sales	193,655	8.84
2. Other transactions initiated on the floor—		
Total purchases	30,600	
Short sales	6,300	
‡Other sales	29,675	
Total sales	35,975	1.59
3. Other transactions initiated off the floor—		
Total purchases	37,050	
Short sales	7,400	
‡Other sales	112,915	
Total sales	120,315	3.76
4. Total—		
Total purchases	244,260	
Short sales	23,505	
‡Other sales	326,440	
Total sales	349,945	14.19
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
§Customers' other sales	97,934	
Total purchases	97,934	
Total sales	108,303	

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

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

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

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

Civil Engineering Construction Totals $123,512,000 For Holiday Week

Civil engineering construction volume in continental United States totals $123,512,000 for the three-day week ending July 4, 1946 as reported to "Engineering News-Record." This volume is 4% below the previous five-day week, 301% above the corresponding four-day week of last year and 11% below the previous four-week moving average. The report issued on July 4, went on to say:

Private construction this week, $55,656,000, is 34% below last week and 338% above the week last year. Public construction, $67,856,000, is 52% above last week and 274% greater than the week last year. State and municipal construction, $31,021,000, 7% above last week, is 388% above the 1945 week. Federal construction, $36,835,000, is 137% above last week and 213% above the week last year.

Total engineering construction for the 27-week period of 1946 records a cumulative total of $2,755,698,000, which is 204% above the total for a like period of 1945. On a cumulative basis, private construction in 1946 totals $1,734,395,000, which is 543% above that for 1945. Public construction, $1,021,303,000, is 60% greater than the cumulative total for the corresponding period of 1945, whereas State and municipal construction, $670,766,000, to date, is 385% above 1945. Federal construction, $350,537,000, dropped 30% below the 27-week total of 1945.

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

	(three days) July 4, 1946	(five days) June 27, 1946	(four days) July 5, 1945
Total U. S. Construction	$123,512,000	$128,606,000	$30,820,000
Private Construction	55,656,000	84,010,000	12,695,000
Public Construction	67,856,000	44,596,000	18,125,000
State and Municipal	31,021,000	29,052,000	6,359,000
Federal	36,835,000	15,544,000	11,766,000

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

New Capital

New capital for construction purposes this week totals $39,465,000, and is made up of $32,725,000 in State and municipal bond sales and $6,740,000 in corporate security issues. New capital for the 27-week period of 1946 totals $706,863,000, 26% greater than the $561,692,000, reported for the corresponding period of 1945.

New Construction Volume in June

Civil engineering construction volume in continental United States totals $555,469,000 for June, an average of $138,867,000 per week as reported by "Engineering News-Record." This is 24% above the May average and 190% above June, 1945. The report issued on July 4, continues in part as follows:

Private construction in June is 33% higher than last month and 430% above last June. Public construction is 11% above the May average and 165% above last June.

With this June volume, engineering construction rolled up a total of $2,632,186,000 in the first half of 1946, 200% higher than the first six months of 1945 and 15% more than in all 12 months of 1945. This is the fastest sustained advance ever recorded for the construction industry.

Civil engineering construction volume for June, 1946, May, 1946 and June 1945 are:

	June, 1946 (four weeks)	May, 1946 (five weeks)	June, 1945 (four weeks)
Total U. S. Construction	$555,469,000	$560,244,000	$190,614,000
Private Construction	349,189,000	327,600,000	65,714,000
Public Construction	206,280,000	232,644,000	124,900,000
State and Municipal	141,348,000	157,154,000	36,583,000
Federal	64,932,000	75,490,000	88,317,000

New Capital

New capital for construction purposes for the four weeks of June, 1946 totals $72,919,000, or a weekly average of $18,229,750, 41% below the May average and 160% above the average for June, 1945.

National Fertilizer Association Commodity Price Index Advances 4.1%

In the first week of free trading since May 11, 1942, when the General Maximum Price Regulation went into effect, the wholesale commodity price index compiled by The National Fertilizer Association and made public on July 8, advanced 4.1%, rising to 157.9 in the week ended July 6, 1946, from 151.7 in the preceding week. The index was 6.3% higher than a month ago when it stood at 148.5, and 11.6% higher than a year ago when it was 141.5, all based on the 1935-1939 average as 100. The Association's report added:

Five of the composite groups of the index rose during the latest week with the two most heavily weighed groups, foods and farm products, showing the most pronounced gains. The foods index advancing 7.3%, reflected higher prices in butter, flour, corn meal, dressed meats, cocoa, coffee, lard and cottonseed oil. The quotations for potatoes were lower. The farm products group, also advancing 7.3%, registered gains in its three subgroups: a slight rise in cotton carried that index to a further new high; the grains index made the most spectacular rise with gains amounting to 21.5% above the preceding week; and the livestock index advanced 5.7% during the week. The fuels index rose 0.9% because of higher coke prices. The textiles index advanced fractionally. The miscellaneous commodities group was higher because of the advance in leather prices. The remaining groups of the index showed no changes.

During the week 26 price series in the index advanced and one declined; in the preceding week five advanced and six declined; in the second preceding week 18 advanced and four declined.

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

% Each Group Bears to the Total Index	Group	Latest Week July 6, 1946	Preceding Week Jun. 29, 1946	Month Ago Jun. 8, 1946	Year Ago July 7, 1945
25.3	Foods	161.1	150.6	147.4	143.1
	Fats and Oils	176.4	152.7	147.4	145.2
	Cottonseed Oil	197.3	163.1	163.1	163.1
23.0	Farm Products	196.9	183.5	179.3	167.2
	Cotton	294.5	293.6	267.8	213.9
	Grains	231.3	190.3	190.3	165.0
	Livestock	172.9	163.6	162.4	160.8
17.3	Fuels	138.6	137.4	131.4	133.3
10.8	Miscellaneous commodities	140.7	140.3	138.6	133.7
8.2	Textiles	172.4	172.3	168.4	157.0
7.1	Metals	123.5	123.5	122.2	108.9
6.1	Building materials	168.3	168.3	167.8	153.8
1.3	Chemicals and drugs	127.5	127.5	127.5	125.9
.3	Fertilizer materials	118.9	118.9	118.2	118.3
.3	Fertilizers	119.8	119.8	119.8	119.9
.3	Farm machinery	109.0	109.0	105.8	104.8
100.0	All groups combined	157.9	151.7	148.5	141.5

*Indexes on 1926-1928 base were: July 6, 1946, 123.0; June 29, 1946, 118.2; and July 7, 1945, 110.2.

Lumber Output Rises

Lumber production for the month of April totaled 2,889,982,000 board feet, an increase of 12.2% over March and 14.2% more than April of 1945, according to the Civilian Production Administration which further announced June 25 as follows:

If production can be maintained throughout the balance of 1946 at the April level the total production this year will be approximately 32 billion feet. Total 1946 requirements, including the veterans' housing program, will be about 37 billion board feet.

The total April production in the Eastern states amounted to 1,860,171,000 board feet, an increase of 9.1% over March and an increase of 28.3% over April, 1945.

Western states production in April amounted to 1,029,811,000 board feet. This was an increase of 18.3% over March but a decrease of 4.7% from April of last year.

Softwoods accounted for 2,072,886,000 board feet of the April total, with hardwoods totaling 817,096,000 board feet.

Sawed railroad cross ties output was 116,650,000 board feet, an increase of 21.1% over the month of March.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on July 3, a summary for the week ended June 22, of complete figures showing the daily volume of stock transactions for odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

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

Week Ended June 22, 1946

	Total Per Week
Odd-Lot Sales by Dealers— (Customers' purchases)	
Number of orders	35,424
Number of shares	1,041,376
Dollar value	$48,416,618
Odd-Lot Purchases by Dealers— (Customers' sales)	
Number of Orders:	
Customers' short sales	79
*Customers' other sales	28,511
Customers' total sales	28,590
Number of Shares:	
Customers' short sales	3,176
*Customers' other sales	806,212
Customers' total sales	809,388
Dollar value	$38,050,707
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	130
†Other sales	160,690
Total sales	160,820
Round-Lot Purchases by Dealers—	
Number of shares	350,310

*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."

