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The House That Jack Couldn't Build

By ROBERT R. WASON*

President, National Association of Manufacturers

NAM executive, in attacking Government controls, says they impede small business, prevent industrial building without aiding veteran housing, and increase building costs. Holds labor unions function as legalized monopolies, and criticizes recent Government production statistics as "phony." Advocates removal of rent controls on new houses, and removal of all controls in 1947. Says election has not changed nation's laws, and advocates militant and aggressive fight "to get housing controls off necks of all of us."

Before the war, small business gave eight million jobs and produced $43 billion of goods and services. The small businessman of America, once regarded as Public Friend Number One, is the new Forgotten Man of our time.

Robert R. Wason

Government controls known to you make small business smaller and large business larger. While Government organized bureaus to assist small business, it passed laws that operated to exterminate it.

Many managers of small business found it impossible to employ and pay for Social Security accounting, unemployment tax accounting, a labor relations department, an increased purchasing department, a questionnaire-answering department, and compete with organizations already large enough to afford these new requirements now forced upon business by Washington bureaucracy.

It is in the interest of every citizen that large and small venture industries succeed. Except industry remain solvent, employees will be fewer or none. A "busted" business provides neither goods nor jobs.

The right to sell at a fair profit is as fundamental to our economic freedom as the right to a job at fair play; they are the same thing.

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*Part of address of Mr. Wason before Society of Industrial Realtors, Atlantic City, N. J., Nov. 14, 1946.

Wanted—A Sound Labor Policy

By IRA MOSHER*

Chairman, National Association of Manufacturers

NAM spokesman scores present national labor policy as decrepit and unequitable, and contends objective of basic equality of management and labor in collective bargaining has never been achieved. Points out labor is immune to anti-trust laws and Supreme Court has upheld labor's action in its self interest, whether licit or illicit. Sees higher price levels and danger to public's welfare in collective bargaining on industry-wide basis, and urges that agreements should be binding on both labor and management. Denounces compulsory arbitration as leading to collectivism, and calls for program of education that will convince worker, both employer and employee are in same boat.

You are the professionals of industrial relations. You do not need to be sold on the idea that it is good business to have good industrial relations. There was a day when you professionals complained that it was difficult to convince management that good industrial relations were primary top policy. Those days are gone forever, I hope. In two trips back and forth across the continent this year, talking to big and little businessmen, I found out that labor relations were their top concern. And that is encouraging to one who has been preaching through the years that good relations with employees were just as important as good relations with customers, stockholders and suppliers.

Ira Mosher

Your job, these days, is a very discouraging one. No matter how good an industrial relations policy you may have in your own company, it may be completely unworkable because of our bankrupt Federal labor policy.

The control of labor votes as wielded by union leaders has so frightened the Administration that again and again, political expediency has been the only determining factor in trying to find a solution to the industrial strife that is now wrecking our economy.

It is no wonder that you men,

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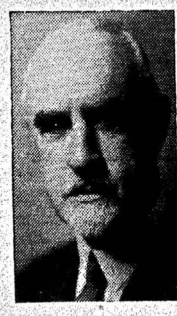
*An address by Mr. Mosher before the Tenth NAM Institute on Industrial Relations, French Lick, Ind., Oct. 29, 1946.

Fahey Again Warns Of Inflationary Mortgages

Federal Home Loan Bank Administrator holds we are in midst of most serious real estate inflation in our history, and points to disastrous consequences of boom of the nineteen-twenties.

In response to a request for a statement to the meeting of the United States Savings and Loan League in Milwaukee on Nov. 20, John H. Fahey, Commissioner, Federal Home Loan Bank Administration, voiced an emphatic warning against the danger of inflationary mortgages based upon excessive prices for homes.



John H. Fahey

"In these times and especially in the coming year, the responsibility which must be assumed by all who are engaged in the financing of home mortgages is an extraordinary challenge," Mr. Fahey declared. "It cannot be met by the adoption of some all-inclusive formula which, it is argued, should govern the conduct of mortgage-making activities and will assure safety and necessary service to the public. No one is wise enough to write one. Only by conscientious common counsel, dominated by a determined spirit of helpfulness to our country, can we hope to develop the vision and judgment to find solutions for the problems we confront.

"We should face squarely the fact that we are in the midst of the most serious inflation of real

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Editorial

Regular Features

State of Trade

*These items appeared in the issue of Monday, Nov. 25, on pages indicated.

As We See It

EDITORIAL

The Fruits of "Labor Unity"

For years President Roosevelt and his followers deplored what they termed the "lack of unity" in the ranks of labor. For years they did their best to "unite" the forces of organized labor. They did not succeed. In the sense in which they employed the terms, labor in this country is still "divided." It has its CIO, its AFL and its John L. Lewis. Yet "unity" in one section of labor (the soft coal mine workers) has today brought the country face to face with an almost desperate struggle to obtain its fuel supplies under reasonable terms and conditions. Furthermore, the possibility of over-all unity among the unions—at least for this one conflict—adds gravely to the danger by which the rank and file of the people are confronted at the very beginning of winter and at a time when otherwise the economy might be able to get on its postwar feet and prosper.

This "unity"—or if one prefers Marxian terminology, this "solidarity"—among the coal miners and the threat of it, or possibility of it, over a much wider area are in part the result of causes which need not detain us here, but they are in substantial part also the fruit of New Deal policies of the past and present. More important, they are the natural outgrowth of a general attitude—or, again if one prefers Communist phrases and ideology — as respects the wage earner and his organizations which has not been unequivocally repudiated by the "opposition," perhaps not fully even recognized or identified as the root of current difficulties.

Labor Tenets

This labor philosophy consists of two major tenets. One of them is to the effect that in the "natural state," that is in a *laissez faire* economy, the wage earner is regularly and normally "exploited." The second is that the remedy is best

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From Washington Ahead of the News

By CARLISLE BARGERON

For several weeks before the recent CIO convention at Atlantic City, a number of our columnists were assuring us that the patriotic labor leaders whose sole concern is the welfare of their fellow men, were determined to go to the bat with the unpatriotic Commies whose hearts belong to Moscow. It was highly doubtful, we were assured, that the heart-broken Phil Murray would again assume the CIO leadership, certainly not if the Commies were not forcefully dealt with.

Carlisle Bargeron

Instead, Murray, this crusader against evil in our midst, clamped down on the Commie's opponents, and pressed a mealy-mouthed resolution through the convention which even the Commies approved.

On top of this and by way of saying that action speaks louder than words, the convention passed a rip-roaring resolution of support for the Allis Chalmers West Allis strike now more than six months old, and at the urging of Messrs. Murray and Walter Reuther, the latter also advertised as a Commie hater, passed another resolution asking the CIO workers in Milwaukee to quit work and demonstrate before the Allis Chalmers plant. This they have been doing causing disorder which as this was written was taxing the ability of the local authorities to suppress.

Neither Murray nor Reuther, nor perhaps, a single one of the delegates at Atlantic City was unaware of the nature of this strike. They were perfectly aware that its top leaders and some 65 of the lesser leaders are known Communists. They were perfectly aware that during the period of the Hitler-Stalin pact these same leaders pulled a strike in this vital defense plant for the sole purpose of preventing aid to Britain and our own preparedness. They were perfectly aware that the Commie leaders subsequently admitted in court that the strike

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Prospects for Expanding China-American Trade

By DR. V. K. WELLINGTON KOO*
Chinese Ambassador to Great Britain

Prominent Chinese diplomat asserts favorable factors for enlarged Sino-American trade are: (1) the abandonment of ex-territorial rights in China; and (2) the complementary nature of their imports and exports. Holds industrialization of China will lead to further foreign trade expansion, though producing a change in its character. Sees unused opportunities for increased commerce between U. S. and China and predicts a much larger volume when China's unification is achieved.

It seems to me that the Thirty-third Annual Convention of the National Foreign Trade Council is meeting at a most propitious time. Side by side with your convention are sitting the Council of Foreign Ministers and the United Nations General Assembly. The first is laboring hard to finalize the treaties of peace to be concluded with the ex-enemy countries in Europe, and the second is endeavoring to reconstruct international relations in accordance with the Charter of the United Nations on the basis of the rule of law and the promotion of human welfare and happiness. We pray for their success as it is only too evident that the flow and expansion of international trade must depend upon the existence of a peaceful world.

Dr. Wellington Koo

As the representative of China, however, I am perhaps expected to speak more particularly about the outlook of Sino-American trade. This is a fascinating subject to me as well as to you, for trade relations not only enrich our two peoples materially but help to bind our two countries still closer together in mutual understanding and friendly cooperation.

A week ago, on Nov. 4, a new Treaty of Friendship, Commerce and Navigation was concluded in Nanking between China and the United States. This is the first commercial treaty signed by China and the United States in the post-war period, and it supersedes the relevant provisions of some nine treaties concluded in the course of the past century beginning with the treaty of Wanghsia signed on July 3, 1844. It is also a most comprehensive instrument dealing with a wide range of questions such as the treatment of foreign enterprises, tariff, taxation, patent, trade mark, copyright, and the acquisition of property. The policies which are embodied in this treaty are of a most liberal character, and therefore we can look forward to the future of our commercial relations with justifiable anticipation and confidence.

Factors Favorable to Chinese-American Trade

An important factor favorable to the expansion of American trade in China is the fact that through the new treaty the entire territory of China is thrown open to the American merchants and businessmen who may want to buy or sell. This is an important development from the point of view of the American trade. For in the days before the relinquishment by the United States of extraterritorial rights by the Treaty of Jan. 11, 1943, foreign nationals were not allowed to travel into the interior except with special permits, and, with the exception of missionaries, they could not take up residence in the interior of China. The activities of foreign merchants were confined to the treaty ports along the coast and along the principal rivers of the country. These restrictions were found necessary because under the old treaty regime foreign nationals enjoyed extraterritorial rights, that is to say, wherever they went in China, they carried with them their own laws and were subject only to their own courts. They were free from duties and taxes, except those which were expressly agreed to under the treaties in force. This was obviously an unsatisfactory system. It has now been properly adjusted by the new treaties to which I have just referred. The underlying principles of these new instruments are equality and reciprocity, which have always been the guiding principle of the Chinese foreign policy and which have now become the basis of our treaty relations. Besides, American nationals can always count upon the goodwill of the Chinese people. Between them there is always an "open door" of friendship. This is a great asset in trade which thrives best in the friendly soil of this valuable sentiment.

Another factor which favors trade between China and the United States is the fact that the needs of the Chinese and American trade are complementary. Thus, the exports of China are non-competitive with the American domestic products. Commodities like bristles, tungsten, antimony, silk and tea are not produced in the United States. Even Chinese tung oil producers do not find their interests at variance with those of the American producers because the tung oil tree can be grown only in a very limited area in this country while the demand by American manufacturers is tremendous. In the case of Chinese embroideries, rugs, lace, linen and similar items exported to the United States, so much skill and patience are required in making them that if these handicraft industries were set up in this country, the high cost of labor would make these items prohibitive in price for the American market.

As regards the exports of the United States to China, they do not compete with the Chinese industry either. Such exports as steel, lumber, wheat, flour, petroleum products and raw cotton are greatly needed because they help to make up the Chinese shortages in these materials. Other items like machines, locomotives, rails and ships will find an unlimited market in China not only because the Chinese industry is not yet able to make them but also because China is in urgent need of them in order to start on the road of industrialization.

China's Industrialization

Economists often advance the theory that when a predominantly agricultural country becomes industrialized, it is bound to buy less as its own industry would be able to supply the local market. But this is not always true in fact. The history of international trade gives ample evidence of the fallacy of this belief in many cases. The trade of the United States with the United Kingdom gives another proof to the contrary, for no one knows better than this prominent group that you are now purchasing a great deal more from the United Kingdom than when you were a British colony with an almost exclusively agricultural economy.

The same thing would be true in regard to China. At present her economy is at least 80% agricultural. That is the reason why she is most anxious to start on the road to industrialization. The object of this policy is two-fold: first, to raise the standard of living of the Chinese people and, secondly, to increase their purchasing power.

The achievement of this object will greatly benefit the trade between our two countries. A higher standard of living for the Chinese people will naturally result in the development of tastes for goods other than the bare necessities of life. In China today, articles which are to be found almost in every home in the United States, such as the telephone, the radio, the refrigerator, the vacuum clearner and the radiator, are considered as great luxuries with the result that most of these goods in China are very limited at present. But it is certain that with a higher standard of life, the demand for these useful and almost indispensable articles will increase, and increase rapidly.

With the development of industries in China, the character of the trade between China and the United States may change, but its volume is bound to grow and expand.

I have mentioned that the other object of industrialization in China is to increase the purchasing power of the people. This is also desirable and necessary from the point of view of trade. For it is axiomatic that trade, to be stable and steadily growing, cannot be of a one-way traffic. No nation can continuously sell to another if that other nation cannot pay for its purchases. The balance of payments in the trade with the United States has heretofore been always against China. With the exception of a few years, this has been true in a period extending over a century of commercial intercourse. We need to industrialize our nation in order to increase our production so that we can export more and thereby enable us more easily to pay for our imports.

A program of industrialization in China will call for large imports of capital goods, of steel, rails, locomotives, bridges, ships and machinery of all sorts. Besides the technological aid and assistance of American industry, which is so highly developed in this respect will be much needed in China to help her carry out her program of industrialization. When this is achieved, it will result in mutual benefit to our two countries.

Trade Should Be Larger

Such is the general picture of the trade possibilities and prospects between China and the United States. It is clear that the basic conditions for an expanding and prosperous trade between our two countries exist already. But the actual volume of trade today is far smaller than it should be. This has raised a big interrogation point in the minds of many people interested in the development of trade relations between our two Republics. It had been anticipated and expected by many people that with the conclusion of the war in the Pacific our commercial relations could be immediately re-established. Unsettled conditions, however, have prevented the full resumption of commerical intercourse, and the slow progress thus far has given rise in certain quarters not only to a feeling of impatience but also to a sense of skepticism and even pes[illegible] as to the future prospects. To my mind, this is an unwarranted apprehension. The existing obstacles to a smooth flow of trade are not related to the intrinsic problems of trade but entirely of an extraneous character. They are the legacies of a prolonged war and are temporary in cnaracter. The unsettled conditions in China today which make extensive trade difficult, if not impossible, are bound to come to an end. They represent only an inevitable stage in the process of national unification. This unification is in fact a prerequisite to the development not only of trade but also to other constructive effort. With the achievement of national unity will come stable conditions under which alone could reforms and reconstruction, political, social as well as economic, be undertaken and pushed forward to success.

One of the great handicaps to trade is the disruption of communications. At present, not only do we find it difficult to send imported goods to the provinces where they are so much needed but we find it no more easy to move Chinese produce from the interior to the coastal ports for export. While the Chinese National Government has been doing its best to repair and restore the damaged and disrupted communication facilities, the Communist forces, in their attempt to improve military position, and check the advance of the Government armies, continue to destroy them without any hesitation. This problem of the disrupted communication and transportation will disappear only when national unity is achieved.

It is the same with the problem of agrarian reform which is an urgent necessity in China. One of the fundamental principles of Dr. Sun Yat-sen's political system is to improve the livelihood of the common people. The Chinese Government has already prepared an economic program which devotes a large part to the measures which should be adopted in order to improve the living standard of the Chinese peasants. Since 80% of the Chinese population depend upon an agricultural economy, it is easy to see what effect an improvement of their living standards will have, not only upon Chinese national economy but also upon the purchasing power of the Chinese nation and therefore upon the volume of trade with the outside world.

In short, the potentialities of Sino-American trade are unlimited and the long range prospects are great. Whatever difficulties and obstacles which now exist will disappear when national unification is achieved. This is a condition precedent to the carrying out of all plans of reform and reconstruction as well as to the development of trade between our two countries. The future of China can be gauged from the course of development of this country from the termination of the Civil War in the early sixties of the 19th Century to the present day. We in China feel confident that the problem of national unification will be solved sooner than expected by the world at large because there is an unshakable will of the Chinese people and the firm determination of the Chinese Government to achieve this indispensable condition of China's strength and prosperity. In a united and unified China and with the assurance of liberal policies and the favorable basic factors of trade and economic development between China and the United States, we can look forward with confidence to the day when our commercial relations will have developed to such a point that they will form an essential part of our respective national economies, thereby further strengthening the bonds of understanding and friendship which now happily unite the peoples of China and the United States.

*An address by Dr. Koo before the National Foreign Trade Council, New York City, Nov. 12, 1946.

German Assets For Reparations

German assets in neutral countries amounting to about $450,000,000 are expected to be available for distribution among 18 Allied Governments according to Washington Associated Press dispatches Nov. 17. The same advices indicated that about $250,000,000 of the total will go to the United States and Great Britain, each entitled to 28% of the total under the terms of the Paris reparations agreement. Russia it is stated will not share in these assets because at Potsdam it relinquished all claim to these properties in return for title to German assets in Rumania, Hungary and Bulgaria. The reports to the Associated Press also said:

"Representatives of the United States, Britain and France, as agents for the 18 reparations claimants, currently are in Spain and Portugal negotiating settlement agreements.

"Allied officials also are reported considering the possibility of undertaking similar missions in Ireland and Afghanistan although the amount of Nazi properties in these countries is believed to be relatively small.

"As a result of the agreements with Switzerland and Sweden, Allied countries hope to realize about $300,000,000, all but $55,000,000 of this from Switzerland, one of the favorite hideaways for Nazi wealth.

"Both countries are co-operating with Allied 'economic police' in ferreting out Nazi properties for liquidation and will return what 'looted gold' they are able to identify as having been stolen by the Nazis from countries they overran.

"Officials said the next big problem for the Allies will be to decide what to do with the relatively plentiful Nazi properties in Latin America, especially in Argentina.

"An American plan permitting the Latin republics to seize German assets in their borders to compensate for the war damage suffered at Nazi hands is being discussed."

Oct. Cotton Consumption

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

In the month of October, 1946, cotton consumed amounted to 931,229 bales of lint and 79,244 bales of linters as compared with 818,449 bales of lint and 74,556 bales of linters in September and 759,763 bales of lint and 85,965 bales of linters in October, 1945.

In the three months ending October 31, cotton consumption was 2,505,189 bales of lint and 240,717 bales of linters, which compares with 2,198,656 bales of lint and 247,483 bales of linters in the corresponding period of a year ago.

There were 2,018,941 bales of lint and 159,109 bales of linters on hand in consuming establishments on Oct. 31, 1946, which compares with 1,956,442 bales of lint and 156,795 bales of linters on Sept. 30, and 1,910,875 bales of lint and 206,128 bales of linters on Oct. 31, 1945.

On hand in public storage and at compresses on Oct. 31, 1946, there were 5,887,999 bales of lint and 45,412 bales of linters, which compares with 4,328,526 bales of lint and 41,641 bales of linters on Sept. 30 and 9,727,799 bales of lint and 29,248 bales of linters on Oct. 31, 1945.

There were 21,753,942 cotton spindles active during October, which compares with 21,642,924 cotton spindles active during September, 1946, and with 21,443,371 [illegible] cotton spindles during October, 1945.

Quite Unconvincing

"We are going to present to the American employers a formal request for wage increases in the course of coming collective bargaining conferences, and in so doing we believe in our hearts and our souls that we are not jeopardizing the economy, that there is nothing comprehended in our wage proposals which should in any way agitate the inflationary trends here in the United States of America.

Philip Murray

"We believe that American business is now extracting enough profit out of its various enterprises to enable them to make substantial wage concessions without necessarily increasing prices.

"There are a lot of notions abroad in the land which undoubtedly create the impression that the CIO is bent upon engaging itself in widespread strikes. The CIO never entered a conference in its entire history with the idea of striking. It wants collective bargaining. It wants a fair deal for its members, that is all. There is no threat of strike in the offing."—Philip Murray, President of the Congress of Industrial Organizations.

Well, at least this labor leader seems to have grown sensitive to what people are thinking about further wage demands and inflation, and about this eternal threat of strikes.

But nothing he has said or is likely to say will much affect the convictions of thoughtful men on these subjects.

Soft Coal Mines Close—"Brown-Outs" Ordered

Following the failure of John L. Lewis, President of the United Mine Workers of America (AFL), to comply with the order of Judge T. Alan Goldsborough, of the U. S. District Court for the District of Columbia, the mines operated by Mr. Lewis' 400,000 soft coal miners were shut down on Thursday, Nov. 21.

Judge Goldsborough, on motion of Tom C. Clark, Attorney General, later the same day ordered Mr. Lewis to show cause on Monday, Nov. 25, why he should not be punished for contempt of Court for refusing to halt the walkout. Contempt is punishable by a fine or jail sentence, or both, and Justice Department officials have said that the extent of the penalty is not limited by law. A permanent hearing was set for Nov. 27.

The order of the Office of Defense Transportation that railroad passenger service performed by coal-burning locomotives be cut 25% became effective at 11:59 p.m. on Sunday, Nov. 24, and on the following day at 6 p.m., "brown-outs" ordered on Nov. 22 by the Civilian Production Administration on the systems of coal-burning electric utilities in 18 States east of the Mississippi and in the District of Columbia, Iowa, Minnesota and Missouri went into effect. The effect of this latter order will be felt principally in northern States, CPA officials said. It is not expected that any regions served by utilities using water power, oil or natural gas for generation of current will be affected.

Uses of electricity curtailed at once include indoor and outdoor advertising, display and ornamental lighting, air-conditioning and elevator service in buildings having more than one passenger elevator or escalator, in the following States: Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, Wisconsin and the District of Columbia.

John D. Small, CPA Administrator, stated: "The situation confronting the American public today is much more serious than that brought about by the coal strike last spring. Seasonal demands for heat and light naturally are heavier and this fact, added to greatly stepped-up industrial consumption of power and fuel of all kinds, means that shortages which would cripple our economy and inflict great hardship are that much nearer; are just around the corner, in fact.

"Available figures indicate that there is a national average of perhaps a 60-day supply of coal now in the hands of electric utilities, and considerably less among gas utilities. These stocks, however, are not evenly distributed among companies, or even among areas, and many power systems are faced with immediate curtailment of their services."

The Office for Emergency Controls will take all measures possible to keep power, gas and water companies in operation, Mr. Small said.

Julius A. Krug, Solid Fuels Administrator, on Nov. 25 announced that preliminary estimates of coal stocks in consumers' hands show that the nation's bituminous coal consumers are in a less favorable position than they were last spring at the beginning of the 29-day strike of the Miners' Union. At that time visible stocks of bituminous coal amounted to 58,531,000 tons, the equivalent of 42 days' supply. Today the stock is estimated at 57,000,000 tons, or 37 days' supply, with the consumption rate considerably higher because of increased industrial activity and a sharper demand for coal used in domestic heating.

"Steel is the first industry to be affected by the walkout," Administrator Krug stated. "More than half of the by-product coke plants in the United States will be compelled to curtail production, and many of them will be forced to suspend operations entirely within two weeks. About 17% of the bituminous coal production is used in the manufacture of coke which goes directly into steel production. Steel cannot be manufactured without coal and the immediate effect of the walkout will be a steady but nonetheless drastic curtailment of iron and steel with a consequent slowing up of hundreds of metal working industries which depend upon steel for their existence.

"On Nov. 1, by product coke ovens had an average of only 27 days' supply of bituminous coal and coke supplies at blast furnaces, and foundries were at low operating levels. An analysis, however, reveals that the coal stock position in the coking industry is much more serious than the average 27-day figures indicate. Many individual plants have been operating from day to day on current shipments. These will have to curtail operations immediately to prevent damage to costly equipment. Shortage of coke since the miners' strike in the spring has been one of the limiting factors in the production of iron and steel, the shortage of steel definitely retarding the general level of industrial activity in the country."

Reviewing what happened in the spring strike, Administrator Krug said that during the first month of the strike in April, there was an immediate and severe setback in steel production, but it was not until May that the disastrous effects of the strike became apparent. Pig iron output dropped by 49% from March and beehive coke production receded 96% below the March figures. Cement production in May dropped 16% from March, while the March index of total industrial production was pulled down to 159, as compared with 168 in March.

Pointing out that while electric power utilities as a whole have an average of two and a half months' coal supply, Administrator Krug said that one out of six plants will be out of commission within two weeks unless their operations are prolonged by drafts from the emergency supplies, and that some of the plants will be in critical shape before the end of a week unless emergency methods are adopted. One out of every five railroads will be compelled to curtail operations beyond those already ordered by the government unless their stocks can be replenished from the available stock of coal which were frozen by SFA distribution orders.

"Bituminous coal production," Mr. Krug said, "has averaged 12,133,000 tons a week since the government took over operation of the mines on May 28. During the spring strike the average weekly production from mines not affiliated with the United Mine Workers averaged 658,000 tons. The 59-day strike of the United Mine Workers in April and May cost the nation a loss of 81,549,272 tons of coal."

According to the New York "Times," it was estimated that 25,000,000 workers would be made idle throughout the country if a prolonged strike caused factories and offices to close for lack of coal. A sharp recession in the productivity of the steel industry was forecast, with many of the leading steel manufacturers already announcing curtailments in the operating schedules averaging 25%, the "Times" added.

CCC Wheat Loans

Commodity Credit Corporation through Oct. 31, 1946, had completed 7,625 loans on 15,603,117 bushels of 1946 wheat in the amount of $22,590,557.07. The average amount advanced was $1.448 per bushel, which includes some transportation charges from the area of production to warehouse locations. On the same date last year 26,938 loans had been completed on 42,300,068 bushels.

The State of Trade

The coal strike and its immediate and long-range effects upon steel output, so vital to industry as a whole, commanded major attention on the industrial and business fronts both last week and the present week. It is estimated that ultimate consumers the current week face a loss approximating 300,000 tons of finished steel as the industry's mills cut their operating schedules by 28.6% to 62.8% on the basis of reports to the American Iron & Steel Institute. This rate contrasts with the postwar high of 91.4% established one week ago.

Thus far the strike has progressed to the point where Justice T. Alan Goldsborough of the United States District Court for the District of Columbia on Monday last, ordered John L. Lewis and the United Mine Workers of America to stand trial on Wednesday of this week at 10 a.m., for contempt of court in their refusal to cancel as ordered by the Government their contract termination notice which became effective on Nov. 20. The Government in an attempt to conserve fuel ordered a 21-State brown-out which was put into effect on Monday at 6 p.m. In New York City it was made known that compliance would be voluntary and it was reported that on the whole acceptance of the Civilian Production Administration's decree was fairly general. Meanwhile, in Washington the establishment of special courts for the settlement of labor-management disputes, with compulsory arbitration applying to interstate utilities and basic industries was sought by members of Congress largely as a result of John L. Lewis' contempt action.

