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Democracy in Industrial Relations

By L. B. SCHWELLENBACH*

Secretary of Labor

Labor Department and Administration spokesman reviews recent proposals to amend labor laws and restrict labor unions. Though opposing drastic amendments to labor laws, favors curbs of secondary boycotts and jurisdictional disputes, and is for making unions responsible for contract violations. Denies need for national mediation board and upholds both closed shop and industry-wide bargaining. Says unions are essentially democratic in organization and defends Wagner Act and operations of National Labor Relations Board.

During the last year and a half our nation has faced the most difficult and complicated economic problems of its history. These arose because of the necessity for the reconversion of our economy from war to peace. Outstanding among these problems were those which arose because of differences between industry and labor. I would be the last to attempt to minimize the importance of these conflicts. I was in no sense surprised that these differences arose. What has surprised me most has been the apparent belief that it would be possible completely to rearrange our economy and at the same time avoid any strife between industry and labor.

L. B. Schwellenbach

Increasingly throughout the conflict our economy had been geared to war—patterns of production and employment underwent profound changes. The wage and salaried workers of America were called upon to meet the huge and unprecedented demand for war equipment while maintaining a remarkably high level of civilian goods and services.

This achievement, which hastened the day of final victory, was more than a triumph of men and machines. This achievment proclaimed the enduring strength of our democratic traditions and our devotion to the principles of human freedom.

For remember that our participation in World War II was so

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*An address by Secretary Schwellenbach before California Institute of Industrial Relations, Berkeley, Calif., March 20, 1947.

Urgent Changes Needed In Federal Tax Laws

By WESTON VERNON, Jr.*

Milbank, Tweed, Hope, Hadley & McCloy, Attorneys, New York, N. Y.

Urging immediate tax reductions, Mr. Vernon advocates (1) lowering confiscatory rates in high surtax brackets; (2) increasing exemptions and credits for low incomes; (3) revision and relief from double taxation for corporations, with removal of penalty on consolidated statements and a change in Sec. 102 which would permit directors of corporations more leeway in determining need for retention of undistributed earnings. Scores unequal treatment of capital gains and ordinary income and outlines plan for tax provisions relating to trusts.

The members of the Controllers Institute, in their daily struggle with technical tax questions and the recurring problems of how to meet tax burdens, are perhaps much better qualified than anyone else to tell Congress of the urgently needed changes in Federal tax laws.

Weston Vernon, Jr.

You meet almost every day the three perplexing characteristics of our Federal system of taxation — complexity, uncertainty and stiflingly high rates.

During recent years you have lived through a depression, a period of rapidly increasing government expenditures, deficits, rising taxes, more complicated tax laws and a costly war which has left us in a world position calling for heavy expenditures for rehabilitation and national security.

Now, in victory, we stand at another crossroad so far as taxes are concerned. Two questions loom large:

(a) Should taxes be reduced, and if so, when and how?

(b) Should we revamp the administrative provisions of our tax system at once or await a time

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*An address by Mr. Vernon before the Eastern Spring Conference, Controllers Institute of America, Wash., D. C., March 18, 1947.

U. S. Participation in International Statistics

Dr. Stuart Rice, American representative on UN Statistical Commission, in special interview, summarizes its likely functions.

In June, 1946, the Economic and Social Council of the United Nations authorized the appointment of a full Statistical Comimssion, consisting of official representatives from twelve member governments. According to its rapporteur, Dr. Stuart A. Rice, this Commission is essentially charged with the task of assisting the Council in (a) promoting the development of national statistics and the improvement of their comparability; (b) the coordination of the statistical work of specialized agencies; (c) the development of the central statistical services of the Secretariat; (d) advising the organs of the United Nations on general questions relating to the collection, interpretation and dissemination of statistical information; and (e) promoting the improvement of statistics and statistical methods generally.

Stuart A. Rice

In an interview with the "Chronicle" Dr. Rice predicted that the work of the Statistical Commission will consist of three principal types:

(1) The development of international statistical standards designed to provide needed data and to facilitate comparisons among the basic data supplied by national governments; (2) the cordination of statistical activities among the various organs of the United Nations and the specialized agencies, mem-

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As We See It

EDITORIAL

That German Menace

Studiously ignoring the United Nations, the President recently in asking for funds and authority to go to the aid of Greece and Turkey laid out a broad foreign policy for this country whose implications are only now dawning upon a good many observers. With the United Nations occupying a position off somewhere in the shadows, the "Big Four" powers are now at work in Moscow, where at the moment, at least, attention is concentrated on how Germany is to be dealt with from this time forward. Perhaps if the United Nations is ultimately to follow the League of Nations first into neglect and impotence, and then into oblivion—as well may be the case—it is as well that the process of disintegration begin at once and become obvious to all without delay.

Far more important in any event is it that in our dealings with other nations, we keep our feet firmly on the ground. Our postwar policies to date appear to have been a strange mixture of other-worldliness and the sort of aggressiveness that is to be expected of military officialdom. We continue to do a great deal of talking about self-determination among the lesser peoples of the world. At points we are at pains to practice at least to all appearances what we preach. Yet we insist upon "defenses" which stretch across the Pacific, and half-officially talk of "bases" almost at the front door of Tokyo.

On the Atlantic Side

Similar defense ideology in the Atlantic and beyond is found in a combination of "bases," collaboration with the British Empire, and the assumption of the "British burden" where the British feel that they must lay it down. Popular support for all this doubtless arises out of the inter-war behavior of Japan and Germany, two countries which are

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From Washington Ahead of the News

By CARLISLE BARGERON

The late Senator George W. Norris of Nebraska, was one of the greatest demagogues of all time. I recall once when he had a lowly Senate employee before the bar of that august body, and Honest George kept bellowing that the thing that worried him was not that the clerk had committed the offense with which Honest George had charged him, but that even now "he doesn't realize that he did wrong."

Carlisle Bargeron

"My God," Honest George would exclaim, "is there no sense of decency left?"

This writer would now like to utter that same exclamation about the New Dealers, and the Democrats who consorted with them. There is not the slightest indication in the attitude of those fellows that they have done the slightest thing wrong, not the slightest sign of realization that they've carried this country to the brink of disaster, not the slightest evidence of remorse over their having run up a national debt of some $250 billion, sent millions of young Americans to their death, without the slightest accomplishment to show for it.

If anything, they are showing more brass than they ever did before. They are solidified now, the New Dealers and the Democrats. They exhibit not the slightest shock or alarm that the President should ask for a national expenditure budget of more than $37 billion.

Instead of agreeing that something should be done about it, they are carrying on one of the most effective campaigns against the Republicans, for trying to do something about it, that you could imagine.

As fast as the Republicans bring out an appropriation bill reflecting reductions, the affected bureaucrats set up a howl, and the Democratic-New Dealer coalition, now operating as one, take it up. The Republicans they

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Better Buried!

"The time to call our elected lawmakers to account is now. The time is now to serve them with a forcible reminder that their first and only obligation is to serve the interests of the whole people.

"The response of labor and the people to the burning legislative issues that now confront them set the stage for 1948. The kind of fight that we wage on these issues now and in the elections of 1947 will determine the kind of platforms and candidates which the major parties present to the electorate next year. The foundations for the defeat of reaction and for a progressive victory in the coming national elections must be laid in the people's legislative campaigns and elections of today."
—The CIO "News."

And here, more specifically, is what the CIO intends to do:

"Intensify its work of mobilizing the members of CIO, their families and their neighbors in every community for an all-out campaign on the following issues:

"(A) Defeat all anti-labor legislation in the Federal Congress and the State Legislatures;

"(B) Maintain existing rent control with adequate funds for enforcement;

"(C) Pass legislation to help house the homeless;

"(D) Enact tax laws giving tax relief to the needy but not to the greedy;

"(E) Assure adequate appropriations for the continuance of all existing social legislation."

We suspect that it would have been better for the CIO—we know it would have been better for the country—if the leaders of this organization had decided, as they are said almost to have done, to bury the remains of the PAC and forget the whole venture.

Says Labor Dept. Promotes Labor Union Philosophies in Educational Institutions

Earl Bunting, President of NAM, writes Rep. John Taber of House Appropriations Committee that Labor Education Service of Labor Department is "financed propaganda."

The U. S. Department of Labor "has engaged upon a program designed to promote labor union philosophies" in educational institutions throughout the country, Earl Bunting, President of the National Association of Manufacturers, declared in a letter to Rep. John Taber of the House Committee on Appropriations. The text of the letter which was released by the NAM on March 25, follows:

Earl Bunting

Honorable John Taber
Committee on Appropriations
House of Representatives
Washington, D. C.

Dear Sir:

The Department of Labor, through its Division of Labor Standards, has engaged upon a program designed to promote labor union philosophies in educational institutions throughout the country. Such activities are financed by the 1947 Appropriations Act which made possible the establishment of the Labor Education Service.

I recognize, of course, that the Department of Labor is primarily interested in labor as the Department of Commerce is interested in industry and the Department of Agriculture is concerned with farm problems. But the labor program apparently is designed through its educational services to promote the interests of unions rather than the overall interests of the nation's workers, individually and in the aggregate. Their publications, including publications of the Women's Bureau, are patently biased and pro-union, with no mention of activities which are detrimental to employees and the public alike. A perusal of this literature leaves the strong implication that the improvement in the status of labor which has taken place over many years is the result solely of labor union pressures. (See attached leaflet, Union Series No. 5, 1946, Women's Stake in Unions.)

This type of activity, engaged in by a government bureau at public expense, is particularly inappropriate when considered together with the increasing political activity of unions.

According to information at hand, I am able to present the following facts to you for your consideration in connection with your committee's deliberations on the 1948 budget.

"Labor Extension Services" are described as follows in the United States Government Manual, 1947, pages 343-344:

"The Division aids in the development and extension of labor education standards in cooperation with unions, universities, schools, civic groups, and other agencies engaged in the training and development of a capable union leadership and a membership well informed in its rights and responsibilities.