Coffee & Sugar Exchange Holds Special Meeting

A special meeting of the Board of Managers of the New York Coffee & Sugar Exchange, Inc., was called on July 1 for the purpose of giving consideration to the Coffee and Sugar situations in the light of the termination of the Office of Price Administration. In making this known the Exchange said:

"In view of the current confusion prevailing, the Board decided to take no immediate action. However, the matter of reopening the Exchange for trading in both Coffee and Sugar will be given continuous study by the Board."

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Wholesale Prices Increased 0.3% in Week Ended June 29, Labor Department Reports

"Higher prices for both agricultural and industrial commodities raised average primary market prices 0.3% during the week ended June 29, 1946," said the Bureau of Labor Statistics, U. S. Department of Labor on July 3, its advices adding that "the wholesale price index of the Bureau rose to 112.7% of the 1926 average, 1.4% above a month earlier and 6.4% above the corresponding week of 1945." The Bureau's report continued:

"Higher prices for cows, poultry and cotton were largely responsible for an advance of 0.2% in market prices of farm products. The advance for cows represented demand by Eastern buyers, while live poultry prices continued up reflecting the meat and poultry shortage. Shorn sheep were lower. Cotton prices rose sharply to more than 30 cents a pound, the highest level in over two decades. Quotations for eggs advanced seasonally. Average prices for apples, lemons and oranges were lower with poor quality and smaller sizes. Onions moved down in a slow market with abundant supplies. Average farm product prices were 1.1% above a month earlier and 7.8% above late June 1945.

"The lower prices for fresh fruits and for onions were responsible for the 0.3% decrease in the group index for foods. Quotations for corn meal advanced fractionally to cover higher bag costs and granulated sugar prices rose 10 cents per 100 pounds with a ceiling adjustment to cover wage increases. Food prices were 1.4% above four weeks earlier and 5.7% above a year ago.

"Average prices for all commodities other than farm products and foods advanced 0.3% during the week to a level 5.6% above the corresponding week of 1945. Anthracite and bituminous coal prices rose toward new ceilings recently granted to cover higher wages. Ceiling increases to restore earnings were responsible for a 50 cent per gross ton increase in iron ore quotations, and some mechanic's hand tools were higher under interim ceiling adjustments. Copper wire quotations advanced sharply reflecting increased metal costs. Heating boilers and radiators moved up to new ceilings previously granted. Higher prices for asphalt reflected the higher crude petroleum prices recently granted. Dinnerware advanced with ceiling increases allowed manufacturers of low and medium priced articles. Quotations also were higher for cotton blankets, shirting, men's undershirts and shoes."

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 June 1, 1946 and June 30, 1945, and (2) percentage changes in subgroup indexes from June 22, 1946 to June 29, 1946.

CHANGES IN WHOLESALE PRICES BY COMMODITY GROUPS
FOR WEEK ENDED JUNE 29, 1946
(1926=100)

						Percentage changes to June 29, 1946, from—		
Commodity group—	6-29 1946	6-22 1946	6-15 1946	6-1 1946	6-30 1945	6-22 1946	6-1 1946	6-30 1945
All commodities	112.7	112.4	111.8	111.1	105.9	+0.3	+1.4	+6.4
Farm products	140.3	140.0	139.9	138.8	130.1	+0.2	+1.1	+7.8
Foods	113.4	113.7	111.8	111.8	107.3	—0.3	+1.4	+5.7
Hides and leather products	123.8	123.5	123.4	120.9	118.5	+0.2	+2.4	+4.5
Textile products	108.5	108.3	108.3	108.2	99.1	+0.2	+0.3	+9.5
Fuel and lighting materials	87.5	87.1	86.9	86.7	84.8	+0.5	+0.9	+3.2
Metal and metal products	111.6	111.0	111.0	109.5	104.8	+0.5	+1.9	+0.5
Building materials	130.3	129.7	128.5	127.8	117.4	+0.5	+2.0	+11.0
Chemicals and allied products	96.9	96.9	96.8	96.8	95.4	0	+0.3	+1.6
Housefurnishings goods	110.7	110.4	110.4	110.0	106.2	+0.3	+0.6	+4.2
Miscellaneous commodities	97.9	97.9	97.9	97.8	94.6	0	+0.1	+3.5
Raw materials	126.7	126.0	125.8	125.1	118.7	+0.6	+1.3	+6.7
Semi-manufactured articles	104.4	104.4	104.4	101.7	95.3	0	+2.7	+9.5
Finished products	107.8	107.7	106.8	106.5	102.0	+0.1	+1.2	+5.7
All commodities other than farm products	106.6	106.3	105.6	105.1	100.6	+0.3	+1.4	+6.0
All commodities other than farm products and foods	105.4	105.1	104.9	104.3	99.8	+0.3	+1.1	+5.6

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM
JUNE 22, 1946 TO JUNE 29, 1946

Increases

Plumbing & Heating	5.4	Furnishings	0.4
Anthracite	1.9	Livestock and Poultry	0.4
Bituminous Coal	1.9	Other Foods	0.4
Other Building Materials	1.0	Shoes	0.4
Nonferrous Metals	0.8	Petroleum and Products	0.2
Iron & Steel	0.7	Cereal Products	0.1
Cotton Goods	0.6	Hosiery & Underwear	0.1
Other Farm Products	0.1		

Decreases

Fruits & Vegetables	2.0

Non-Ferrous Metals — Veto of OPA Bill Ends Price Control and Subsidies — Prices Rise

"E. & M. J. Metal and Mineral Markets," in its issue of July 4 stated: "President Truman's veto of the OPA bill on June 29, a complete surprise, legally ended price control and subsidies in major non-ferrous metals. Uncertainty over the ultimate fate of price control almost brought business to a standstill during the first three days of July, except in lead, which was raised in price to a level that was viewed as more realistic than the OPA ceiling that passed out of the picture on June 29. The price of zinc was raised by an important producer on July 3 but until business is transacted at the new level a new price could not be determined for quotational purposes. Legal complications have held up the release of copper, lead, zinc, and tin by the Government for July shipment to consumers. Bills have been introduced in Washington to transfer the Premium Price Plan from OPA to the RFC." The publication further went on to say in part as follows:

Copper

Pending developments in Washington, the copper industry was virtually of one mind in doing nothing to disturb the price situation at this time. However, the need for establishing a price in the near future was self-evident, owing to an intake problem, release of metal owned by the government, and the need for quick action on foreign purchases. There was a complete stoppage of business over the first three days of July, and quotations based on sales could not be established. Prices were wholly nominal, as no one would sell on the old ceiling basis. Some observers thought that the price would have to rise to at least 15c per pound, unless OPA is revived in some form or other.

The strike at Chile Copper has been settled.

The British Ministry of Supply advanced the price of copper for home consumption during the last week to £84 per long ton.

Lead

Excepting on July 1, business was transacted on a quoted price basis on each day of the week that ended July 3. Confusion over the price situation ended in lead on July 2, when Clinton H. Crane, head of St. Joseph Lead Co., announced that his company raised the price to 9½¢, New York, on receipt of word from the Deputy Director of Office of Metals Reserve that the Premium Price Plan expired June 30, 1946. Mr. Crane pointed out that on June 30 the average price, including subsidies, was more than 9½c a pound and the London market has now reached 9.9c a pound. The higher price, he said, should stimulate domestic production and prevent American lead from being shipped abroad.

Sales of lead in the domestic market for the week amounted to 2,386 tons.

The British market for lead advanced to £55 per long ton, according to an official announcement made in London on July 1.

Zinc

In the absence of business on July 1, 2 and 3, it was impossible to arrive at a quotation for those days. On July 3, the American Zinc Lead & Smelting Co. announced that it has raised its selling price of Prime Western zinc to 9½c, East St. Louis, with other grades at the customary premium. Expiration of the Premium Price Plan caused the company to take this action, it was stated officially. Other producers have not yet taken any action on prices, but it appeared late on Wednesday that a higher basis for doing business will obtain shortly.

The price of zinc was advanced £10 15s per long ton by the British Ministry of Supply, establishing the fixed price for the home market at £50. This is equivalent to 9c per pound.