The strike as a result of its far-reaching effect was not one to encourage business, impairing as it does essential services and making for increased unemployment caused by temporary lay-offs. This in turn makes for a substantial reduction in purchasing power of the public. Should the miners' wages be increased appreciably, the increase would serve to stimulate the demands of labor in general and thus continue the upward spiral of wages and prices, barring a general consumer revolt.

With reference to the effect of taxes on earned income, the Institute of Life Insurance in a recent study, noted that directly or indirectly the American people in 1944 and 1945 had to put out $1 from each $3 of total income payments to support the government—Federal, State and local, or an average of more than $1300 per family. Using as a basis figures obtained from the Department of Commerce and the National Industrial Conference Board, the Institute stated the total tax bill in each of these two years was almost $50 billion, while a few years before, in 1940, this over-all tax bill was just under $13 billions.

In an effort to discard additional governmental restraints and competition the United States Chamber of Commerce on Monday of this week sought the speedy removal of governmental restrictions on instalment buying and the ban on margin trading in the stock market. Urging the Reconstruction Finance Corp. to immediately cease underwriting 75% of loans made by banks subscribing to a government agreement, it requested the new Congress to take steps to curtail the agency's lending powers.

The report pointed out that while the Reserve Board recently abolished restrictions on charge accounts, it retained those limiting instalment payments on automobiles and other durable goods to a 15-month period and stated: "The time is at hand when consumer credit should be permitted to assume its normal function in the creation of mass markets necessary for full production and a high level of employment."

Referring to the 100% cash requirement for stock market transactions by trades, the report added that the ban was "discriminatory" and deprived the market of "substantial support" in recent breaks.

In the past week total industrial production showed a slight increase with output in some industries reaching new postwar peaks. The latest weekly business barometers were very high and reveal increases in steel ingot, electric kilowatt power, automotive and daily average crude oil production along with higher freight car loadings, while in the case of bituminous coal and paper and paperboard output, declines were registered. Total continued claims for unemployment compensation fell 3.4% in the week ended Nov. 9, while initial claims rose 2.9% with Pennsylvania reporting the largest single increase.

There was a moderate rise in retail volume during the past week, but was, however, considerably above that of the corresponding week a year ago. Interest in toys and gift items was high. Cool weather stimulated a more favorable response to winter apparel promotions than was evident in previous week. Food volume continued to increase and shoppers generally were encouraged by wide selections and plentiful supplies of many foods.

Wholesale volume last week remained close to the high level of the preceding week, being well above that of the corresponding week a year ago. There was a slight improvement in deliveries and new order volume remained large. Many buyers insisted upon early deliveries when placing new orders and buyers continued to be selective regarding quality and price.

Steel Industry — A prolonged tieup of the nation's coal mines would produce one of the most serious impacts on the steel industry in recent years and undo a substantial part of the progress made towards the establishment of a normal steel market, states "The Iron Age," national metalworking paper, in its review of the steel trade. Last week it appeared, the magazine adds, that the industry was about to be plunged into the period of hectic hit-and-miss production schedules and shortages which followed the steel and coal strikes earlier this year. Barring a quick settlement the possibility is that steel output will trend sharply lower and not regain current levels for two or three months. The unusually high rate of activity has prevented steel firms from building up coal inventories which are now at an exceedingly low point.

Of major importance and a point that is apt to be overlooked is the fact that, if the coal strike should last through December, many blast furnace operators might be forced to keep their units out of operation until the outcome of wage negotiations with the United Steel Workers of America is definitely known.

While the steel industry again faces the prospect of lower operations and maladministration of its products because of labor difficulties, it is currently testing at several steel company plants in this country the use of oxygen in

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As We See It

(Continued from first page)

found in a policy resting upon the postulate that the labor market is *sui generis* as respects the desirability of competition. All other elements in the economy must be compelled to endure the rigors of effective competition, but the wage earner with his own services to sell must be permitted to associate himself with his fellows to shield himself *from* competition, and, indeed, be given special legislative assistance to the same end. Should the resulting labor organizations or their leaders abuse the powers thus granted them or the positions thus assured them, the remedy is the familiar one — government regulation, government control, or government interference in one form or another.

Of course, at various times the New Deal philosophers have been inclined to apply somewhat the same reasoning to other elements in the economy. One of the functions of the NRA was to shackle the "chiselers" who were believed to infest any competitive situation. The same or closely similar notions have appeared elsewhere intermittently in high places throughout the past dozen years or so, but business men have not cared greatly for them after some experience with the NRA, and besides, it was more in keeping with the general trend of New Deal notions to berate and hem in the employer. At any rate, the antitrust activities of the Department of Justice have been very extensive and continue so. The "good trust," or the "regulated trust" notion has, for the most part, been applied only to labor.

Labor Monopoly

At any rate, the conception has been applied to labor, is today being applied to labor, even by those in the Administration who are trying to "break" the coal strike, and is to all appearances often tacitly accepted by those who profess to be definitely and even violently anti-New Deal. Until we come to a full understanding of the simple fact that labor monopoly is no more likely to act in the public interest than is monopoly anywhere else, and that effective control or regulation of monopoly in the labor field is even more difficult to effect than in other departments of the economic structure, we shall always have our difficulties, our very serious difficulties, with labor unions and labor leaders.

Such considerations as these expose the basic defects of the strategy of the struggle with coal miners and Mr. Lewis. The real issues in this case have been permitted to become identified with, or at any rate to be badly confused with, the validity of uncertain, perhaps even unwise, legal procedures, and the interpretations to be placed upon an ambiguous statute—both the court action and the statute having been resorted to in an effort to enable government to control, restrict or regulate a labor monopoly which has for years past been sedulously encouraged and nurtured by the same Government which now undertakes to control its own unfortunate handiwork. The nature of the demands made by Mr. Lewis for the miners and the question of their unreasonableness in the circumstances have thus been pushed partly at least into the background, and the bald fact that the miners, through one man, are able at will to say when the mines will operate and at what price has been largely lost to sight in consideration of the circumstances that this power is now being directed at the Government itself.

Inevitable

It was but a question of time, of course, when the Government would be face to face with precisely such a situation if it persisted, first, in encouraging and aiding in the development of labor monopolies, and second, in the practice of seizing private properties to bring strikes to an end. In the past it has succeeded largely by virtue of surrender to the demands of labor, and by making use of a war situation, a competitive situation or some other extraordinary circumstances to oblige employers to accept the terms it had arranged for them with the leaders of the unions. In the coal case, the Government has not been able to "get out" even for a temporary period. With war conditions and war psychology no longer obtaining, it has been obliged, therefore, to feel the brunt of the monopolistic behavior of one of the creatures it has helped to nourish and develop.

If we are to have coal this winter we must get it from these mines which are now closed. If we are to have coal this winter we must get by the toil of these miners who are now out on strike. The problem of getting coal both now and in the future at reasonable prices is the real issue before the country—not that of "getting" Mr. Lewis, as tempting as the arrogance of that gentleman renders this latter objective. Apart, of course, from some peculiarities inherent in the coal situation, the reason that such a problem exists lies less with Mr. Lewis than it does with a system which not only Mr. Lewis but public policy has established through the years. Given a monopoly as complete as that existing in the coal mines of this country, and there will always appear a Lewis to exploit it.

The public is, we feel certain, sick unto death with the apparently almost endless disturbance labor unions are causing. It is weary of continuously rising costs and prices. It has quite enough, certainly, of the arrogance not only of Mr. Lewis, but of a great many other labor dictators. So far as we are concerned, we are prepared to undergo whatever hardship is necessary to bring an end to this unbearable situation, but we are convinced, and we hope the public is convinced, that it will not end until the basic causes of it are eliminated. All this, the authorities in Washington should bear constantly in mind during the months immediately ahead.

Insurance Companies' Investments Since War

Reflecting directly the changing needs of the economy in the shift-over from a war to a peacetime basis, the securities of business enterprises and home and other mortgages in the first postwar year represented a substantially larger proportion of total investment purchases by the life insurance companies than during the war years, according to an analysis by the Institute of Life Insurance of the investment purchases by U. S. life insurance companies during the 24 months ended Aug. 31, 1946. The Institute's announcement on Oct. 31 also said:

United States Government securities, which accounted for 65% of total purchases in the 12 months ended Aug. 31, 1945, constituted only 49% of the purchases in the year ended Aug. 31, 1946. Bonds and stocks of business enterprises, in contrast, represented 34% of purchases in the first postwar year, as compared with only 25% in the preceding year, while real estate mortgages absorbed 13% of the total, as compared with only 8% in the last year of the war. Foreign government securities constituted 4% of the purchases in the last 12 months' period, compared with 2% the year before, while purchases of State, county and municipal bonds represented an insignificant portion of the investment in both years.

"The direction of a larger proportion of life insurance investment funds into business securities and mortgages demonstrates the responsiveness of these funds to the needs of the economy," said the Institute, which added:

"Whereas during the war the financing needs of the government were paramount, these are now diminishing. The capital needs of business for home and other new construction, on the other hand, are expanding. The greater proportion of life insurance funds now going into business securities and mortgages is significant not only from the standpoint of the aid it gives the national economy, but also from the standpoint of its effect over the long-term upon the earnings of the companies, which are an important element in the cost to policyholders of their life insurance."

Decline in Assets and Deposits of National Banks Shown in Sept. 30 Call

The total assets of National banks on Sept. 30 of this year amounted to $85,658,000,000, it was announced on Nov. 15 by Comptroller of the Currency Preston Delano. The returns from the call covered the 5,014 active banks in the United States and possessions. The assets were $335,000,000 less than the amount reported by the 5,018 active National banks on June 29, 1946, the date of the previous call, and were $4,878,000,000 less than the amount reported by the 5,023 active banks as of Dec. 31, 1945. Figures of total assets and deposits June 29, 1946 appeared in our issue of Nov. 14, page 2523. In his advices Nov. 15 Comptroller Delano said:

"The deposits of National banks on Sept. 30, 1946 were nearly $80,000,000,000, which was a decrease of $625,000,000 since June 1946, and a decrease of $5,373,000,000 since December 1945. Included in the current deposit figures are demand deposits of individuals, partnerships, and corporations of $44,320,000,000, which increased $1,760,000,000, or 4%, in the three-month period, and time deposits of individuals, partnerships, and corporations of $17,719,000,000, which increased $545,000,000, or 3%. Deposits of the United States Government of $5,074,000,000 were $2,620,000,000, or 34%, less than in June, due principally to the withdrawal of War loan accounts to provide for Federal debt retirement. Deposits of States and political subdivisions of nearly $4,000,000,000 showed a decrease of $68,000,000, or nearly 2%, since June, and deposits of banks of $7,713,000,000 were $104,000,000, or more than 1% less than in June.

"Loans and discounts were $15,801,000,000 on Sept. 30, which was an increase of $1,303,000,000, or 9%, since June, and an increase of $1,853,000,000, or more than 13%, since December last year.

"The banks held obligations of the United States Government of $45,316,000,000, a decrease of $2,157,000,000, or more than 4%, since June, and a decrease of $6,152,000,000, or nearly 12%, since last December. Obligations of States and political subdivisions held in September amounted to $2,670,000,000, an increase of $216,000,000 over the June figure, and other securities of $2,125,000,000, an increase of $35,000,000.

"Cash of $958,000,000, balances with other banks (including cash items in process of collection) of $7,456,000,000, and reserves with Federal Reserve banks of $10,496,000,000, a total of $18,910,000,000, increased $249,000,000 since June 29.

"The unimpaired capital stock of the banks on Sept. 30, 1946 was $1,748,000,000, including $44,000,000 of preferred stock. Surplus was $2,177,000,000, undivided profits $883,000,000, and reserves $323,000,000. Total capital accounts of $5,131,000,000 was $258,000,000, or 5%, more than at the end of June.

"The percentage of loans and discounts to total deposits on Sept. 30, 1946 was 19.78%, in comparison with 18.01% on June 29, 1946, and 16.36% on Dec. 31, 1945."

NY Clearing House Members Favor Saturday Bank Closing

The New York Clearing House Association at a meeting held on Nov. 19, 1946, adopted the following resolution:

RESOLVED, that the member banks of the New York Clearing House Association declare that they favor legislation for such amendments to the General Construction Law of New York and other laws as may be necessary to give permission to banks and their domestic branches to close on any one or more Saturdays during the year.

Regional Small Business Section in N. Y. for Surplus Property Disposal

Establishment of a Regional Small Business Section to develop special programs for the disposal of surplus property to small businessmen was announced on Nov. 14 by Frank L. Seymour, Regional Director of the War Assets Administration in New York, northern New Jersey and Fairfield County, Connecticut. Heading the new unit is Theodore S. Johnston, of Great Neck, Long Island. Mr. Johnston was formerly liasion officer at the Smaller War Plants Corporation in charge of securing and expediting war contracts. Prior to his Government service he was a sales executive and assistant to the President of General Motors. He will make his headquarters at the WAA Regional Office, 8th floor, 40 Wall Street, New York City.

The duties and responsibilities of the newly formed Small Business Section include:

1. To carry out the provisions of the directives and orders of the Administration pertaining to assistance to small business.
2. To assume responsibility for the prompt execution of orders placed by RFC for resale to small business.
3. To coordinate activities with RFC by rendering assistance to their liasion officer located in each WAA Regional Office. Such assistance to include the search and acquisition of surplus property required by small business and the purchase or lease of suitable surplus real property, either in separate plants or on a multiple tenancy basis.
4. To assist commodity chiefs in planning sales programs.
5. To maintain close contact with small business groups, Chambers of Commerce and similar organizations interested in the welfare of small business.
6. To assist individual small businesses on their particular problems.

The announcement also says:

Small business is defined by WAA as "any commercial or industrial enterprise or group of enterprises under common ownership or control which does not have at the date of purchase of surplus property more than 500 employees, or any such enterprise which by reason of its relative size and position in its industry is certified by WAA to be a small business." When factors other than number of employees are used as the basis for determining a small business, the rule is: "A small business may be defined as an independent commercial, industrial or agricultural enterprise, or group of such enterprises, under common ownership or control, which is not dominant because of its size or standing in its specific field of business and is not financially or otherwise controlled by a commercial, industrial or agricultural enterprise which occupies a dominant position in its field of business activity."

Two classes of small business may buy surplus property with a priority rating. A veteran who is establishing himself in a small business enjoys a Number 2 priority and small business buying through RFC has a Number 3 priority.

Steel Operations Seriously Affected by Coal Strike—Cutting Back Operations Started

In the first week of the coal strike John L. Lewis had deprived American industry of more than 400,000 tons of steel as the coal crisis sent the steel ingot operating rate down 22.5 points to a figure of 68% of rated capacity, from last week's revised rate of 90.5%, according to "The Iron Age," national metalworking paper, which, in its issue of today (Nov. 28) further states as follows: "Steel mills, which had been operating at peak peacetime levels have small coal stockpiles on hand compared to their position during the last coal walkout when some were able to run full blast for the duration of the strike. Hence the effect of this coal strike is far more serious and immediate.

"Perhaps more serious than the immediate effect of the loss of steel production and wages is the long-range effect on fabricators and inventories. Latest government data show manufacturers' inventories at a new high. One prime factor in this figure is the shortage of critical steel, items which has been holding millions of dollars worth of goods off the market.

"Steel sources see the present interruption as a further blow to a patient who had just passed his crisis and appeared well on the road to recovery. Steelmakers had just begun to make some order out of chaos represented by tremendous and top-heavy backlogs; they had persuaded their customers that by cutting these backlogs they were in a fair way to scheduling deliveries on a reasonable basis. Now this careful planning has been upset and in its place has been substituted further uncertainty.

"Some steel companies began the job of cutting back operations on Monday, though some of the smaller firms planned to hold operations at pre-strike levels for the balance of the week. Led off by a drop of 59 points in the Pittsburgh district, where Carnegie-Illinois Steel Corp. cut back to 35% of rated capacity, the national operating rate began a downward spiral which will soon hit metalworking plants throughout the country. Within two weeks, it is estimated that fabricating operations will be cut to about 50% and some sources predict that many of them will be out cold within a month, if the strike continues that long.

"Hanging like a sword over all industry is the threat of a nationwide freight embargo, which many railroad men predicted would come this week. Such action would bring industry to a virtual halt. Usually, the reserve banks of coal have permitted a gradual shutdown of blast furnaces and steel mills with decreased shipments possible for weeks after the strike was called. This time no substantial coal stocks are available to industry and the cutbacks have come more sharply.

"Many producers are not forgetting the fact that they will come up against Philip Murray's steelworkers union before present contracts expire in February. For this reason some steel sources believe that if the coal strike is a protracted one many furnaces which have now been banked and set to fanning will not be started up again until the outcome of the negotiations with the USWA-CIO is known. They repeat a well-known axiom of steelmaking that it is relatively easy to shut down a steel mill compared to the task of getting it back into full production. One thing appears certain—if the strike lasts a month Mr. Murray's argument on bloated corporate profits will blow up in his face.

"Steel companies, through the breather the coal strike may afford, will continue a study of their price structures. The inequalities of price to cost on many steel items will undoubtedly be first corrected through a general revision of extras. Then if costs due to the coal and steel strike require it, further changes will be made later.

"So far this week only one pig iron producer reported a price rise. Others have stated that they plan no immediate increase until settlement of the coal strike permits them to figure their costs.

"The nonferrous field was highlighted by two significant price increases early this week. The International Nickel Co. announced a contract price increase, effective Nov. 25, to 35¢ for electrolytic nickel, the first price change in nickel since 1925. Copper moved up 2¢ to 19½¢, compared to an OPA ceiling price of 14.375¢ per lb.

"'The Iron Age' composite scrap price advanced 25¢ this week to $25.00."

The American Iron and Steel Institute this week announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 62.8% of capacity for the week beginning Nov. 25, compared with 91.4% one week ago when the highest level since June, 1945 was recorded. This represents a decrease of 28.6 points, or 31.3%, from last week, reflecting curtailment of operations owing to the coal strike and also Thanksgiving Day shutdowns. The operating rate was 89.4% one month ago and 83.5% one year ago. The operating rate for the week beginning Nov. 25 is equivalent to 1,106,800 tons of steel ingots and castings, compared to 1,610,800 tons one week ago, 1,575,600 tons one month ago, and 1,529,400 tons one year ago.

The estimated total bookings of fabricated structural steel for the month of October, 1946, according to reports received by the American Institute of Steel Construction, amounted to 138,953 tons. The estimated total for the first 10 months of the year was 1,523,445 tons, or an increase of 23.2% over the average of 1,236,426 tons booked for the same period in the five prewar years 1936 to 1940.

October shipments of fabricated structural steel totaled 149,273 tons. The shipments for the 10 months amounting to 1,236,805 tons, were slightly higher than the average reported for the same months in the five prewar years 1,215,089 tons. The tonnage available for future fabrication at Oct. 31 amounted to 659,924 tons.

"Steel" of Cleveland, in its summary of latest news developments in the metalworking industry, on Nov. 25 stated in part as follows: "Steel prices started rising to higher levels last week as several small companies announced upward adjustments. Base prices quoted by major steelmaking companies, however, remain unchanged, and indications are they will move slowly in making adjustments.

"Continuation of the soft coal strike will bring drastic reduction in steelmaking operations this week. Moving more quickly to conserve fuel than upon occasion of the coal strike last spring, steel producers started curtailing immediately following the general walkout of miners last wek. Full impact of the strike will not be felt until this week when much sharper curtailment of operations is scheduled. Blast furnace production was affected almost immediately, with one eastern Pennsylvania stack taking occasion to blow out for repairs.

"Once again, after having reached a high rate of operations, steel producers are being forced to set back their rolling schedules because of labor disruptions, with prospects that it will require much longer than the length of time involved in the strike itself for the steel industry to recover.

"Certain sheet sellers, already late in setting up first quarter quotas, are holding off a while longer pending developments in the coal dispute. They say they will not be able to accept any new orders in the first several weeks of the new year anyway and that any schedules worked out now would only have to be revised later.

"Should there eventually be a new increase in coal prices a further advance in iron prices may result. Until recently most iron sellers were disposed to await developments in the mine dispute, but with one furnace now having already taken action and with nothing definite on the price of coal in early prospect, other producers may advance prices shortly.

"With prices of steelmaking scrap steadying at around $5 above former OPA ceiling levels, activity in metal markets pricewise centered mainly in nonferrous metals. Phelps Dodge Corp. and Miami Copper Co., advanced copper prices two cents a pound to 19.50c, Connecticut Valley, while other domestic producers continued at 17.50c and foreign producers at 21.50c. Lead producers raised prices 1.30 cents a pound higher to the basis of 11.65c, East St. Louis. While prime western zinc held unchanged, zinc oxide, lead-free, advanced 1 cent a pound.

"Steel's composite market average on steelmaking scrap eased last week to $23.58 from $24.17 while those on finished steel at $64.45, on semifinished steel a $40.60 and on steelmaking pig iron at $27.50 held unchanged."

Export-Import Bank Credit to Mexico

Transfer of $4,000,000 from an existing Export-Import Bank credit for highway construction in Mexico to an existing credit for the purchase by Mexico of railway equipment in the United States, was made known in a joint anouncement Nov. 15 by Bank Chairman William McChesney Martin, Jr., and Dr. Antonio Espinosa de los Monteros, Mexican Ambassador to the United States. The announcement continued:

"This transfer will assist both the Ferrocarriles Nacionales de Mexico and the Ferrocarril Mexicano in financing purchases in the United States of equipment, materials and services to be used in connection with a broad program for improvement of transportation facilities in Mexico. The program will be carried out by the Administracion de los Ferrocarriles Nacionales de Mexico and the Administracion Publica del Ferrocarril Mexicano in cooperation with Nacional Financiera, a semi-governmental financial institution which is a party to the agreements in addition to the Government of Mexico.

"The availability period of the railway equipment credit was extended for one year to Dec. 31, 1947. Advances under the credit will be repaid in 20 approximately equal semi-annual instalments.

"At the signing of the amendatory agreements, the Mexican Ambassador and Mr. Martin expressed mutual satisfaction for the continuing financial cooperation between Mexico and the United States in fostering the development of the Mexican economy, thus making possible a larger volume of trade and commerce between the two countries."

Barrett & Cannon Resign from WSB

In a letter made public on Nov. 21, President Truman, through his Secretary, William D. Hassett, accepted the resignation of A. Colman Barrett and Earl N. Cannon, industry members of the Wage Stabilization Board, who had twice tendered their resignations. Indications were, according to special advices from Washington to the New York "Times," that successors to Mr. Barrett and Mr. Cannon would soon be named. However, their principal jobs will be to assist in the liquidation of the agency and participate in the settlement of enforcement cases still outstanding. According to the "Times," Mr. Hassett's letter, writen Nov. 19, stated:

"The President has asked me to inform you that he accedes to the request conveyed to him in your letter of Oct. 9. Your resignations are therefore accepted, effective at the close of business this day. The President's appreciation of your services was expressed in letters addressed to you under date of Aug. 1, 1946."

The two industry members of the board submitted their resignations first on July 18, and again Oct. 9, effective Oct. 10, to President Truman. Renewing their stand that the tri-partite form of Board set up in wartime was no longer appropriate, the departing members proposed scrapping of all wage controls. In October it was noted that the order of John R. Steelman, Reconversion director, in effect by passing the board's decision denying part of the pay increase negotiated by A. F. of L. seamen with shop owners, was reported to be considered one of the major factors in bringing about the resignations. A statement issued by Mr. Barrett, Washington advices to the "Journal of Commerce" stated, said: "Mr. Cannon and are of the opinion that all wage controls should be ended. We hope that the President will not deliberate too long in accepting our resignation and ending all wage controls."

Even though President Truman were able to fill the two principal industry jobs on the main board, the Associated Press pointed out, it would be difficult to choose new employer representatives for each of the regional boards. For that reason there were suggestions that a new executive order might set up the WSB as an agency with only public members.

The Nov. 21 advices to the "Times" stated that in a letter under the date of Aug. 1, Mr. Truman asked the industry members to reconsider their resignation move of July 18, and to stay on the job. No formal response was made to the second attempt until the acceptance letter just made public.

Cotton Spinning for Oct.

The Bureau of the Census announced on Nov. 20 that, according to preliminary figures, 23,918,070 cotton spindles were in place in the United States on Oct. 31, 1946, of which 21,753,942 were in operation the last working day of the month, compared with 21,638,738 in Sept. 1946, and 21,443,371 in Oct. 1945. The aggregate number of active cotton spindle hours reported for the month was 10,142,516,262, an average of 424 spindle in place, compared with 9,037,485,750, an average of 379 per spindle in place for Sept. 1946, and 9,155,711,862, an average of 385 per spindle in place for Oct. 1945. Based on an activity of 80 hours per week, cotton spindles in the United States were operated during October at 116.2% capacity. The percent on the same activity basis was 114.4 for Sept. 1946, and 105.3 for Oct. 1945.

Committee Chairmen Of ABA Savs. Div.

Fred F. Spellissy, President of the Savings Division of the American Bankers Association, who is also Executive Vice-President of the Market Street National Bank, Philadelphia, Pa., announces the following appointments of Chairmen of Savings Division committees for the Association year 1946-47:

Committee on Federal Legislation: William A. Reckman, President Western Bank & Trust Co., Cincinnati, Ohio; Committee on Investments: J. Reed Morss, President Boston Five Cents Savings Bank, Boston, Mass.; Committee on Real Estate Mortgages: William A. Marcus, Vice-President American Trust Co., San Francisco, Calif.; Committee on Savings Development: L. A. Tobie, President Meriden Savings Bank, Meriden, Conn.; Committee on Savings Management and Operations: John A. Terrill, Secretary and Treasurer New Hampshire Savings Bank, Concord, N. H.; Committee on Savings Text: Myron F. Converse, President Worcester Five Cents Savings Bank, Worcester, Mass.; Committee on State Legislation: George S. Eccles, President First Security Bank of Utah N.A., Ogden, Utah; Committee on School Savings Banking: Rowland R. McElvare, Executive Vice-President Bank for Savings, New York; Committee on Savings Statistics: J. Brooke Willis, Research Department, Chase National Bank, New York; Committee on Personal Money Management: Charles A. Post, President Citizens Savings Bank, Providence, R. I.; Committee on Interest Computation: Stuart C. Frazier, Executive Vice-President Washington Mutual Savings Bank, Seattle, Wash. The three last named committees are new this year.