"The branch serves as a clearing house for information on developments in labor education by all groups working in this field.

"The branch prepares basic guides and teaching materials such as pamphlets, bulletins, class outlines, and visual aids both of the type needed for formal classes and for informal mass education.

"Staff members give technical assistance upon request to public and private educational institutions, trade unions, and other interested groups in planning curriculums, conducting forums and institutes, preparation of their own instructional materials, and supply discussion leaders and consultants for demonstration projects."

The course outline on Collective Bargaining appears to be directed at recruiting labor union adherents and even closed shop contract clause acceptance by teachers and students. Supplementary reading suggestions include "Why Workers Join Unions," "Your Stake in Collective Bargaining" and "Forward March of American Labor," the last named published by the League for Industrial Democracy. Union writers are the authors of a number of the pamphlets. (This Course Outline is enclosed for your perusal.)

Now, as to the budget estimates, the Division of Labor Standards expended a total of $169,263 during 1946, and their estimated expenditure for 1947 is $215,000. They seek an appropriation for 1948 of $718,700.

The Labor Education Service Branch spent a total of $11,476 during 1946. They expect to spend $58,747 during 1947 and seek an appropriation of $114,626 for 1948.

The propaganda function of some of these expenditures seems to be entirely out of place—aside from the need for economy in government. When an administrative agency uses public funds to publish literature which encourages workers to join unions, praising the accomplishments of unions while remaining blind to obvious abuses—abuses which at times have brought our economy to a virtual paralysis—it seems to me that the Government has departed so far from its function of neutral administrator and guardian of the welfare of all the people as to seriously impugn the effectiveness of democratic government.

I believe that the promotion of industrial peace and understanding between management and employees, and between management and organized labor, depends in considerable measure upon government non-intervention and government impartiality. Any action of government which subjects it to the criticism of partisan administration or information does more harm than good to the principle of collective bargaining, and certainly makes the attainment of sound employer-employee relations much more difficult.

Even if labor unions engaged in no abuses whatever, the decision of employees whether or not to organize for purposes of collective bargaining should not be influenced by government financed propaganda in the guise of educational assistance. The existence of labor abuses and political activities by labor unions makes such activities even more intolerable.

I trust that you will give careful consideration to this matter, keeping in mind the proper role of government in relation to education as well as labor-management relationships.

Very truly yours,
EARL BUNTING.

S. D. Post Chairman

Lee Marshall, Chairman New York City Greek War Relief Campaign, has announced the appointment of Samuel D. Post, Vice-President of the Guaranty Trust Co. of New York, as Chairman of the Banking and Finance Group, Commerce and Industry Division, current national campaign to raise $12,000,000. The Commerce and Industry Division, which will solicit corporate gifts from business firms and organizations throughout the Metropolitan area, has a goal of $1,000,000.

Export Control Extension Urged by President

In a message to Congress on March 19, President Truman requested extension for a year beyond June 30 of governmental control over exports. Uncontrolled outflow of foodstuffs and goods would result in increased domestic shortages and in heavier living costs for Americans, the President declared, according to Associated Press advices from Washington.

Urging the Congress for speedy action on enabling legislation, Mr. Truman recalled that his Jan. 31 message requesting the extension of certain wartime Presidential powers had stated that recommendations on export control would be postponed until it could be ascertained whether extension would be needed. "Further review of domestic and world supplies," he continued, "has now convinced me that this government must continue its control over the export of products in critically short supply, here and abroad, in order to protect the economy of the United States, as well as to discharge our international responsibilities."

In part the President in his message said:

Serious as would be the effect of unlimited and completely undirected exports upon a nation still troubled by many shortages, our domestic problems are not the only ones which lead me to urge upon the Congress a further extension of export controls. The United States has become a nation with world-wide responsibilities. During a period of world shortages, the distribution of this country's exports has serious international significance. If we retain the ability to channel commercial exports of critically scarce materials, we can permit export of these products to countries whose need is greatest while still protecting the United States from excessive export drains. Our international responsibilities cannot be fulfilled without this machinery. In its absence, foreign purchasing would tend to be concentrated on those commodities in greatest world shortage. Not only would our domestic supply and price structure be seriously affected, but the commodities would go to destinations where the need is comparatively less pressing.

Furthermore, we have granted loans and other monetary aid to nations whose existence must be preserved. These loans will accomplish their purpose only if the recipient nations are able to obtain critically needed supplies from this country. Export control is an important instrument in carrying out the purpose of these loan programs.

The record clearly shows that this authority over exports has been exercised in the past only with respect to those commodities in critically short supply and that as rapidly as the supply situation has improved, commodities have been removed from control. The list of items subject to export control has been reduced from a wartime peak of more than 3,000 to approximately 725 on Oct. 1, 1946, and approximately 500 at the present time. We will continue to remove export controls as rapidly as the supply situation permits. I look forward to the day when the United States and other countries can remove these interferences to the free flow of commodities in world trade. But the danger of immediate and complete decontrol in the face of continuing domestic and world scarcities is too great for this nation to undertake at this time.

I, therefore, recommend that the authority derived from the export control act be extended for a period of one year beyond its present expiration date, June 30, 1947. It is essential that this extension be made well in advance of this date. Delay would prove unsettling to business and would handicap the planning and execution of our food and other export programs. Effective administration of the export control orders requires the assurance of continuity in operations. I urge upon the Congress prompt action in extending this authority.

Departure of ITO Representatives

Clayton and Wilcox Head U. S. Delegation

WASHINGTON (Special to the "Chronicle")—With the trade conference at Geneva to convene Apr. 10, this week witnesses the departure of a large number of delegates from this country.

The official list of the United States delegation which is headed by Under-Secretary of State William L. Clayton, gives the names of 85 delegates from nine different departments and agencies of the Government. In addition the United States is sending a secretariat of 40.

Among the officials is a press officer of the State Department and an "information liaison officer" from the Department's propaganda division, officially called the Division of Public Liaison.

The chairman is supported by a vice-chairman, Clair Wilcox—who headed the discussions in London last October and November, seven "delegates," three "alternates," 16 "advisors," 11 "tariff negotiating teams," 7 "commodity specialists," a "technical secretary" and an "executive secretary."

The tariff teams are each headed by a State Department officer. Some of the tariff teams deal with more than one foreign country, usually geographically related, like Belgium and Holland. For some unknown reason, China and Lebanon are handled by the same team.

Several of the team members are women.

Congress Would Extend Sugar Control

Although the Board of Managers of the New York Coffee and Sugar Exchange have adopted a resolution urging that the Exchange be reopened for sugar futures trading not later than July 1, 1947, as reported in the "Wall Street Journal," in Congress determination to continue price control and rationing of the commodity at least until next Oct. 31 is evidenced by the approval of the House Banking and Currency Committee of a bill which would effect such control. The House measure, Washington advices to the New York "Times" stated on Mar. 14, also carries a proviso that the Secretary of Agriculture "shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, provide for the needs of new sugar users and those who have no base period history."

Envisioning such legislation, the Sugar Exchange Board nevertheless said, (we quote from the "Wall Street Journal") "it is in the public interest that a free, open, and public market in sugar, relieved of wartime controls, be reestablished as soon as circumstances may properly permit, and that the reestablishment of a futures market in sugar, well in advance of the complete lifting of wartime controls, will facilitate the transition from a controlled to a free market and will render a service both to producers and consumers of sugar."

Capt. Haskell Says There Will be No War Between Russia, United States and Britain

Capt. William E. Haskell, Assistant to the President of the New York Herald "Tribune," predicted on March 21 that there would be no war between Russia and the United States and Great Britain, in a speech at the morning session of the Columbia Scholastic Press Association convention in New York City, according to the New York "Times" of March 22, which added:

"We're not going to see any war," Captain Haskell said. "The peoples of Russia, Great Britain and the United States do not want another war. Much of the present saber-rattling and jingoism is characteristic of a period when treaties are being made and countries are jockeying for position. Neither our generation nor our children's generation will see war.

"The United Nations is the salvation of the world with the help of God. It's not just a Congress which meets once a year. Its six great operations should not be separated."

Mental Curiosity Commended

Captain Haskell urged the delegates to cultivate mental curiosity and inquisitiveness, adding that there is no limit to the capacity of the mind. No one can forget anything he wants to remember, he said.

"The function of a great ethical newspaper," Captain Haskell told the gathering, "is to bring information to the reader on which he may base his own judgments and opinions. The ethical newspaper has no axe to grind. It is not subsidized. The newspaper's function is to collect and select news and to be guided by the first principles of conciseness, completeness and truthfulness.

"Opinion belongs on the editorial page. The editorial page is designed to elucidate news which otherwise might not be clear in its meaning. Liberal journalism exists when the editorial page of a paper may say one thing and a commentator in the same paper say the exact opposite.

"The conduct of the world will be handed to you. You will be the leaders tomorrow. If we are to be civilized we must follow Lincoln's dictum that right makes might. We must cultivate unselfishness and throw out avarice. If we are to reach a compromise in the world it means developing tolerance. Only this way can we reach a significant peace.

"I urge you to talk peace and friendship. There will be no war, but it is up to you to keep yourselves informed as to what is going on in the world.

"In your careers have patience. Remember that the rungs are wide apart at the bottom of the ladder but that they get closer together as you go up. Above all, remember that you have greater opportunity than any other group in the world now or in the past."

"I am an American Day" Proclaimed

Sunday, May 18, was designated on March 1 as "I Am An American Day" by proclamation of President Truman, the day being set aside for the holding by Federal, State, local and private agencies of exercises to honor those who have become naturalized and those who have become of age during the year. According to the Associated Press, the objective of the exercises, according to the proclamation, is to "help our citizens better to understand their privileges and responsibilities as participants in our representative democracy, to the end that world peace and domestic tranquility may be attained and perpetuated."