Platinum

With refined platinum in the outside market commanding a premium and diverting supplies from regular distributors, leading sellers on June 27 raised the price $14 an ounce troy, establishing the so-called official quotation at $67 for wholesale lots and at $70 on retail business.

Iridium was advanced to $125 an ounce troy. Palladium was unchanged at $24; ruthenium at $35; and rhodium at $125.

The official price of platinum in London has been advanced to £17, which compares with the previous quotation on sales to consumers of £13 10s.

The United States market for the platinum group of metals was freed from price control by OPA on April 29. At that time refined platinum was fixed at $35 an ounce.

Tin

Until funds are made available to take care of subsidy payments for metals, tin allocated for July shipment to consumers is not being released by the Government, it was learned after the demise of OPA last Saturday. The market was in a state of confusion and quotations for the first three days of July were wholly nominal.

Straits quality tin for shipment was nominally as follows:

	July	August	Sept.
June 27	52.000	52.000	52.000
June 28	52.000	52.000	52.000
June 29	52.000	52.000	52.000
July 1		No Market	
July 2		No Market	
July 3		No Market	

Chinese, or 99% tin, was quotable at 51.125c. on June 27, 28, and 29; nominal on July 1, 2, and 3.

Quicksilver

Demand for quicksilver was inactive, with the price situation virtually unchanged. Spot metal was offered at $99 to $101 per flask, the price depending on quantity. On nearby metal $98 per flask has been done. The foreign market remains unsettled in spots, though Spanish producers have not been a disturbing influence for some time.

Silver

Handy & Harman announced that because of an unusual combination of circumstances it had been impossible to establish a market for silver in New York on July 1, 2, and 3. Consequently the New York Official quotation for foreign silver has been omitted on those days. The OPA ceiling price of silver no longer exists, and no legislative action to set a price of silver has been taken, as the committee of Senate and House conferees has not yet made its report.

The quotation of 70⅝c an ounce for newly mined domestic silver remains unchanged. This quotation is based on the Treasury's buying price of 71.111c an ounce 1,000 fine. The London market was unchanged at 44d.

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

	—Electrolytic Copper—		Straits Tin,	—Lead—		Zinc
	Dom. Refy.	Exp. Refy.	New York	New York	St. Louis	St. Louis
June 27	14.150	14.550	52.000	8.25	8.10	8.25
June 28	14.150	14.550	52.000	8.25	8.10	8.25
June 29	14.150	14.550	52.000	8.25	8.10	8.25
July 1	*	14.550	*	*	*	*
July 2	*	14.550	*	8.25	8.10	*
July 3	*	14.550	*	8.25	8.10	*
Average	14.150	14.550	52.000	8.25	8.10	8.25

*No market.

Average prices for calendar week ended June 29 are: Domestic copper f.o.b. refinery, 14.150c; export copper f.o.b. refinery 14.521c; Straits tin, 52.000 c; New York lead, 8.250c; St. Louis lead, 8.100c; St. Louis zinc, 8.250c; and silver, 70.750c.

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

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

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

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

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

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

Quotations for lead reflect prices obtained for common lead only.

Welk Elected President Edison Savs. & Loan

The Edison Savings and Loan Association announced on July 1 the election of Otto Welk as President, to succeed John J. Ryan, who has retired. The Association, which has its headquarters at 4 Irving Place, provides home-financing services for the employees of Consolidated Edison Company of New York, Inc., and its affiliated companies. Mr. Welk has been associated with Consolidated Edison for 40 years and with the savings and loan group since 1928 when he became Assistant Secretary. In subsequent years he was elected to the Association's Board of directors and served as Vice-President and Secretary. He has been active in various State-wide savings and loan groups and is on the Appraisal Committee of Westwood, N. J. Mr. Ryan's retirement marks the close of a 50-year career with the Consolidated Edison System. He started with the pioneer Edison Electrical Illuminating Company in New York City in 1896, at the same time continuing his education by attendance at the College of the City of New York. Later he went to Cooper Union and Columbia University, earning his degree as an electrical engineer at the later institution in 1909.

At present nearly 17,000 employees of the Edison System Companies have accounts with the Edison Savings and Loan Association, whose total assets of nearly $20,000,000 belong entirely to its members — employes of the System. Through the association, 3,800 employes are now purchasing homes. Since the association was started in 1912, a total of more than 7,500 home mortgage loans have been made for a total of more than $31,800,000. The present interest rate on mortgages issued by the association is 4%.

Motor Carrier Tonnage In May 4.5% Over April

The volume of freight transported by motor carriers in May increased 4.5% over April and 5.2% over May of last year, according to American Trucking Associations, Inc., which further announced as follows:

Comparable reports received by ATA from 196 carriers in 36 states showed these carriers transported an aggregate of 1,818,532 tons in May, as against 1,740,009 tons in April and 1,728,894 tons in May, 1945.

The ATA index figure, computed on the basis of the average monthly tonnage of the reporting carriers for the three-year period of 1938-1940 as representing 100, was 187.6.

Approximately 87% of all tonnage transported in the month was hauled by carriers of general freight. The volume in this category increased 4.8% over April and 6.3% over May, 1945.

Transportation of petroleum products, accounting for about 6% of the total tonnage reported, showed an increase of 4.5% over April and a drop of 8.1% below May, 1945.

Carriers of iron and steel hauled about 4% of the total tonnage. Their traffic volume decreased 2.9% below April but increased 2.9% over May, 1945.

About 3% of the total tonnage reported consisted of miscellaneous commodities, including household goods, textiles groceries, automotive equipment, packing house products, building materials, school supplies, wood, rubber products, motor vehicle parts and motor vehicles. Tonnage in this class increased 7.5% over April and 5.2% over May, 1945.

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Daily Average Crude Oil Production for Week Ended June 29, 1946 Increased 7,550 Bbls.

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended June 29, 1946 was 4,957,050 barrels, an increase of 7,550 barrels per day over the preceding week and 53,736 barrels more per day than in the corresponding week of 1945. The current figure also exceeded the daily average figure of 4,670,000 barrels estimated by the United States Bureau of Mines as the requirement for the month of June, 1946, by 287,050 barrels. Daily production for the four weeks ended June 29, 1946, averaged 4,940,700 barrels. The Institute further reported as follows:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,854,000 barrels of crude oil daily and produced 14,500,000 barrels of gasoline; 2,056,000 barrels of kerosine; 5,408,000 barrels of distillate fuel, and 8,828,000 barrels of residual fuel oil during the week ended June 29, 1946; and had in storage at the end of that week 92,333,000 barrels of finished and unfinished gasoline; 13,881,000 barrels of kerosine; 37,762,000 barrels of distillate fuel, and 46,447,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*B. of M Calculated Requirements June	State Allowables Begin. June 1	Actual Production Week Ended June 29, 1946	Change from Previous Week	4 Weeks Ended June 29, 1946	Week Ended June 30, 1945
**New York-Penna.	48,200		64,050	+13,250	53,350	49,600
Florida	----		250	----	250	14
**West Virginia	8,400		12,650	+ 3,600	9,650	8,350
**Ohio—Southeast }	7,600		6,300	+ 1,050	5,550	5,550
Ohio—Other }			3,150	+ 1,050	2,600	2,650
Indiana	18,000		19,650	— 250	20,000	12,700
Illinois	210,000		206,900	— 1,250	207,800	214,500
Kentucky	31,000		30,700	— 500	30,700	30,700
Michigan	46,000		48,150	+ 3,050	47,700	48,900
Nebraska	800		†750	----	750	900
Kansas	255,000	260,000	†260,300	—17,150	265,050	273,250
Oklahoma	380,000	380,000	†387,250	— 1,250	385,950	388,400
Texas—						
District I			19,650	----	19,650	----
District II			155,650	----	155,650	----
District III			515,400	----	515,400	----
District IV			229,600	----	229,600	----
District V			43,950	----	43,950	----
East Texas			326,000	----	326,000	----
Other Dist. VI			107,350	----	107,350	----
District VII-B			32,400	----	32,400	----
District VII-C			28,450	----	28,450	----
District VIII			566,450	----	574,400	----
District IX			132,400	----	132,400	----
District X			86,450	----	86,450	----
Total Texas	2,050,000	‡2,293,092	2,243,750	----	2,251,700	2,180,450
North Louisiana			81,550	— 350	81,550	69,200
Coastal Louisiana			296,100	----	294,600	298,950
Total Louisiana	380,000	417,000	377,650	— 350	376,150	368,150
Arkansas	79,000	78,268	73,050	— 600	73,750	80,100
Mississippi	57,000		63,600	+ 450	63,600	51,200
Alabama	1,000		1,100	— 50	1,150	700
New Mexico—So. East }	98,000	106,000	97,600	----	97,600	103,350
New Mexico—Other }			500	----	450	400
Wyoming	104,000		111,650	+ 50	110,850	108,450
Montana	22,000		25,300	— 450	25,200	20,250
Colorado	26,000		35,650	+ 2,800	33,300	11,050
California	848,000	§831,000	887,100	+ 4,100	877,600	943,700
Total United States	4,670,000		4,957,050	+ 7,550	4,940,700	4,903,314
**Pennsylvania Grade included above			83,000	+17,900	68,550	63,500

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

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a. m. June 26, 1946.