More Freight Cars on Order in October

The Class I railroads had 62,145 new freight cars on order on Nov. 1, 1946, the Association of American Railroads announced on Nov. 22. This included 15,569 hopper (of which 2,094 were covered hoppers), 5,412 gondola, 1,159 flat, 21,926 plain box, 7,250 automobile, 10,229 refrigerator, 200 stock and 400 miscellaneous freight cars. New freight cars on order on Oct. 1, last, were 61,419, and on Nov. 1, 1945 totaled 37,904.

They also had 573 locomotives on order on Nov. 1 this year, which included 67 steam, six electric and 500 Diesel locomotives. This compared with 520 on the same date last year, which included 117 steam and 403 Diesel one year ago.

New freight cars installed in service in the first ten months of 1946 totaled 34,127, which included 13,120 hopper (of which 3,012 were covered hoppers), 4,754 gondola, 799 refrigerator, 161 flat, 2,283 automobile box, and 13,010 plain box freight cars. New freight cars put in service in the first ten months of 1945 totaled 33,696. The number installed in October this year was 3,502, compared with 3,800 in September.

They also put 425 new locomotives in service in the first ten months this year, of which 79 were steam, and 346 were Diesel. New locomotives installed in the same period last year totaled 522, of which 74 were steam and 448 were Diesel.

The figures given above include only locomotives and commercial service freight cars installed and on order by Class I railroads and by railroad-owned refrigerator car lines. Locomotives and cars installed or on order by private car lines, shortlines or industrial railroads are not included.

The House That Jack Couldn't Build

(Continued from first page)

In small business, the profit is the businessmen's living. It is his wage, his subsistence. Cut down his profit and you cut him down.

The Government must be impartial. As umpire, the Government should quit picking up the ball and scoring touchdowns for CIO. You have all the headaches manufacturers ever had under prolonged war controls. In addition, you have a few peculiar to the realty business.

In recent years, labor has become a monopoly with the powers of a super-government. It controls the Administration that gave it birth and growth.

Labor unions function as legalized monopolies. They have coerced the people with Government encouragement, direction, and support. Labor unions in America prevent the full production of goods.

Government intervention has set up a labor dictatorship in America that dictates also to the Government.

American enterprise gives labor equality with employers and farmers alike. Labor, however, denies equality to all other parts of the economy.

Modern buildings are still being built in the labor tradition and tempo of the Sixteenth and Seventeenth Centuries. The apprentice system of the American Federation of Labor persists in the tradition of the indentured servants and apprentices current two centuries ago.

The made-work policies of labor make buildings costly and prevent their construction. The resistance of the building trades to mechanization makes your tasks difficult by keeping building costs high. The alliances between labor and politicians in large cities force manufacturers to leave these cities. In America building construction is static. The combinations of labor unions and politicians feather-bed building codes to raise building costs. Under union restrictions building construction is kept on a handicraft basis in this machine age. The limits placed by unions on modern tools put the costs of houses beyond the reach of the average citizen. Therefore they buy machine-made automobiles. The white-collar worker making six dollars a day cannot buy the services of carpenters at $16 a day.

Labor's objection to ready-mix cement, its insistence on a three-inch or four-and-one-half-inch paint brush, are a national disgrace, abetted by local, state and national politicians.

Manning, Maxwell and Moore in 1944 found that building costs per square foot ranged from $2.50 in Missouri and North Carolina to $6.00 in Massachusetts and Connecticut. A new building completed in 1946 in Massachusetts cost $6.50 per square foot to build. The differences were almost entirely in labor.

Recently the president of a great university complained about Federal building codes that required $200,000 extra costs for the footings of one building. The specifications were drawn for northern frost penetration of 36 inches. The building is to be constructed where the maximum frost penetration is six inches. The beneficiaries are the contractors who put in the foundations and the suppliers who furnish the materials. The excess costs are charged to the people in taxes.

The housing shortage is more than 15 years old. The population has grown from 122,775,046 in 1930 to 141 millions in 1946. The houses built in 15 years do not offset the obsolescence of houses in existence.

The American economy can never prosper half controlled and half free. Competitive enterprise built America. When free, it can again expand the welfare of the people and raise the American standard of living as it did in every decade until the 1930s.

So far as S. I. R. members are concerned, your operations will be controlled. On Sept. 12, in a Town Meeting of the Air, Mr. Wyatt said: "My answer as to whether commercial construction should be curtailed to get veterans housing is very much on record already. It is 'Yes!' in capital letters, underlined and followed by an exclamation point."

Like his predecessors, Wyatt thinks his failures to build houses can be corrected by more controls. Like others, he has yet to learn that controls do not increase materials; they only prevent their use.

With all the powers that Government could grant, houses could not be built under OPA controls, NHA controls, CPA and other conflicting and discriminatory controls.

In the 30s, by Presidential appointment, one housing authority followed another. Failure followed all of them because they were political and not economic. Each authority had its pubic relations department to inflate the hopes of the people. The failure of each authority left the people with promises but without houses. Now last year's hopes for the present housing authority fade as political promises fail of performance and phony figures tell us of the houses that were going to be built.

In Bridgeport, Conn., one Federal housing project, built with taxpayers' money early in the war, has never been occupied.

It is inevitable that industry will build prefabricated houses. Housing is the only major industry in which the public does not benefit from the economies of mass production. It is inevitable that the public will demand factory-built houses with all the smoothness and glamour of factory-built automobiles. All the comforts and vastly more conveniences than were ever crowded into an eight-room house in your youth will be condensed into the four- and five-room prefabricated house of the future.

The best thoughts and judgment of the ablest architects in America will be in factory-built houses as the abilities of the ablest engineers are now available in factory-built automobiles.

Mr. Wyatt has hold of a fundamental idea in developing prefabricated houses. It may well be that his attention to this greatest single need of the American people will cause him to be remembered after the Administration of which he is a part is forgotten.

It is not necessary, however, to use the money of the people or the power of RFC to build new houses. The money is available in endless quantities from insurance companies and banks. No doubt our good friend, Mr. Jewitt, of Prudential Life, who is on this program, would be glad to discuss the subject with responsible manufacturers and with industrial realtors who have worth-while projects to discuss.

There is no important slum area in America that cannot be replaced with modern low-cost construction when the cities themselves are willing to have them cleared. The principal requirement for slum clearance is a tax freeze for 20 years that will assure banks and insurance companies that their investment will not be taxed out of existence within the period of necessary amortization. In New York such tax freezes reduced rents, made them available to low-income groups. The cities' loss in taxes, if any, would be more offset by reduction of social costs, the reduction of inspection of fire hazards and the improved welfare of the lower-income groups.

Be not mislead by phony production figures doctored to distort production and to hide the tragic failure to produce goods in the late '30s. The Federal Reserve Board Index of automobile production for the first eight months averaged 147% of the prewar base, 1935-'39. That figure is theoretical.

Despite this phony 47% increase in a computation, the actual output of units of cars and trucks was only 63% of the 1935-'39 units base as 100%. Cars and trucks produced in the 1935-'39 monthly average base period was 31,000 units to equal 100%. The average monthly units produced in 1946 equal 202,000 units, a shrinkage of 37% in actual cars against a phony figure production increase of 47%, Federal Reserve Board Index.

Thousands of contractors have abandoned their efforts to build houses for veterans, even with every needed priority under OPA regulations.

General Motors announces that buildings for its new light car to be erected in Cleveland will be postponed indefinitely.

Lack of confidence in Government policies caused Ford to abandon plans for marketing a new light car until Government permits the orderly marketing of present cars.

Never in American industry has the opportunity for industrial realtors been so great as now. This is true for realtors in cities congested and overgrown, where industry should move into suburbs. It is true for industrial realtors in small cities who should provide an outlet for the expansion of industries that are now prisoners in large cities.

Every industrial realtor seeks income. Your time is devoted to live prospects. Your greatest expectancy of profit is in cleaning up the conditions under which you operate in your city.

No one can estimate the profit that will come to industrial realtors when you modernize the obsolete codes under which you are required to operate.

No one can estimate the profit that would come to you when you break the combination of politicians and labor racketeers that increase building costs, that create obsolescence, that reduce the earnings of the industries you serve.

No one can estimate the profits you will earn when you reduce the costs of buildings by assisting mechanization of construction by permitting the use of modern materials and by reducing the excess of building costs that make building construction in your city prohibitive.

No one can estimate the profits you mill make when the politicians that feed on industry and on you are taken off your neck—the politicians who will not allow a curb to be cut until they have taken their cut—the politicians who inspect you to death until the inspectors are taken care of—the politicians who will not close a dead-end street to permit industrial construction—who will not issue permits for building repairs until the politicians' welfare has been put ahead of the city that pays them. These abuses, accepted by you as being permanent, are only on your neck because you continue to approve them.

The American people seek the restoration of liberties lost in 14 years of authoritarian controls forced upon them in peacetime and completed in war.

On Nov. 5, the American people voted against all controls, against concessions to labor in exchange for votes, against favoritism to one class at the expense of all others—be they to labor, to industry, or to Government itself.

But last week's election did not change the nation's laws. In the nation controls were removed from all but you. You must become militant and aggressive to get housing controls off the necks of all of us. Those who suffered as you suffered will work with you.

For four years yours has been an oppressed industry. In war and peace you have been denied the right to a living. Relief granted to other segments of the economy is denied to your segment. Discriminations against industrial building prevent the production of goods and the creation of jobs. They do not build houses for veterans.

Ceilings on rents of houses not in existence can only prevent houses being built. Rent ceilings on houses now in existence should come off early in 1947 to save thousands of landlords from bankruptcy. Rent relief of at least 15% should be given landlords immediately. The total unwillingness of the Administration to recognize the landlords' increases in labor costs, in taxes and supplies, destroys equality, prevents justice and social benefit to all Americans.

Rent ceilings on houses not in existence should be taken off at once to permit new houses to be built. They will never be built until they can be rented at a profit. Priority discrimination against industrial building must also end now if the depression the President talks about is to be avoided in the future.

There is a 16-year backlog of unbuilt industrial enterprises. The prospective volume of industrial building and industrial relocation is beyond the highest hopes of any industrial realtor in this audience.

It is the intention of the American people that equality be restored to all classes. You must fight to achieve the equality you need for survival and progress. America is on the even of tremendous industrial expansion. The opportunity for industrial realtors is beyond imagination.

You are the beneficiaries of all industrial progress. It is your fight to make. It must be done in your home town. The fight can be won when you are willing to make it.

For your own welfare, for the welfare of industry, for the welfare of all Americans, get up and fight to be free.

Credit to South Korea

The United States has granted a $25,000,000 line of credit to the Government of South Korea for the purchase of surplus property in the Pacific area, Maj. Gen. Donald H. Connolly, Foreign Liquidation Commissioner, announced on Nov. 17. The advices from the Commissioner's office also said:

"Upon the termination of the United States Army Military Government in Korea the transfer of the obligation for payment of any balance of principal and interest will be accomplished by treaty between the United States Government and the future Government of Korea. Sales will be limited to those items which are determined by the U. S. Military Government of Korea to be necessary to maintain and rehabilitate the economy of that country.

"Terms of the credit agreement call for amortization in 25 equal instalments beginning July 1, 1952. The first interest payment, at 2⅜% per annum, is due July 1, 1951. The agreement was concluded by Maj. Gen Archer L. Lerch, Military Governor of Korea, and William E. Vogelback, FLC Central Field Commissioner for the Pacific and China Area."

Market Transactions in Govt. Securities in Oct.

During the month of October, 1946, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net sales of $122,954,250, Secretary Snyder announced on Nov. 15.

The following tabulation shows the Treasury's transactions in government securities for the last two years:

1944—		
October	*	
November	$5,900,000	sold
December	12,000,000	sold
1945—		
January	67,475,000	sold
February	48,131,000	sold
March	2,940,000	sold
April	55,600,000	sold
May	34,400,000	sold
June	56,414,050	sold
July	17,000,000	sold
August	150,000	sold
September	12,526,000	sold
October	300,000	purchased
November	No sales or purchases	
December	No sales or purchases	
1946—		
January	$8,137,000	sold
February	700,000	sold
March	No sales or purchases	
April	3,300,000	purchased
May	385,000	purchased
June	69,800,000	sold
July	157,800,000	sold
August	41,211,700	sold
September	74,053,450	sold
October	122,954,250	sold

*Less than $50,000 sold.

Assets of Ill.-Wis. Savs. & Loan Assns.

Assets of the 305 insured savings, building and loan associations in the Illinois-Wisconsin Federal Home Loan Bank district crossed the three-quarters of a billion mark at mid-year, 1946, showing an increase of 11% during the first six months. 24% of assets are in liquid form ready to finance home building. This report on Oct. 6 by A. R. Gardner, President of the Federal Home Loan Bank of Chicago, which serves the associations in the two States, showed a continuation of the expansion trend which dates back to 1939. The amount of asset increase, however, was more than triple that of seven years ago when the trend began to be noticed, he said. He further stated:

The increase of $91,525,452 in their home mortgage loans outstanding, however, did more than continue a trend of recent years. It represented rather a spectacular acceleration of the past few years' increases, since this figure compares with an increase of only $29,244,973 as recently as the first six months of the last year. The home loans in the portfolios of the insured associations now constitute 68% of total assets and are over half a billion dollars for the first time in their history as a group.

Despite the notable growth of the institutions, their reserve position was maintained, in the aggregate, at the same level as six months ago, Mr. Gardner emphasized.

New Directors of Boston Reserve Bank

The re-election of Allen W. Holmes, President of the Middletown National Bank, of Middletown, Conn., as a member of the Board of Directors of the Federal Reserve Bank of Boston, has been announced by Albert M. Creighton, Board Chairman, according to Boston advices Nov. 19, appearing in the Hartford "Courant," from which we also quote the following:

Elected by Group 2 member banks, Mr. Holmes will continue serving as a Class A director until 1949. Roy L. Patrick of Burlington, Vt., was reelected as a Class B director also for a three-year period.

From Washington Ahead of the News

(Continued from first page)

vote had been fraudulent. The company is now digging up evidence to prove that the vote for the current strike was similarly fraudulent.

Yet the convention goes out of its way to support these men, to the extent of urging, in effect, illegal picketing.

It is high time, indeed, that certain of these CIO leaders ceased being referred to in the press as "hating Communists," and as doing all they can to get them out of the organization. They hate them only when one of them threatens their particular leadership, just as the late Sidney Hillman "hated" them. They hate them just as they hate all opposition, the Republicans for example, but the hate is not based on their being stooges of Moscow. If they've got an organization and it pays its dues to the national organization, the CIO leaders find nothing wrong with them. No one of the leaders of the West Allis strike is aspiring to Murray's or Reuther's job or is a threat, so neither Murray nor Reuther means them when he professes to despise Commies. Murray has far more feeling against Reuther who is a threat to his job.

The Commies in the CIO are embarrassing because they lend themselves to effective attack. The leaders wish this weren't so, but they weigh this ability against the fact that the Communists constitute some of their best organizers, and to oust them would reduce the size of the CIO, and appreciably so.

The facts are probably that we would be having just as much labor trouble in this country if there were no Communists. This correspondent finds it impossible to see, in fact, just where, in his effect on our national economy, the Communists are any worse than Reuther. He does the same things they do while professing to despise Communist and Communist tactics and proclaiming himself a Socialist. They are all headed for the same end. They are all trying to take over management's functions, they are all moving to complete control of the production facilities and they are all power hungry. We can't see that it makes any difference whether one is a Communist, a Socialist, a New Dealer or a Republican. John L. Lewis, for example, is frequently touted as a great exponent of free enterprise. Just look at the gentleman now.

You can read the CIO News week after week. Supposed to be controlled by Phil Murray, it is edited by the extreme left-winger Len DeCaux. We wish some one would point out the difference between it and the "Daily Worker." Like the "Daily Worker" it concerns i self with our British "imperialism," it wants us to understand Russia better. It resents our keeping troops in China.

The difference between the Communists and our domestic chaos spreaders, we are told, is that the former take their orders from Moscow. This is annoying, of course, and it strikes at our pride. But our own home grown talent are unquestionably just as effective at bringing about disturbance. Presumably in time of war we could depend upon the home boys to remain loyal. The Communists would be saboteurs. That is an important difference, of course, but in these days of peace, there seems to be no difference at all.

What we have done is to turn our mass and key industries over to power thirsty men, and we don't seem to be willing to pay the price or suffer the inconvenience of crushing them. We are already weakening in the great show-down with John L. Industry after industry seems to get a kick out of screaming how badly it has been hurt. We had been reliably informed these same industries intended to fight it out with labor after the turn of the year anyway. Why not now? The men thrown out of work through the coal strike now, will be just that much less able to take a strike of their own in the spring.

But what can you do, they are asking around Washington. The miners simply won't work. They've only been out a few days, the company stores are still feeding them and no effort whatsoever has been made to encourage them to return to work.

Fahey Again Warns Of Inflationary Mortgages

(Continued from first page)

estate prices in our history and that many thousands of veterans and others are being forced to buy homes they cannot afford and will be unable to pay for. This is a repetition of the conditions which caused the unprecedented mortgage panic of the '30s with its attendant obliteration of thousands of lending institutions and the loss of billions of dollars to millions of people of small means. That disaster cannot be repeated without far-reaching consequences and certainly it is up to directors and managements of all our financial institutions involved in the making of mortgages to do everything in their power to curb present trends and bring down the prices of homes and apartments.

"In my judgment, what is most needed is an end to name-calling and recrimination, an end to buck-passing claims that it is the "other fellow" who is making all the unsound mortgages, and an end to the continuous clatter that government is to blame for everything. It is time for the substitution of really sincere cooperation on the part of all concerned to provide houses for our people safely, promptly and at fair prices."

Supreme Court Rulings

In its first formal opinions of its new term three decisions were handed down by the Supreme Court on Nov. 18, after a week's delay, according to Washington advices, Associated Press, which reported that in the three opinions the court:

1. Upheld, 6 to 3, the conviction in Salt Lake City of six members of a "fundamentalist" group who observed plural marriages. It held that religious belief in polygamy was no excuse.

2. Affirmed, 5 to 4, a ruling that the Champlin Refining Company of Enid, Okla., became a common carrier by building an interstate pipeline. Congress has the power to include a private carrier in the Interstate Commerce act, the court held.

3. Reversed, 8 to 1, a ruling that the Halliburton Oil Well Cementing Company of Duncan, Okla., had infringed an oil well patent issued to Cranford P. Walker of Los Angeles.

In the plural marriage case Justice Douglas delivered the majority opinion. The six defendants had claimed that in practicing plural marriage they were observing a mandate from God. The Government replied that a professed religious belief in plural marriage could not absolve any one under the White Slave act, which bars transportation across State lines of women and girls for the purpose of prostitution, debauchery, "or for any other immoral purpose."

The Champlin case involved a pipeline extending from the Champlin refinery at Enid to terminals at Hutchinson, Kan., Superior, Neb., and Rock Rapids, Iowa. It is used for transportation of refined petroleum products owned by Champlin. A special three-Judge Federal court in the western Oklahoma district decided the company a common carrier within the meaning of the Interstate Commerce Act. The company in contesting the decision, applied the definition to every interstate oil pipe line, regardless of the purpose for which it is used.

Justice Jackson's opinion said the ICC act provides that the definition "common carrier" includes all pipeline companies.

"The power of Congress to regulate interstate commerce," Mr. Jackson said, "is not dependent on the technical common carrier status but is quite as extensive over a private carrier."

Last January — while Justice Jackson was in Europe—the court by a 4 to 4 vote affirmed the ruling by the lower tribunals in the Halliburton infringements case. Halliburton immediately asked for a rehearing. The Court thought over the request for a week, then granted it. Reargument was ordered before all nine Justices, beginning Oct. 23. Today's decision resulted from this second hearing.

Justice Black delivered the opinion for the majority today. Justice Burton dissented, without writing an opinion. The losing side, if it wishes, may now file a petition for reconsideration.

The case was appealed to the Supreme Court by Halliburton after the United States District court in Los Angeles and the United States Circuit Court in San Francisco ruled the Walker patent was valid. The patent covers an apparatus used in determining how far up in an oil well bore the oil from surrounding oil-bearing formations extends.

Striking Employees of Govt.-Owned Corp. To Be Discharged

The U. S. Department of Commerce stated on Nov. 21 that all employees of the Inland Waterways Corporation who went on strike during election week would be discharged. This was indicated in United Press advices from Washington on Nov. 21, which further stated:

"A Department official said that the dismissals would be the first he knew of under the recently enacted law that forbids Federal employees to strike or belong to unions asserting the right to strike against the government.

"A Department spokesman said that 200 to 300 workers, members of both AFL and CIO unions, might be discharged for striking and that a check was being made to determine the individual employees who wilfully struck.

"He added that each worker would have an opportunity to present a defense before being discharged.

"Unions involved are the National Maritime Union (CIO), International Longshoremen's Association (AFL), International Longshoremen's and Warehousemen's Union (CIO), Marine Engineers Beneficial Association (CIO) and the Masters, Mates and Pilots Association (AFL).

"The unions and the Inland Waterways Corporation, a Federal organization under the Department of Commerce, have been negotiating a new contract for several months.

"On Nov. 4, strikes tied up operations of the corporation at St. Louis, East St. Louis, Ill.; Memphis, Minneapolis and Dubuque, Iowa."

Wholesale Prices Rose 0.7% in Week Ended Nov. 16, Labor Department Reports*

Average primary market prices rose 0.7% during the week ended Nov. 16, following President Truman's general decontrol directive, it was noted on Nov. 21 by the Bureau of Labor Statistics, U. S. Department of Labor, which said that "prices rose sharply for a number of industrial raw materials, many of which had been removed from price control earlier." The Bureau added that "prices of many industrial products remained unchanged. Agricultural prices, already decontrolled, also advanced." The index of commodity prices prepared by the Bureau, reached 135.8% of the 1926 average, 0.5% higher than in mid-October and 27.8% above the corresponding week of last year. The Bureau further reported:

"**Farm Products and Foods**—Average prices of farm products advanced 0.8% during the week with higher prices for livestock, fresh fruits and vegetables and several other commodities. Grain quotations were lower. Live poultry prices decreased. There were increases in prices of lemons, oranges and onions reflecting good quality offerings, but prices of apples and potatoes declined with heavy supplies. Corn quotations dropped more than 12%, as this year's large crop began to reach the market, resulting in reduced demand and lower prices for oats and rye. Cash wheat quotations also decreased with weak demand last week. Quotations for domestic wool, still below world prices, were up as the government increased its selling price. Cotton quotations continued to advance. The group index for farm products was 4.5% above the level of mid-October and 28.4% above last year.

"Food prices rose 1.0% with small increases in all subgroups. Meats were up 1.3% reflecting the reduced supplies and higher prices of livestock. Quotations for wheat flour advanced 2.5% on the average because of heavy export demand. Short supplies caused further advances for butter. Prices of cheese dropped. Lower grain quotations caused declines for corn meal and corn syrup, and prices of lard and edible tallow were lower, with improved supplies. There were sharp advances for several scarce edible oils. On the average foods were 6.5% lower than four weeks ago and 53.1% above the level of a year ago.

"**Other Commodities**—Sharp price increases for scarce chemicals, fats and oils, nonferrous metals and paint materials following decontrol, were largely responsible for an advance of 0.6% in the group index for all commodities other than farm products and foods. Prices of glycerin and oleic acid more than doubled; antimony, tin, denatured alcohol and castor oil rose 35 to 60%; and there were substantial advances for copper, lead and zinc, lead pigments, copper sulphate, bismuth subnitrate, bone meal, tallow and soap, matches and some leather products. Several increases reflected earlier OPA ceiling adjustments. These included cotton goods, ofifce furniture, farm machinery, cement, plaster and lime. Raw silk prices declined 7 to 12% as offerings in the latest government auction remained largely unsold. Prices for bran and middlings and cotton seed meal also decreased.

CHANGES IN WHOLESALE PRICES BY COMMODITY GROUPS FOR WEEK ENDED NOV. 16, 1946

(1926=100)

Commodity Groups—	11-16 1946	11-9 1946	11-2 1946	10-19 1946	11-17 1945	Percentage changes to Nov. 16, 1946, from— 11-9 1946	10-19 1946	11-17 1945
All commodities	135.8	134.8	134.8	135.1	106.3	+ 0.7	+ 0.5	+27.8
Farm products	167.3	166.0	166.5	160.1	130.3	+ 0.8	+ 4.5	+28.4
Foods	164.1	162.5	165.9	175.6	107.2	+ 1.0	— 6.5	+53.1
Hides and leather products	159.2	158.7	143.3	141.5	119.1	+ 0.3	+12.5	+33.7
Textile products	129.5	130.2	127.3	126.3	100.5	— 0.5	+ 2.5	+28.9
Fuel and lighting materials	94.8	94.7	94.8	95.0	84.6	+ 0.1	— 0.2	+12.1
Metals and metal products	116.3	114.4	114.4	114.4	105.3	+ 1.7	+ 1.7	+10.4
Building materials	140.4	140.0	137.4	134.2	118.6	+ 0.3	+ 4.6	+18.4
Chemicals and allied products	122.3	110.2	103.5	98.8	95.6	+11.0	+23.8	+27.9
Housefurnishings goods	117.6	117.5	117.3	115.7	106.4	+ 0.1	+ 1.6	+10.5
Miscellaneous commodities	104.6	104.9	105.4	102.5	94.6	— 0.3	+ 2.0	+10.6
Special Groups—								
Raw materials	152.6	152.2	150.9	146.3	119.1	+ 0.3	+ 4.3	+28.1
Semi-manufactured articles	125.9	122.4	120.6	117.5	96.8	+ 2.9	+ 7.1	+30.1
Manufactured products	130.4	129.5	130.4	133.7	102.2	+ 0.7	— 2.5	+27.6
All commodities other than farm products	129.0	128.0	127.9	129.7	101.1	+ 0.8	— 0.5	+27.6
All commodities other than farm products and foods	116.2	115.5	114.0	112.8	100.3	+ 0.6	+ 3.0	+15.9

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM NOV. 9, 1946 TO NOV. 16, 1946

Increases

Drugs and pharmaceuticals	58.9	Other foods	0.9
Nonferrous metals	12.5	Fertilizer materials	0.6
Chemicals	9.1	Other leather products	0.6
Oils and fats	5.0	Dairy products	0.4
Livestock and poultry	1.8	Furniture	0.3
Leather	1.6	Other miscellaneous	0.3
Other farm products	1.5	Cement	0.2
Fruits and vegetables	1.3	Cotton goods	0.2
Meats	1.3	Agricultural implements	0.1
Paint and paint materials	1.2	Bituminous coal	0.1
Cereal products	0.9	Brick and tile	0.1
Other building materials	0.1		

Decreases

Silk	7.9	Grains	4.5
Cattle feed	4.8	Hides and skins	0.3

*Based on the BLS weekly index of prices of approximately 900 commodities which measures changes in the general level of primary market commodity prices. This index should be distinguished from the daily index of 28 basic materials. For the most part, 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.