$50,000,000 Credit to Norway by Ex-Imp Bank

The Export-Import Bank announced on March 13 the signing of a credit agreement between the Export-Import Bank and the Kingdom of Norway providing for a line of credit of $50,000,000 to finance the purchase in the United States of various products and services. The agreement was signed on behalf of the Export-Import Bank by Wm. McC. Martin, Jr., Chairman of the Board of Directors, and on behalf of Norway by His Excellency Wilhelm Munthe de Morgenstierne, Ambassador of the Kingdom of Norway. Mr. Martin pointed out that this credit was authorized by the Export-Import Bank in July, 1945, shortly after the liberation of Norway, but for various reasons had not been formalized until now. The advices from the Export-Import Bank also said in part:

"Advances under the credit may be made up to June 30, 1948. They will be payable in 36 semi-annual installments beginning on June 30, 1949. Interest will be at the rate of 3% per annum. The Kingdom of Norway retains the right of prepaying any note on any interest payment date.

"The Export-Import Bank undertakes by the terms of the agreement to reimburse or advance funds to any United States commercial bank for disbursements made by such commercial bank in accordance with the provisions of letters of credit opened by the commercial bank at the request of the Kingdom of Norway to finance the purchase of products and services eligible for financing under the credit. Such letters of credit shall expire not later than June 15, 1948.

"The credit agreement also contains standard clauses regarding the insurance of products financed by the use of the credit against marine and transit hazards under contracts of insurance payable in United States dollars and for the transportation of such products from the United States in vessels of United States registry, as required by Public Resolution No. 17, 73rd Congress, except to the extent that the Export-Import Bank may in any case, upon the request of the Kingdom of Norway, obtain a waiver of this requirement in the manner provided by the Public Resolution."

Alabama Reaches 100% ABA Membership

Alabama for the first time has a 100% representation in the membership of the American Bankers Association, according to J. R. Dunkerley, Deputy Manager of the Association and Secretary of its Organization Committee. In a letter to E. A. Stubbs, American Bankers Association's Vice-President for Alabama and Executive Vice-President of the First National Bank of Gadsden, Mr. Dunkerley said, "This is the first time that Alabama has had 100% representation in the ABA, and on behalf of the officers of the American Bankers Association we want to show our extreme pleasure for the job you have done." The Alabama membership record was achieved during February; but the information was not available in time to include in the formal report of the Organization Committee which was made by its Chairman, Max Stieg, Cashier, Dairyman's State Bank, Clintonville, Wis.

Glasser Summoned to Moscow Conference

WASHINGTON (Special to the "Chronicle")—Harold Glasser, director of the Treasury Department's Division of Monetary Research, who recently headed the American financial mission to Trieste, has been summoned to the Moscow Conference to supply the American Delegation with information on the Trieste problem. The Trieste discussions were on a quadripartite basis.

Harold Glasser

Glasser, who occupies a position formerly held by Dr. Harry White—for whom Secretary Morgenthau created the post—has had a number of important overseas assignments from the Treasury. In 1945 in London and in 1946 in Geneva he represented the Department in UNRRA conferences. Last year, also, Glasser was a member of an American mission to Germany and Austria. In 1940-42 he served as financial advisor to the Government of Ecuador, upon the request of that country for the designation of a Treasury official. In 1943 Glasser was chief of the Financial Control Division, North African Economic Board.

This month Secretary Snyder announced the appointment of Mr. Orvis A. Schmidt, formerly Director of the Treasury's Foreign Funds Control, to be associate director of the Division of Monetary Research.

Extend Reserve Banks' Power to Buy Govt. Securities

The House on March 20 by a vote of 308 to 55 passed legislation amending the Federal Reserve Act continuing wartime authority which, Representative Chenoweth explained in the House on the 20th. "the 12 Federal Reserve Banks now have to buy Government securities up to the amount of $5,000,000,000, direct from the Treasury Department, and also continues their authority to sell Government securities direct to the Treasury Department." The measure, in the form of a resolution, was approved by the House Banking Committee on March 6, and on March 24 the Senate Banking Committee approved the legislation. The bill extends the direct purchase authority until July 1, 1950. The existing authority contained in the Second War Powers Act, expires March 31. Proponents of the measure contended, as the House passed the bill (we quote from the Associated Press) that the direct purchase authority is needed to permit the Treasury to obtain large sums of money quickly in the event of heavy withdrawals.

In Associated Press advices from Washington March 6 it was stated:

Marriner S. Eccles, head of the Reserve Board, explained that without the power of the Reserve Banks to purchase Government securities the Treasury would be forced to carry an added continuing balance of $5,000,000,000, thereby increasing the national debt by that amount.

The State of Trade

Overall industrial production showed a moderate increase last week as output rose slightly above the high levels reached in recent weeks. An ally to higher output was the weather which was generally favorable for outside operations. As in past weeks raw material shortages continued to be a retarding influence to production in some industries.

A study of the latest weekly business barometers reveals that among those industries which reflected a high level of activity were included steel, bituminous coal and crude oil along with advances in the automotive, lumber, paper and paperboard industries, and the civil engineering construction field. Loadings of revenue freight of the country's railroads were also higher, while a fractional decline occured in electric power production.

In the week an increase in deliveries of many types of industrial machinery was noted, but back orders still remain large. Production of containers and other much-needed packaging materials too, was curtailed by shortages of sheet steel, glass and paper.

Another record in postwar production of cars and trucks by the United States and Canadian producers was established last week, Ward's Automotive Reports reveals.

An estimated 107,230 units were turned out compared with 105,496 last week, 37,285 in the corresponding week last year, and 23,805 in the like 1941 week. The current week's total comprises 72,985 passenger cars and 28,405 trucks made in this country in addition to 3,805 and 2,035, respectively, in Canada.

Some ray of hope was afforded users of paper and paperboard by the Census Bureau in its report covering the month of January of the current year. Production of paper and paperboard for the first month of 1947 rose to 1,762,929 tons, or an increase of 185,178 tons above that for December of last year.

Pulpwood receipts by paper mills also showed a spurt during January. At 1,700,491 cords, they topped the previous month by 271,411 cords, and exceeded January, 1946, by 355,531 cords. The high volume of receipts was sufficient to meet consuption needs and to increase mill inventories by 43,294 cords, the Bureau reported.

From the report of the Department of Agriculture issued last week, wheat plantings by the farmers of the nation as of March 1, will reach an unprecedented total of 75,700,000 acres. It was indicated that on an acreage basis wheat would surpass its all-time record of last year and reach 1,212,000,000 bushels. This huge increase in wheat acreage planting was undoubtedly stimulated by the high price wheat has been selling as a result of the great foreign demand for relief purposes.

On the labor front, the acceptance by John L. Lewis, head of the United Mine Workers Union, of the Supreme Court's mandate to withdraw his contract-termination notice of last November 15 ending his Government contract removed the threat of a nationwide bituminous coal strike and thus insures industry against a major interruption in output due to inadequate coal stocks. In complying with the Court's order, Mr. Lewis notified his 400,000 soft coal miners that their contract with the Government will continue in force after March 31.

As regards employment in the United States, reports state that total continued claims for unemployment compensation in the week ended March 8, fell 1%, while initial claims reflected an increase of 2%.

Total retail volume rose appreciably the past week being well above that of corresponding week a year ago. Increased offerings of appliances, men's furnishings and other previously scarce items kept total volume at a very high level. Favorable shopping weather was reported in most sections of the country and consumers continued to be price conscious.

Although there were fewer buyers registered in wholesale centers last week than in the previous week, numerous orders received by mail and telephone kept total volume moderately above that of a year ago. Buyers were cautious in regard to quality and continued to press for immediate deliveries.

Steel Industry—More than 68% of steel consumers believe that current steel prices are too high and some have already reduced their order volume because of this situation. Further in relation to future steel company sales policies, is the fact that more than 36% of steel users either expect to change their source of supply or are thinking about it, according to a survey made by "The Iron Age," national metalworking paper.

A moderate reduction last week by the Carnegie-Illinois Steel Corp. in the delivered price of several steel products by reducing extra charges is believed to have been a recognition of the present consumers state of mind. This action is expected to be followed by other steel makers of similar products and additional products may be affected later, states the magazine.

The most important change announced by Carnegie-Illinois involved a revision of extras on plates which will average about $2 a ton reduction on that product. The change in steel bar extras will average about $1 a ton downward for that product and the saving to the consumer as a result of these two major cuts in the delivered price will exceed $15 million on an annual basis, assuming other companies fall in line.

The base price of steel products was not affected in the reductions made last week, "The Iron Age" notes, but points out that the extra charge revisions were the result of a test on the increases made in extra charges last December and early in January. It further observes that the steel company realistically eliminated that portion of those advances which could not be substantiated by actual production cost.

This moderate decrease in the price of delivered steel may be the forerunner of basic changes as the steel industry attempts to do its part in resisting the current inflationary movement in prices. It is also an indication that the industry will hold out for a moderate wage increase and, the above trade authority adds, the evidence still points to no definite action in that direction until the portal-to-portal problem is settled by legislation. There is practically no chance of a steel industry tieup. If the deadline set forth by the steel corporation and the union is reached before the portal question is satisfactorily settled, it is anticipated that the company and the union will extend their contracts again.

While first quarter earnings in the steel industry are expected to be somewhat higher than in the fourth quarter, a slight damper will be placed upon these figures by the certainty that any subsequent wage agreement reached will entail a substantial retro

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As We See It

(Continued from first page)

now prostrate if ever countries were prostrate. If this excess of caution, or this insistence upon locking the stable door after the horses are gone, were that and nothing more, and if it along with proselyting tendencies in areas far removed from the defense of this country, were regarded by the remainder of the world as having no other significance, the whole matter might be dismissed with a tolerant shrug of the shoulders.