‡This is the net basic allowable as of June 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 four days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 4 days shutdown time during the calendar month.

§Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILLS; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, KEROSINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED JUNE 29, 1946

(Figures in thousands of barrels of 42 gallons each)

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

District—	% Daily Refin'g Capac. Report'g	Crude Runs to Stills Daily Av.	Crude Runs to Stills % Operated	§Gasoline Produc'n at Ref. Inc. Nat. Blended	‡Finish'd and Unfin. Gasoline Stocks	‡Stocks of Kerosine	‡Stks. of Gas Oil & Dist. Fuel Oil	‡Stks. of Resid. Fuel Oil
East Coast	99.5	764	91.1	1,728	23,288	5,553	11,451	8,443
Appalachian—								
District No. 1	76.3	88	61.5	240	2,311	284	424	223
District No. 2	84.7	58	93.5	188	1,008	61	135	149
Ind., Ill., Ky.	87.4	762	87.6	2,648	18,267	2,050	5,400	3.832
Okla., Kan., Mo.	78.3	377	80.4	1,367	8,196	968	2,205	1,304
Inland Texas	59.8	236	71.5	1,007	2,882	372	376	692
Texas Gulf Coast	89.2	1,227	100.1	3,613	14,136	2,334	6,298	4,872
Louisiana Gulf Coast	97.4	361	112.5	1,092	3,814	1,106	1,732	1,391
No. La. & Arkansas	55.9	58	46.0	140	1,802	223	383	170
Rocky Mountain—								
District No. 3	19.0	12	92.3	38	93	20	44	41
District No. 4	70.9	133	80.6	382	1,999	153	469	729
California	85.5	778	78.3	2,057	14,537	757	8,845	24,601
Total U. S. B. of M. basis June 29, 1946	85.8	4,854	87.3	14,500	*92,333	13,881	37,762	46,447
Total U. S. B. of M. basis June 22, 1946	85.8	4,836	87.0	14,271	92,894	13,744	36,420	46,526
U. S. B. of M. basis June 30, 1945		5,049		15,402	†86,145	9,571	32,214	40,631

*Includes unfinished gasoline stocks of 8,738,000 barrels. †Includes unfinished gasoline stocks of 11,997,000 barrels. ‡Stocks at refineries, at bulk termminals, in transit and in pipe lines. §In addition there were produced 2,056,000 barrels of kerosine, 5,408,000 barrels of gas oil and distillate fuel oil and 8,828,000 barrels of residual fuel oil during the week ended June 29, 1946, which compares with 1,928,000 barrels, 5,592,000 barrels and 8,706,000 barrels, respectively, in the preceding week and 1,528,000 barrels, 4,995,000 barrels and 9,233,000 barrels, respectively, in the week ended June 30, 1945.

Weekly Coal and Coke Production Statistics

The total production of bituminous coal and lignite in the week ended June 29, 1946, as estimated by the United States Bureau of Mines, was 11,950,000 net tons, as against 11,920,000 tons in the preceding week and 11,762,000 tons in the corresponding week of 1945. The current figure is based on incomplete records of carloadings, and is subject to revision. From Jan. 1 to Jan. 29, 1946, soft coal output was estimated at 234,540,000 net tons, a decrease of 21.1% when compared with the 297,425,000 tons produced during the period from Jan. 1 to June 30, 1945.

Production of Pennsylvania anthracite for the week ended June 29, 1946, as estimated by the Bureau of Mines, was 1,261,000 net tons, an increase of 64,000 tons (5.3%) over the preceding week. When compared with the corresponding week of 1945, there was a decrease of 75,000 tons, or 5.6%. The calendar year to date shows an increase of 9.8% 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 June 29, 1946, showed an increase of 5,100 tons when compared with the week ended June 22, 1946; but was 25,500 tons less than for the corresponding week of 1945.

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

Bituminous coal & lignite—	Week Ended June 29, 1946	Week Ended *June 22, 1946	Week Ended June 30, 1945	Jan. 1 to Date †June 29, 1946	Jan. 1 to Date June 30, 1945
Total, including mine fuel	11,950,000	11,920,000	11,762,000	234,540,000	297,425,000
Daily average	1,992,000	1,987,000	1,960,000	1,542,000	1,928,000

*Revised. †Subject to current adjustment.

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

Penn. Anthracite—	Week Ended ‡June 29, 1946	Week Ended §June 22, 1946	Week Ended June 30, 1945	Calendar Year to Date June 29, 1946	Calendar Year to Date June 30, 1945	Calendar Year to Date July 3, 1937
*Total incl. coll. fuel	1,261,000	1,197,000	1,336,000	29,451,000	26,833,000	28,861,000
†Commercial produc.	1,212,000	1,151,000	1,285,000	28,315,000	25,800,000	27,418,000
Beehive coke—						
United States total	104,000	98,900	129,500	1,599,600	3,029,600	1,861,400

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

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

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

State—	Week Ended June 22, 1946	Week Ended June 15, 1946	Week Ended June 23, 1945
Alabama	416,000	441,000	392,000
Alaska	7,000	6,000	4,000
Arkansas and Oklahoma	75,000	55,000	88,000
Colorado	107,000	109,000	115,000
Georgia and North Carolina	1,000	1,000	*
Illinois	1,372,000	1,383,000	1,435,000
Indiana	478,000	498,000	513,000
Iowa	29,000	31,000	32,000
Kansas and Missouri	98,000	93,000	101,000
Kentucky—Eastern	1,077,000	1,165,000	946,000
Kentucky—Western	405,000	413,000	394,000
Maryland	47,000	56,000	38,000
Michigan	4,000	3,000	2,000
Montana (bitum. & lignite)	62,000	70,000	82,000
New Mexico	29,000	31,000	29,000
North & South Dakoa (lignite)	31,000	30,000	40,000
Ohio	774,000	801,000	682,000
Pennsylvania (bituminous)	2,960,000	3,050,000	2,818,000
Tennessee	150,000	151,000	118,000
Texas (bituminous & lignite)	1,000	1,000	1,000
Utah	115,000	106,000	128,000
Virginia	402,000	423,000	360,000
Washington	20,000	19,000	25,000
†West Virginia—Southern	2,350,000	2,502,000	1,980,000
‡West Virginia—Northern	820,000	865,000	1,113,000
Wyoming	89,000	97,000	178,000
§Other Western States	1,000	*	*
Total bituminous & lignite	11,920,000	12,400,000	11,614,000

†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.