Laws for Saturday Closing of Banks To Be Supported

The Committee on Legislation of the New York State Bankers Association will support permissive legislation at the next session of the State Legislature which will permit banks to close on one or more Saturdays throughout the year, it was announced on Nov. 22 by Frederic E. Worden, Chairman of the Committee. Mr. Worden is President of the National Bank of Auburn, Auburn, N. Y. The Committee adopted the following resolution:

"Resolved, that the Committee on Legislation of the New York State Bankers Association favors and will support legislation for such amendments to the General Construction Law of New York and other laws as may be necessary to give permission to banks and their domestic branches to close on any one or more Saturdays during the year."

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

Both gross and net earnings of the United States railroads for the month of August established new highs for the current year. The previous current year's high in gross earnings was $674,040,105 in the preceding month of July. In net earnings the highest figure had been $150,812,525. This figure was for the month of January.

The gross earnings for the month of August were $710,224,105 as compared with $754,855,456 in August, 1945. This represents a drop of 5.91%. Operating expenses of $555,892,389 were up $8,832,871, or 1.61%. For August, 1946 the net earnings were $154,331,716. These were 25.73% less than the $207,795,938 in August last year. A comparison of these results for the month of August, 1946 and 1945 is now presented in tabular form:

Month of August—	1946	1945	Inc. (+) or Dec. (—) Amount	%
Milage of 129 roads	227,712	228,268	— 556	— 0.24%
Gross earnings	$710,224,105	$754,855,456	— $44,631,351	— 5.91
Operating expenses	555,892,389	547,059,518	+ 8,832,871	+ 1.61
Ratio of expenses to earnings	(78.27%)	(72.47%)		
Net earnings	$154,331,716	$207,795,938	— $53,464,222	—25.73

These totals will now be divided into geographical subdivisions. From this breakdown it may be noted that several regions recorded gains in gross and net earnings in comparison with last August. Prior to this, the Pocahontas region was the only region to show an increase over the corresponding month last year. This occurred in gross earnings during the month of July. The largest increase in gross earnings in August was again shown by the Pocahontas region, one of 16.40%. The Great Lakes region came next with an increase of 10.94%, followed by the Central Eastern region with an increase of 1.50%. All other regions showed decreases in gross earnings, the Southwestern region, with a drop of 19.40%, recording the greatest. In net earnings only two regions showed increases. However, this is the first time this has occurred in net earnings this year. The regions were the Pocahontas and Great Lakes with gains of 44.71% and 21.46% respectively. The decreases ranged from 51.37% recorded by the Southwestern region to 19.33% shown by the Central Eastern region. These results are better shown in the tabulation which follows. The boundaries of the various districts and regions are explained in the footnote attached thereto.

SUMMARY OF GROUPS—MONTH OF AUGUST

District and Region	Gross Earnings 1946 $	1945 $	Inc. (+) or Dec. (—) $	%
Eastern District—				
New England region (10 roads)	24,957,558	26,188,785	— 1,231,227	— 4.70
Great Lakes region (23 roads)	118,653,359	106,955,732	+ 11,697,627	+10.94
Central Eastern region (19 roads)	145,111,357	142,972,259	+ 2,139,098	+ 1.50
Total (52 roads)	288,722,274	276,116,776	+ 12,605,498	+ 4.57
Southern District—				
Southern region (23 roads)	90,873,564	97,137,163	— 6,263,599	— 6.45
Pocahontas region (4 roads)	38,716,920	33,261,387	+ 5,455,533	+16.40
Total (27 roads)	129,590,484	130,398,550	— 808,066	— 0.62
Western District—				
Northwestern region (16 roads)	80,721,516	87,675,317	— 6,953,801	— 7.93
Central Western region (14 roads)	154,502,519	190,337,786	— 35,835,267	—18.83
Southwestern region (20 roads)	56,687,312	70,327,027	— 13,639,715	—19.40
Total (50 roads)	291,911,347	348,340,130	— 56,428,783	—16.20
Total, all districts (129 roads)	710,224,105	754,855,456	— 44,631,351	— 5.91

District and Region—	Mileage 1946	Mileage 1945	Net Earnings 1946 $	1945 $	Inc. (+) or Dec. (—) $	%
Eastern District—						
New England region	6,541	6,563	4,201,060	6,339,182	— 2,138,122	—33.73
Great Lakes region	25,429	25,561	23,711,662	19,521,448	+ 4,190,214	+21.46
Cent. East'n region	23,880	23,880	25,506,923	31,617,632	— 6,110,709	—19.33
Total	55,850	56,004	53,419,645	57,478,262	— 4,058,617	— 7.06
Southern District—						
Southern region	37,231	37,319	15,980,877	24,002,992	— 8,022,115	—33.42
Pocahontas region	6,042	6,014	14,786,520	10,218,164	+ 4,568,356	+44.71
Total	43,273	43,333	30,767,397	34,221,156	— 3,453,759	+10.09
Western District—						
Northwest'n region	45,586	45,675	21,304,162	27,280,910	— 5,976,748	—21.91
Cent. West'n region	54,530	54,666	36,252,708	62,933,075	— 26,680,367	—42.39
Southwest'n region	28,473	28,590	12,587,804	25,882,535	— 13,294,731	—51.37
Total	128,589	128,931	70,144,674	116,096,520	— 45,951,846	—39.58
Total, all dists.	227,712	228,268	154,331,716	207,795,938	— 53,464,222	—25.73

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 following we furnish the August summaries back to 1909, for both the gross and net earnings.

Month of August	Gross Earnings Year Given	Year Preceding	Inc. (+) or Dec. (—)	%	Mileage Year Given	Year Preced'g
1909	$225,488,923	$197,928,775	+$27,560,148	+13.92	216,332	213,683
1910	251,505,986	233,666,645	+ 17,839,341	+ 7.63	234,805	230,925
1911	243,816,594	245,784,289	— 1,967,695	— 0.80	230,536	227,076
1912	276,927,416	251,067,032	+ 25,860,384	+10.30	239,230	235,404
1913	259,835,029	255,493,023	+ 4,342,006	+ 1.70	219,492	216,709
1914	269,593,446	280,919,858	— 11,326,412	— 4.03	240,831	237,159
1915	279,891,224	274,618,381	+ 5,272,843	+ 1.92	247,809	245,754
1916	333,460,457	278,787,021	+ 54,673,436	+19.61	245,516	244,765
1917	373,326,711	333,555,136	+ 39,771,575	+11.92	247,099	246,190
1918	498,269,356	362,509,561	+135,759,795	+37.45	230,743	230,015
1919	469,868,678	502,505,334	— 32,636,656	— 6.49	233,423	233,203
1920	541,549,311	460,173,330	+ 81,375,981	+17.68	227,145	226,440
1921	504,599,664	554,718,882	— 50,119,218	— 9.04	223,815	233,067
1922	472,242,561	504,154,065	— 31,911,054	— 6.33	235,294	235,090
1923	563,292,105	473,110,138	+ 90,181,967	+19.06	235,357	235,696
1924	507,406,011	563,358,029	— 55,952,018	— 9.93	235,172	235,445
1925	554,559,318	507,537,554	+ 47,021,764	+ 9.26	236,750	236,546
1926	577,791,746	553,933,904	+ 23,857,842	+ 4.31	236,759	236,092
1927	556,406,662	579,093,397	— 22,686,735	— 3.92	238,672	237,824
1928	556,908,120	556,743,013	+ 165,107	+ 0.03	240,724	239,205
1929	585,638,740	557,803,468	+ 27,835,272	+ 4.99	241,026	241,253
1930	465,700,789	586,397,704	—120,696,915	—20.58	241,546	242,444
1931	364,010,959	465,762,820	—101,751,861	—21.85	243,024	242,632
1932	251,761,038	363,778,572	—112,017,534	—30.79	242,208	242,217
1933	300,520,299	251,782,311	+ 48,737,988	+19.36	241,166	242,358
1934	282,277,699	296,564,653	— 14,286,954	— 4.82	239,114	240,658
1935	293,606,520	282,324,620	+ 11,281,900	+ 4.00	238,629	238,955
1936	350,084,172	293,578,257	+ 56,505,915	+19.25	236,685	237,831
1937	358,995,217	349,923,357	+ 9,071,860	+ 2.59	235,321	235,879
1938	314,790,136	358,995,218	— 44,205,082	—12.31	234,479	235,324
1939	343,809,034	314,738,181	+ 29,070,853	+ 9.24	233,384	234,294
1940	380,673,990	343,809,034	+ 36,864,956	+10.72	232,772	233,379
1941	493,705,240	380,785,702	+112,919,538	+29.65	232,199	232,821
1942	683,805,652	493,696,240	+190,109,412	+38.51	230,948	232,226
1943	800,232,157	683,805,652	+116,426,505	+17.03	229,300	230,805
1944	836,183,413	800,177,331	+ 36,006,082	+ 4.50	228,551	229,132
1945	755,218,186	836,183,413	— 80,965,227	— 9.68	228,507	228.615
1946	710,224,105	754,855,456	— 44,631,351	— 5.91	227,712	228,268

Month of August	Net Earnings Year Given	Year Preceding	Increase (+) or Decrease (—)	%
1909	$85,880,447	$72,159,624	+$13,720,823	+19.01
1910	88,684,738	89,529,654	— 844,916	— 0.94
1911	86,224,971	86,820,040	— 595,069	— 0.69
1912	99,143,971	87,718,505	+ 11,425,466	+13.03
1913	83,143,024	92,249,194	— 9,106,170	— 9.87
1914	87,772,384	87,300,840	+ 471,544	+ 0.54
1915	99,713,187	89,673,609	+ 10,039,578	+11.20
1916	125,837,849	99,464,634	+ 26,373,215	+26.52
1917	121,230,736	125,899,564	— 4,668,828	— 3.71
1918	142,427,118	118,114,360	+ 24,312,758	+20.58
1919	112,245,680	143,561,208	— 31,315,528	—21.81
1920	*116,173,003	108,053,371	—224,226,374	—207.51
1921	123,070,767	*125,167,103	+248,237,870	+198.32
1922	85,566,595	123,353,665	— 36,787,070	—29.82
1923	136,519,553	86,622,169	+ 49,897,384	+57.60
1924	134,669,714	136,817,995	— 2,148,281	— 1.57
1925	166,558,666	134,737,211	+ 31,821,455	+23.62
1926	179,416,017	166,426,264	+ 12,989,753	+ 7.81
1927	164,013,942	179,711,414	— 15,697,472	— 8.74
1928	173,922,684	164,087,125	+ 9,835,559	+ 5.99
1929	190,957,504	174,198,644	+ 16,758,860	+ 9.62
1930	139,134,203	191,197,599	— 52,063,396	—27.23
1931	95,118,329	139,161,475	— 44,043,146	—31.65
1932	62,540,800	95,070,808	— 32,530,008	—34.22
1933	96,108,921	62,553,029	+ 33,555,892	+53.64
1934	71,019,068	94,507,245	— 23,488,177	—24.85
1935	72,794,807	71,686,657	+ 1,108,150	+ 1.55
1936	104,272,144	72,650,775	+ 31,621,369	+43.53
1937	91,424,620	104,255,716	— 12,831,096	—12.31
1938	85,698,152	91,404,620	— 5,706,468	— 6.24
1939	96,767,942	85,703,240	+ 11,064,702	+12.91
1940	113,832,028	96,767,492	+ 17,064,086	+17.63
1941	179,888,764	113,877,166	+ 66,011,598	+57.97
1942	284,516,331	179,888,764	+104,627,567	+58.16
1943	332,944,921	284,516,331	+ 48,428,590	+17.02
1944	297,694,552	332,923,358	— 35,228,800	—10.59
1945	207,954,823	297,694,552	— 89,739,729	—30.15
1946	154,331,716	207,795,938	— 53,464,222	—25.73

*Deficit.

Latest Summary of Copper Statistics

The Copper Institute on Nov. 13 released the following statistics pertaining to production, deliveries and stocks of duty-free copper.

SUMMARY OF COPPER STATISTICS REPORTED BY MEMBERS OF THE COPPER INSTITUTE

(In Tons of 2,000 Pounds)

U. S. Duty Free Copper	Production *Crude	Refined	Deliveries to Customers †Domestic	Export	‡Refined Stocks End of Period	Stock Increase (+) or Decreases (—) §Blister	Refined
Year 1939	836,074	818,289	814,407	134,152	159,485	+17,785	—130,270
Year 1940	992,293	1,033,710	1,001,886	48,537	142,772	—41,417	— 16,713
Year 1941	1,016,996	1,065,667	1,545,541	307	75,564	—48,671	— 67,208
Year 1942	1,152,344	1,135,708	1,635,236	----	65,309	+16,636	— 10,255
Year 1943	1,194,699	1,206,871	1,643,677	----	52,121	—12,172	— 13,188
Year 1944	1,056,180	1,098,788	1,636,295	----	66,780	—42,608	+ 14,659
Year 1945	841,667	843,113	1,517,842	----	76,512	— 1,446	+ 9,732
10 Mos., 1946	499,668	451,427	990,497	909	91,161	+48,241	+ 14,649
Jan., 1945	73,754	67,726	145,904	----	59,715	+ 6,028	— 7,065
Feb., 1945	67,496	69,950	172,585	----	57,142	— 2,454	— 2,573
Mar., 1945	76,537	76,395	218,488	----	51,861	+ 142	— 5,281
Apr., 1945	74,392	75,436	161,111	----	55,453	— 1,044	+ 3,592
May, 1945	74,469	85,319	139,203	----	63,841	—10,850	+ 8,388
June, 1945	72,271	74,377	94,031	----	70,738	— 2,106	+ 6,897
July, 1945	72,855	72,995	88,661	----	76,166	— 140	+ 5,428
Aug., 1945	68,253	69,127	86,840	----	80,316	— 874	+ 4,150
Sept., 1945	64,091	45,145	83,478	----	68,675	+18,946	— 11,641
Oct., 1945	69,322	70,363	104,104	----	73,913	— 1,041	+ 5,238
Nov., 1945	65,586	70,218	119,973	----	74,425	— 4,632	+ 512
Dec., 1945	62,641	66,062	103,464	----	76,512	— 3,421	+ 2,087
Jan., 1946	58,178	69,008	115,601	----	72,799	—10,830	— 3,713
Feb., 1946	41,667	49,923	86,089	909	74,339	— 8,256	+ 1,540
Mar., 1946	41,832	20,139	58,590	----	70,249	+21,693	— 4,090
Apr., 1946	29,280	18,989	75,756	----	65,448	+10,291	— 4,801
May, 1946	31,897	20,551	93,647	----	75,754	+11,346	+ 10,306
June, 1946	32,785	23,870	95,267	----	79,145	+ 8,915	+ 3,391
July, 1946	56,906	43,606	97,527	----	101,183	+13,300	+ 22,038
Aug., 1946	64,462	59,591	118,381	----	94,669	+ 4,871	— 6,514
Sept., 1946	69,748	67,803	113,158	----	98,619	+ 1,945	+ 3,950
Oct., 1946	72,913	77,947	136,481	----	91,161	— 5,034	— 7,458

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

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

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

§Computed by difference between mine and refined production.

NOTE—Statistics for the months of July, August and September, 1946, have been revised.

Cost Analysis Program Of ABA Commission

Invitations were mailed recently to commercial banks with total assets of $7,500,000 or less to participate in the third annual cost analysis program of the Country Bank Operations Commission of the American Bankers Association, said the ABA on Aug. 30, which added that the first 500 of these banks which indicate their desire to participate will receive this service without cost to them, according to William C. Rempfer, Chairman of the Commission, who is also President of the First National Bank, Parkston, S. D. From the advices we also quote:

Each participating bank will receive a complete confidential cost analysis report for the year 1946 and will also be provided with a set of comparative schedules making possible a comparison of their own costs with those of other banks of similar size and location. Over 3,000 banks participated in this study of operating costs for the year 1944, and 4,000 banks were provided with this information in the cost analysis just completed which covered 1945 operations. The information received from and the analysis reported to each individual bank is kept strictly confidential.

"Since the number of banks desiring this service far exceeds those we can accommodate," Mr. Rempfer writes, "the invitations this year are being limited to those banks with total assets of less than $7,500,000 which have not participated in either of these programs conducted for the last two years. The first 500 of these banks indicating their desire to participate will be provided with this service."

SEC Imposes Reduced Fine On Mercantile Properties

Mercantile Properties, Inc., of 60 Wall Street, New York, was reported to have paid $10,000 to the government in full settlement of a $50,000 claim for forfeitures under Section 32 (b) of the Securities Exchange Act of 1934, according to special advices from Philadelphia to the New York "Times" on Aug. 27. The Securities and Exchange Commission in announcing receipt of the company's certified check explained that settlement for one-fifth of the penalty had been allowed "because of the mitigating circumstances". From the "Times" we also quote:

"The penalty — first of its kind —was levied against the company for its failure to file annual reports with the SEC as required under Section 15 (d) of the act. Mercantile Properties obligated itself to file such reports when it filed a registration statement in connection with the prior registration of securities under the Securities Act of 1933. Such issuers of securities, the SEC explained, are liable to forfeiture of $100 for each day they fail to comply with provisions of Section 15 (d)."

Chemical Bank & Trust Quarter Century Dinner

Frank K. Houston, Chairman of the Chemical Bank & Trust Co. of New York, was host, on Nov. 25, at a dinner of the Quarter Century Club of the Bank held in the grand ballroom of the Hotel Delmonico at Park Avenue and 59th Street. The club has a membership of 176 of which 143 are actively employed and 33 have been retired. At an election which preceded the meeting, Frederick H. Rommel succeeded Wilbur F. Crook as President of the Club.

The State of Trade

(Continued from page 2811)

some openhearth furnaces and the results thus far attained show on a test basis an increased output of as much as 40 to 50% an hour. "The Iron Age" reveals.

Although major steel companies up to two weeks ago had still made no move toward increasing steel prices generally, steel consumers were taking some statements of steel officials with a grain of salt, "The Iron Age" discloses. According to steel consumer reaction steel users fully expect higher steel prices if coal and steel wages are hiked.

Many small nonintegrated steel companies the week previous advanced their steel quotations, some by raising base prices and some by adjusting steel extras which resulted in an overall price increase. In practically all instances, the magazine notes, these increases were those which OPA had approved before steel prices ceilings were removed but which had not been announced under OPA.

"The Iron Age," composite scrap price last week advanced 33 cents a ton to $24.75 a ton and to many scrap consumers the current prices are not a bar to the purchase of as much scrap as possible in order to build up depleted scrap stocks. Furthermore, some of today's current quotations are more realistic than those under OPA control and do not necessarily reflect as great an increase as statistics indicate when such factors as grades and quality are taken into consideration.

The American Iron and Steel Institute announced on Monday of this week the opening rate of steel companies having 94% of the steel capacity of the industry will be 62.8% of capacity for the week beginning Nov. 25, compared with 91.4% one week ago, 89.4% one month ago and 83.5% one year ago. This represents a decrease of 28.6 points or 31.3% from the previous week.

This week's operating rate is equivalent to 1,106,800 tons of steel ingots and castings and compares with 1,610,800 tons one week ago, 1,575,600 tons one month ago and 1,529,400 tons one year ago.

Electric Production — The Edison Electric Institute reports that the output of electricity increased to 4,699,935,000 kwh. in the week ended Nov. 16, 1946, from 4,682,085,000 kwh. in the preceding week. Output for the week ended Nov. 16, 1946, was 18.0% above that for the correspdoning weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 206,000,000 kwh. in the week ended Nov. 17, 1946, compared with 180,800,000 kwh. for the corresponding week of 1945, or an increase of 13.9%. Local distribution of electricity amounted to 193,800,000 kwh. compared with 180,300,000 kwh. for the corresponding week of last year, an increase of 7.5%.

Railroad Freight Loadings—Car loadings of revenue freight for the week ended Nov. 16, 1946, totaled 917,124 cars, the Association of American Railroads announced. This was an increase of 3,779 cars (or 0.4%) below the preceding week and 116,590 cars, or 14.6% above the corresponding week for 1945. Compared with the similar period of 1944, an increase of 53,132 cars, or 6.1%, is shown.

Paper and Paperboard Production — Paper production in the United States for the week ended Nov. 16, was 104.9% of mill capacity, against 106.8% in the preceding week and 96.4% in the like 1945 week, according to the American Paper & Pulp Association. Paperboard output for the current week was 101% against 102% in the preceding week, and 95% in the corresponding week, a year ago.

Failures Continue Higher—Although slightly lower than in the previous week, commercial and industrial failures continued for the ninth consecutive week to outnumber those in the comparable weeks of both 1945 and 1944. Dun & Bradstreet, Inc. reports 24 concerns failing in the week ending Nov. 21, more than three times as many as the seven occurring in the comparable week a year ago, but below the 28 occurring last week.

All except three of the week's failures involved liabilities of $5,000 or more. These large failures declined slightly from the 24 reported a week ago; however, they showed a sharp upswing from the 1945 record when there were only three failures in this size group. Little change on the other hand, appeared in small failures. Numbering three, failures with losses under $5,000 were only one short of the four reported both last week and a year ago.

Manufacturing with nine concerns failing had the largest number of failures registered in any trade or industry group. Up from eight in the previous week, manufacturers failing were more than four times as numerous as in the same week last year when only two failed. Wholesale and retail trade each had five failures in the week just ended. While this represented an increase in wholesaling, it marked a sharp downward turn from the 12 retailers failing a week ago. The week's failures were concentrated in two regions, the Middle Atlantic and Pacific States. No other region had more than two concerns failing; while two regions did not have any this week.

Only one Canadian failure was reported as compared with one in the previous week and two in the corresponding week a year ago.

Wholesale Food Index Advances to New High Level—The Dun & Bradstreet wholesale food price index rose sharply this week, reflecting a general upward trend in more than half of the commodities that go to make up the index. From $6.29 on Nov. 12, the index went to $6.49 on Nov. 19, exceeding the previous peak of $6.34, recorded on Oct. 22, by 2.4%. At this time a year ago the figure stood at $4.15.

Commodities moving to higher levels in the past week were wheat, corn, rye, oats, barley, hams, bellies, butter, sugar, coffee, cottonseed oil, cocoa, eggs, potatoes, steers, hogs and sheep. Declines occurred only in lard, cheese, and lambs. The index represents the sum total of the price per pound of 31 foods in general use.

Daily Wholesale Commodity Price Index—The Dun & Bradstreet daily wholesale commodity price index moved steadily upward last week, reflecting the freeing of price controls on all except a few commodities on Nov. 11. The index advanced to 240.15 on Nov. 20, a rise of 6.34 points over the 233.81 registered on Nov. 9, the last day before the latest decontrol order. The current figure compares with 182.03 on the corresponding date a year ago.

Grain markets were spotty during the week. Trading increased somewhat over the previous week with oats and corn continuing to furnish the bulk of the volume. Heavy cash corn offerings were quickly absorbed and prices strengthened after a weak start, aided by enlarged Government buying, presumably for export. Government purchasing was likewise a factor in the cash wheat market. The outlook for the new Winter wheat crop was said to be generally favorable. Domestic trade in flour was only moderate as mills continued to offer sparingly due to the exhaustion of their quotas. Business in lard futures increased somewhat in volume. Cash lard sold off sharply from the previous week under less urgent demand. All livestock prices trended upward although market receipts held at a comparatively high level. The cocoa market showed strength as the result of an extremely tight supply position.

Although price movements were mixed, leading cotton markets developed a firmer undertone last week and values recovered most of the previous week's losses. Strengthening factors included reports of greatly increased use of the staple during October and the belief that exports for the season might run well above previous anticipations. Indications that growers were holding their cotton for higher prices also contributed to the rise. Entries of cotton into the Government loan stocks, though still only moderate, have expanded rather sharply in recent weeks. Consumption of cotton during October, as reported by the Census Bureau, rose sharply to 931,229 bales, representing an annual rate of close to 10,500,000 bales. The October figure was slightly higher than earlier private estimates and compared with 818,449 bales during September and 759,763 consumed in October last year.

Trading in hides last week was relatively light with tanners generally buying only for limited requirements. Packer hides as a rule were somewhat easier while country hides trended slightly firmer. Considerable activity took place in both sole and upper leather markets following decontrol. Prices tended to recede from the sharp initial advances as buyers showed a desire to purchase for shorter periods.

There was a noticeable drop of buyer interest in domestic wools in the Boston market last week following decontrol and the announcement of an advance in CCC selling prices, averaging around five cents per pound, clean basis. A few sales of spot foeign wools took place at higher prices, but supplies of desired types remained small. Primary markets in Australia displayed a strong trend with the United States reported buying more freely.

Retail and Wholesale Trade — Retail volume last week rose noticeably and was very high in comparison with that of the corresponding week a year ago. Consumer interest in high-priced luxury items declined slightly, though gift and novelty goods attracted a large share of the attention. Cool weather continued to stimulate interest in seasonal commodities.

Retail food volume was up last week in comparison with both the week previous and a year ago. The supply of soap remained low but was more easily available than it has been in past weeks. Fresh fruits and vegetables were abundant and the supply of meat adequate. Poultry, including turkeys, was plentiful.