But, unfortunately, the situation is not so simple. The remainder of the world, of course, refuses to accept the idea that the United States of America is historically *sui generis*. It simply does not believe that now for the first time in recorded history a nation has arisen so self-effacing, so idealistic, so utterly innocent of imperialist notions and ambitions, that it is ready and eager to spend its substance to bring health and happiness to the remainder of the world without thought of reward other than the pleasure of seeing peoples more comfortable, more richly endowed with the good things of life and in much larger degree blessed with "democracy" as it defines the term. Or if the imagination is capable of visualizing such a country, world leaders are quite certain that in practice, the spread of the influence of such a people would not end where such doctrines would suggest its limits to be.

We Are In

What is actually happening, whether or not we planned it that way, is that we have entered and are now actively taking part in what is known as world politics where all other countries, whether we like it or not, or whether we know it or not, are playing the game according to the old rules. In this arena participants are utterly ruthless and often wholly hypocritical. They, one and all, are always quite ready to cloak their actions with fine phrases about civilization, stabilization, peace, and the like, but idealism has rarely if ever entered upon the scene.

We have, morever, entered this game at a time when the cards have just been quite thoroughly shuffled, when aces and trumps are in new hands, when deuces have fallen to parties without much experience in holding them. Planned balance of strength, nice maneuvering, cold-blooded weighing of cost against value, realization of the catastrophic consequences of wars between giants, and need on the part of powerful elements for maintenance of status quo—these and related factors, not humanitarianism, mechanisms, treaties, pacts or understandings, are what have kept the world more or less at peace most of the years for the past century or more. They failed, of course, in 1914 and again in 1939. They may well fail again and for about the same reasons, but it does not follow—indeed it does not appear probable at this moment—that the same countries will take the lead in causing the failure.

We Americans should better understand much of what is taking place in Moscow from day to day, and our representatives will be much more effective in their work there if they and the rest of us come to a full realization of these general truths. Deprived of aid and assistance, clandestine or otherwise, of other great powers, Germany could not rise so quickly to a position of military power again that those countries which might suffer from aggression by her could not nip the whole thing in the bud without great effort. That was true after World War I. Even when Hitler came into power and began to prepare for war, he could have been squelched with the greatest of ease by France, England and Russia, or by almost any combination of them, or for that matter by either France or Russia acting alone.

Germany in Alliance With —

Of course, in alliance with France, Great Britain and the United States, a reconstituted Germany could be a threat to Russia—although the likelihood of such an alliance of powers appears extremely remote at this time. Again, Germany as an agent or tool of Russia, or as a satellite of Russia, could be very dangerous to Western Europe and possibly to the world. What the probability of any such eventuality is, or would be in any given set of circumstances, it would be extremely difficult to say at this time. Again Russia, bolstered by German resources, German organizing skill and technical knowledge and understanding could be a very formidable force in world affairs. Europe without a Germany or a potent German people is hardly imaginable, and certainly not particularly promising.

There can be little doubt that Russia understands all this quite thoroughly. One would suppose that the British with their centuries of experience would make no mistake about it. Those Frenchmen who do not consider themselves more Russian than French should be certain. It is to be hoped that our representatives both in Moscow and at home are under no delusions about it.

It must be admitted, however, that most of what is being *said* in Washington these days suggests that we may be living in some sort of fool's paradise. If we must plunge into world politics, at least let us be realists.

U. S. Envoys to Greece And Turkey Recalled

The United States Ambassadors to Greece and Turkey were summoned home recently for "consultations," it was disclosed by the State Department on March 16, according to Associated Press Washington advices. Diplomatic officials said that Ambassador Lincoln MacVeagh had been called from Athens and Ambassador Edwin C. Wilson from Ankara late the preceding week. It was also announced that Paul Porter had been called home ahead of time from his economic mission in Greece, and that his report is expected to influence the decision of Congress regarding President Truman's recommendation of financial aid to Greece and Turkey.

Mr. Porter, former chief of the Office of Price Administration, has been making a first-hand study of Greek troubles as head of an American economic mission. His report was not due until April, but, State Department officials said he apparently speeded it up in view of the situation. The British are preparing to end their program in Greece by March 31 and Congressional leaders say they hope to get action on Mr. Truman's request by that date.

Shortly before his departure for the United States. Mr. Porter, in Athens, was reported in a dispatch from the Associated Press on March 16, as saying:

"We return to the United States equipped with data and information about Greek economic problems which we anticipate will provide our Government with the factual basis for further defining its policy in regard to Greece.

"While it would be inappropriate for me to express opinions and conclusions until our report has been made to my Government, I do feel the obligation to point out that I am optimistic about the economic future of this country."

Mr. Porter said he was "impressed by the capacity and spirit of the people of Greece."

Ambassador Wilson reached here on his return from Turkey on March 20, arriving at La Guardia Airport that night by way of the Pan American World Airways.

President Truman Returns From Florida Vacation

Returning from his brief vacation in the Florida Keys, President Truman arrived at the Washington National Airport on March 19 at 6:22 p.m. The President left Washington for his brief rest on March 12, shortly after his address to Congress on American foreign policy. Among those who accompanied the President on his trip were Fleet Admiral William D. Leahy, his chief of staff; Maj. Gen. Harry H. Vaughan, his military aide; Rear Admiral James H. Foskett, his naval aide; Clark M. Clifford, his special counsel; and William D. Hassett and Charles G. Ross, Presidential Secretaries. Mr. Truman left Key West for his return by plane to Washington at 2:01 p.m. on March 19 and, according to the Associated Press, just before taking off he shook hands with the naval officers who had been his hosts at the submarine base and expressed hope that he could come back in June.

New Credit to Brazil by Export-Import Bank

Wm. McC. Martin, Jr., Chairman of the Board of Directors of the Export-Import Bank, on March 12 confirmed reports from Rio de Janeiro that the Export-Import Bank has authorized a new credit of $7,500,000 to Companhia Vale do Rio Doce of Brazil to assist in financing the purchase in the United States and exportation to Brazil of materials, equipment, and services required for completion of the rehabilitation of the Victoria-Minas Railway and the development of the mine properties of the Company. The Bank in its advices also says:

The new credit is in addition to a credit of $14,000,000 for the same purposes and for the expansion of the port facilities of Victoria, which was authorized by the Bank in 1942, and a credit of $5,000,000 to assist in financing the rehabilitation of the railway and the purchase of United States railway equipment, which was authorized in 1945. Mr. Martin said that the new credit will expedite the rehabilitation of the railway and increase the capacity of the railway and the mines to export ore.

Advances under the credit are conditional upon the establishment by the Government of Brazil of a credit to Companhia Vale do Rio Doce in the amount of Cr. 240,000,000 (U. S. $12,000,000) from which advances are to be made to the company in monthly instalments of Cr. $8,000,000 (U. S. 400,000) for expenditures necessary to complete rehabilitation of the railway. Advances may be made up to June 30, 1948; will bear interest at the rate of 3½% payable semi-annually; and will be repayable over a period of 15 years in 30 approximately equal semi-annual installments, the first of which will fall due three years after the date of the agreement establishing the line of credit. The obligations of the Company are to be unconditionally guaranteed by the Brazilian Government.

Reserve Bk. Conference In Minneapolis

More than 1,000 bank executives expected to attend the Federal Reserve Bank Conference of Ninth District Bankers at Hotel Nicollet in Minneapolis, April 26, will hear three speakers and a panel discussion during the business part of the annual gathering, the Reserve Bank announced on March 21. Following registration and a luncheon, the bankers will listen first to Dr. Austin A. Dowell, Professor of Agricultural Economics, University of Minnesota, whose topic will be "The Outlook for Livestock Prices." "How Research Helps the Farmer" will be told by Vernon S. Peterson, Midwest Manager of the extension division, E. I. du Pont de Nemours & Co. Following the panel discussion, Leonard W. Brockington, K. C., of the Canadian bar and former wartime adviser to Canada's Governor General, will make the closing address.

John N. Peyton, President of the Federal Reserve Bank, will preside over the meeting. The panel, which will have Oliver S. Powell, the bank's First Vice-President, as leader, will discuss questions of current interest to bankers. Bankers have been asked to submit questions in advance, and personnel of the panel, comprised of members of the bank's staff, will be determined by the nature of the questions received. Each bank in the District—Minnesota, North Dakota, South Dakota, Montana, northwestern Wisconsin, and Upper Michigan — has been invited to send one representative to the conference, the second to be staged since the end of the war and seventh since the conferences were initiated in 1938. In the evening, following a reception and a dinner, the visiting bankers will be guests at the Ice Follies of 1947.

Mendenhall Named by N. J. Bankers Assn.

F. Raymond Peterson, President of New Jersey Bankers Association and Chairman of the Board of the First Paterson National Bank and Trust Company, Paterson, N. J. anounced on March 20 the appointment of William K. Mendenhall of Leonia, N. J. as Assistant Secretary of the State Association. It was also announced that the Association's office will be located in Newark. Mr. Mendenhall has been Assistant Secretary of the Towner Rating Bureau, Inc. of New York since 1939. He started with the Bureau in 1938. He has been manager of the division of research during the entire period. Previously, he was employed by the Bankers Trust Company of New York from 1924 following his graduation from the University of Delaware. While with the Bankers Trust Company he served as an Auditor in the Comptroller's Department, supervised and directed the audit program of the foreign department, became an assistant to an officer of the bank handling insurance coverages and in 1936 was appointed insurance manager.

Mr. Mendenhall has served on the Insurance Committee of the American Bankers Association and as a member of the Board of Directors of Risk Research Institute, an association of insurance buyers in New York. In 1937, he was granted a year's leave of absence to serve as Fidelity Bond Consultant of the Federal Deposit Insurance Corporation. Recommendations he made during that period it is stated are in general practice among the commercial banks throughout the country today.