U. S. Savings Bonds Issued and Redeemed Through June 30, 1946

(Dollar amounts in millions—rounded and will not necessarily add to totals)

	*Amount Issued	*Amount Redeemed	†Amount Outstanding	Percent Redeemed of Amt. Issued
Series A-D:				
Series A-1935 (matured)	$255	$237	$18	92.94
Series B-1936	459	238	‡221	51.85
Series C-1937	569	145	424	25.48
Series C-1938	637	139	498	21.82
Series D-1939	986	186	800	18.86
Series D-1940	1,178	193	984	16.38
Series D-1941	509	71	437	13.95
Total series A-D	$4,592	$1,209	$3,383	26.33
Series E:				
Series E-1941	$1,435	253	1,182	17.63
Series E-1942	6,508	1,818	4,691	27.93
Series E-1943	10,668	3,530	7,137	33.09
Series E-1944	12,531	4,047	8,484	32.30
Series E-1945	9,810	2,685	7,125	27.37
Series E-1946 (6 mos.)	§2,012	158	§1,854	7.85
Total series E	$42,964	$12,491	$30,473	29.07
Unclassified Redemptions:				
Series A-E	----	115	—115	
Total series A-E	$47,556	$13,815	$33,741	29.05
Series F and G:				
Series F and G-1941	1,523	146	1,377	9.59
Series F and G-1942	3,168	326	2,842	10.29
Series F and G-1943	3,344	316	3,028	9.45
Series F and G-1944	3,678	220	3,458	5.98
Series F and G-1945	3,138	76	3,062	2.42
Series F and G-1946 (6 mos.)	1,546	1	1,544	.65
Total series F and G	$16,397	$1,085	$15,312	6.62
¶Total all series	$63,953	$14,900	$49,053	23.30

*Includes accrued discount. †Current redemption values. ‡Includes matured bonds which have not yet been presented for redemption. §Includes $46,000,000 reported on public debt statement as "unclassified sales." ¶Includes series A-1935 (matured), and therefore does not agree with totals under interest bearing debt on public debt statememnt.

Contributions to Greater New York Fund

More than $1,000,000 was contributed, up to June 25, by the finance and insurance fields to the Greater New York Fund's 1946 campaign among business concerns and employee groups for business's share of the support needed by 415 local hospitals, health and welfare agencies. This was nearly 100% of the quota set for this branch of the city's business world and present indications point to a substantial oversubscription by Dec. 31 when the campaign books close. This was announced last week by John M. Schiff, of Kuhn, Loeb & Company, who, heading the activities in this field, organized 22 committees that are soliciting banking and insurance firms and public exchanges. N. Baxter Jackson, President of the Chemical Bank and Trust Company, is general Chairman of the city-wide campaign. Associated with Mr. Schiff, is James M. Nicely, Vice-President of the Guaranty Trust Company of New York, Chairman of the banking group of eight committees. In this group, J. F. Fogarty, Chairman of the Executive and Finance Committee of the North American Company and head of the Fund's committee canvassing power and light holding companies, already has reported gifts in excess of 106% of quota. Closely following is Alexander C. Nagle, President of the First National Bank of New York, with more than 98% of quota in hand, every commercial bank in Manhattan, with but one exception, having contributed. Three chairmen are tied for third place each having obtained more than 94% of quota. They are: George F. Benkhart, for finance companies; Earl Harkness, for savings banks, reporting that every savings bank in Manhattan has contributed and William E. Thompson, President of the Personal Finance Company of New York, for small loan companies. Fourth place is held by Johnfritz Achelis, President of the Commercial Factors Corporation, for textile factors, who has attained more than 90% of quota. The remaining two chairmen in the banking group are: George J. Cunningham, Assistant Manager of the Manufacturers Trust Company, for savings and loan associations and Nathan Schulman, President of the Mastan Company, for commercial factors. Solicitation in these fields is progressing and it is understood reports will be made public in a few weeks.

Result of Treasury Bill Offering

The Secretary of the Treasury announced on July 8 that the tenders for $1,300,000,000 or thereabout of 91-day Treasury bills to be dated July 11 and to mature Oct. 10, which were offered on July 5, were opened at the Federal Reserve Banks on July 8.

Total applied for $1,891,988,000.

Total accepted, $1,315,136,000 (includes $37,027,000 entered on a fixed price basis of 99.905 and accepted in full).

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

Range of accepted competitive bids:

High 99.907; equivalent rate of discount approximately 0.368% per annum.

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

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

There was a maturity of a similar issue of bills on July 11 in the amount of $1,317,056,000.

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Revenue Freight Car Loading During Week Ended June 29, 1946 Increased 21,108 Cars

Loading of revenue freight for the week ended June 29, 1946 totaled 879,545 cars, the Association of American Railroads announced on July 5. This was a decrease below the corresponding week of 1945 of 14,402 cars, or 1.6%, and a decrease below the same week in 1944 of 17,665 cars or 2.0%.

Loading of revenue freight for the week of June 29 increased 21,108 cars or 2.5% above the preceding week.

Miscellaneous freight loading totaled 383,868 cars, an increase of 14,190 cars above the preceding week, but a decrease of 13,564 cars below the corresponding week in 1945.

Loading of merchandise less than carload lot freight totaled 129,845 cars, an increase of 1,514 cars above the preceding week, and an increase of 21,696 cars above the corresponding week in 1945.

Coal loading amounted to 184,687 cars, an increase of 5,058 cars above the preceding week and an increase to 10,151 cars above the corresponding week in 1945.

Grain and grain products loading totaled 48,399 cars, an increase of 3,071 cars above the preceding week but a decrease of 13,986 cars below the corresponding week in 1945. In the Western Districts alone, grain and grain products loading for the week of June 29 totaled 35,896 cars, an increase of 3,760 cars above the preceding week but a decrease of 10,079 cars below the corresponding week in 1945.

Livestock loading amounted to 12,583 cars, an increase of 306 cars above the preceding week but a decrease of 725 cars below the corresponding week in 1945. In the Western Districts alone loading of livestock for the week of June 29 totaled 9,050 cars, an increase of 4 cars above the preceding week, but a decrease of 678 cars below the corresponding week in 1945.

Forest products loading totaled 48,936 cars, an increase of 256 cars above the preceding week and an increase of 1,701 cars above the corresponding week in 1945.

Ore loading amounted to 58,495 cars, a decrease of 3,878 cars below the preceding week and a decrease of 17,739 cars below the corresponding week in 1945.

Coke loading amounted to 12,732 cars, an increase of 591 cars above the preceding week, but a decrease of 1,936 cars below the corresponding week in 1945.

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

	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	3,982,229	4,022,088	3,916,037
4 weeks of April	2,604,552	3,377,335	3,275,846
4 weeks of May	2,616,067	3,456,465	3,441,616
Week of June 1	626,885	837,886	810,698
Week of June 8	830,126	884,658	873,174
Week of June 15	867,918	873,322	877,493
Week of June 22	858,437	876,703	880,311
Week of June 29	879,545	893,947	897,210
Total	19,016,089	21,278,546	21,285,201

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended June 29, 1946. During this period 62 roads reported gains over the week ended June 30, 1945.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED JUNE 29