Interest in apparel increased sharply last week. The rise in the consumer demand for children's wear was very noticeable. Women's apparel was eagerly sought and retail volume was high for coats, suits and wool dresses. Fur coats attracted more attention than they have in previous weeks. Gloves and scarfs were among the accessories most frequently requested. While the supply of men's suits increased slightly, stocks generally remained limited.

The dollar volume of durable goods rose appreciably during the week. Interest in the currently large stocks of toys was at a very high level. Furniture attracted much attention with consumer requests for bedroom suites particularly numerous. The demand for hardware and paint remained high. Housewares and home appliances were frequently sought, though many shoppers were very selective with regard to brand names. Selections of both hard and soft floor coverings remained at a low level.

Retail volume for the country in the week was estimated to be from 22 to 26% above that of the corresponding week a year ago. Regional estimates exceeded those of a year ago by the following percentages: New England 19 to 23, East 24 to 28, Middle West 18 to 22, Northwest 26 to 30, South 23 to 27, Southwest 25 to 29 and Pacific Coast 18 to 22.

Wholesale volume remained at a very high level during the week, being considerably above that of the corresponding week a year ago. Order volume continued to be very large and many retailers placing new orders requested early delivery. Buyers were cautious and selective with respect to quality, prices and delivery dates.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended Nov. 16, 1946, increased by 24% above the same period of last year. This compared with an increase of 20% in the preceding week. For the four weeks ended Nov. 16, 1946, sales increased by 21% and for the year to date by 28%.

Here in New York last week retail trade was good but the walk-out of the bituminous coal miners served as a depressing back-drop to an otherwise favorable picture. Christmas shopping gained momentum in the week and wholesale markets displayed fair activity, though orders by retailers for spring ready-to-wear merchandise were 25% below those of a year ago. It is the opinion of the trade, however, that commitments will be heavier in the first week of December.

Strength was evidenced in retail food sales the past week with wholesale inventories still reflecting an extremely high level. Consumer resistance to high prices has acted to pare down to some extent prices of liquor.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Nov. 16, 1946, increased 28% above the same period last year. This compared with an increase of 22% (revised figure) in the preceding week. For the four weeks ended Nov. 16, 1946, sales rose 13% and for the year to date increased to 30%.

Catholic Hierarchy Urges World Accord

The administrative board of the National Catholic Welfare Conference signed a statement representing the views of more than 120 Archbishops and Bishops comprising the Catholic Hierarchy in the United States, after a week-long annual meeting in Washington concluded on Nov. 16. The Prelates' statement saw the individual as a waif exposed to conflicting political ideologies.

"Before we can hope for a good peace," the Bishops' pronouncement, given in Washington advices to the New York "Times," said, "there must come an agreement among the peacemakers on the basic question of man as man. If this agreement is reached, then secondary, though important, defects in the peace may be tolerable in the hope of their eventual correction. Misrepresentations, deceitful promises, the use of equivocal language and violation of agreements only widen the cleavage between nations," the statement contended.

In part the statement continued:

In the Charter of the United Nations the signatories have contracted to cooperate "in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, language or religion." Let the nations in the making of the peace do even more and in solemn covenants actually secure men everywhere in the enjoyment of their native rights. Then there will be the beginnings of peace, and the fear of war will be banished from men's minds.

Considerations of human dignity are deeply involved in the fate of prisoners of war. The strict observance of international law does not oblige the victorious nations to repatriate prisoners of war until after the conclusion of the peace, but owing to the circumstance of the long delay in making the peace, the contention of our country for the speedy repatriation of these prisoners is admirably humane and almost a dictate of justice. There are millions of them separated from their families and kept from their normal occupations, engaged in forced labor and in many case underfed. They are needed at home for the work of reconstruction.

The use of prisoners of war as slave laborers in alien lands should not be any part of reparations levied by the victors. They are men and they should be treated as men.

A serious problem which challenges the nations is finding a way rightly to provide for the hundreds of thousands of refugees from persecution and dire danger now in camps in Central Europe. These victims of injustice have the right of refuge—a right that is sacrosanct in our history and culture. To provide for them and to give them an opportunity to begin life anew in useful pursuits without fear is the inescapable responsibility of the nations.

In many lands men, women and children are in dire need of the very necessaries of life. In some large measure this need is the consequence of the stoppage of that normal interchange of goods between the industrial and agricultural areas of Europe which for centuries has been at the base of European economy. In some places it is the result of political, racial and religious persecution. For many millions it is the heavy penalty of war.

In our charity we must not be insensible to the misery of our fellow-men. Human solidarity as well as Christian brotherhood dictates the sharing of our substance with our brothers in distress.

* * *

But charity is not a substitute for justice. The continuance of widespread want is largely due to the delay of the nations in making the peace. Justice demands that they make promptly a peace in which all men can live as men.

* * *

How can there be a beginning of even a tolerable peace unless the peacemakers fully realize that human life is sacred and that all men have rights?

Revised Rules on CPA Urgency Ctfs.

The Civilian Production Administration amended its rules Nov. 13 to eliminate the requirement that holders of urgency certificates against government surplus property present them immediately to the War Assets Administration regional office, or personally search for the material or equipment called for by the certificate. Under the revised procedure, according to dispatches of Nov. 13 from Washington to the New York "Journal of Commerce," when CPA issues an agency certificate, the original will be forwarded to the applicant and two copies to the public interest division of the WAA regional office in which the applicant's plant is located. On receipt, WAA will search its inventories and, when the items are located, will notify the certificate holder to come in and complete the purchase. The revised rules also permit certificate holders to apply for extension of unsatisfied certificates 15 days before the expiration date instead of waiting for its expiration.

Wanted—A Sound Labor Policy

(Continued from first page)

charged with the responsibility for negotiating a fair deal and achieving mutual understanding between employer and employee, sometime feel that we have no national labor policy. We do have one, as decrepit as it may be.

The inept and highly partial government administration of that policy has made it all the more confusing and contradictory.

It is necessary to consider for a moment the development of our national labor policy to really understand our present floundering and the need for a modern over-all policy. It all started with two important statutes: the Norris-LaGuardia Anti-Injunction Act of 1932, and the Wagner National Labor Relations Act of 1935.

They committed the Federal Government to the practice of collective bargaining as the best means to industrial peace.

The purpose of these two statutes was to establish as equality of bargaining power between labor and management, so that peaceful settlement of disputes could be achieved by collective bargaining.

There is abundant evidence that management today not only accepts the principle of collective bargaining, but practices it in the spirit, as well as the letter, of the law. The distressing realization that this national policy has produced industrial chaos instead of industrial peace cannot be blamed on employer resistance or hostility to collective bargaining. You'll have to look for more basic causes. With the very foundation of this national policy based on equality of bargaining power, it was contemplated that labor would be strong enough to resist unfair treatment and that management would be able to withstand arbitrary demands.

Basic Equality Never Achieved

This basic condition—equality of bargaining—was never achieved. In seeking to deprive employers of advantages which tipped the scales in their favor, the prejudiced administrators of NLRA went to the opposite extreme.

It is not necessary to go into the details of the maladministration of NLRA to you men. You have the first-hand experiences to bear out what I say.

The scales were weighted so heavily against employers that equality of bargaining power—so essential to the success of collective bargaining—was impossible. Until such equality is established, there can be no expectancy for genuine collective bargaining.

What is the use of trying to fool ourselves by going through the motions of collective bargaining against the overwhelming odds which the courts and the administrators have piled up against employers. Let me remind you of the Supreme Court decision which gave organized labor absolute freedom from legal restraints. The Court concluded (and I quote):

> "So long as a union acts in its self-interest . . . the licit and the illicit under Section 20 are not to be distinguished by any judgment regarding the wisdom or unwisdom, the rightness or wrongness, the selfishness or unselfishness of the end of which the particular union activities are the means."

There is no incentive for labor to be anything but arbitrary when it is known that actions illegal to other persons and groups are almost universally ignored by law enforcement agencies when a labor union is guilty.

The pages of the law books and the newspapers are filled with judicial interpretations and highly partial administrative rulings which have put this country at the absolute mercy of a few arrogant labor dictators.

Labor Immune from Anti-Trust Laws

The immunity of labor from anti-trust law prosecution is one of the worst examples to which we can point with a chance of making the public understand the monopolistic position that unions occupy today.

The anti-trust laws were intended to assure the purchasing public the opportunity of buying goods in a competitive market. It is impossible not to recognize that labor costs—when established on an industry-wide basis—have an industry-wide effect on prices, and therefore a corresponding effect on the level of competition. The Department of Justice has never been able to make an anti-trust case against a labor union stick unless it was a case in which labor combined with a management group in restraint of trade. The G-men went after labor unions on half a dozen counts, but they lost every case except where a group of employers was involved. The courts held that as long as unions did not combine with non-labor groups, their activities are immune from prosecution despite the fact that trade and commerce are restrained. This illogical interpretation of the law permits a labor union to practice monopolies at the expense of the public interest—and pocketbook.

Evils of Industry-Wide Bargaining

Industry-wide bargaining also undermines healthy competition—not only within an industry, but between industries. It is no secret that the CIO would like to extend industry-wide bargaining to nation-wide bargaining. CIO leaders would like to negotiate a basic agreement for all workers. The first maneuver in this direction came last fall when CIO attempted to inject the national wage issue into the President's Labor-Management Conference. Such a monopoly would deprive the public of its last protection against restrictions on output, employment of excess people, unreasonable wage concessions—all of which result in higher costs which must be passed on to the public in higher prices.

I want to make it clear that I believe in collective bargaining, and I believe that the best collective bargaining is done as close to the plant level as you can get it—where employer and employee have a chance to learn the lesson of mutual understanding and respect and cooperate to the best interests of both.

It has been a combination of many things through the years that has destroyed real collective bargaining.

This combination of factors has stacked most of the high cards on labor's side of the bargaining table. Therefore, our goal of industrial peace will never be reached through the medium of collective bargaining unless our national labor policy is rejuvenated and streamlined to equalize the rights and responsibilities of management and labor under the law.

This readjustment—or balancing—of legal rights and obligation is not a dramatic course. Yet, it is the most important step that can be taken to settle labor disputes by peaceful means. It is the surest step to restrain—voluntarily—that arbitrary action by either management or labor which so frequently is to blame for disputes which cause strikes. It can be done to permit a maximum of self-regulation, a minimum of bureaucratic government interference. It is not anti-labor. I would be the last among you to advocate the curb of any proper or legitimate right or activity of labor. Let me make it clear that I am not asking for curbs on labor which would mean a return to what some people still describe as "the good old days." Management abuses are just as much against the public interest as labor abuses, and what I want to see is a balance of power which will check the excesses of both.

Agreements Should Be Equally Binding

A sound national labor policy, designed in the public interest, should require that collective bargaining agreements be equally binding on employers and unions; that both parties should bargain in good faith; that both should refrain from unfair labor practices; that both should have the same privilege of free speech; that the anti-trust laws should be enforced against both; that orderly procedures for settlement of jurisdictional dispute should be set up with suitable penalties for violation; that the public interest should be protected from violence or intimidation, and that damaging secondary boycotts against farm or manufactured goods should be outlawed.

These are the minimum requirements necessary to a sound labor policy. This program necessitates amendments to the Wagner Act and perhaps the Clayton Act, the Norris-LaGuardia Act and other acts.

The mere proposal for any such amendments automatically inspires the leaders of organized labor to hysterically cry to high heaven the charge of "anti-labor."

I submit, that there is nothing "anti-labor" or unjust in any provision that will make collective bargaining—which is the law of the land—work better. There is nothing "anti-labor" or unjust in asking that the law be enforced against labor leaders just like it is against all other citizens.

The truth of the matter is that a national labor policy based on this six-point program, is not "anti-labor," in any part, and it would go a long way toward protecting the millions of working men and women from the public resentment engendered by the arrogance of some labor leaders who continue to ignore the public interest.

The public patience with labor unions is near the snapping point because of postwar strikes—and now we are threatened with the second round. John Q. Citizen's impatience against transportation strikes, coal strikes, trucking strikes, utility strikes, is reflected in the public opinion polls which show that the people are heavily in favor of compulsory arbitration of labor disputes.

Compulsory Arbitration

Let me talk to this point, compulsory arbitration, and its variations—mediation boards, labor tribunals, fact-finding commissions, and other new machinery or procedure. There is growing public support, and at least a small segment of management support, for the creation of some sort of Federal Labor Court.

Some visualize such a court as the exclusive tribunal for resolving questions of legal rights and liabilities of labor and management. Others see such a court as a board of arbitration to resolve all issues, including the broad economic questions which constantly arise in labor disputes. Let us consider first where such a course might lead.

The War Labor Board was a form of labor court . . . It became a substitute for voluntary collective bargaining. Since it seemed more partial to labor, the unions were willing to by-pass negotiations to get disputes before that Board. The same would result if we had a labor court. If it showed partiality toward employers, no doubt employers would be as willing as labor has been to use it as an escape from genuine bargaining. The mere creation of new government machinery, whether it is called a labor court, or an arbitration board or anything else can give no real assurance of the peaceful adjustment of disputes.

I feel so strongly on the subject of compulsory arbitration that I want to warn both management and labor of the inherent dangers in any such medium to settle labor disputes.

Compulsory arbitration means that some politically appointed board can decide where a man shall work, when he shall work, and how much he will be paid. That is involuntary servitude—slavery.

And if the great rank and file of labor continues to ignore the public welfare and blindly following a few misguided leaders—they are inviting the slave chains of compulsory arbitration. Do not be misled on this issue by those who would have you believe that such a device might best serve the interests of management today. When the working man gives up the freedom to work where he likes, when he likes, and to set his own price for his labors—liberty in America is dead.

I oppose such measures because of my deep personal conviction that most disputes must be solved voluntarily between management and labor. That is why I am so insistent on the corrections necessary to make collective bargaining work. You men who practice them knew that good employee relations can be more instrumental in solving our labor troubles than all the courts and boards and commissions we can think up.

Labor Leaders Promoting Discord

It is a paradox indeed that while management is going all-out to improve relations with employees by every conceivable means, some leaders of organized labor seem to be doing everything in their power to promote discord.

Take a look at those labor newspapers which parrot the left-wing line of the "hate press." The stream of venom and malice which they direct against the competitive enterprise system and is intended for only one thing, and that is to stir up dissension, suspicion and strife. All employers are profit-mad slave drivers to these purveyors of hate. They do not want employees to like their employers. One of the greatest single things you can do to improve employee relations is a fast, complete, truth-telling communication system between the swivel chairs and the work benches. The truth is the greatest invention yet to knock the props out of propaganda.

The whole question of communication between employer and employee deserves serious study. You men know that the warmest words from the front office cool considerably by the time they sift through all the necessary steps to the shop. Bulletin boards, printed matter and loudspeakers all have their proper place in management's arsenal to combat the "hate-the-boss" campaign of the leftists, but even better is the face-to-face, heart-to-heart talk from the boss himself.

Contrast the class warfare attitude of some union leaders with the progressive policies which management leadership is stressing in an effort to give employees the things they want and need—job security, good wages opportunity.

NAM's Program

Take NAM's nation-wide employment stabilization program now under way. NAM's 13,000 members are behind this program and it has the cooperation of the 40,000 employers belonging to the associations of the National Industrial Council. It is a real challenge to all American industry to level out the production curves that mean steadier jobs and steadier pay for Americans. Employment stabilization can do more to refute this subversive "hate-the-boss" campaign than all the denials that will ever get printed in the paper.

Because I already have been misquoted on the objectives of this program, I feel called upon to emphasize that I am not talking about the guaranteed annual wage or any other kind of guarantee for work not done. Security cannot be guaranteed; it cannot be legislated. Any Government program for such security is no better than the productive capacity of the economic system which supports the country.

However, the term "guaranteed annual wage" is in the air. It has been promoted by the unions and the Government. We cannot shrug off the workers' perfectly natural desire for greater security simply by denouncing the annual wage. We must never let ourselves discard carelessly the justifiable hopes of our employees just because a wrong and dangerous answer to their problem is proposed from the left. We know the progress already made by many companies in leveling out production schedules and we know that there is still plenty of room for improvement. Industry must tackle this problem from the feasible angle—to stabilize production so that the natural consequences will be steadier work and steadier pay for our employees.

In the same high priority bracket with stabilized employment, I consider an understanding of profits by employees a "must" in this business of building a firm foundation for good labor relations. I don't think any man hates anything worse than being taken for a sucker, and the leftists miss no opportunity to tell our employees that they are being taken for suckers by management.

Let's examine for a moment the charge of profiteering used to smear all employers. It is a fact that labor gets 85% of the national income dollar, and that in most of your individual businesses they get 90% or more of the amount left to divide between labor and capital.

Management must tell employees the truth about profits—that the enterprisers who shoulder the risks of business net about 1½% on invested capital even in the best of times. That's the difference that the investor makes by risking his money in job-creating enterprises instead of putting it into the security of Government bonds.

When employees know the whole story of profits they know it is to their best interest to work for a profitable enterprise. They know what it takes to make a profit. They know that before a profit is possible, the boss first has to meet expenses, including their wages, high taxes, the cost of material. They know that he has been able to set aside enough for depreciation and accrued expenses to maintain the solvency of the business. They know that only so long as the employer can keep his business solvent, will he be able to provide steady jobs in that business.

Let them know that our economy is not exclusively a "profit" economy; that it is a profit and loss economy; that even in the best peacetime years at least two out of five enterprisers make no profit at all. This profit and loss economy has no competitor in the bountiful distribution of goods and services to its people. The commonplace things of this land are still luxuries to most of the world's people.

Instead of wincing at the mention of the word profit, management must shout this system's contributions to mankind. We have not even begun to do a good job in telling our own employees, much less the American public.

You are the men who know how vastly more difficult the goal of good industrial relations is made by the philosophy from the left. No group in the world is promising so much and delivering so little as the collectivists. It is no wonder that they get the ear of our employees. Management, to my mind, has been guilty of a grave dereliction in allowing the belief to become prevalent that business is always against the good things of life; against security; against high wages and against full employment.

Industrial Relations Are Public Relations

You industrial-relations men cannot shrug this off by observing that such things are out of your domain and belong in the realm of public relations.

Industrial relations are public relations—and if they are not they are no good. Labor is our first public. My experience with thousands of businessmen, large and small, has convinced me of their sharp sense of social responsibility —but they haven't shown it. The only way management can show that it is for the good things in life for all Americans is to demonstrate by performance. Industry can't put out enough press releases to whitewash a bad performance. I am firmly convinced that the future of the whole enterprise system depends upon the individual performance of managers with their own workers in their own communities — as well as their performance with their customers and their stockholders.

The things I've said here to you today have a familiar ring but make no mistake of their importance in winning the battle against the creeping collectivism which confronts this great nation today. We cannot win without the support of the American people, and we can't get their support until we have the support of our employees. This contest is riding toward a showdown and you, who every day are charged with greater responsibility in winning the working men and women of America over to the side of greater freedom, greater productivity and greater prosperity are in the front line. We cannot promise as much, but we can deliver a whale of a lot more—and we will when we return to a sound basis of collective bargaining and take the settlement of labor disputes off the White House steps.

Management and labor are in the same boat. We must never forget that and never let our employees forget it. The success of each depends on working together. The management that can approach its employees in a spirit of sincerity and honesty is going to get a lot farther than the one which carries a chip on its shoulder.

Given a sound national labor policy, based on equality at the bargaining table, equality before the law, and equality of responsibility, I am convinced that labor and management can work out voluntary policies in the best interests of the public—as that will be to the best interest of labor and management.

I have great hope that the next Congress will give this Nation a sound labor policy under which real collective bargaining can work. I have hope that industrial management will plan intelligently and understandingly for the security of its workers. I have hope that labor leadership will realize the dangers to labor itself if personal ambitions and short-sighted policies are allowed to alienate the public too long.

These are hopes, and they are not going to be realized overnight. We have a job of educaton to do and, as John Ruskin said of all educational effort, "It is painful, continual, and difficult work to be done by kindness, by watching, by warning, by precept and by praise, but above all—*by example*."

There are no private claims to the future. Tomorrow belongs to all of us. We can make it a great tomorrow—a typically American tomorrow—one in which all the people can share the prosperity of production—if all of us do our part. The stakes are big—and I feel they are well worth an all-out cooperative effort on the part of labor and management. We can have success by learning to live together on the basis of mutual interest and cooperation.

We just can't afford to fail!

Functioning of Free Price System

The fact that the people's ability to get what commodity they want, where they want it, and as much or as little as they want of it, depends on the automatic functioning of America's traditional free price system, is pointed out in a monograph on prices prepared for and published on Sept. 2 by the National Association of Manufacturers as an advance chapter of a textbook on the enterprise system. It is made known by the Association that a score of business executives and economists comprising the Economic Principles Commission has been working on the book about five years. The project was financed by the NAM, it is added, but not influenced by it as to thought or expression.

The monograph on prices, entitled "The Role of Prices and Price Determination in the American Private Enterprise System," was issued now, in advance of the rest of the book, as a contribution to straight-thinking it is observed at a time of widespread public confusion over governmental attempts to control or influence prices. A second chapter on "Profit and Loss in the Enterprise System" will be released soon.

The authorities, it is stated, undertook the workings of the price system to bring out just what freedom of choice of buyer or seller does in the way of directing the flow of material resources and personal efforts. Their report declares that "any restrictions in the free functioning of the price system would have far-reaching effects" in directing the flow of materials and labor into different channels from those which would be followed in a free economy. In the end this would tend to diminish the flow and reduce the extent to which people get the things they want. In part the NAM announcement also said:

The study stresses three types of competition as essential elements in the process of "adjustment between consumer preference and productive effort." One, competition between sellers of goods; two, competition between buyers for goods, and three, competition between concerns for additional investment funds.

In the long run, the study maintains, the "combination of low price, moderate profit margin, and growing volume is more profitable" than temporarily larger profits at a high price level.

Increase in Price of Daily Papers

Of 1,748 daily newspapers in the United States, 251 have increased circulation rates since Jan. 1 and four have decreased rates, an analysis of notices received by the American Newspaper Publishers Association disclosed on Sept. 3, it was stated in an Associated Press account published in the Chicago "Journal of Commerce" of Sept. 4, which went on to say:

Increases generally were ascribed to the high cost of newsprint, labor and other operating expenses.

Forty-two newspapers increased their daily retail price from 4 cents to 5 cents.

Only one newspaper in the United States, The Mechanicsburg, Ohio, "Telegram," continued to retail for 1 cent. In 1943 there were four. There were only 42 papers retailing for 2 cents, against 84 in 1943.

The Dallas, Texas, "News" increased the retail price of its Sunday paper, single copies, from 10 cents to 15 cents, making it one of the highest, if not the highest, retail figures for single Sunday copies in the United States.

The sharpest rise in rates was recorded in January when 79 papers notified their readers of increases. February was next with 60 increases.

About 40 have gone up in the last two months.

The Atlanta "Constitution" and the Atlanta "Journal" announced on Oct. 18 increases in their subscription rates from carrier-delivered daily and Sunday papers from 30 cents to 35 cents a week, and an increase from 10 cents to 15 cents for their Sunday editions Associated Press advices from Atlanta, Ga., on Oct. 18, reporting this, said:

"The new rates become effective Sunday, Oct. 20.

"The morning 'Constitution' said in a page one announcement that the increases 'have been made necessary by greatly increased costs of newsprint, larger pay rolls and higher printing costs.'

"The afternoon 'Journal' also said the revision in rates had been necessary by 'the increased cost of newsprint and the mounting costs of operation.'"

From Macon, Ga., on Oct. 18 the Associated Press reported that the "'Macon News' and 'Macon Telegraph,' afternoon and morning newspapers, today announced increases in the subscription rates for carrier delivered daily and Sunday papers, effective Sunday." The press advices added:

"The prices of the 'Telegraph' and the 'News,' daily and Sunday, will be increased from 30 to 35 cents a week. The rate for daily only will be increased from 25 to 30 cents a week. Single copies of daily issues will continue at five cents and Sunday issues will be raised from 10 to 15 cents.

"The newspapers said in front page announcements that 'this increase is made necessary by mounting costs of production involving higher prices of essential material, higher wages for employees and the higher costs of newsprint.'"

Aug. Cotton Consumption

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

In the month of August, 1946, cotton consumed amounted to 855,511 bales of lint and 84,030 bales of linters as compared with 729,958 bales of lint and 93,798 bales of linters in July and 738,449 bales of lint and 84,030 bales of linters in August, 1945.

In the 12 months ending July 31, cotton consumption was 9,166,060 bales of lint and 1,051,104 bales of linters, which compares with 9,567,932 bales of lint and 1,481,329 bales of linters in the corresponding period of a year ago.

There were 2,082,696 bales of lint and 197,954 bales of linters on hand in consuming establishments on Aug. 31, 1946, which compares with 2,282,118 bales of lint and 255,354 bales of linters on July 31, and 1,832,600 bales of lint and 231,118 bales of linters on Aug. 31, 1945.

On hand in public storage and at compresses on Aug. 31, 1946, there were 3,834,342 bales of lint and 40,527 bales of linters, which compares with 4,464,546 bales of lint and 56,347 bales of linters on July 31 and 7,739,166 bales of lint and 28,544 bales of linters on Aug. 31, 1945.

There were 22,018,548 cotton spindles active during August, which compares with 21,985,298 cotton spindles active during July, 1946, and with 22,155,592 active cotton spindles during August, 1945.

Electric Output for Week Ended Nov. 23, 1946 24.0% Ahead of That for Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimates that the amount of electrical energy distributed by the electric light and power industry for the week ended Nov. 23, 1946, was 4,746,718,000 kwh., an increase of 24.0% over the corresponding week last year when electric output amounted to 3,481,350,000 kwh. The current figure also compares with 4,699,935,000 kwh., produced in the week ended Nov. 16, 1946, which was 18.0% higher than the 3,984,608,000 kwh., produced in the week ended Nov. 17, 1945. The largest increases were reported by the Pacific Coast and Southern States groups which showed increases of 35.7% and 32.1%, respectively, over the same week in 1945.