Mr. Mendenhall is regarded as an authority on fidelity, forgery and surety bonds; his series of articles relating to this subject are now appearing in the National Auditgram, official publication of the National Association of Bank Auditors and Comptrollers.

Ives, Sloan, Thorp Will Speak at Economic Club

Representatives from industry and government will address the 161st Dinner of the Economic Club of New York to be held Wednesday, April 16 (7 p.m.) at the Hotel Astor, it was announced by Theodore M. Riehle, President.

The topic for discussion is the "Preserving and Strengthening of the American Economic System," and speakers will be Alfred P. Sloan, Jr., Chairman of the board, General Motors; U. S. Senator Irving M. Ives of New York, and Willard L. Thorp, Assistant Secretary of State for Economic Affairs.

The discussion will be preceded by the annual election of officers. The Economic Club, founded in 1907, meets four times each year to discuss subjects of general current interest, ranging from business and finance to science and education. Speakers at previous meetings this season included General Dwight D. Eisenhower, Senator Robert A. Taft, Treasury Secretary John W. Snyder, and Secretary of the Navy James Forrestal.

Steel Operating Rate Is Equal to Greatest Peacetime Tonnage in History of Industry

The operating rate of steel companies having 93% of the steel capacity of the industry will be 97.0% of capacity for the week beginning March 24, according to the American Iron and Steel Institute. This is the highest rate since the week of June 19, 1944, when it was 97.3%, and was equalled since then only in the week of Oct. 16, 1944. For the week beginning March 17, 1947, the rate was 96.4%, one month ago 94.4% and one year ago 88.5%.

The operating rate for the week beginning March 24, 1947 is equivalent to 1,697,400 tons of steel ingots and castings, the Institute states. This was the highest weekly peacetime tonnage in the history of the steel industry. The previous record was the 1,650,500 tons scheduled in the week of Oct. 27, 1941. The current tonnage figure also compares with 1,686,900 tons one week ago, 1,651,900 tons one month ago and 1,559,700 tons one year ago.

"Inflationary tendencies in the steel market this week received a setback when, for the first time since the runaway scrap market began, scrap markets turned soft in some districts, declined slightly in others and were poised for a change at such points as Pittsburgh and Chicago," according to "The Iron Age," national metalworking paper, which in its issue of today (March 27) further states as follows:

"Other developments in the current situation which may indicate a slow but orderly return to some sort of normalcy were a softening in so-called black market or twilight steel prices plus the attainment this week of a new and significant peacetime peak in steel production. Below the surface, supporting the apparent change in the steel scrap market as well as the high steel operating rate, has been a steady increase in the volume of pig iron production since the first of the year with indications pointing to a new high in pig iron output this month.

"For the first time since last fall, when bitter competition between various scrap consumers broke out at points distant from the mills and had the effect of raising prices at those points, some major scrap users are out of the market early this week. This action has caused some anxiety in scrap circles and the first definite indication was a softening in scrap prices at Boston, a slight reduction in the average price in New York and a moderate trend at Philadelphia.

"Quotations this week were steady at Pittsburgh, but there were indications that the wide spread there in the price of heavy melting steel might close up somewhat by next week because of weakness in the East. The average price at Pittsburgh has been definitely influenced by the price of scrap delivered to that district from the East.

"The situation at Chicago, while reflecting no actual change this week, is in the same vulnerable position as the Pittsburgh market. The range at Cleveland, on the other hand, has been narrowed with a reduction in the top price for heavy melting steel. Whether or not this sudden weakness in the scrap market portends a sharp drop remains to be seen, but it is definite that the peak has been reached and the trend in scrap prices is downward.

"Supporting this viewpoint is the fact that for several weeks higher prices have brought better shipments of scrap and in some cases large consumers have built up enough supplies to enable them to take a chance on staying out of the market as a protest against ridiculously high scrap prices.

"'The Iron Age' scrap composite this week shows its first decline since the upward movement of scrap prices started last fall when it dropped from $39.67 a gross ton to $39.50 a ton, a decline of 17 cents a ton.

"Brokers and other purveyors of steel at more than the so-called legitimate mill or warehouse price have become anxious during the past few weeks as to their ability quickly to dispose of steel in their hands or supplies over which they have control. This state of mind has been reflected in a substantial drop in so-called premium prices over the past few months. Some transactions which two months ago saw steel changing hands at 10 cents to 11 cents a pound are now being closed at prices close to established warehouse levels.

"Furthermore, holders of so-called premium steel are now willing to deliver the material to user's plant and have added the incentive of allowing a customer inspection of the material before payment is made. While this situation is not yet universal in deals of this kind, the trend is definitely in that direction and these so-called high premium markets may be a thing of the past within the next few months.

"Manufacturers who in some cases have been receiving more steel than they needed and were either putting it in inventory or selling it at premium prices were this week considering outright cancellation of that portion not definitely needed for their own operations. These developments appear to be the vanguard of a slightly better condition in steel supplies. It may be some months, however, before such benefits will reach the majority of steel consumers."

The estimated total bookings of fabricated structural steel for the month of February 1947, according to the American Institute of Steel Construction, Inc., amounted to 124,436 tons, some 22,000 tons larger than the bookings for the previous month. The estimated total for January and February was 226,305 tons, or an increase of 11% over the average of 203,858 tons booked in the same months in the averaged five prewar years 1936-1940. February shipments totaled 123,148 tons, a slight decrease from January, but some 39% greater than the averaged February shipments in the five prewar years. The tonnage available for fabrication at Feb. 28 amounted to 655,776 tons.

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

"Signs that steel prices have reached their peak are becoming evident in the metal markets. The action last week of United States Steel Corp. subsidiaries in reducing extra prices as much as $10 per ton will be followed by similar action from other steelmakers, and the continued rise in prices of iron and steel scrap has apparently been checked at most points, thus cutting some of the inflationary pressure from the steel price structure.

"Revision of extra charges for certain major steel products results in reduction ranging up to $10 a ton, depending on specification. Both upward and downward revisions are included in the adjustments, but the aggregate results in moderate price reductions. Most of the extra lists had been revised during December and January; the current changes are designed to correct inequities and to simplify the extra card sturcture. Further revisions are expected to follow.

"Evidences of potential reaction in the scrap market are noted following the sharp price advances of recent weeks, although prices continued to edge upwards slightly last week. Open weather has stimulated the flow and has enabled some scrap consumers to accumulate a little inventory for the first time in weeks. Removal of the last serious threat of a coal strike in April also has had an easing effect on scrap, nothwithstanding the fact that a high rate of consumption of scrap now appears assured for sereval months.

"Although ingot output is being maintained at a record peacetime pace, finishing mills have been unable to make much headway toward reducing their heavy order backlogs. Their efforts in this direction will be impeded during the second and subsequent quarters by the necessity of channeling a larger portion of total production into the car building program. Sheet and plate distribution will be especially affected by this program. Pressure for alloy steel products and larger sized carbon bars appeared lighter."

Bill to Set Up Labor Courts Proposed

Under a bill introduced in the Senate on March 19 a system of Federal labor relations courts would be established setting up a three-man court in each of the 10 Federal Judicial Circuits and the District of Columbia. The measure, sponsored by Republican Senators, Homer Ferguson of Michigan and H. Alexander Smith of New Jersey, according to Associated Press Washington advices, would give the courts the right to issue injunctions in labor cases, a course now prohibited by the Norris-LaGuardia act in disputes involving private industry. The courts would have jurisdiction to interpret collective bargaining contracts and to review actions of the administrators of the National Labor Relations Act, the Fair Labor Standards Act, and the Railway Labor Act.

As explained by Senators Ferguson and Smith, under their proposed legislation according to the Associated Press the labor courts would have jurisdiction over:

1. Cases arising out of the interpretation of union-management contracts. For example: either a union or a company might file a suit in those courts contending that their contract wasn't being followed.

2. Petitions and reviews under the national labor relations act, fair labor standards act, and railway labor act. For example an employer who wanted to appeal a ruling of the National Labor Relations Board would go to one of the new labor courts instead of to a United States Circuit Court of Appeals, as at present.

The labor courts would not settle disputes which arise in the making of a new labor-management contract. Senator Ferguson wants them to have that power eventually, but he told the Senate "more time and study are required to develop such legislation."

A labor relations court, in reviewing a ruling of an administrative board, could review the whole case. If it thought an injustice had been done, it could hold a brand-new trial. To speed up operations, a labor relations court could hand over any case to one of its judges for a "pretrial conference," in which the judge would try to simplify the issues and even to bring about a settlement without going to trial.

The Ferguson-Smith bill will be considered, together with numerous others, by the Senate Labor Committee, which is seeking to send a broad labor bill to the floor this month.

Nat'l Bank Assets Nearly $85 Billion on Dec. 31

The total assets of national banks on Dec. 31, 1946, amounted to nearly $85,000,000,000, it was announced on March 6 by Comptroller of the Currency Preston Delano. The returns from the call covered the 5,013 active national banks in the United States and possessions. The assets were $800,000,000, or nearly 1%, less than those reported by the 5,014 active national banks as of Sept. 30, 1946, the date of the previous call, and nearly $5,700,000,000, or 6%, less than the amount reported by the 5,023 active banks as of Dec. 31, 1945.

Comptroller Delano also reports that the deposits of National banks on Dec. 31, 1946, were $79,000,000,000, a decrease of $800,000,000, or 1%, since September and a decrease of more than $6,000,000,000, or 7%, since December, 1945. Continuing, the Comptroller's advices said:

"Included in the recent deposit figures are demand and time deposits of individuals, partnerships, and corporations of $45,500,000,000, and $18,032,000,000, respectively, which showed sizable increases over the three and twelve month periods. Also included in the current figures are United States Government deposits, including War loan accounts, of $1,840,000,000, which decreased $3,200,000,000 since September, and $12,300,000,000 in the year, due principally to the withdrawal of war loan accounts to provide for Federal debt retirement. Deposits of States and political subdivisions were 4,126,000,000, an increase of $187,000,000 since September; postal savings of $3,000,000; certified and cashiers' checks of $1,355,000,000, and deposits of banks of $8,171,000,000, the latter showing an increase of nearly 6% since September.