Railroads	Total Revenue Freight Loaded 1946	1945	1944	Total Loads Received from Connections 1946	1945
Eastern District—					
Ann Arbor	342	260	242	1,440	1,455
Bangor & Aroostook	1,249	1,442	1,083	516	384
Boston & Maine	8,219	7,010	6,985	12,487	13,628
Chicago, Indianapolis & Louisville	1,310	1,112	1,315	1,912	2,084
Central Indiana	32	39	21	42	39
Central Vermont	1,071	1,071	1,034	2,176	2,299
Delaware & Hudson	5,127	4,858	5,173	11,154	12,301
Delaware, Lackawanna & Western	8,583	7,885	8,021	8,466	10,390
Detroit & Mackinac	402	295	266	232	147
Detroit, Toledo & Ironton	2,257	1,471	1,757	1,262	1,080
Detroit & Toledo Shore Line	404	394	283	3,126	2,446
Erie	12,553	12,908	13,973	16,014	16,791
Grand Trunk Western	4,186	3,978	3,969	7,818	8,109
Lehigh & Hudson River	63	160	213	2,816	3,063
Lehigh & New England	2,888	2,479	2,068	1,414	1,822
Lehigh Valley	9,703	8,993	8,680	8,087	11,896
Maine Central	2,924	2,449	2,233	2,684	2,885
Monongahela	6,043	6,420	6,375	217	295
Montour	2,225	2,975	2,538	13	26
New York Central Lines	52,790	51,152	50,508	48,525	52,428
N. Y., N. H. & Hartford	11,026	10,279	9,551	15,483	17,806
New York, Ontario & Western	1,021	1,006	1,335	2,667	3,309
New York, Chicago & St. Louis	6,762	6,682	6,697	13,006	15,520
N. Y., Susquehanna & Western	339	398	483	1,925	2,310
Pittsburgh & Lake Erie	7,036	7,900	8,151	9,410	10,000
Pere Marquette	6,350	5,038	5,185	6,921	7,880
Pittsburgh & Shawmut	1,247	1,002	966	23	23
Pittsburg, Shawmut & North	442	345	361	116	235
Pittsburgh & West Virginia	1,152	1,046	1,435	2,467	2,748
Rutland	458	375	416	1,261	1,358
Wabash	6,698	5,868	6,068	12,066	12,409
Wheeling & Lake Erie	6,061	5,563	6,044	3,543	4,210
Total	170,963	162,853	163,429	199,289	221,376
Allegheny District—					
Akron, Canton & Youngstown	529	609	731	1,150	879
Baltimore & Ohio	40,368	47,313	48,164	25,519	29,289
Bessemer & Lake Erie	5,297	6,491	6,284	2,016	2,131
Cambria & Indiana	1,651	1,600	1,564	18	5
Central R. R. of New Jersey	6,801	6,813	7,094	15,715	19,067
Cornwall	*427	551	513	*62	58
Cumberland & Pennsylvania	360	146	222	8	8
Ligonier Valley	61	89	157	11	52
Long Island	1,581	1,874	1,788	4,706	5,194
Penn-Reading Seashore Lines	1,518	1,727	1,780	1,937	2,232
Pennsylvania System	89,246	89,990	93,105	65,869	66,226
Reading Co.	15,638	16,090	15,220	24,252	26,413
Union (Pittsburgh)	17,896	19,318	19,575	5,200	8,208
Western Maryland	4,707	4,172	4,188	9,960	12,264
Total	186,080	196,788	200,385	156,423	172,026
Pocahontas District—					
Chesapeake & Ohio	34,029	28,632	27,684	16,043	14,162
Norfolk & Western	27,070	21,029	21,664	7,045	7,253
Virginian	4,844	4,156	4,136	983	2,450
Total	65,943	53,817	53,484	24,071	23,865

Railroads	Total Revenue Freight Loaded 1946	1945	1944	Total Loads Received from Connections 1946	1945
Southern District—					
Alabama, Tennessee & Northern	357	465	366	343	270
Atl. & W. P.—W. R. R. of Ala.	828	769	790	2,083	2,303
Atlanta, Birmingham & Coast	†	†	882	†	†
Atlantic Coast Line	14,276	11,278	11,311	9,040	10,870
Central of Georgia	4,383	4,268	3,866	4,522	4,652
Charleston & Western Carolina	824	605	515	1,553	1,542
Clinchfield	1,829	1,593	1,828	3,555	3,131
Columbus & Greenville	367	304	222	357	255
Durham & Southern	115	163	156	448	515
Florida East Coast	1,036	970	818	1,250	1,134
Gainesville Midland	98	54	56	75	116
Georgia	1,311	1,147	1,080	2,579	2,670
Georgia & Florida	346	492	456	954	550
Gulf, Mobile & Ohio	4,847	5,116	4,376	3,620	4,444
Illinois Central System	27,028	27,773	29,360	16,620	17,115
Louisville & Nashville	27,169	25,725	25,562	10,321	12,581
Macon, Dublin & Savannah	268	191	161	814	956
Mississippi Central	441	428	261	281	499
Nashville, Chattanooga & St. L.	3,778	3,348	3,385	4,262	5,012
Norfolk Southern	2,295	1,571	1,770	1,601	1,592
Piedmont Northern	451	451	401	1,570	1,281
Richmond, Fred. & Potomac	448	496	509	10,030	10,941
Seaboard Air Line	11,821	9,717	9,392	8,551	8,395
Southern System	27,997	26,241	24,246	25,526	25,169
Tennessee Central	710	530	712	772	835
Winston-Salem Southbound	119	138	118	1,024	1,209
Total	133,142	123,833	122,599	111,691	118,037
Northwestern District—					
Chicago & North Western	18,786	19,999	18,878	13,301	15,545
Chicago Great Western	2,130	2,452	2,329	2,965	3,561
Chicago, Milw., St. P. & Pac.	19,868	23,022	21,191	10,544	10,697
Chicago, St. Paul, Minn. & Omaha	3,189	3,883	3,256	3,703	4,113
Duluth, Missabe & Iron Range	20,499	27,280	27,604	205	643
Duluth, South Shore & Atlantic	777	1,169	1,068	440	616
Elgin, Joliet & Eastern	8,343	8,008	9,068	8,680	9,924
Ft. Dodge, Des Moines & South	473	371	461	118	82
Great Northern	19,221	21,920	23,333	6,587	9,310
Green Bay & Western	481	*559	479	814	983
Lake Superior & Ishpeming	2,143	2,076	3,195	117	110
Minneapolis & St. Louis	1,755	1,748	2,581	2,307	2,706
Minn., St. Paul & S. S. M.	5,758	8,046	6,919	3,264	3,499
Northern Pacific	10,059	13,256	11,218	4,702	7,031
Spokane International	117	236	154	473	558
Spokane, Portland & Seattle	2,525	2,894	2,932	2,469	4,613
Total	116,124	136,919	134,666	60,689	73,991
Central Western District—					
Atch., Top. & Santa Fe System	30,243	30,684	33,006	10,504	15,391
Alton	2,582	3,559	3,695	3,525	4,119
Bingham & Garfield	45	365	466	19	71
Chicago, Burlington & Quincy	19,009	19,374	18,671	9,832	13,284
Chicago & Illinois Midland	3,478	3,008	3,206	651	976
Chicago, Rock Island & Pacific	14,813	15,141	14,626	12,703	15,127
Chicago & Eastern Illinois	2,827	2,964	2,775	3,416	5,436
Colorado & Southern	533	634	543	1,645	2,907
Denver & Rio Grande Western	2,842	3,705	3,700	4,214	7,725
Denver & Salt Lake	631	545	764	57	49
Fort Worth & Denver City	1,740	1,438	1,607	1,247	2,150
Illinois Terminal	2,029	2,205	2,588	2,069	2,393
Missouri-Illinois	1,393	1,138	1,147	527	590
Nevada Northern	1,594	1,432	1,852	115	92
North Western Pacific	751	888	909	560	769
Peoria & Pekin Union	2	10	3	0	0
Southern Pacific (Pacific)	34,507	35,599	36,147	9,877	15,792
Toledo, Peoria & Western	*17	345	297	*3	2,358
Union Pacific System	14,997	15,443	16,327	14,825	21,704
Utah	834	604	511	7	9
Western Pacific	1,935	2,396	2,217	3,087	5,105
Total	136,802	141,477	145,057	78,883	116,047
Southwestern District—					
Burlington-Rock Island	295	221	561	735	980
Gulf Coast Lines	4,298	6,933	5,592	2,621	3,006
International-Great Northern	2,372	4,126	2,834	4,722	5,060
‡K. O. & G., M. V. & O. C.-A.-A.	1,393	1,336	1,018	1,452	1,553
Kansas City Southern	3,442	4,870	6,097	3,122	3,341
Louisiana & Arkansas	2,487	3,339	3,928	2,151	3,089
Litchfield & Madison	408	338	266	1,333	1,459
Missouri & Arkansas	226	167	178	466	327
Missouri-Kansas-Texas Lines	6,119	7,160	7,266	4,550	5,087
Missouri Pacific	20,242	18,061	18,616	14,444	20,200
Quanah Acme & Pacific	194	159	119	191	372
St. Louis-San Francisco	10,466	10,736	10,344	7,487	8,943
St. Louis-Southwestern	3,063	3,701	3,287	5,273	6,465
Texas & New Orleans	9,456	10,519	12,225	5,826	6,124
Texas & Pacific	5,653	6,318	5,120	7,027	8,949
Wichita Falls & Southern	145	151	113	42	60
Weatherford M. W. & N. W.	32	25	26	6	27
Total	70,491	78,260	77,590	61,448	75,042

*Previous week's figures.

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

NOTE—Previous year's figures revised.