PERCENTAGE INCREASE OVER SAME WEEK LAST YEAR

Major Geographical Division—	Week Ended Nov. 23	Nov. 16	Nov 9	Nov. 2	Oct. 26
New England	21.9	10.6	11.7	12.4	8.3
Middle Atlantic	15.6	9.0	9.7	10.0	7.9
Central Industrial	21.2	16.0	16.7	15.0	15.4
West Central	16.3	11.3	14.5	14.0	13.4
Southern States	32.1	28.3	28.2	31.0	31.3
Rocky Mountain	18.8	13.9	15.3	10.3	7.0
Pacific Coast	35.7	26.5	26.0	27.3	19.1
Total United States	24.0	18.0	18.6	18.7	16.9

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended—	1946	1945	% Change Over 1945	1944	1932	1929
Aug. 3	4,351,011	4,432,304	— 1.8	4,399,433	1,415,122	1,729,667
Aug. 10	4,411,717	4,395,337	+ 0.4	4,415,368	1,431,910	1,733,110
Aug. 17	4,422,242	3,939,195	+12.3	4,451,076	1,436,440	1,750,056
Aug. 24	4,444,040	4,116,049	+ 8.0	4,418,298	1,464,700	1,761,594
Aug. 31	4,404,192	4,137,313	+ 6.5	4,414,735	1,423,977	1,674,588
Sept. 7	4,184,404	3,909,408	+ 7.0	4,227,900	1,476,442	1,806,259
Sept. 14	4,521,151	4,106,187	+10.1	4,394,839	1,490,863	1,792,131
Sept. 21	4,506,988	4,018,913	+12.1	4,377,339	1,499,459	1,777,854
Sept. 28	4,517,874	4,038,542	+11.9	4,365,907	1,505,216	1,819,276
Oct. 5	4,478,092	4,028,286	+11.2	4,375,079	1,507,503	1,806,403
Oct. 12	4,495,220	3,934,394	+14.3	4,354,575	1,528,145	1,798,633
Oct. 19	4,539,712	3,914,738	+16.0	4,345,352	1,533,028	1,824,160
Oct. 26	4,601,767	3,937,420	+16.9	4,358,293	1,525,410	1,815,749
Nov. 2	4,628,353	3,899,293	+18.7	4,354,939	1,520,730	1,798,164
Nov. 9	4,682,085	3,948,024	+18.6	4,396,595	1,531,584	1,793,584
Nov. 16	4,699,935	3,984,608	+18.0	4,450,047	1,475,268	1,818,169
Nov. 23	4,764,718	3,841,350	+24.0	4,368,519	1,510,337	1,718,002
Nov. 30	------	4,042,915	---	4,524,257	1,518,922	1,806,225

Department Stores Sales in New York Federal Reserve District in August, 57% Above Year Ago

The Federal Reserve Bank of New York announced on Sept. 20 that August sales of department stores in the Second (New York) Federal Reserve District increased 57% over a year ago. The combined sales for January to August, 1946, were up 37% from the similar period of the previous year. Stocks of merchandise on hand in department stores at the end of August, 1946 were 26% over those of 1945.

The apparel stores in the New York Reserve District reported a 45% gain in the net sales in August. Their stocks on hand at the close of the month were 35% over the figures for August 1945.

The following is the bank's tabulation:

DEPARTMENT STORE TRADE BY MAJOR LOCALITIES AUGUST, 1946
Second Federal Reserve District

	Percentage change from preceding year — Net Sales — August, 1946	Net Sales — Jan.-Aug., 1946	Stks. on Hand Aug. 31, 1946
Department stores—			
Second District	+57	+37	+26
New York City	+57	+38	+26
Northern New Jersey	+65	+40	+30
Newark	+63	+38	+31
Westchester and Fairfield Counties	+67	+38	+36
Bridgeport	+63	+34	+35
Lower Hudson River Valley	+59	+39	+30
Poughkeepsie	+50	+38	+32
Upper Hudson River Valley	+47	+37	+28
Albany	+56	+51	+28
Schenectady	+38	+22	+30
Central New York State	+57	+35	+18
Mohawk River Valley	+46	+28	+23
Utica	+45	+24	+27
Syracuse	+62	+38	+16
Northern New York State	+51	+38	--
Southern New York State	+56	+31	+29
Binghamton	+63	+35	+31
Elmira	+54	+23	+13
Western New York State	+52	+30	+26
Buffalo	+55	+32	+26
Niagara Falls	+35	+13	+17
Rochester	+49	+30	+30
Apparel stores (chiefly New York City)	+45	+31	+35

26 shopping days in August, 1946, 25 shopping days in August, 1945.

INDEXES OF DEPARTMENT STORE SALES AND STOCKS
Second Federal Reserve District
(1935-39 average = 100)

	1945 Aug.	1946 June	1946 July	1946 Aug.
Sales (average monthly), unadjusted	127	217	161	200
Sales (average daily), unadjusted	120	221	158	189
Sales (average daily), seasonally adjusted	164	240	*236	259
Stocks, seasonally adjusted	173	192	196	218
Stocks, unadjusted	170	204	213	214

*Revised.

INDEXES OF DEPARTMENT STORE SALES FOR SIX LEADING CITIES IN THE SECOND FEDERAL RESERVE DISTRICT
1935-39 average = 100

	1945 Aug.	1946 June	1946 July	1946 Aug.
Average monthly, unadjusted—				
New York City	*122	216	*154	191
Newark	111	205	*142	181
Buffalo	*166	257	194	257
Rochester	152	230	184	226
Syracuse	195	292	241	316
Bridgeport	119	207	178	194
Average daily, unadjusted—				
New York City	115	220	*151	180
Newark	105	209	139	171
Buffalo	157	263	191	243
Rochester	144	236	181	214
Syracuse	185	299	237	300
Bridgeport	112	211	174	183
*Average daily, seasonally adjusted—				
New York City	164	239	*236	258
Newark	152	222	*225	248
Buffalo	189	280	277	293
Rochester	175	253	252	261
Syracuse	218	328	325	353
Bridgeport	146	240	198	238

*Revised.

National Fertilizer Assn. Commodity Price Index Continues Upward Reaching New High Level

In the second free week, commodity prices continued their upward trend, according to the index compiled by The National Fertilizer Association and made public on Nov. 25. In the week ended Nov. 23, 1946, the index advanced to 190.7, a new record high, from the revised index of 190.1 in the preceding week. A month ago the index stood at 184.4, the highest point before all controls were lifted, and a year ago at 142.0, all based on the 1935-1939 average as 100. The Association's report went on to say:

Four of the composite groups of the index advanced and two declined during the latest week. The foods group registered the largest increase, with a 2.1% rise. Prices were mixed with higher quotations for flour, potatoes, beef, chickens, and cottonseed oil more than offsetting declining prices for butter, cheese, lamb and pork. The farm products group showed a small advance; the cotton index declined; the grains index advanced with most grain prices higher; the livestock index was higher, advances in poultry, eggs, and milk more than offsetting declines in cattle, calves, hogs, lambs and sheep; wool prices were again higher. The metals index advanced for the second consecutive week; higher prices were registered for scrap steel, tin and lead. The building materials index also advanced for the second consecutive week reflecting higher prices for brick and glass. The textiles index declined with prices mixed. Among the price changes, rayon advanced and burlap declined. The miscellaneous commodities group declined with lower prices for leather, cottonseed meal, linseed meal, middlings and book paper more than offsetting the rise in bran and paper board.

During the week 33 price series in the index advanced and 21 declined; in the preceding week 41 advanced and 13 declined; in the second preceding week 16 advanced and 20 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 Nov. 23, 1946	Preceding Week Nov. 16, 1946	Month Ago Oct. 26, 1946	Year Ago Nov. 24, 1945
25.3	Foods	220.6	216.1	206.2	144.9
	Fats and Oils	294.5	293.8	287.4	146.6
	Cottonseed Oil	307.7	302.0	284.9	163.1
23.0	Farm Products	231.4	230.3	237.7	173.3
	Cotton	286.1	298.7	331.1	228.3
	Grains	207.9	201.3	220.3	167.3
	Livestock	236.1	233.7	233.2	166.9
17.3	Fuels	154.2	154.2	154.2	129.9
10.8	Miscellaneous commodities	163.1	165.1	149.5	132.8
8.2	Textiles	204.4	205.5	207.8	160.8
7.1	Metals	132.4	130.2†	125.0	110.2
6.1	Building materials	204.7	203.4	178.5	154.7
1.3	Chemicals and drugs	145.9	145.9	128.2	126.2
.3	Fertilizer materials	123.3	123.3	122.5	118.2
.3	Fertilizers	125.6	125.6†	125.1	119.9
.3	Farm machinery	116.6	116.6	116.6	105.0
100.0	All groups combined	190.7	190.1†	184.4	142.0

*Indexes on 1926-1928 base were: Nov. 23, 1946, 148.6; Nov. 16, 1946, 148.1†, and Nov. 24, 1945, 110.6. †Revised.

Civil Engineering Construction Totals $77,802,000 for Week Ending Nov. 21

Civil engineering construction volume in continental United States totals $77,802,000 for the week ending Nov. 21, 1946, as reported by "Engineering News-Record." This volume is 31% below the previous week, 69% above the corresponding week of last year, and 6% below the previous four-week moving average. The report issued on Nov. 21 added:

Private construction this week, $33,867,000, is 24% below last week, and 4% above the week last year. Public construction, $43,935,000, is 35% below last week, and 226% greater than the week last year. State and municipal construction, $27,108,000, 27% below last week, is 235% above the 1945 week. Federal construction, $16,827,000, is 45% below last week, and 212% above the week last year.

Total engineering construction for the 47-week period of 1946 records a cumulative total of $4,814,869,000, which is 142% above the total for a like period of 1945. On a cumulative basis, private construction in 1946 totals $2,890,529,000, which is 212% above that for 1945. Public construction, $1,924,340,000, is 81% greater than the cumulative total for the corresponding period of 1945, whereas State and municipal construction, $1,315,188,000 to date, is 283% above 1945. Federal construction, $609,152,000, dropped 16% below the 47-week total of 1945.

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

	Nov. 21, 1946	Nov. 14, 1946	Nov. 22, 1945
Total U. S. Construction	$77,802,000	$112,491,000	$46,143,000
Private Construction	33,867,000	44,847,000	32,662,000
Public Construction	43,935,000	67,644,000	13,481,000
State and Municipal	27,108,000	37,149,000	8,096,000
Federal	16,827,000	30,495,000	5,385,000

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

New Capital

New capital for construction purposes this week totals $15,695,000, and is made up of $6,923,000 in corporate securities and of $8,772,000 in State and municipal bond sales. New capital for construction purposes for the 47-week period of 1946 totals $3,016,073,000, 73% more than the $1,740,347,000 reported for the corresponding period of 1945.

Moody's Bond Prices and Bond Yield Averages

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

MOODY'S BOND PRICES
(Based on Average Yields)

1946— Daily Averages	U. S. Govt. Bonds	Avge. Corporate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus.
Nov. 26	121.67	116.22	121.04	119.00	116.02	109.60	111.81	117.60	119.61
25	121.64	116.41	121.04	119.00	116.02	109.79	112.00	117.60	119.61
23	121.77	116.41	121.04	119.00	116.02	109.79	112.00	117.60	119.82
22	121.80	116.41	121.04	119.00	116.02	109.79	112.00	117.60	119.82
21	121.89	116.41	121.25	119.00	116.02	109.97	112.00	117.60	119.82
20	121.92	116.41	121.25	119.00	116.22	109.97	112.19	117.60	119.82
19	121.95	116.61	121.25	119.20	116.22	109.97	112.19	117.60	120.02
18	121.89	116.61	121.25	119.20	116.22	110.15	112.37	117.60	119.82
16	121.99	116.61	121.46	119.20	116.22	110.15	112.37	117.60	120.22
15	122.05	116.61	121.46	119.20	116.41	110.15	112.37	117.80	120.02
14	122.17	116.61	121.46	119.20	116.41	110.15	112.37	117.80	120.02
13	122.24	116.61	121.25	119.20	116.41	110.34	112.37	117.60	120.22
12	122.24	116.61	121.25	119.20	116.22	110.34	112.37	117.60	120.02
11	Stock Exchange Closed								
9	122.20	116.61	121.25	119.20	116.22	110.34	112.37	117.60	120.02
8	122.17	116.61	121.25	119.20	116.22	110.34	112.37	117.60	120.02
7	122.17	116.61	121.25	119.20	116.22	110.34	112.37	117.60	120.02
6	122.14	116.61	121.25	119.20	116.22	110.34	112.37	117.60	120.02
5	Stock Exchange Closed								
4	122.20	116.61	121.04	119.20	116.22	110.34	112.37	117.60	120.02
2	122.14	116.61	121.04	119.20	116.22	110.15	112.19	117.60	120.02
1	122.14	116.41	121.04	119.20	116.02	110.15	112.19	117.60	119.82
Oct. 25	121.77	116.61	121.04	119.20	116.22	110.34	112.19	117.60	120.02
18	121.43	116.61	121.04	119.20	116.22	110.34	112.37	117.80	120.02
11	121.08	116.41	120.84	119.00	116.22	110.15	112.19	117.60	119.82
4	121.05	116.61	121.25	119.00	116.61	110.34	112.56	117.80	119.82
Sept. 27	121.08	116.61	121.04	119.00	116.61	110.15	112.37	117.80	119.82
20	121.14	116.61	121.04	119.00	116.61	110.52	112.75	117.80	119.61
13	121.80	117.20	121.46	119.41	117.00	111.44	113.89	118.00	120.22
6	122.52	118.00	122.29	120.02	117.80	112.19	114.46	118.60	120.84
Aug. 30	122.92	118.40	122.71	120.43	118.00	112.37	114.85	118.80	121.25
23	123.30	118.40	122.92	120.84	118.20	112.37	115.04	119.00	121.46
16	123.49	118.40	122.92	120.63	118.20	112.37	115.24	119.00	121.25
9	123.49	118.60	123.13	120.84	118.20	112.56	115.24	119.00	121.46
2	123.45	118.60	123.13	120.84	118.20	112.56	115.43	119.00	121.25
July 26	123.77	118.60	123.13	121.04	118.40	112.56	115.63	119.20	121.46
June 28	124.11	118.80	123.34	121.25	118.40	112.56	116.02	119.20	121.46
May 31	123.09	118.80	122.92	121.46	118.40	112.56	116.22	119.00	121.04
Apr. 26	124.33	119.00	123.34	121.25	118.40	113.12	116.41	119.41	121.04
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	120.70	116.22	120.84	118.80	116.02	109.60	111.81	117.60	119.61
1 year Ago Nov. 26, 1945	123.78	116.80	120.63	119.61	117.00	110.70	113.31	117.00	120.43
2 Years Ago Nov. 25, 1944	119.93	113.12	118.80	117.40	113.12	103.80	108.16	113.70	117.80

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

1946— Daily Averages	U. S. Govt. Bonds	Avge. Corporate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus.
Nov. 26	1.61	2.84	2.60	2.70	2.85	3.19	3.07	2.77	2.67
25	1.61	2.83	2.60	2.70	2.85	3.18	3.06	2.77	2.67
23	1.60	2.83	2.60	2.70	2.85	3.18	3.06	2.77	2.66
22	1.60	2.83	2.60	2.70	2.85	3.18	3.06	2.77	2.66
21	1.59	2.83	2.59	2.70	2.85	3.17	3.06	2.77	2.66
20	1.59	2.83	2.59	2.70	2.84	3.17	3.05	2.77	2.66
19	1.58	2.82	2.59	2.69	2.84	3.17	3.05	2.77	2.65
18	1.59	2.82	2.59	2.69	2.84	3.16	3.04	2.77	2.66
16	1.58	2.82	2.58	2.69	2.84	3.16	3.04	2.77	2.64
15	1.58	2.82	2.58	2.69	2.83	3.16	3.04	2.76	2.65
14	1.57	2.82	2.58	2.69	2.83	3.16	3.04	2.76	2.65
13	1.56	2.82	2.59	2.69	2.83	3.15	3.04	2.77	2.64
12	1.56	2.82	2.59	2.69	2.84	3.15	3.04	2.77	2.65
11	Stock Exchange Closed								
9	1.56	2.82	2.59	2.69	2.84	3.15	3.04	2.77	2.65
8	1.57	2.82	2.59	2.69	2.84	3.15	3.04	2.77	2.65
7	1.57	2.82	2.59	2.69	2.84	3.15	3.04	2.77	2.65
6	1.57	2.82	2.59	2.69	2.84	3.15	3.04	2.77	2.65
5	Stock Exchange Closed								
4	1.56	2.82	2.60	2.69	2.84	3.15	3.04	2.77	2.65
2	1.57	2.82	2.60	2.69	2.84	3.16	3.05	2.77	2.65
1	1.57	2.83	2.60	2.69	2.85	3.16	3.05	2.77	2.66
Oct. 25	1.60	2.82	2.60	2.69	2.84	3.15	3.05	2.77	2.65
18	1.63	2.82	2.60	2.69	2.84	3.15	3.04	2.76	2.65
11	1.65	2.83	2.61	2.70	2.84	3.16	3.05	2.77	2.66
4	1.65	2.82	2.59	2.70	2.82	3.15	3.03	2.76	2.66
Sept. 27	1.65	2.82	2.60	2.70	2.82	3.16	3.04	2.76	2.66
20	1.65	2.82	2.60	2.70	2.82	3.14	3.02	2.76	2.67
13	1.63	2.79	2.58	2.68	2.80	3.09	2.96	2.75	2.64
6	1.58	2.75	2.54	2.65	2.76	3.05	2.93	2.72	2.61
Aug. 30	1.55	2.73	2.52	2.63	2.75	3.04	2.91	2.71	2.59
23	1.52	2.73	2.51	2.61	2.74	3.04	2.90	2.70	2.58
16	1.51	2.73	2.51	2.62	2.74	3.04	2.89	2.70	2.59
9	1.51	2.72	2.50	2.61	2.74	3.03	2.89	2.70	2.58
2	1.51	2.72	2.50	2.61	2.74	3.03	2.88	2.70	2.59
July 26	1.49	2.73	2.50	2.60	2.73	3.03	2.87	2.69	2.58
June 28	1.47	2.71	2.49	2.59	2.73	3.03	2.85	2.69	2.58
May 31	1.48	2.71	2.51	2.58	2.73	3.03	2.84	2.70	2.60
Apr. 26	1.45	2.70	2.49	2.59	2.73	3.00	2.83	2.68	2.60
Mar. 29	1.36	2.66	2.46	2.54	268	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	1.68	2.84	2.61	2.71	2.85	3.19	3.07	2.77	2.67
Low 1946	1.31	2.65	2.45	2.53	2.67	2.93	2.77	2.63	2.53
1 year Ago Nov. 26, 1945	1.49	2.81	2.62	2.67	2.80	3.13	2.99	2.80	2.63
2 Years Ago Nov. 25, 1944	1.84	3.00	2.71	2.78	3.00	3.52	3.27	2.97	2.76

*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 Sept. 5, 1946 issue of the "Chronicle" on page 1321.

U. S. Lend-Lease Report

A Treasury Department report of Nov. 16 showed expenditures by the United States on lend-lease through Aug. 31, 1946, of $50,596,698,489, with the British Empire as chief beneficiary receiving $31,367,559,327, while supplying $6,319,792,047 to this country in reverse lend-lease, according to United Press advices from Washington, which further stated:

"Shipments to Russia totaled $11,266,642,270 while the United States received $2,212,697 in return shipments.

"Total for other countries, with reverse lend-lease in parentheses, were:

France, $3,230,660,198 ($867,781,244); China, $1,557,399,993 ($3,672,000); The Netherlands, $246,000,462 ($2,212,699); Belgium, $153,235,220 ($191,215,983); Czechoslovakia, $503,265; Turkey, $26,659,104; Norway $52,216,602."

Savings Rate Slows To Prewar Level

Despite sharply augmented personal incomes over the past five years, the rate of increased savings by Americans has slowed down to its 1941 prewar figure, according to the forthcoming issue of the Federal Home Loan Bank "Review," monthly publication for member institutions of the Federal Home Loan Bank System. The System's National Housing Agency report said: "The excess of new savings over withdrawals of funds will continue with the gains at a lower rates the article predicts, if prices of consumer goods do not fluctuate too greatly during the next few months."

The NHA announcement of Nov. 24 added: The Department of Commerce reports that in the fourth quarter of 1941 savings constituted almost 20% of the disposable income of individuals, in contrast to 14% in the second quarter of this year. Savings accumulated during the first half of 1946 were less than half as large as in the same period last year, the "Review" says.

Based on a study of trends during the past two years in savings and loan associations, insured commercial banks, mutual savings banks, postal savings, U. S. savings bonds and life insurance policies, the article points out that the recent years' peak in the rate of savings by individuals was reached late in 1944 or early in 1945. In the last half of 1945 and the first half of this year both the percentage increase and the dollar gain have been successively lower.

Consumer income has remained about the same during this period, but the volume of consumer expenditures increased as more and more hard-to-get merchandise has returned to the market at rising prices, according to the article.

The rate of increase in savings by individuals in the media covered by the study was 6 and 8% for the prewar years of 1940 and 1941 respectively. In 1942 it climbed to 15% and in 1943 to 22%. The peak in 1944 showed an increase of 23% over the previous year. Last year the rate of gain declined to 17%, and the rate for the first six months of 1946 indicate the rate of increase for this year will be about 8%.

Savings and loan associations were the only outlet for savings to show a larger dollar gain during the first six months of 1946 than in the preceding period and to match their previous rate of increase. For all other groups the percentages were lower. Savings bonds and postal savings bonds showed a declining balance during the first half of this year. Redemptions of Series E bonds exceeded new sales every month except in January.

However, the article said, increases in various forms of individual debt are offsetting factors to the accumulations of savings, which had reached a new high, $130 billion, by the end of last June. Consumer credit outstanding rose 44% in the year preceding August, 1946, and now stands at $8 billion, the highest since 1942. Home mortgage debt also has increased sharply in the past year.

Moody's Daily Commodity Index

Tuesday, Nov. 19, 1946	376.2
Wednesday, Nov. 20	376.9
Thursday, Nov. 21	372.4
Friday, Nov. 22	374.4
Saturday, Nov. 23	373.9
Monday, Nov. 25	375.1
Tuesday, Nov. 26	374.1
Two weeks ago, Nov. 12	361.3
Month ago, Oct. 26	351.6
Year ago, Nov. 26	263.9
1945 High, Dec. 27	265.0
Low, Jan. 24	252.1
1946 High, Nov. 20	376.9
Low, Jan. 2	264.7

Daily Average Crude Oil Production for Week Ended Nov. 16, 1946, Increased 12,850 Bbls.

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Nov. 16, 1946, was 4,792,300 barrels, an increase of 12,850 barrels per day over the preceding week and a gain of 317,800 barrels per day over the corresponding week of 1945. The daily average figure estimated by the United States Bureau of Mines as the requirement for the month of November, 1946, was 4,730,000 barrels. Daily output for the four weeks ended Nov. 16, 1946 averaged 4,765,050 barrels. The Institute's statement further adds:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,716,000 barrels of crude oil daily and produced 14,682,000 barrels of gasoline; 1,699,000 barrels of kerosene, 5,555,000 barrels of distillate fuel, and 7,644,000 barrels of residual fuel oil during the week ended Nov. 16, 1946; and had in storage at the end of the week; 88,220,000 barrels of finished and unfinished gasoline; 21,512,000 barrels of kerosene; 67,221,000 barrels of distillate fuel, and 60,552,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*B. of M. Calculated Requirements November	State Allowables Begin. Nov. 1	Actual Production Week Ended Nov. 16 1946	Change from Previous Week	4 Weeks Ended Nov. 16, 1946	Week Ended Nov. 17, 1945
**New York-Penna.	48,200		50,750	+ 1,850	51,150	47,650
Florida			----		----	150
**West Virginia	8,400		9,000	+ 1,300	8,150	8,200
**Ohio—Southeast	7,600		6,250	+ 300	5,950	4,400
Ohio—Other			2,250	+ 50	2,400	3,300
Indiana	19,000		19,300	— 100	19,050	13,350
Illinois	212,000		203,850	— 2,950	206,750	206,850
Kentucky	29,000		29,850	— 300	30,050	29,150
Michigan	46,000		44,500	— 500	46,050	45,850
Nebraska	800		750	----	750	750
Kansas	263,000	270,000	†269,900	+ 2,500	274,200	267,350
Oklahoma	383,000	362,825	†365,200	+ 1,950	361,700	388,700
Texas—						
District I			19,000	----	19,250	----
District II			147,200	----	146,000	----
District III			464,300	----	456,800	----
District IV			226,350	----	220,300	----
District V			36,850	----	38,350	----
East Texas			324,000	----	320,000	----
Other Dist. VI			105,050	----	103,750	----
District VII-B			35,300	----	34,400	----
District VII-C			29,500	----	28,450	----
District VIII			507,250	— 5,500	497,350	----
District IX			121,400	----	125,550	----
District X			80,550	----	82,750	----
Total Texas	2,090,000	‡2,108,166	2,096,750	— 5,500	2,072,950	1,894,200
North Louisiana			91,800	+ 300	90,600	74,750
Coastal Louisiana			309,350	----	307,500	293,650
Total Louisiana	382,000	440,000	401,150	+ 300	398,100	368,400
Arkansas	77,000	79,804	73,200	— 750	73,450	76,050
Mississippi	60,000		78,650	+ 1,350	77,300	54,150
Alabama	2,000		1,100	+ 100	1,050	550
New Mexico—So. East	99,000	108,000	100,500	----	99,800	93,800
New Mexico—Other			500	----	500	400
Wyoming	97,000		105,000	— 1,150	107,550	97,300
Montana	24,000		23,450	— 100	23,600	19,550
Colorado	32,000		35,300	— 500	37,100	21,800
California	850,000	§843,700	875,100	+15,000	867,450	832,600
Total United States	4,730,000		4,792,300	+12,850	4,765,050	4,474,500
**Pennsylvania Grade (included above)			66,000	+ 3,450	65,250	60,250

*These are Bureau of Mines calculations of the requirements of domestic crude oil based upon certain premises outlined in its detailed forecasts. They include the condensate that is moved in crude pipe lines. The A. P. I. figures are crude oil only. As requirements may be supplied either from stocks or from new production, contemplated withdrawals from crude inventories must be deducted, as pointed out by the Bureau from its estimated requirements to determine the amount of new crude to be produced.

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m., Nov. 14, 1946.