"Loans and discounts were $17,300,000,000 on Dec. 31 last, which was an increase of $1,500,000,000, or more than 9% since September, and an increase of nearly $3,400,000,000, or 24%, in the year. Commercial and industrial loans of $8,500,000,000 were up 50% in the year. Loans to brokers and dealers in securities and to others for the purpose of purchasing or carrying securities of $1,600,000,000 showed a decrease of 52%; agricultural loans were $700,000,000; real estate loans of $3,544,000,000 were up 60%, and all other loans of $2,900,000,000 were up 48% in the year. The percentage of loans and discounts to total deposits on Dec. 31, 1946, was 21.90, in comparison with 19.78 on Sept. 30, 1946, and 16.36 on Dec. 31, 1945.

"Investments by the banks in United States Government obligations (including $7,000,000 guaranteed obligations) as of Dec. 31, 1946, aggregated $41.844,000,000, a decrease of $3,472,000,000, or nearly 8%, since September, 1946, and a decrease of $9,624,000,000, or nearly 19%, since December, 1945. Other bonds, stocks, and securities held of $4,800,000,000, which included obligations of States and political subdivisions of $2,660,000,000 showed an increase of $4,500,000 since September, and an increase of $655,000,000 in the year.

"Cash of $1,100,000,000 and reserves with Federal Reserve Banks of $10,600,000,000, a total of $11,700,000,000, increased nearly $300,000,000 in each of the three and twelve month periods.

"The unimpaired capital stock of the banks on Dec. 31, 1946, was $1,757,000,000, including nearly $42,000,000 of preferred stock. Surplus was $2,276,000,000, undivided profits $785,000,000, and reserves $332,000,000, or a total of $3,393,000,000. Total capital accounts of $5,150,000,000 were respectively $18,000,000 and $494,000,000 more than on Sept. 30, 1946, and Dec. 31, 1945."

Anti-Trust Unit to Act on Mergers

Attorney General Tom. C. Clark on March 19 announced establishment of a new merger unit of the Anti-Trust Division of the Justice Department to prevent violations of the anti-trust laws in industrial mergers. The new unit, according to United Press advices from Washington, is to study proposed combines and warn in advance in instances where proposed mergers appear to violate the anti-monopoly laws.

Headed by Edward P. Hoges, chief of the small business unit, the new unit is expected by the Attorney General to forestall illegal combines "by anticipation," eliminating much lengthy and wasteful litigation. Mr. Clark said, according to the Associated Press:

> In the period of the nation's transition from the manufacturing of armaments to the making of peacetime products, there is in progress a vast merger movement. There is in this trend danger of a serious increase in the concentration of economic power in the United States."

The same press accounts said:

> Recently Mr. Clark invited corporations planning mergers to get advance legal advice from Justice Department anti-trust experts. There has been little response, although Mr. Clark said business leaders in general have indicated a desire for some kind of Federal pre-examination procedure.
>
> Where mergers are being planned in what he considers a violation of the law, Mr. Clark may institute injunction proceedings to block them. He recently filed suit in Wilmington, Del., Federal Court to halt purchase of the Consolidated Steel Corporation, Los Angeles, by Columbia Steel Company, West Coast operating subsidiary of the United States Steel Corporation. The case is still pending.

Herman Baruch Sworn in as Ambassador to Netherlands

Herman B. Baruch was sworn in on March 19 as Ambassador to the Netherlands, succeeding Stanley K. Hornbeck, whose resignation was made known on Jan. 21. The nomination of Mr. Baruch was sent to the Senate by President Truman on Feb. 3, and it was confirmed by the Senate on March 12. The Associated Press reported from Washington on March 19 that Mr. Baruch took the oath of office in a simple ceremony at the State Department, attended by his financier-statesman brother, Bernard, Acting Secretary of State Acheson and Dutch Ambassador Alexander Loudon. He plains to sail for the Netherlands on the Dutch ship Westerdam from New York on March 26.

In special advices to the New York "Times" from Washington on Jan. 21 it was indicated that Mr. Hornbeck had withdrawn as Envoy for personal reasons that require him to be in the United States indefinitely. From the "Times" advices we quote:

The resignation of Mr. Hornbeck was accepted with "reluctance," the White House said. He was appointed to The Hague on Sept. 21, 1941, after having served in the State Department since 1928, a period during which he took a leading part in our diplomacy toward Japan.

He was the first chief of the Far Eastern division in the department and then, in 1937, was appointed political adviser to the Secretary of State on Far Eastern questions.

The State of Trade

(Continued from page 1703)

active wage bill. It is for that reason, "The Iron Age" states, that the steel union is content to pursue a conservative method of action, especially when it is more than likely that both sides have reached a definite agreement on the retroactivity of the wage increase to be granted.

The American Iron and Steel Institute announced on Monday of this week the operating rate of steel companies having 93% of the steel capacity of the industry will be 97.0% of capacity for the week beginning March 24, 1947, as compared with 96.4% one week ago, 94.4% one month ago and 88.5% one year ago. This represents an increase of 0.6 points or 0.6% from the preceding week.

The week's operating rate is equivalent to 1,699,400 tons of steel ingots and castings compared with 1,686,900 tons one week ago, 1,651,900 tons one month ago and 1,559,700 tons one year ago.

Electric Production—The Edison Electric Institute reports that the output of electricity decreased to 4,763,843,000 kwh. in the week ended March 15, 1947, from 4,786,552,000 kwh. in the preceding week. Output for the week ended March 15, 1947, was 19.5% above that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 205,200,000 kwh. in the week ended March 16, 1947, compared with 181,000,000 kwh. for the corresponding week of 1946, or an increase of 13.3%. Local distribution of electricity amounted to 193,900,000 kwh. compared with 179,700,000 kwh. for the corresponding week of last year, an increase of 8.0%.

Railroad Freight Loadings—Car loading of revenue freight for the week ended March 15, 1947 totaled 841,147 cars, the Association of American Railroads announced. This was an increase of 35,358 cars, 4.4% above the preceding week, and 41,241 cars or 5.2% above the corresponding week for 1946. Compared with the similar period of 1945, an increase of 24,591 cars or 3% is shown.

Paper and Paperboard Production—Paper production in the United States for the week ended March 15, was 106.1% of mill capacity, against 104.5% in the preceding week and 104.1% in the like 1946 week, according to the American Paper & Pulp Association. This does not include mills producing newsprint exclusively. Paperboard output for the same week was 104%, compared with 102% in the preceding week and 100% in the corresponding week a year ago.

Business Failures Still High—Although decreasing for the third consecutive week, commercial and industrial failures in the week ended March 20 were over twice as numerous as a year ago, reports Dun & Bradstreet, Inc. Concerns failing totalled 47, as compared with 51 in the previous week and 22 in the corresponding week of 1946. This represented the 26th straight week in which failures have exceeded those in last year's comparable weeks.

Large failures with liabilities of $5,000 or more were three times as numerous as small failures in the wek just ended. Numbering 35, these big failures fell off a little from the 38 reported a week ago, but were more than twice as high as in the same week last year, when 16 were reported. Small failures involving losses under $5,000 totaled 12 against 13 in the previous week. Compared with the 1946 level, concerns failing in the small size group were, like the large failures, two times as frequent.

About three-fourths of the week's total failures were concentrated in manufacturing and retailing. Manufacturers failing, at 16, were a little lower than the 21 occurring last week. They showed an increase, however, from the 12 occurring a year ago. Retail failures numbered 18 as compared with 19 in the prior week, but outweighed by a wide margin the 6 occurring in the corresponding week of 1946. In other industry and trade groups, failures continued at a low level, with no more than five in any group.

The Middle Atlantic States had two times as many failures this week as any other region. Totalling 17, failures in this area more than tripled the five reported last year. The New England States with 8 and the Pacific States with six represented the only other regions where concerns failing numbered more than five. Contrary to the over-all downtrend from the previous week, five regions actually showed an increase. Nearly all of the week's decline was concentrated in the East North Central States, down from nine to three this week, and in the Pacific States, down from 16 to six.

A total of 10 Canadian failures was reported for the week just ended. This marked a sharp increase from the three in the preceding week and four in the comparable week of 1946.

Wholesale, Retail Hardware Sales Up in January—Good gains in sales of wholesale hardware distributors and independent retail hardware stores in January were reported, in the every-other-Thursday market summary of "Hardware Age." Based on reports from hardware dealers in all parts of the country the January, 1947, sales volume of those concerns averaged 20% more than for the same month last year.

Sales of wholesale hardware distributors in January, 1947, averaged 42% more than the same month last year, according to reports from such concerns in all parts of the United States. Reports on inventories as of Jan. 31, 1947, indicated stocks on hand were valued at 47% above those for the same date in 1946.

Wholesale Food Price Index Unchanged—The Dun & Bradstreet wholesale food price index registered $6.70 on March 18, unchanged from the previous week when the index recorded its first decline in six weeks. The current level represents a rise of 60.3% above the comparative 1946 index of $4.18.

Advances for the week included flour, wheat, corn, barley, lard, butter and cocoa. Declines were listed for rye, oats, hams, cottonseed oil, eggs, potatoes, steers, hogs and lambs. The index represents the sum total of the price per pound of 31 foods in general use.

Daily Wholesale Commodity Price Index—Although some food prices moved lower last week, the trend in the general price level was again higher. The Dun & Bradstreet daily wholesale commodity price index rose to a new postwar high of 269.25 on March 18. The latest figure compared with 263.34 a week previous, and with 186.75 at this time last year.