Weekly Statistics of Paperboard Industry

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

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

STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY

Period 1946—Week Ended	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity Current	Cumulative
Mar. 2	198,985	161,122	533,794	98	93
Mar. 9	178,443	158,229	551,081	99	94
Mar. 16	157,237	167,243	538,572	100	94
Mar. 23	169,355	164,267	539,100	99	95
Mar. 30	183,509	167,541	549,928	100	95
April 6	225,192	164,562	607,799	99	95
April 13	154,235	169,627	591,661	101	96
April 20	143,946	167,627	566,152	101	96
Apr. 27	148,161	156,291	553,274	95	96
May 4	229,120	174,501	605,288	101	96
May 11	155,747	165.911	591,206	97	96
May 18	159,370	162,563	595,427	92	96
May 25	131,133	152,203	565,225	93	96
June 1	142,001	139,693	567,068	85	96
June 8	186,073	160,607	591,496	96	96
June 15	136,211	161,240	567,087	98	96
June 22	157,746	163.148	560,916	97	96
June 29	166,050	166,841	558,129	98	96

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

Reduce Appropriations For Federal Activities

Congressional appropriations for the fiscal year which started July 1 will aggregate $24,000,000,000 according to estimates made by the House Appropriations Committee and reported in Washington advices of June 29 to the Associated Press. Only a few major bills remained to be acted upon at the time the estimate was made and it is noted that there appears to be little controversy over the money provisions in them. Appropriations for the year just ended totaled nearly $59,000,000,000. Concerning the details of the appropriations the Associated Press reported:

The biggest peace-time cuts were made in the budgets of the largest war-time spenders, the Army and the Navy. The Army, which received $21,496,902,030 this year, was given approximately $7,500,000,000 for the coming year. The Navy's record total of $23,601,136,064 this year was chopped to $4,119,659,300.

On the other hand, many of the so-called "old line" Departments, whose operations had been cut during the all-out war effort, received more for the coming year when they will get back to normal peace-time programs.

A comparison of this year's and next year's appropriations for the non-war agencies, with action not yet completed on some bills:

Agriculture Department, $589,931,520 this year and $581,240,121 next year.

District of Columbia, $65,635,660 this year and $76,755,009 next year.

Independent offices, $3,121,900,230 this year and $5,094,976,677 next year.

Labor Department and Federal Security Agency, $1,115,617,256 this year and $1,136,500,238 next year.

Legislative establishment, $50,994,481 this year and $53,809,736 next year.

State, Justice and Commerce Departments, $265,521,700 this year and $438,330,612 next year.

Treasury and Postoffice Departments, $1,342,958,105 this year and $1,604,556,940 next year.

War Department civil functions (engineer projects), $112,450,940 this year and $333,230,498 next year.

Deficiency and supplement appropriations this year amounted to $7,046,683,985, while for next year they will approximate $3,000,000,000.

The Senate completed legislative action today on a $4,119,659,300 Navy Department appropriation bill. The total was about $20,000,000 smaller than that approved by the House, and $20,000,000 larger than the Senate bill.

Lumber Movement—Week Ended June 29, 1946

According to the National Lumber Manufacturers Association, lumber shipments of 419 mills reporting to the National Lumber Trade Barometer were 3.0% above production for the week ending June 29, 1946. In the same week new orders of these mills were 2.1% below production. Unfilled order files of the reporting mills amounted to 81% of stocks. For reporting softwood mills, unfilled orders are equivalent to 28 days' production at the current rate, and gross stocks are equivalent to 33 days' production.

For the year-to-date, shipments of reporting identical mills exceeded production by 4.9%; orders by 3.4%.

Compared to the average corresponding week of 1935-1939, production of reporting mills was 17.0% above; shipments were 14.2% above; orders were 16.5% above.

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Gov. Dewey Names World Trade Corporation Directors

Appoints Winthrop W. Aldrich as Chairman. Additional Members are Elliott V. Bell, State Banking Superintendent together with executives of prominent business corporations. Corporation created by legislature to establish and develop a World Trade Center in New York

Governor Dewey on July 6 appointed Winthrop W. Aldrich, Chairman of the Board of the Chase National Bank of New York as Chairman of the Board of Directors of the World Trade Corporation, authorized this year by the Legislature to survey, construct and operate a World Trade Center in the State of New York. If the Board of Directors should determine to build the Center, it is expected to cost at least $100,000,000 and will operate the year-round.

W. W. Aldrich

Other members of the Board of Directors appointed at the same time by Governor Dewey, are as follows:

Elliott V. Bell, Superintendent, New York State Banking Department.

Herbert Brownell, Counsel to American Hotel Association.

Basil Harris, President, International Mercantile Marine Company, President of United States Lines, Inc.

Bayard F. Pope, Vice-Chairman, Executive Committee Marine Midland Trust Company of New York, Chairman of the Board, Marine Midland Corporation.

David Sarnoff, President, Radio Corporation of America.

David Sholtz, Attorney.

George H. Sibley, Vice-President, E. R. Squibb and Sons.

Charles E. Wilson, President, General Electric Company.

Under the terms of the act, State Commissioner of Commerce, M. P. Catherwood, becomes a tenth, and ex-officio member of the board.

The World Trade Corporation is empowered to establish and develop a World Trade Center for exhibiting and promoting the purchase and sale of products in international trade. The duties of the new board will include the selection of the most suitable location and type of facilities for the Center, developing an appropriate organization for the corporation, and suggesting additional legislation required. The board will report recommendations on these points to the Legislature on or before Jan. 1 of next year.

In announcing the appointments Governor Dewey said:

"Over two years ago the New York State Department of Commerce undertook to explore the possibilities in establishing a World Trade Center in New York. The bill passed this year, as a result, proposes that there be established in New York a World Trade Center where the fruits of manufacturing skill from every country in the world can be brought together in one place for display and exchange. The bill calls for the creation of a central market place for the world within the pre-eminent marketing area of the world—New York State.

"It is no mere accident that New York has achieved such preeminence in foreign and domestic commerce. The magnificent war record of the Port of New York in supplying critical materials to our armed forces and those of our allies holds huge promise for post-war trade. The physical facilities and techniques of the Port of New York are developed as never before. The mature experience of New York's financial community affords unparalleled credit and financing services.

"There is within the State's boundaries the world's greatest concentration of facilities in the fields of import and export. These factors have earned the confidence of businessmen in all parts of the world.

"Expanded international trade, conducted on a basis of mutual confidence and for mutual profit, looms as one of the great hopes for permanent peace. Lasting friendship between nations is built most firmly upon a healthy, normal interchange of goods and services, with a constant development of common interests and better acquaintance.

"Under the provisions of the new law, the Board of Directors of the World Trade Corporation is charged with the responsibility of planning and developing this World Trade Center. It will make its recommendation at the next session of the Legislature.

"The importance of the project merits the type of leadership which is assured by these appointments. I am gratified by the acceptance of membership of this distinguished group of men, of leadership in the enterprise in its pioneering stages. The World Trade Center will receive the benefit of the best in business experience and progressive thinking."

Mail Service to Korea

On July 1 Postmaster Albert Goldman announced that effective July 4, letters, post cards and printed matter up to four pounds six ounces in weight, and ordinary (unregistered and uninsured) gift parcels not exceeding 11 pounds in weight, will be accepted for mailing to Korea. Articles prepaid at the letter rate of postage may not contain merchandise, said the announcement, which added: "The postage rate for letters is five cents for the first ounce and three cents for each additional ounce and the rate for post cards is three cents each. The special restrictions imposed by the Treasury Department regarding the exchange of financial, transactional, business and commercial information with Korea will no longer apply after July 4. Registration, air mail, money order and special delivery services are not available to Korea at this time.

"The rate for parcel post packages (ordinary unregistered and uninsured gift parcels) will be 14 cents a pound or fraction. Only one parcel a week may be sent by or on behalf of the same sender to or for the same addressee. The contents of gift parcels are limited to essential relief items such as nonperishable foods, clothing, soap and mailable medicines. The parcels and relative customs declaration must be conspicuously marked "Gift Parcel" by the senders, who must itemize the contents and value on the customs declaration. Parcels should bear the name of the addressee, street, district, town and Province in Korea. Parcels which are undeliverable will not be returned to senders but will be turned over to authorized Korean relief agencies.