‡This is the net basic allowable as of Nov. 1 calculated on a 30-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 5 to 10 days, the entire State was ordered shut down for 5 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 5 days shutdown time during the calendar month.

§Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILLS; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, KEROSINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED NOV. 16, 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 Product'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	736	87.7	1,815	19,219	9,200	24,923	11,902
Appalachian—								
District No. 1	76.3	99	69.2	316	2,501	504	610	392
District No. 2	84.7	50	80.6	176	810	56	133	259
Ind., Ill., Ky.	87.4	783	90.0	2,826	15,509	2,562	8,682	5,603
Okla., Kans., Mo.	78.3	379	80.8	1,375	8,602	1,364	3,578	1,336
Inland Texas	59.8	216	65.5	928	3,144	490	598	828
Texas Gulf Coast	89.2	1,136	92.7	3,411	14,409	4,109	10,996	7,716
Louisiana Gulf Coast	97.4	352	109.7	1,007	4,325	1,759	4,074	2,418
No. La. & Arkansas	55.9	65	51.6	172	1,619	471	539	220
Rocky Mountain—								
New Mexico	19.0	10	76.9	33	77	15	38	41
Other Rocky Mt.	70.9	122	73.9	410	1,504	180	540	645
California	85.5	768	77.3	2,213	16,501	802	12,510	29,192
Total U. S. B. of M. basis Nov. 16, 1946	85.8	4,716	84.9	14,682	*88,220	21,512	67,221	60,552
Total U. S. B. of M. basis Nov. 9, 1946	85.8	4,714	84.8	15,001	86,963	21,651	67,286	61,340
U. S. B. of M. basis Nov. 17, 1945		4,603		15,116	†81,668	12,879	46,142	45,599

*Includes unfinished gasoline stocks of 8,731,000 barrels. †Includes unfinished gasoline stocks of 8,545,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §In addition, there were produced 1,699,000 barrels of kerosine, 5,555,000 barrels of gas oil and distillate fuel oil and 7,644,000 barrels of residual fuel oil during the week ended Nov. 16, 1946, which compares with 1,901,000 barrels, 5,401,000 barrels and 7,503,000 barrels, respectively, in the preceding week and 1,804,000 barrels, 4,479,000 barrels and 8,684,000 barrels, respectively, in the week ended Nov. 17, 1945.

Trading on New York Exchanges

The Securities and Exchange Commission made public on Nov. 20 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 Nov. 2, 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 Nov. 2 (in round-lot transactions) totaled 3,145,680 shares, which amount was 17.70% of the total transactions on the Exchange of 8,883,720 shares. This compares with member trading during the week ended Oct. 26 of 1,787,555 shares, or 17.67% of the total trading of 5,061,450 shares.

On the New York Curb Exchange, member trading during the week ended Nov. 2 amounted to 611,450 shares or 14.07% of the total volume on that Exchange of 2,172,245 shares. During the week ended Nov. 26 trading for the account of Curb members of 335,565 shares was 15.52% of the total trading of 1,080,790 shares.

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

WEEK ENDED NOV. 2, 1946

A. Total Round-Lot Sales:	Total for Week	†%
Short sales	472,120	
‡Other sales	8,411,600	
Total sales	8,883,720	
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	1,021,940	
Short sales	267,980	
‡Other sales	820,280	
Total sales	1,088,260	11.88
2. Other transactions initiated on the floor—		
Total purchases	188,650	
Short sales	41,900	
‡Other sales	157,540	
Total sales	199,440	2.18
3. Other transactions initiated off the floor—		
Total purchases	288,320	
Short sales	60,350	
‡Other sales	298,720	
Total sales	359,070	3.64
4. Total—		
Total purchases	1,498,910	
Short sales	370,230	
‡Other sales	1,276,540	
Total sales	1,646,770	17.70

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

WEEK ENDED NOV. 2, 1946

A. Total Round-Lot Sales:	Total for Week	†%
Short sales	35,275	
‡Other sales	2,136,970	
Total sales	2,172,245	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	209,340	
Short sales	22,745	
‡Other sales	197,705	
Total sales	220,450	9.89
2. Other transactions initiated on the floor—		
Total purchases	27,450	
Short sales	4,400	
‡Other sales	28,350	
Total sales	32,750	1.38
3. Other transactions initiated off the floor—		
Total purchases	67,715	
Short sales	3,200	
‡Other sales	50,545	
Total sales	53,745	2.80
4. Total—		
Total purchases	304,505	
Short sales	30,345	
‡Other sales	276,600	
Total sales	306,945	14.07
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
§Customers' other sales	72,435	
Total purchases	72,435	
Total sales	88,052	

*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."

Commercial Paper Outstanding on Oct. 31

Reports received by the Federal Reserve Bank of New York from commercial paper dealers, said the bank on Nov. 18, show a total of $201,500,000 of open market paper outstanding on Oct. 31, 1946, compared with $147,600,000 on Sept. 30, 1946, and $127,100,000 on Oct. 31 1945.

The following are the totals for the last two years:

	$		$
1946—		1945—	
Oct. 31	201,500,000	Sep. 28	111,100,000
Sep. 30	147,600,000	Aug. 31	110,200,000
Aug. 31	141,600,000	July 31	106,800,000
July 31	130,800,000	Jun. 29	100,800,000
June 28	121,400,000	May 31	102,800,000
May 30	126,000,000	Apr. 30	118,600,000
Apr. 30	148,700,000	Mar. 30	146,700,000
Mar. 29	171,500,000	Feb. 28	157,300,000
Feb. 28	178,200,000	Jan. 31	162,400,000
Jan. 31	173,700,000		
		1944—	
1945—		Dec. 30	166,000,000
Dec. 31	158,900,000	Nov. 30	166,900,000
Nov. 30	156,100,000	Oct. 31	141,700,000
Oct. 31	127,100,000		

AIB Interchapter Faculty Conference

Invitations have been extended to instructors and educational leaders of 52 chapters and study groups of the American Institute of Banking to attend a regional interchapter faculty conference at the Bellevue-Stratford, Philadelphia, on Saturday, Dec. 7. This is the second of two conferences to be held in the East this year, the first having been held in Boston on Nov. 2. Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, and part of New York comprise the area to be covered by the Philadelphia conference.

The teaching techniques, objectives, and problems of Institute classes will be considered at Philadelphia. The sessions will open with a luncheon meeting at 12:30, at which W. Howard Martie, member of the AIB Executive Council, will preside. Dr. William A. Irwin, National Educational Director, will speak on "Adult Education the Institute Way."

J. Vincent O'Neill, AIB Executive Council member, will preside at the afternoon session beginning at 2:30, which will have as its theme, "The Philosophy, Objectives, and Methods of Institute Teaching." Speakers include David C. Kirk, of Essex County (N. J.) Chapter; William A. Mackie, Philadelphia Chapter; James W. Allison, Wilmington Chapter; and John H. Lucas, Pittsburgh Chapter. This meeting will be followed by an informal reception.

A dinner meeting will be held at 6:30, with Hartwell F. Taylor of the AIB Executive Council, presiding over the program. Leroy Lewis, Associate Educational Director, will speak on "Essentials of Effective Teaching." The evening session, starting at 7:30 with Dr. Irwin in charge, will feature a panel discussion on "Institute Teaching Problems and Suggested Solutions." Panel members include Leroy S. Clark, New York Chapter; Ralph Endicott, Washington Chapter; Juan Sanchez, Elizabeth Chapter; and Rev. Thomas W. Crowell, Erie Chapter.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Nov. 21 a summary 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 for the week ended Nov. 9, 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 Nov. 9, 1946

Odd-Lot Sales by Dealers— (Customers' purchases)	Total
Number of orders	33,226
Number of shares	957,540
Dollar value	$36,441,890
Odd-lot Purchases by Dealers— (Customers' sales)	
Number of Orders:	
Customers' short sales	398
*Customers' other sales	22,488
Customers' total sales	22,886
Number of Shares:	
Customers' short sales	16,136
*Customers' other sales	691,990
Customers' total shares	708,126
Dollar value	$26,027,288
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	0
†Other sales	136,680
Total sales	136,680
Round-Lot Purchases by Dealers—	
Number of shares	400,570

*Sales marked "short exempt" are reported with "other sales."

†Sales to offset customers' odd-lot orders and sales to liquidate a long position which is less than a round lot are reported with "other sales."

Weekly Coal and Coke Production Statistics

The total production of soft coal in the week ended Nov. 16, 1946, as estimated by the United States Bureau of Mines, was 12,550,000 net tons, a decrease of 150,000 tons, or 1.2%, from the preceding week. Monday, Nov. 11 (Armistice Day) was partially observed as a holiday. Output in the week ended Nov. 17, 1945, was estimated at 11,518,000 tons. Cumulative production during the calendar year through Nov. 16, 1946, totaled some 476,596,000 net tons, which was a decrease of 6.2% below the 508,285,000 tons mined in the comparable period of 1945.

Output of Pennsylvania anthracite for the week ended Nov. 16, 1946, as estimated by the Bureau of Mines, was 1,197,000 tons, a decrease of 77,000 tons, or 6.0%, from the preceding week. When compared with the production in the corresponding week of 1945 there was an increase of 150,000 tons, or 14.3%. Cumulative output of hard coal in the calendar year through Nov. 16, 1946, was approximated at 53,252,000 net tons, which was an increase of 8.6% above the 49,018,000 tons produced in the comparable period of 1945.

The Bureau also reported that the estimated production of beehive coke in the United States for the week ended Nov. 16, 1946, showed a decrease of 7,500 tons when compared with the output for the week ended Nov. 9, 1946; but was 33,400 tons more than for the corresponding week of 1945.

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

	Week Ended			Jan. 1 to Date	
	Nov. 16, 1946	*Nov. 9, 1946	Nov. 17, 1945	†Nov. 16, 1946	Nov. 17, 1945
Bituminous coal and lignite—					
Total, including mine fuel	12,550,000	12,700,000	11,518,000	476,596,000	508,285,000
Daily average	‡2,202,000	2,117,000	2,057,000	1,776,000	1,879,000

*Revised. †Subject to current adjustment. ‡Average based on 5.7 working days.

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

	Week Ended			Calendar Year to Date		
	‡Nov. 16, 1946	§Nov. 9, 1946	Nov. 17, 1945	Nov. 16, 1946	Nov. 17 1945	Nov. 20, 1937
Penn Anthracite—						
*Total incl. coll. fuel	1,197,000	1,274,000	1,047,000	53,252,000	49,018,000	45,749,000
†Commercial produc.	1,151,000	1,225,000	1,007,000	51,199,000	47,131,000	43,462,000
Beehive Coke—						
United States total	103,800	117,300	76,400	3,804,500	4,690,700	2,982,900

*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.)

	Week Ended		
State—	Nov. 9, 1946	Nov. 2, 1946	Nov. 10, 1945
Alabama	408,000	400,000	415,000
Alaska	7,000	7,000	7,000
Arkansas	35,000	42,000	37,000
Colorado	117,000	156,000	174,000
Georgia and North Carolina	1,000	1,000	1,000
Illinois	1,466,000	1,479,000	1,551,000
Indiana	533,000	574,000	545,000
Iowa	30,000	38,000	39,000
Kansas and Missouri	113,000	111,000	134,000
Kentucky—Eastern	1,093,000	1,108,000	962,000
Kentucky—Western	400,000	420,000	365,000
Maryland	44,000	37,000	40,000
Michigan	1,000	1,000	3,000
Montana (bituminous and lignite)	90,000	86,000	79,000
New Mexico	24,000	32,000	28,000
North and South Dakota (lignite)	84,000	92,000	68,000
Ohio	867,000	815,000	714,000
Oklahoma	52,000	56,000	63,000
Pennsylvania (bituminous)	3,165,000	2,987,000	2,956,000
Tennessee	144,000	135,000	161,000
Texas (bituminous and lignite)	1,000	2,000	2,000
Utah	150,000	151,000	133,000
Virginia	386,000	364,000	343,000
Washington	24,000	21,000	26,000
†West Virginia—Southern	2,249,000	2,224,000	2,255,000
‡West Virginia—Northern	1,009,000	870,000	1,163,000
Wyoming	207,000	225,000	225,000
§Other Western States	*	1,000	1,000
Total bituminous and lignite	12,700,000	12,435,000	12,490,000

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

Non-Ferrous Metals—End of Government's Buying Program Again Brings Higher Prices

"E. & M. J. Metal and Mineral Markets," in its issue of Nov. 21, stated: "Outstanding in the market for non-ferrous metals was the termination of the government's purchasing program involving foreign copper and lead. This action will bring the existing rates of duty into play on future imports by private individuals, and, with demands here in excess of domestic production, prices strengthened immediately. Lead advanced on Nov. 18 to the extent of 1.30c per pound, establishing the price at 11.80c, New York, and more than one seller of copper moved up his selling basis on domestic metal to 19½c, Connecticut Valley, effective Nov. 20. With the passing of price control the government no longer has the authority to buy metals abroad for domestic distribution, and waiving the duty on such transactions." The publication further went on to say in part as follows:

Copper

With imports reverting into private hands, the market for copper strengthened appreciably as soon as this news reached New York on Nov. 19, and the industry was thrown into a state of confusion. CPA announced on Nov. 19 that it would discontinue purchases of foreign copper except to fill commitments already made. Allocation of copper will be continued out of the government's stocks, which have declined to about 150,000 tons.

CPA officials hoped that the duty could be reduced 2c per pound immediately, or eliminated, as in lumber, for the period of the emergency. However, a higher authority rule that nothing would be done to disturb the present 4c rate.

Phelps Dodge announced on Nov. 20 that it would raise its domestic price at once to 19½c per pound. The move was not a popular one, and up to a late hour it was not known how many producers would eventually meet the higher price. However, business was placed at the higher level, and our quotation for yesterday reflects this decidedly mixed situation. Foreign copper sold yesterday at prices ranging from 17½c to 18c, f.a.s. New York equivalent.

Lead

Restrictions on imports of lead were removed by CPA on Nov. 18, and the program for purchasing lead from foreign sources terminated. Commitments already made will be carried out and the flow of foreign metal will not end abruptly. Elimination of price ceilings forced CPA to take this action. All privately imported lead will be subject to the 11/16c per pound duty.

These developments caused the American Smelting & Refining Co. to raise its domestic quotation to the basis of 11.80c per pound early on Nov. 18. St. Joseph Lead Co. soon followed, establishing its selling basis at 11.80c, New York, and 11.65c, St. Louis. The higher quotations raised the market price to the current import basis, plus freight and duty. The government expects to freeze its stockpile at around 30,000 tons. The "kitty" will be continued for the present to provide metal for "hardship cases."

Sales for the week were large, totaling 12,573 tons. Sales usually bulk large in the week preceding allocation of lead.

Zinc

Zinc producers experienced no difficulty in selling the metal on the basis of 10½c, Prime Western, East St. Louis, and the tone of the market was regarded as firm, particularly in the grades used in galvanizing and die casting.

Tri-State zinc concentrate advanced to $64 per ton, the uplift reflecting, in part, the recent advance in the price of the metal. Mine operators still feel that the settlement basis is too low.

Antimony

The leading interest continued to quote antimony on the basis of 24.875c per pound, packed in cases, ex warehouse, Jersey City. There was more interest in the ore situation, and trade authorities look for increased offerings from abroad. Quotations for ore in the so-called free market are still more or less nominal, ranging from $3.50 to $4 per unit of antimony contained, depending on the grade.

Consumers believe that the supply situation in the metal will ease early next year. It was announced recently that the government purchased 3,000 tons of antimony from China, of which 500 tons are now en route.

Tin

Owing to the short supply in tin, allocation is expected to continue for some time. In fact, the Can Manufacturers Industry Advisory Committee has asked CPA to continue the present program through 1947, suggesting that legislation be enacted to extend the authority beyond March 31, 1947. CPA estimated world production for 1947 at 141,600 tons, with demand nearer 190,000 tons.

There were no new developments in the price situation. The industry accepted the 70c basis for Grade A tin as representing the market under prevailing conditions. Total cost of tin to the government is considerably higher than the current selling basis.

Straits quality tin for shipment, in cents per pound, was nominally as follows:

	Nov.	Dec.	Jan.
Nov. 14	70.000	70.000	70.000
Nov. 15	70.000	70.000	70.000
Nov. 16	70.000	70.000	70.000
Nov. 18	70.000	70.000	70.000
Nov. 19	70.000	70.000	70.000
Nov. 20	70.000	70.000	70.000

Chinese, or 99% tin, was nominal at 69.125c.

Quicksilver

Most operators viewed the immediate situation in quicksilver as uncertain, pending receipt of word on what the foreign group intends to do about marketing its production. Demand last week was inactive, with business in moderate quantities at prices ranging from $89 to $93 per flask, or $1 lower than in the preceding week.

Importation of quicksilver in the United Kingdom is again in private hands, and forward metal was available in that market on the basis of £20 10s per flask. The government's price was set at £25 per flask, which will continue until free metal becomes available.

Silver

Offerings of foreign silver have been fairly liberal, but sellers showed no uneasiness over the price situation. The New York Official continued at 90⅛c throughout the week. London reported a steady market at 55½d.

Newly mined domestic silver has been moving into the Treasury in greater volume. Official figures show that in the three months ended with Oct. 31, purchases of silver by the Treasury totaled 1,435,476 oz. Silver mined in this country on and after July 1, 1946, is eligible for sale to the government on the basis of 90.5c per ounce 1000 fine.

Sales of Treasury silver to industry in the three-months' period amounted to only 3,400 oz., all of which was sold during August. Industrial consumers have been in a position to satisfy their immediate requirements in the open market, which accounts for the limited demand for unpledged Treasury metal.

Canada's Premium on Exports

An order bringing all manufactures of copper, lead, and zinc produced in Canada for shipment abroad under an export premium arrangement was issued in Ottawa on Nov. 14. The ceiling on copper in Canada for the home market is 11.55c, on lead 5c, and on zinc 5.15c, all substantially below world levels. The new arrangement was designed to permit primary producers of metals to share in profits on manufactured products sold for export.

Authorities in Canada believe that price controls on metals will be abandoned early next year.

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
Nov. 14	17.275	17.425	70.000	10.500	10.350	10.500
Nov. 15	17.275	17.425	70.000	10.500	10.350	10.500
Nov. 16	17.275	17.425	70.000	10.500	10.350	10.500
Nov. 18	17.275	17.425	70.000	11.800	11.650	10.500
Nov. 19	17.275	17.425	70.000	11.800	11.650	10.500
Nov. 20	18.430	17.675	70.000	11.800	11.650	10.500
Average	17.468	17.467	70.000	11.150	11.000	10.500

Average prices for calendar week ended Nov. 16 are: Domestic copper f.o.b. refinery, 17.275c.; export copper, f.o.b. refinery 17.425c.; Straits tin, 70,000c.; New York lead, 10.500c.; St. Louis lead, 10.350c.; St. Louis zinc, 10.500c.; and silver 90.125c.

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 0.075c. per pound is charged; for slabs 0.175c. up, and for cakes 0.225c. up, depending on weight and dimension; for billets an extra 0.95c. 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.

Executive Council Of Institute of Banking

The midwinter meeting of the Executive Council of the American Institute of Banking, educational section of the American Bankers Association, will be held at the Astor Hotel in New York City on Jan. 29-31, it is announced by George J. Greenwood, Jr., President of the Institute, who is also Assistant Manager of the Bank of California N. A., Portland, Oregon. This is the first time the midwinter meeting has been held in New York. New York Chapter A. I. B., of which Thaddeus C. Cox, Assistant Vice President of the Central Hanover Bank and Trust Company, is President, will be host chapter to the midwinter meeting. Prior to the meeting of the Executive Council as a whole, council committees will meet on Jan. 27-28. These committees are: Budget; Chapter Administration; Educational Advisory; Nominating; Program; and Transportation. The announcement in the matter, issued Nov. 21, also said:

The midwinter meeting will bring together national leaders of the Institute, which is one of the largest institutions for adult education in the world. The membership of the Institute will be approximately 75,000, an increase of 20,000 over the past year. The first semester enrollments for this year are about 30,000 compared to 17,000 a year ago. These members and students are active in 350 chapters and study groups in the Institute, located in various sections of the United States.

Besides President Greenwood, national officers and members of the Executive Council who will be in attendance at the midwinter meeting include: Garnett A. Carter, The Fulton National Bank, Atlanta, Ga., Vice-President; Dr. William A. Irwin, educational director; Leroy Lewis, Associate Educational Director; Floyd W. Larson, Secretary; Robert C. Rutherford, Assistant Secretary; David T. Scott, immediate past President of the Institute, The First National Bank of Boston; Edward C. Boyer, The National Bank of Commerce in New Orleans, La.; Howard R. Chamberlain, Union Trust Company of Rochester, N. Y.; W. Howard Martie, Farmers Deposit National Bank, Pittsburgh, Pa.; Herbert E. Widenhofer, Fort Wayne National Bank, Fort Wayne, Ind.; J. Kaye Ewart, National Bank of Washington, Tacoma, Wash.; H. Waldo Graff, Trinity State Bank, Fort Worth, Texas; J. Vincent O'Neill, The National City Bank of New York, New York, N. Y.; Hartwell F. Taylor, The Bank of Virginia, Richmond, Va.; Alton P. Barr, Security Savings Bank, Birmingham, Ala.; Walter D. Behnke, Old Kent Bank, Grand Rapids, Mich.; Clarence W. Brown, American Trust Company, Sacramento, Cal.; Christian Ries, Federal Reserve Bank of Minneapolis.

Johnson Elected Dir. Of Richmond Reserve

Warren S. Johnson of Wilmington, N. C., has been elected class A director of the Federal Reserve Bank of Richmond to succeed James C. Braswell, whose term of office expires December 31, it was stated in the Washington "Post" of Nov. 21, which added:

Harry Lee Rust, Jr., of H. L. Rust Co., Washington, class B director of the bank, was reelected by member banks of Group 3 of the Federal Reserve System.

Election results were announced yesterday by Robert Lassiter, Chairman of the Board, who stated that both directors were chosen for three-year terms to begin Jan. 1, 1947.

Revenue Freight Car Loadings During Week Ended Nov. 16, 1946 Increased 3,779 Cars

Loading of revenue freight for the week ended Nov. 16, 1946 totaled 917,124 cars the Association of American Railroads announced on Nov. 21. This was an increase of 116,590 cars or 14.6% above the corresponding week in 1945, and an increase of 53,132 cars or 6.1% above the same week in 1944.

Loading of revenue freight for the week of Nov. 16 increased 3,779 cars or 0.4% above the preceding week.

Miscellaneous freight loading totaled 397,634 cars a decrease of 3,870 cars below the preceding week, but an increase of 43,044 cars above the corresponding week in 1945.

Loading of merchandise less than carload lot freight totaled 131,051 cars a decrease of 158 cars below the preceding week, but an increase of 15,127 cars above the corresponding week in 1945.

Coal loading amounted to 191,114 cars, an increase of 2,326 cars above the preceding week and an increase of 19,061 cars above the corresponding week in 1945.

Grain and grain products loading totaled 48,910 cars, a decrease of 514 cars below the preceding week and decrease of 6,979 cars below the corresponding week in 1945. In the Western Districts alone, grain and grain products loading for the week of Nov. 16 totaled 31,023 cars, a decrease of 1,099 cars below the preceding week and a decrease of 5,587 cars below the corresponding week in 1945.

Livestock loading amounted to 26,732 cars an increase of 2,856 cars above the preceding week an increase of 1,721 cars above the corresponding week in 1945. In the Western Districts alone loading of livestock for the week of Nov. 16 totaled 21,621 cars an increase of 2,503 cars above the preceding week, an increase of 1,536 cars above the corresponding week in 1945.

Forest products loading totaled 47,518 cars, an increase of 1,262 cars above the preceding week and an increase of 16,070 cars above the corresponding week in 1945.

Ore loading amounted to 59,650 cars, an increase of 1,371 cars above the preceding week and an increase of 26,863 cars above the corresponding week in 1945.

Coke loading amounted to 14,515 cars, an increase of 506 cars above the preceding week and an increase of 1,683 cars above the corresponding week in 1945.

All districts reported increases compared with the corresponding weeks in 1945 and all reported increases compared with 1944 except the Centralwestern and Southwestern.