Trading in leading grains continued at an active pace during the past week and although prices were irregular at times, the upsurge which began around February 1 carried wheat prices to the highest levels since May 1917, while corn reached new peaks for 27 years. The rise was again largely based on reports from Washington as to present and prospective heavy world requirements of flour, wheat, and corn. Cash wheat was in tight supply and prices kept pace with the upturn in futures. Flour prices advanced 50 cents per 100 pounds during the week. Domestic flour buyers again bought sparingly and foreign purchasers also showed some resistance to current high prices. Cash lard prices held firm, but trading in both lard futures and cash lard was less active and futures developed an easier trend as the result of slower demand and a decline in hog prices. There was also considerable consumer resistance to the high asking prices for hog products. Steers and lambs worked lower due to lessened demand while butter, eggs, potatoes, and hams also showed declines for the week.

Activity in spot cotton markets increased during the past week and prices continued upward. The New York spot quotation closed at 35.99 cents per pound, a net gain of 11 points for the week, and compared with 27.34 cents on the corresponding date a year ago. Supporting factors behind the strength in the staple included persistent trade buying, the near-record high rate of domestic mill consumption and the growing tightness of the domestic supply position. Active mill price-fixing against forward sales of textiles was also a stimulant. The market suffered several setbacks during the week due to renewed talk of buyer resistance to current textile prices and the disturbed foreign political situation. Sales registered under the Government export program during the week ended March 6 dropped to 17,100 bales, from 63,200 a week earlier. Preparations for the new crop made only fair progress in most of the belt. Mill consumption of cotton for the current season through February was estimated at about 6,049,000 bales by the New York Cotton Exchange Service Bureau, as compared with 5,153,000 during the same period last season, a gain of 17.0%. Carded gray cotton cloth markets were fairly active with principal interest in sheetings and print cloths.

Inquiry for spot domestic wools was somewhat better in the Boston market last week, but consumer buying, as for some time past, was restricted to occasional purchases for piecing out orders. Desirable types of spot foreign wools continued in scarce supply. Prices in foreign primary markets remained firm.

February Building Permits Higher—February volume of building permits in 215 cities of the United States amounted to $166,545,448, according to Dun & Bradstreet, Inc. This was 6.4% more than the January figures of $156,531,156, and it followed a rise of 5.8% in January over the preceding month. The February total, however, continued under that for the corresponding period a year ago, comparing with $198,686,543 in February 1946, a drop of 16.2%. This marked the fourth successive year-to-year decline.

New York City permits for February came to $29,922,017, up 34.6% above the previous month, and 62.8% greater than the amount for February last year.

Retail and Wholesale Trade—Moderate temperatures and an early Easter encouraged consumer purchasing the past week. Total retail volume for the country at large rose appreciably and was well above that of the corresponding week a year ago, states Dun & Bradstreet, Inc. in its weekly survey of trade. Shipments improved and most retailers were reported as being well stocked. Shoppers continued to display resistance to high prices and inferior quality.

Interest in women's Spring apparel increased noticeably last week with medium-priced suits and blouses in strong demand. Clearance sales of heavier clothing continued to attract some shoppers. Men's shirts and furnishings were more plentiful and the demand remained strong. Some consumer resistance was evident but it was reported to be primarily directed toward inferior quality goods. There was a noticeable increase in the number of requests for children's and infants' wear.

Retail grocery volume increased slightly over that of the previous week. There was an abundant supply of fruits and vegetables, while stocks of meat, fish and dairy products were ample. Cooking oils and canned sliced pineapple were among the items reported to be in short supply. Previously scarce items such as canned milk and chipped beef were available in larger quantities.

On Friday last, the Atlantic Coast Fisheries Co. reported a sharp upswing in fresh fillet and frozen fish sales at Boston, due to the Lenten consumer demand, adding, that top quality new-pack seafoods are selling at postwar rock-bottom prices.

The demand for electrical appliances, principally electric ranges, sewing machines and refrigerators continued at the high level of previous weeks. Shipments of automobiles to dealers improved moderately and sales volume increased accordingly. Interest in furniture declined slightly during the week, but purchases of durable goods on the installment plan were reported to have increased sharply.

Retail volume for the country in the week ended last Wednesday was estimated to be from 9 to 13% above that of the corresponding week a year ago. Regional estimates exceeded those of a year ago by the following percentages: New England and Northwest 9 to 13, East 12 to 16, Middle West and South 7 to 11, Southwest 6 to 10 and Pacific Coast 10 to 14.

Wholesale markets generally remained quiet during the past week. High prices and considerable improvement in the supply of many previously scarce items kept total volume moderately above that of the corresponding week a year ago. Buyers continued to be cautious and placed orders only when they could get good quality merchandise at reasonable prices. Deliveries improved slightly and were well above the 1946 level.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index for the week ended March 15, 1947, increased by 10% above the same period of last year. This compares with an increase of 9% in the preceding week. For the four weeks ended March 15, 1947, sales increased by 8% and for the year to date by 13%.

Retail trade in New York City last week reflected improvement as consumers' purchases of spring ready-to-wear apparel and accessories increased. Estimated volume of department store sales for the week ended march 22, was approximately 8 to 10% above that of a year ago.

Renewed attempts were made last week by durable goods producers to hold the line on prices against upward tendencies in raw material markets.

It is reported that garment cutters are displaying great caution in their commitments for fall woolen goods. Some protest on types and prices of third quarter allotments of rayon goods to converters was evident the past week as converters are beginning to experience difficulties in disposing of finished goods. It is also understood that buyers in the market are seeking spring coats, suits and dresses at off-prices, particularly for basement and budget departments.

According to the Federal Reserve Board's index, department store sales in New York City for the weekly period to March 15, 1947, increased 10% above the same period last year. This compared with an increase of 8% in the preceding week. For the four weeks ended March 15, 1947, sales rose 7% and for the year to date increased to 14%.

World Wheat Parley Opens in London

The International Wheat Conference opened at London on March 18, with delegates of 40 nations assembled to endeavor to draw up an international wheat agreement. Soviet Russia was not represented, Associated Press advices from London stated. The major objectives of the agreement, as outlined by the International Wheat Council, are:

Equitable international wheat prices fair to both consumers and producers.

Adequate wheat supplies for world consumption at all times.

Establishment of wheat reserves through national stocks to insure against crop failures, famine and other contingencies;

Avoidance of the accumulation of burdensome wheat surpluses;

Security for efficient wheat producers;

Encouragement of the use of areas unsuited to wheat production for more suitable products;

Increased opportunity for satisfying world wheat requirements from sources from which such requirement could be supplied most effectively;

Promotion of increased wheat consumption, paying attention particularly to the nutritional program of signatory governments.

The conference at its opening was addressed by Food Minister John Strachey of Great Britain, which is sponsoring the parley. Mr. Strachey told the delegates, according to the same advices, that "one of the facts which we have to deal with is that few, if any, Governments today are willing to allow their agriculture to be at the mercy of the unregulated forces of supply and demand in an uncontrolled world market."

The conference appointed a steering committee of the five original members of the International Wheat Convention—the United States, Canada, Australia, the United Kingdom and the Argentine — and delegates from France, India, Belgium, The Netherlands, Poland, China, Denmark, Egypt and Brazil.

The committee voted that all sessions are to be closed.

The United States delegation, appointed by President Truman, is composed as follows, according to a State Department announcement on March 10:

Chairman: Leslie A. Wheeler, Director, Office of Foreign Agricultural Relations, Department of Agriculture.

Delegates: Carl C. Farrington, Assistant Administrator, Production and Marketing Administration, Department of Agriculture, Edward G. Cale, Associate Chief, Division of International Resources, Department of State; Paul O. Nyhus, Agricultural Attache, American Embassy, London.

Secretary: Oscar Zaglits, Economist, Office of Foreign Agricultural Relations, Department of Agriculture.

Buenos Aires Dollar Bonds to Be Redeemed

Holders of 4¾%-4⅞% external readjustment sinking fund dollar bonds of 1935, due April 1, 1976 of Province of Buenos Aires, Argentine Republic are being notified that $52,500 principal amount of these bonds will be redeemed on April 1, 1947 through the sinking fund at par. Redemption will be made at the head office of The National City Bank of New York or at the principal trust office of The Chase National Bank of the City of New York.

Urgent Changes Needed in Federal Tax Laws

(Continued from first page)

when a complete overhauling is possible?

I believe we should reduce taxes now to the greatest extent possible; that we should carefully limit expenditures for national security without weakening our position in world affairs; that other government spending be kept at a minimum and the expanded administrative agencies of the government should be reorganized to reduce them to size consistent with peacetime operations; that provision should be made now for some reduction in public debt; and that in all respects we should make the most efficient use of our tax money.

We do not know definitely what expenditures our new position in world affairs will require either in the near or distant future. We do know that most, if not all, Americans want to remain strong in a military sense so as to give authority to our efforts at world peace. Taxes to raise carefully planned expenditures for both of these purposes will be borne cheerfully by rich and poor alike. But to most of us, in time of peace—even though it be precarious peace—it seems essential that there be (1) joint planning by both arms of the service and (2) close cooperation between industry and government in research affecting national defense, in order that the most efficient use of military appropriations may be made.

We are now in the 19th month after V-J Day. We have a high level of employment. In almost every industry there is a strong demand for maximum production. National income is high. It was recently admitted that tax receipts and expenditures had been underestimated for the fiscal year 1947 and we will probably have a surplus instead of a deficit of more than $2 billion. Progress has been made, despite labor troubles, toward the reconversion of industry to a peacetime basis.