"The export control regulations of the Office of International Trade, Commerce Department, are applicable to parcels for delivery in Korea."

St. Louis Reserve Bank Elects W. H. Stead V.-P.

William H. Stead has been elected Vice President of the Federal Reserve Bank of St. Louis and will join the bank July 1, 1946. Mr. Stead returns to St. Louis after an absence of about a year and a half, during which time he was Director of the Institute of Research and Training in the Social Sciences and Chairman of the Departments of Economics and Business Administration at Vanderbilt University in Nashville, Tennessee.

Mr. Stead was born at Galesburg, Illinois, January 22, 1889. He atended Beloit College (Wisconsin) and received his A.B. there in 1920. He received his M.A. at the University of Chicago in 1923, and a Ph.D. degree at the University of Minnesota in 1926. He taught economics at Beloit College and the University of Minnesota until 1933, was Associate Director and later Director and Chief Executive Officer of the United States Employment Service, Washington, D. C., from 1933 to 1940.

In 1940 he came to St. Louis as Dean of the School of Business and Public Administration and Chairman of the Department of Economics at Washington University. He left that post for Vanderbilt University early in 1945.

Mr. Stead has served as an official observer for the United States Government at the International Labor Conference in Geneva in 1933 and at Philadelphia in 1944. While in St. Louis he was a member of the Regional War Labor Board, a member of the Board of Directors of the St. Louis Chamber of Commerce, and a member of the Board of Directors of the Federal Reserve Bank of St. Louis. He acted as Moderator on the "St. Louis Speaks" program broadcast for some time over radio station KMOX. He is the author and co-author of numerous books and pamphlets on employment and occupations and a contributor of numerous articles to the professional journals.

Senate Confirms Hanrahan As SEC Member

The U. S. Senate confirmed on July 3 the nomination of Edmond M. Hanrahan to be a member of the Securities and Exchange Commission for the term expiring June 5, 1947. Mr. Hanrahan's nomination by President Truman was noted in our issue of June 27, page 3474. The Senate Banking and Currency Committee unanimously approved the nomination on July 2. As a member of the Commission Mr. Hanrahan succeeds Ganson Purcell, resigned; the latter had held the post of Chairman. Noting that Mr. Hanrahan is a member of the law firm of Sullivan, Donovan & Heenehan, special Washington advices to the New York "Times" July 2 said in part:

Without any formal opposition votes, the committee sent the nomination to the Senate with recommendation for its confirmation.

In answers to questions by members of the [Senate] committee he [Mr. Hanrahan] said he had heard of some discussion of his being named Chairman of the SEC but had no direct assurance that the commission would elect him.

Mr. Hanrahan has been practicing law since 1929, following graduation from Fordham Law School. He became a partner in the law firm in May, 1933, specializing in bank reorganizations and trial hearings. Most of the firm's clients are in the estate and trust fields, but not Wall Street concerns.

Items About Banks and Trust Companies

(Continued from page 257)

"Journal of Commerce" said in part:

"The proposed merger was announced jointly by Richard K. Mellon, President of Mellon National Bank, and Clarence Stanley, President of the Union Trust Co. of Pittsburgh.

"Mr. Mellon is to be Chairman of the Board of Mellon National Bank & Trust Co. Frank R. Denton will be Vice-Chairman of the Executive Committee and Lawrence N. Murray, President.

"Resources of the combined banks, according to their separately published statements, as of June 29, total $1,173,602,806. Their combined deposits were $980,865,-535.

"Union Trust Co. stockholders will receive eight shares of Mellon National Bank & Trust Co. for every share they now own. Mellon stockholders will receive two shares of the new organization for every share they now hold. There are more than 900 stockholders in the two institutions.

"Merger of the two institutions was said to be a natural outgrowth of long association of leaders in the Pittsburgh trade area who have common interests. Ten of the 38 directors of the two banks are on the boards of both institutions. The directorate of Mellon National Bank & Trust Co. will be composed of members of the two present boards.

"The two banks will complement each other. Both conduct a commercial banking business. Mellon National Bank maintains a large correspondent banking business throughout the United States and the world. On the other hand, Union Trust's large trust business is not duplicated by Mellon.

The Lucas County Savings Bank of Toledo, Ohio, a State member of the Federal Reserve System changed its title to The Lucas County Bank, effective June 17 the governors of the system announced on June 29.

On June 19 the Northern National Bank, of Duluth, Minn. (capital $1,000,000) and the Minnesota National Bank, of Duluth (capital $400,000) were consolidated under the charter of The Northern National Bank of Duluth and under the title of "Northern Minnesota National Bank of Duluth" with common capital stock of $1,500,-000, divided into 15,000 shares of the par value of $100 each, and a surplus of $750,000. Announcement of this was made by the office of the Comptroller of the Currency on June 24.

Fred C. Roeper has been promoted to Assistant Cashier at the First National Bank in St. Louis according to the St. Louis "Globe Democrat" of June 29 which said that he has been with the bank since 1917.

Appointment of William M. Dorr, Assistant Manager of the Guthrie Street Office, as an Assistant Vice-President of the Citizens Fidelity Bank & Trust Co., of Louisville, Ky., was announced on July 2 by Menefee Wirgman, President of the institution it was stated in the Louisville "Courier-Journal" of July 3. Mr. Dorr joined the Citizens Fidelity organization in October, 1921.

The office of the Comptroller of the Currency reports that a charter was issued June 20 for the First National Bank, of Delray Beach, Fla. The capital stock consists of $100,000 all common stock. The bank is a conversion effective June 21 of the Florida State Bank of Delray Beach. H. A. Hubbard is President and C. J. Manson is Cashier.

The Citizens State Bank, Tupelo, Miss., became a member of the Federal Reserve System on July 1, we are advised by the St. Louis Reserve Bank, which says:

"The new member was organized in September, 1922. It has a capital of $100,000, surplus of $100,000 and total resources of $4,108,123. Its officers are R. F. Reed, President; H. L. McCain, Vice-President and Trust Officer; L. E. Bean, Cashier and Trust Officer; W. N. Reed, Jr., Assistant Vice-President, and Margaret Motley, Assistant Cashier. The addition of the Citizens State Bank brings the total membership of the Federal Reserve Bank of St. Louis to 494 as compared with 484 a year ago."

The July 1 bulletin issued by the Office of the Comptroller of the Currency reports that the National Bank of Commerce of San Antonio, Texas, increased its common capital on June 28 from $1,000,000 to $1,350,000 by a stock dividend, and from $1,350,000 to $1,500,000 by the sale of new stock.

The London head office of the Chartered Bank of India, Australia & China have received a telegram from their Singapore manager advising that a branch of the bank was opened at Sandakan, British North Borneo, on June 25.

Congress Pays Tribute To President Roosevelt

On July 1 tribute was paid by Congress to the memory of Franklin D. Roosevelt in a brief and solemn memorial service at which John G. Winant, Ambassador to Great Britain during the Roosevelt administration and now United States representative on the Economic and Social Council of the United Nations, made the only address in eulogy of the late President. Mr. Winant, an Associated Press Washington dispatch stated, told the assemblage of the Senate and House in joint session in the House chamber, as well as Prseident Truman and other high Government officials and members of the Roosevelt family, that "some of us loved him well, some of us oposed him earnestly," but added that all must concede that, under his presidency, America "reached the position of principal importance and power among the nations of the earth" which it holds.

Although President Roosevelt died April 12, 1945, July 1 was the first date on which the two legislative bodies found it possible to unite in joint session for the observance, which is held traditionally in memory of a deceased President. The services were presided over by Speaker Sam Rayburn (D.-Tex.).

U. S. Citizenship For Filipinos and East Indies

A bill to put Philippine immigration to the United States on a quota basis was signed by President Truman on July 2, two days before the declaration of Philippine independence. At the same time, according to Associated Press Washington advices, the President issued an executive order releasing Philippine troops form the service of the United States, revoking an order of July 26, 1941.

The legislation, authorizing the admission of 100 Filipinos to the United States annually to become American citizens, also authorizes the same quota basis for East Indians for immigration to the United States. Similar recognition was granted China last year.

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