	1946	1945	1944
4 weeks of January	2,883,620	3,003,655	3,158,700
4 weeks of February	2,866,710	3,052,487	3,154,116
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
5 weeks of June	4,062,911	4,366,516	4,338,886
4 weeks of July	3,406,874	3,379,284	3,459,830
5 weeks of August	4,478,446	4,100,512	4,473,872
4 weeks of September	3,517,188	3,255,757	3,527,162
4 weeks of October	3,680,314	3,151,185	3,598,245
Week of Nov. 2	922,312	851,962	893,069
Week of Nov. 9	913,345	838,218	839,504
Week of Nov. 16	917,124	800,534	863,992
Total	36,851,692	37,655,998	38,940,875

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Nov. 16, 1946. During this period 106 roads reported gains over the week ended Nov. 17, 1945.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED NOV. 16

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1946	1945	1944	1946	1945
Eastern District—					
Ann Arbor	388	424	359	1,513	1,437
Bangor & Aroostook	2,281	2,639	1,925	379	279
Boston & Maine	7,506	6,521	6,816	13,758	12,664
Chicago, Indianapolis & Louisville	1,538	1,151	1,268	2,095	1,856
Central Indiana	37	32	29	51	46
Central Vermont	1,077	1,000	1,110	2,364	2,414
Delaware & Hudson	5,402	4,739	5,012	11,087	10,382
Delaware, Lackawanna & Western	7,963	7,600	8,067	9,795	8,728
Detroit & Mackinac	484	447	312	297	147
Detroit, Toledo & Ironton	2,468	1,989	1,871	1,408	1,331
Detroit & Toledo Shore Line	442	408	343	2,893	2,760
Erie	13,658	11,707	13,308	16,229	14,531
Grand Trunk Western	5,116	4,093	3,942	7,373	7,876
Lehigh & Hudson River	178	186	168	2,841	2,208
Lehigh & New England	2,303	2,040	2,149	1,800	1,550
Lehigh Valley	9,013	7,841	8,593	8,979	7,760
Maine Central	2,490	2,273	2,289	3,750	4,013
Monongahela	8,113	5,710	6,254	330	286
Montour	2,822	2,330	2,670	31	29
New York Central Lines	54,400	45,832	49,916	50,358	47,274
N. Y., N. H. & Hartford	10,222	9,299	9,771	15,373	14,131
New York, Ontario & Western	945	839	1,034	2,705	2,149
New York, Chicago & St. Louis	7,465	6,206	6,715	13,891	13,228
N. Y., Susquehanna & Western	413	436	485	1,704	2,091
Pittsburgh & Lake Erie	6,545	6,808	7,645	10,183	6,896
Pere Marquette	7,360	5,610	5,406	7,103	6,122
Pittsburg & Shawmut	1,072	730	820	22	27
Pittsburg, Shawmut & Northern	251	157	313	124	246
Pittsburgh & West Virginia	870	753	938	2,329	1,965
Rutland	419	369	364	1,170	1,055
Wabash	6,974	6,244	6,357	11,148	10,387
Wheeling & Lake Erie	5,487	4,942	5,241	3,849	3,503
Total	175,702	151,355	161,490	206,930	189,371
Allegheny District—					
Akron, Canton & Youngstown	720	648	688	1,333	1,012
Baltimore & Ohio	43,389	42,246	45,883	25,402	24,677
Bessemer & Lake Erie	5,638	3,678	5,556	2,061	1,857
Cambria & Indiana	1,294	1,336	1,606	6	8
Central R. R. of New Jersey	6,288	5,934	6,998	18,060	15,690
Cornwall	458	504	547	50	49
Cumberland & Pennsylvania	431	260	175	14	15
Ligonier Valley	70	42	52	11	8
Long Island	1,838	1,566	1,715	4,741	4,058
Penn-Reading Seashore Lines	2,088	1,749	1,971	2,202	1,759
Pennsylvania System	91,649	78,904	84,662	64,845	61,384
Reading Co.	16,038	13,926	15,896	23,951	25,445
Union (Pittsburgh)	19,590	17,331	19,507	6,740	4,638
Western Maryland	4,478	3,753	4,048	10,851	10,695
Total	193,969	171,877	189,304	160,267	151,295

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1946	1945	1944	1946	1945
Pocahontas District—					
Chesapeake & Ohio	35,706	29,660	29,097	15,393	13,930
Norfolk & Western	25,919	22,570	21,799	7,841	7,351
Virginian	4,717	4,601	4,332	1,575	1,961
Total	66,342	56,831	55,228	24,809	23,242
Southern District—					
Alabama, Tennessee & Northern	297	434	435	184	184
Atl. & W. P.—W. R. R. of Ala.	1,005	901	681	2,044	2,106
Atlanta, Birmingham & Coast	†	†	†	†	†
Atlantic Coast Line	15,397	13,153	13,975	11,063	10,459
Central of Georgia	4,277	4,112	3,856	4,749	4,792
Charleston & Western Carolina	499	452	414	1,572	1,371
Clinchfield	2,200	1,752	1,754	3,584	2,787
Columbus & Greenville	454	454	340	283	253
Durham & Southern	131	119	143	666	563
Florida East Coast	2,901	2,337	2,382	2,006	1,478
Gainesville Midland	93	68	53	68	127
Georgia	1,274	1,185	1,278	2,621	2,148
Georgia & Florida	387	452	489	814	822
Gulf, Mobile & Ohio	4,595	5,127	4,561	3,887	4,144
Illinois Central System	29,410	26,729	30,016	15,614	14,707
Louisville & Nashville	29,033	25,612	26,496	10,168	9,482
Macon, Dublin & Savannah	232	252	184	980	988
Mississippi Central	355	240	406	344	385
Nashville, Chattanooga & St. L.	3,724	3,085	3,685	4,415	3,958
Norfolk Southern	1,405	1,104	1,048	1,846	1,388
Piedmont Northern	471	437	499	1,669	1,456
Richmond, Fred. & Potomac	536	398	448	9,305	8,317
Seaboard Air Line	13,003	10,795	10,687	8,925	7,967
Southern System	28,502	25,895	25,216	25,134	23,664
Tennessee Central	649	520	755	906	810
Winston-Salem Southbound	159	148	167	1,032	961
Total	140,999	125,761	129,970	113,879	105,677
Northwestern District—					
Chicago & North Western	20,508	18,723	17,856	15,152	13,472
Chicago Great Western	2,911	2,692	2,783	3,836	3,438
Chicago, Milw., St. P. & Pac.	25,100	21,057	22,098	10,921	9,358
Chicago, St. Paul, Minn. & Omaha	4,035	3,936	3,396	4,511	4,071
Duluth, Missabe & Iron Range	21,111	8,750	13,333	320	172
Duluth, South Shore & Atlantic	905	498	594	660	381
Elgin, Joliet & Eastern	9,272	7,651	9,072	11,308	9,023
Ft. Dodge, Des Moines & South	476	467	406	127	122
Great Northern	21,499	15,499	15,161	7,248	5,188
Green Bay & Western	551	590	491	849	602
Lake Superior & Ishpeming	1,877	1,002	1,197	69	44
Minneapolis & St. Louis	2,355	2,188	2,268	2,782	2,193
Minn., St. Paul & S. S. M.	7,501	6,427	5,523	3,882	3,305
Northern Pacific	13,449	11,640	11,102	5,576	4,541
Spokane International	217	131	253	558	487
Spokane, Portland & Seattle	3,283	1,814	2,442	2,970	2,394
Total	135,050	103,065	107,975	70,769	58,786
Central Western District—					
Atch., Top. & Santa Fe System	25,443	23,769	25,879	13,000	10,418
Alton	3,040	3,103	4,106	3,182	2,940
Bingham & Garfield	312	404	406	56	77
Chicago, Burlington & Quincy	21,656	20,897	22,575	12,713	11,225
Chicago & Illinois Midland	2,906	2,703	2,918	674	684
Chicago, Rock Island & Pacific	14,276	12,923	13,163	13,538	11,443
Chicago & Eastern Illinois	2,998	2,632	3,193	3,517	2,847
Colorado & Southern	1,241	1,048	1,206	2,140	1,609
Denver & Rio Grande Western	4,410	4,025	5,514	5,373	4,837
Denver & Salt Lake	627	773	680	50	35
Fort Worth & Denver City	1,437	1,201	969	1,906	1,543
Illinois Terminal	2,054	1,763	2,440	1,829	1,682
Missouri-Illinois	1,301	1,147	1,321	542	496
Nevada Northern	1,461	1,260	1,217	147	147
North Western Pacific	926	775	853	691	741
Peoria & Pekin Union	27	19	12	0	0
Southern Pacific (Pacific)	30,212	26,468	29,653	11,561	10,047
Toledo, Peoria & Western	§	§	431	§	§
Union Pacific System	20,766	19,797	22,088	15,600	13,893
Utah	920	799	492	6	9
Western Pacific	2,511	2,109	2,083	3,902	3,170
Total	138,524	127,615	141,199	90,427	77,843
Southwestern District—					
Burlington-Rock Island	262	331	734	420	391
Gulf Coast Lines	5,029	4,488	6,130	2,008	2,160
International-Great Northern	2,164	2,067	2,691	3,742	3,243
‡K. O. & G.-M. V.-O. C.-A.-A.	1,317	1,288	1,018	1,802	1,641
Kansas City Southern	2,782	2,875	5,127	3,011	2,693
Louisiana & Arkansas	2,097	2,165	3,738	2,352	2,421
Litchfield & Madison	322	291	309	1,321	1,237
Missouri & Arkansas	§	212	215	§	357
Missouri-Kansas-Texas Lines	5,853	5,562	7,104	4,534	3,699
Missouri Pacific	17,262	16,858	18,843	15,141	14,684
Quanah Acme & Pacific	176	138	77	312	117
St. Louis-San Francisco	10,241	10,231	10,598	7,545	7,255
St. Louis-Southwestern	3,045	2,908	3,885	5,147	4,789
Texas & New Orleans	10,253	9,555	12,049	5,936	5,401
Texas & Pacific	5,608	4,926	6,189	6,617	6,072
Wichita Falls & Southern	89	88	72	47	48
Weatherford M. W. & N. W.	38	47	47	13	29
Total	66,538	64,030	78,826	59,948	56,237

†Included in Atlantic Coast Line RR. ‡Includes Kansas, Oklahoma & Gulf Ry., Midland Valley Ry., and Oklahoma City-Ada-Atoka Ry. §Strike.

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 REPORT—ORDERS, PRODUCTION, MILL ACTIVITY

Period 1946—Week Ended	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity Current	Cumulative
Aug. 3	215,730	167,192	620,354	98	95
Aug. 10	156,766	163,034	610,459	96	95
Aug. 17	158,304	166,363	600,674	98	95
Aug. 24	146,057	168,120	578,276	100	95
Aug. 31	160,074	173,064	564,299	100	95
Sep. 7	192,978	138,189	615,865	83	95
Sep. 14	151,407	172,476	593,213	101	95
Sep. 21	156,822	169,143	579,500	100	95
Sep. 28	160,969	170,970	569,409	101	95
Oct. 5	223,117	172,354	619,581	100	95
Oct. 12	158,176	169,988	605,059	99	95
Oct. 19	155,589	161,534	598,569	98	96
Oct. 26	155,140	175,440	572,188	101	96
Nov. 2	205,422	174,752	601,787	100	96
Nov. 9	185,047	175,906	613,752	102	96
Nov. 16	138,100	170,411	580,331	101	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.

Assets of Federal Savs. & Loan Assns.

Combined assets of Federal savings and loan associations expanded more rapidly in the year ending last June 30 than in any previous 12 months period, Harold Lee, Governor of the Federal Home Loan Bank System, reported on Nov. 16. Total resources of these Federally chartered home-financing institutions amounted to $4,312,000,000 on that date as compared with $3,258,000,000 on June 30, 1945. The increase since the close of 1941, approximately the beginning of the war, was reported as 98%, said the NHA's report, which added in part:

Although in numbers representing about one-fourth of all operating savings and loan associations in the United States, Federal associations now hold nearly half the assets of all the nation's savings and loan institutions.

Their wartime growth in savings of the public continued into the first half of 1946. Holdings of liquid assets—cash and Government bonds—declined in relation to assets because of an increased demand for home loans, but nevertheless the ratio of liquidity on June 30 was some four times the proportion reported at the end of 1941.

As a result of the continued growth of Federal savings and loan associations, their average size rose to $2,929,000 in resources on June 30, 1946, from $2,408,000 12 months before and $1,489,000 at the time of Pearl Harbor. This growth is also reflected in a substantial increase in the number of associations with assets over $5,000,000—which was 200 on last June 30, as contrasted with 83 at the start of the war. Conversely, the number of Federal associations with assets under $1,000,000 declined from 872 to 607 over the war and postwar period.

The present demand for credit to finance the sales of homes as well as new construction under the Veterans Emergency Housing Program resulted in a record period of lending activity of Federal associations in the first three-quarters of 1946. Loans totalling $1,390,000,000 were made by the institutions as against $628,000,000 during the first nine months of last year.

On the June 30 reporting date the mortgage portfolio of these associations showed a net 12 months increase of only $722,000,000, largely because of a heavy volume of repayments on their outstanding mortgages.

Weekly Lumber Shipments 14.0% Below Production

According to the National Lumber Manufacturers Association, lumber shipments of 415 mills reporting to the National Lumber Trade Barometer were 14.0% below production for the week ending Nov. 16, 1946. In the same week new orders of these mills were 10.5% below production. Unfilled order files of the reporting mills amounted to 56% of stocks. For reporting softwood mills, unfilled orders are equivalent to 24 days' production at the current rate, and gross stocks are equivalent to 41 days' production.

For the year-to-date, shipments of reporting identical mills were 3.3% below production; orders were 0.8% below production.

Compared to the average corresponding week of 1935-1939, production of reporting mills was 19.6% above; shipments were 13.2% above; orders were 1.4% below. Compared to the corresponding week in 1945, production of reporting mills was 75.5% above; shipments were 62.5% above; and new orders were 44.8% above.

Items About Banks, Trust Companies

Addition of two new officers to its executive staff and the advancement of a third is announced by the Industrial Bank of Commerce, New York. Eugene C. Merkert, Treasurer since 1933, was elected Vice-President and Treasurer; E. L. Andersen, formerly chief examiner of the Federal Reserve Bank of New York, was elected to the bank's staff as Vice-President, and Robert F. Euwer, formerly with the Chase National Bank, was named Assistant Vice-President. Mr. Andersen has also been on the staffs of the Irving Trust Company, Colonial Trust Trust Company and with the New York Clearing House. Mr. Euwer, a graduate of Princeton University and the American Institute of Banking, served with the Chase both in this country and abroad. Both become members of the commercial loan division of the Industrial Bank of Commerce. Mr. Merkert, who now holds the dual title of Vice-President and Treasurer, came to the bank in 1922 from the Industrial Finance Corporation. He attended both the American Institute of Banking and the Alexander Hamilton Institute.

Harry S. Law and Frank J. Maguire have been appointed Vice-Presidents of the National City Bank of New York. David S. Baker Jr. has been named Assistant Cashier. Mr. Law and Mr. Maguire were formerly Assistant Vice-Presidents, and have been with the National City organization in various official capacities since 1919 and 1912 respectively.

Arthur S. Kleeman, President of the Colonial Trust Company of New York announced on Nov. 20 the appointment of Francis X. Scafuro as an Assistant Vice-President in the bank's Foreign Division. Mr. Scafuro will assist Mario Diez, Vice-President in charge of the division, in the development of the bank's international business. Mr. Scafuro was with the Guaranty Trust Company of New York for 24 years, all of which were spent in the Foreign Department of that institution.

DeCoursey Fales, President of The Bank for Savings in the City of New York, announces that Roland F. Elliman was elected a trustee at the bank at the November board meeting. Mr. Elliman is Vice-President and director of Douglas L. Elliman & Co., Inc.

The first branch office of the North Side Savings Bank of New York, one of the oldest savings banks in the Bronx and located at 3230 Third Avenue since 1905, officially opened on Nov. 18, at 4201 White Plains Avenue. The new office had an auspicious start its first day of business having shown over 1,200 new accounts. Broken down, they include 717 regular accounts and 418 Christmas savings club winners. Representatives of other banking institutions visited the bank throughout the day to inspect the new site and also to felicitate North Side's President Fred Berry. The main office of the North Side Savings Bank will remain at 3230 Third Avenue and Adolph Langmack, Assistant Secretary, will manage the new office. In its current statement, the North Side's resources are listed at $40,780,962.85 and its total deposits at $34,362,848.75. There are 60,841 depositors listed, of which 22,087 are school savings accounts.

Carlton P. Cooke was on Nov. 19 elected President of the Buffalo Industrial Bank of Buffalo, N. Y., filling a vacancy caused by the resignation of Victor Holden on Oct. 15. The Buffalo "Evening News" from which the foregoing is taken, also had the following to say in part:

Mr. Cooke has been Vice-President of the Buffalo Savings Bank in charge of mortgages. Before he joined Buffalo Savings in 1939, he was a Vice-President of the Marine Trust Company. He formerly was President of the Buffalo Real Estate Board, Vice Chairman of the War Finance Committee and Chairman of the Joint Charities Campaign. He is a director of the Buffalo City Planning Association.

Following the monthly meeting of the board of directors of the National Rockland Bank of Boston, H. Frederick Hagemann, Jr., President of the bank, announced the appointment of Frederic J. Boyd as Assistant Trust Officer in the bank's corporate trust division. The Boston "Herald" of Nov. 20, reporting this, added:

Mr. Boyd has been associated with the bank since 1932, and since his return from wartime service in the Army has been employed in the corporate trust division of the bank.

Evan Randolph, President of Philadelphia National Bank since January of 1941, will retire from that post in January, directors of the bank announced on Nov. 18, it was stated in the Philadelphia "Inquirer" of Nov. 19. He will be succeeded by Frederic A. Potts, a Vice-President, who on Nov. 18 also was elected a director.

The "Inquirer" also said:

Mr. Randolph who is 65 and has been with the bank for 31 years, told the board that having reached retirement age, he was not willing to be considered for re-election for another year. Board's statement said it "acquiesced with regret in his decision to retire from responsibilities which he has so ably carried for the past six years."

Directors announced that at their organization meeting next Jan. 20, action will be taken to elect Mr. Potts as President and chief executive officer of bank, and J. William Hardt, executive Vice-President and Chairman of Board. Board-Chairmanship has been vacant since death several years ago of Joseph Wayne.

Stating that Mr. Potts is 42 years of age, the "Inquirer" said:

He has been associated with Philadelphia National Bank, largest bank in this city, since early in 1941, and a Vice-President since Dec. 31, 1941. Prior to joining the bank, he was a partner of N. Y. Stock Exchange firm of J. W. Davis & Co. for two years. He entered investment banking business in 1926, joining Dominic & Dominic on his graduation from Yale, leaving that firm to become partner in Davis firm.

From the same paper we also take the following:

Mr. Randolph entered banking industry in 1914 when he was elected Vice-President and director of Girard National Bank after 11 years in investment banking business. He served in similar capacities with that bank, Phila-Girard National Bank and Philadelphia National Bank until Jan. 13, 1941, when Joseph Wayne, Jr., resigned as President of Philadelphia National Bank and he was named as successor.

Mr. Randolph is Chairman of Group 1, Penna. Bankers Assn., and Chairman of credit pool for small business organized by Philadelphia banks.

Western Saving Fund Society of Philadelphia has begun distributing $2,250,000 in Christmas savings fund checks, the largest Christmas club distribution by any bank in the State of Pennsylvania, it is stated. Officers of the saving fund said that the money to be disbursed represented the Christmas club savings of 23,929 depositors. "This," said P. Blair, President of Western saving fund, "is the largest Christmas club distribution in the history of Western saving fund. The second highest year was in 1945, when $2,034,460 was distributed."

H. Ennis Jones, assistant to the President of the Albert M. Greenfield Co., realty brokers, and Executive Vice-President and Treasurer of the convention and visitors' bureau of the Chamber of Commerce and Board of Trade of Philadelphia, died at his home in Merchantville, N. J., on Nov. 22. He was 51 years of age, said the Philadelphia 'Inquirer" which also stated:

He was a former Philadelphia banker and began his career as an office boy at the Philadelphia Trust Co. During the First World War he served on the staff of the President of the American International Ship Corp. and the Hog Island shipyard. He returned to the banking business, becoming a teller at the old Franklin Trust Co. He later became Second Vice-President in charge of the bank's branch offices and business development.

A. V. Tindall, of the Lawrence Savings & Trust Company of New Castle, Pa., was reported as saying on Nov. 20 that his institution had purchased the Peoples National Bank of Ellwood City, Pa.

An Associated Press account from Ellwood City appearing in the Pittsburgh "Post Gazette" from which this is learned, added:

Peoples National was organized about 30 years ago and is Ellwood City's largest financial institution. Its President, R. Charles Stiefel, died recently.

The merger of St. Georges Trust Company of Newport, Del., with the Wilmington Trust Company of Wilmington, Del., became effective at the end of the banking day of November 23 and the Newport bank opened November 25 as the Newport Office of Wilmington Trust. Among large industrial developments recently in the Newport area, it is stated, have been the erection of a General Motors plant and transfer of many Trans World Airline operations to New Castle County Airport.

Aubrey V. Kidd has been elected Comptroller of The Bank of Virginia at Richmond, Va., Thomas C. Boushall, President, announced on Nov. 23. Mr. Kidd, 38 years of age, formerly Assistant Vice-President in the Comptroller's division, succeeds Malcolm C. Engstrom, who resigned as Vice-President and Comptroller of The Bank of Virginia, effective November 30, to accept the same office with the Industrial Bank of Commerce of New York. A graduate of the University of Richmond with a B.S. degree in Business Administration. Mr. Kidd also is a certified public accountant and for the past ten years has served as instructor in accounting, auditing and bank operations at the University of Richmond Evening School of Business Administration, in addition to his duties at The Bank of Virginia. He joined The Bank of Virginia in 1927 as a part time bookkeeper; rising through the auditing and accounting departments, he became Auditor of the bank in January 1935, and Assistant Vice-President in the Comptroller's division in January 1945.

The election of W. Roy Compton as Assistant Cashier of the Oak Lawn National Bank of Dallas, Tex., by the board of directors, was announced on Nov. 16 by Will C. Jones, President. The new Assistant Cashier, according to the Dallas "Times Herald," has been connected with the bank since its opening on Aug. 1, this year, and was previously associated with other Texas banking institutions.

Edward F. Moffatt, Vice-President of the American Trust Company of San Francisco and Manager of the bank's Market-Ferry branch, died on Nov. 16. The San Francisco "Chronicle" stated that:

He had been connected with the company for more than 25 years.

Mr. Moffatt was a member of the Bohemian, Olympic, Commonwealth and Merchants' Exchange Clubs, and was active for many years in the affairs of the San Francisco Opera and the San Francisco Symphony.

The Seattle "Times" of Nov. 20 reported that the Seattle First National Bank has purchased the First National Bank of Walla Walla and the Columbia National Bank of Dayton (Wash.), it was learned on that day. From the paper indicated we quote:

Disclosure of the transaction, under which the approved assets of the two Eastern Washington banks are being purchased for approximately $14,000,000, with Seattle First assuming obligations, was made jointly by Seattle and Eastern Washington bank officials.

They included Lawrence M. Arnold, Chairman of Seattle First; Thomas F. Gleed, President; W. M. Marshall, Executive Vice-President and Manager of Seattle First's Spokane & Eastern Division, and Emmett A. Mallaghan, President of both Walla Walla and Dayton banks.

The two Eastern Washington institutions are among the oldest national banks in the state, having been founded about 1878 by Levi Ankeny, pioneer Washington banker.

Officials here said the Walla Walla bank lists a capital of $150,000, a surplus of $500,000, undivided profits of $363,000 and deposits of $11,600,000, while the Dayton bank lists $500,000 capital, $100,000 surplus, $146,000 undivided profits and reserve and $2,600,000 in deposits.

Mr. Arnold said here the personnel will remain unchanged but added that stockholders must take formal action before the transaction becomes officially final. The two institutions will be liquidated, it was explained, with stockholders being paid off for their holdings plus any premium payments as yet to be determined.

Under the purchase plan Mr. Mallaghan will become a Vice-President of the parent bank.

Other officers of the Walla Walla bank are Albert C. Grecelius, Vice-President; Frederick E. Quist, Cashier; Earl R. Lieuallen, Assistant Cashier, and Nesmith Ankeny, James T. Crawford and Thomas P. Gose, directors.

Other officers of the Dayton bank are N. Ankeny, Vice-President; W. G. Jackson, Cashier; A. D. Hutchins, Assistant Cashier; and Dr. W. W. Day, George F. Price, Dr. G. W. McCauley and George W. Jacson, directors.

The Bank of Montreal reports large increases in deposits and total resources to record levels for the fiscal year ended October 31. The bank's 129th annual statement released on Nov. 25 shows deposits of $1,736,212,708, an increase of $122,794,000 over the $1,613,428,705 reported at the close of the preceding fiscal year. Resources totaled $1,843,985,587 or $128,051,267 above the previous record of $1,715,934,320 set last year. According to the report these gains indicate a steady expansion of private business activity in the wake of Canada's wartime economy.

The statement, signed by George W. Spinney, President, and B. C. Gardner, General Manager, commented that while the bank throughout the war years showed a steady increase in holdings of government securities, and a downward trend in commercial loans due to reduced demands of normal trade and commerce and to government financing of war industries, this year's statement reflects some reversal of this trend and the growing financial requirements of normal business.

Commercial and other loans rose from $220,264,341 in 1945 to $301,659,974 in 1946. The bank's holdings of bonds, debentures and stocks, as distinct from government and other public securities, are shown at $56,000,000, partially representing the extension of credit to industrial enterprises for reconversion and for expansion of productive facilities in established fields. A feature of the statement was the increase in the Rest or Reserve Fund to $42,000,000 by the transfer of $3,000,000 from profit and loss account, the first addition to the Reserve Fund since 1936.

Net profits of the bank after taxes amounted to $4,487,782, as compared with $2,934,681 last year. These increased figures, the bank reports, are due, in addition to the increased volume of business, to certain abnormal revenues accruing during the period under review.

Total assets of the Dominion Bank, Toronto, Canada, set a new record on Oct. 31, 1946 at more than $340,000,000, compared with $306,000,000 a year earlier, the bank's 76th annual statement disclosed today. Deposits at the close of the bank's fiscal year ended October 31 totaled $306,171,000, another all-time peak, and an increase of more than $31,000,000 over deposits reported at the end of October, 1945. Holdings of Dominion and provincial government bonds and other high grade securities amounted to $168,838,000, a gain of over $5,000,000 for the year.

Commercial loans and discounts aggregating $89,550,000, also reached a record total for the bank, showing an increase of $24,000,000 over the figure reported a year earlier. Cash assets exceeding $57,000,000 represent over 18% of public liabilities and immediately available assets of $234,000,000 are over 75% of liabilities to the public.

A total of $2,000,000 taken from the Reserve Fund in 1933 in order to provide for unforeseen contingencies has been transferred back to the Reserve Fund as the original transfer proved unnecessary.

The annual financial statement of The Canadian Bank of Commerce at Oct. 31, 1946 shows net records in assets and deposits, as well as substantially higher loans and discounts. Total assets of $1,441,581,729 compare with $1,284,320,784 a year earlier. Deposits rose to $1,338,291,444 from the $1,202,981,316 reported last year. Quick assets this year of $1,116,523,416 increased by nearly $100,000,000 and were equivalent to 81% of total liabilities to the public. Current loans and discounts in Canada exceeded $237,000,000, and were $50,000,000 above those of last year.

The amount of $10,000,000 which was transferred from the Reserve Fund in 1933 for possible contingencies at that time, has been restored to the Reserve Fund, bringing it back to its former amount of $30,000,000. Profits for the current year were $5,153,578, before Dominion Government taxes, but after appropriations to contingent reserves, out of which full provision was made for bad and doubtful debts. Provision for Dominion Government taxes, $1,550,892, and depreciation on bank premises, $751,447, left net profits of $2,851,240. Dividends absorbed $2,250,000, at the rate of 6% from November 1945 to February 1946 and at 8% thereafter. The amount of net profits carried forward, added to last year's balance, left $2,359,582 in profit and loss account.