Except for repealing the excess profits tax, however, we have made little progress in revising our tax structure and the present rates approximate wartime levels. From all quarters there are expressions of opinion that the continuance of high taxes on individuals is destroying incentive, preventing the formation and use of risk capital, and weakening what would otherwise be a healthy and vigorous economic system. There are those who feel that the high rates, to some extent, are inflationary. There are others who insist that high rates "impede the full operation of the productive forces in the economy" and they point out that even the President has said the long-run tax program must provide incentives for a high level of production.[1] We all know that industry has had to pay higher salaries and wages to keep competent officers and employees since taxes take such a large portion of their compensation. In some instances, men have refused to take honestly earned income because of the high rates. We have also seen that high tax rates encourage the absorption of small business units. Rather than continue to pay high taxes on salaries and dividends, some owners have taken the benefit of the lower capital gains rates by selling out to larger business units.

I am impressed by all of these facts and opinions particularly since we have seen how difficult it is to revive business after a recession sets in. Realizing that we are in a field of guesswork—*estimated* national income and *estimated* expenditures—if we believe in a system of free enterprise, it is inescapable that we should err, if at all, on the side of giving the maximum, rather than the minimum, encouragement to business by lowering tax rates at once. Also 40% of public debt was retired in a period of low taxes after World War I.

Individual Taxes

How should individual taxes be reduced? One way would be to start with the rates that are the most confiscatory, namely, the high surtax brackets. If a man earns $44,000 of net income today the surtax bracket is 68% and for every dollar above that amount the government takes more than two-thirds in taxes. Even at $18,000 a year the surtax rate is 50%. In 1939, the surtax rate on $44,000 was only 24% and on $18,000 it was 11%. It is obvious that these high rates adversely affect the managers of business, the highly skilled, the inventive, those who might engage in business ventures of their own if enough were left after taxes.

Objection has been made that reduction in the most confiscatory rates would leave taxes on other incomes much higher than before the war. Taxes may never get back to prewar levels either for the low income group or others. It is no objection, therefore, that any suggested reduction leaves either group relatively worse off than before the war. Even 20% leaves an $18,000-a-year man in a 40% instead of 50% bracket—nearly 4 times the 1939 rate.

Another way of reducing taxes would be to start with the low income groups and increase the exemptions and credits. Two objections to this course have been suggested. First, the tax base and number of taxpayers is so greatly affected by even a small increase in exemptions that the revenue loss would preclude any further relief and might force an increase in rates even in the lower brackets. Secondly, it is pointed out that increased pay demands to some extent have covered the tax withheld from wage earners, so that the tax in the lower brackets has really become a tax upon business and employment paid by the employer in the form of higher wages.[2]

I believe that the only fair method at the present time, until reductions in the budget will permit complete revision of tax rates, is to adopt a percentage reduction in all individual income tax rates. This reduction should be the highest amount that can be supported in view of receipts and budgeted expenditures, whether it be 20%, 15% or less.

Corporation Taxes

As to corporate rates, although they are high compared to prewar rates, downward revision and a consideration of relief from double taxation of corporate earnings probably should await further reductions in the budget.

There are a number of technical changes affecting corporations, however, which should be made immediately. The penalty tax on consolidated returns seems unjustifiable. If a group of corporations constitute a business unit, they should not be penalized for reporting as a unit. Moreover, the tax on intercorporate dividends should be eliminated. This form of double taxation has little to recommend it.

Congress should also correct the effort of revenue officials to establish a rule-of-thumb as to how much in corporate earnings may be retained for reasonable needs of the business. A change in the 1943 corporation return form requires specific statements of reasons for retaining corporate earnings in excess of 30%. This requirement is of doubtful validity, particularly in the case of publicly-held corporations. Congress should make it clear, however, that it is not impliedly approving the rule by enacting a revenue legislation after the adoption of such a requirement, there is no intention of giving the Commissioner's rule the force of law.

Perhaps more drastic changes should be made in the Section 102, such as placing on the Commissioner the burden of proof as to improper motives where publicly-owned corporations distribute less than 70% of their earnings. The decision of directors of public corporations as to the amount of earnings needed for use in a business, should be given more weight than an arbitrary formula adopted for the convenience of revenue officials.

Technical Changes

There is urgent need for a thorough overhauling of the technical and administrative provisions of the law.

The latest complete revision was in 1942. Since the 1942 Act it has become apparent that some of its provisions were poorly conceived and too hastily enacted. The efforts to close some of the so-called loop-holes produced unforeseen complications. Some relief provisions have proved illusory, defective or too complicated.

In addition, court decisions and changes in administrative policy have created new complications. The clear principles of yesteryear are the harassing uncertainties of today. There is little hope for the temporary clarification which sometimes came from Supreme Court decisions. That Court, apparently annoyed by tax cases, has shut off some appeals by giving finality to lower court decisions. One result is that conflicts have been perpetuated and intermediate appellate courts are sometimes helpless to correct erroneous decisions.

Following are some of the needed technical changes:

Unequal treatment of capital gains and ordinary income: There should be a narrowing of the difference in the treatment of capital gains on the one hand and earned income on the other. The high rates applicable to earned income throw a heavier tax burden on the person performing services than on the person who has capital invested and who can live on the gains from sales of property held for six months or more. Under present tax rates $100,000 of income from capital gains bears a tax generally at a rate of 25%, whereas $100,000 of ordinary income throws the earner into a surtax bracket of more than 80%. The discouraging effect of this on the person earning money by his brain or his hands is unfortunate. I am not suggesting an increase in the capital gains rates. Perhaps they should remain as they are, or even be modified to promote turnover and permit sales of property held for long periods of time. So long as high surtax rates continue, however, the tax system seems to work adversely on those who earn their livelihood by their hands or brains.

Employers' Stock Purchase Plans: It should be possible for business enterprises to furnish incentive to employees by providing them with an equity interest in the corporation. At the present time a sale of shares to employees at less than current market prices incurs the risk of immediate taxes on the difference between the value of the stock and the purchase price.

Employees should be permitted to receive shares subject to some limitations, without paying any tax until the shares are sold. At that time a determination could be made as to the portion of the total receipts which should be taxed as compensation, and the portion which should be treated as capital gain arising from the increment in value after acquisition by the employees. If there was no spread between the purchase price and value when issued to the employee, no part of the proceeds of sale should be taxed as compensation. Special provision might be made for the "spread" cases in which employees hold shares until death. Taxing the compensation element when shares are sold seems preferable to the intolerant situation now existing which results in taxes being imposed at the time of purchase wherever there is a spread between purchase price and value.

Tax Provisions Relating to Trusts: There is need for correlation of the income, gift and estate tax provisions relating to estates and trusts. Although clearly inter-related these provisions were enacted without regard to each other. Judicial decisions have extended some of the statutory provisions beyond their intended scope, adding to the confusion. In the absence of legislative definitions, the Treasury has recently adopted specific rules which many believe can properly be given effect only after Congressional action.

Today a donor may make a transfer in trust and be subject to gift taxes. Despite this, he may also be taxed on the income paid to the beneficiaries and, in addition, the entire corpus of the trust may be includible in his estate at his death.

Revision of the law is needed along the following lines:

(1) Congress should define the transfers in trust which are subject to gift tax.

(2) If the transfer is subject to gift tax, the income should not be taxed to the donor, and generally the property should not be subjected to estate tax.

(3) Congress, not the Treasury or the courts, should define the circumstances in which the income of term trusts or trusts over which the donor retains control should be taxed to the donor. Gift taxes should not be imposed on such transfers but they might be subjected to estate tax.

(4) The retention by the donor of a reversion or mere possibility that the property will revert to him should not subject the estate of the donor to any estate tax on a greater amount than the value of that possibility.

Life Insurance: At the present time irrevocably assigned life insurance policies in which a decedent has no property interest are taxed as part of his estate to the extent that he paid the premiums during his lifetime. The donor would be subject to gift taxes on the assignment of the policy and on the amount of premiums. There is no good reason for according such harsh treatment to a widely used method of providing for one's dependents. Insurance policies should not be subjected to estate tax unless the decedent possessed incidents of ownership such as the right to change the beneficiary.

Employees Pension and Annuity Benefits: There is urgent need for revision of the tax treatment of pension and annuity benefits under qualified pension plans.

Under most of these plans, the employee who becomes entitled to a pension on retirement may elect to receive a reduced pension for his life and may designate his widow or dependent as one to receive benefits after his death.

The tax results which may possibly follow from this wise move may be disastrous. They are as follows:

(1) The employee may be subject to gift tax if he irrevocably designates his widow as the beneficiary to receive an annuity after his death.

(2) The employee, after recovering his own contribution during the first years after retirement, is subject to income tax on the amount paid him as a pension. His widow likewise pays income tax on what she receives.

(3) On the death of the employee the value of the widow's annuity computed on the basis of her expectancy, may be taxed as part of the deceased employee's estate.

The gift and estate tax burdens in such cases seem particularly harsh. The employee never really has any property to give away or to leave as part of his estate. He can make no provision for gift or estate taxes except out of other property. The liquid assets of some estates will be exhausted by the estate tax on the widow's annuity. Her annuity will cease when she dies. The combined gift, estate and income taxes may be several times the amounts actually received by the widow.

It is suggested that—

(a) The employee be allowed a current deduction for his contribution to a qualified pension plan.

(b) No gift tax be imposed when he designates a beneficiary to receive benefits after his death.

(c) No estate tax be imposed on the value of such annuities.

Improvement in Administration: With the prospects of continuing high taxes, all taxpayers have a greater interest than ever before in a consistent and practical administration of the statute by revenue officials.

Competent career men should be selected for positions of responsibility and given ample authority free from political pressure. They should be backed up in every decision they make which results in quick and efficient disposition of the numerous complex and difficult questions that may arise in connection with tax matters. We need more courageous government officials who will dispose of the matters before them honestly, courageously and fearlessly, convinced that it is better in the long run for the government to get a fair tax than it is for both parties to be litigating endlessly. Administrative costs can be reduced if we can find that type of official and encourage him to stay in the government service by ample compensation with freedom from any fear as to his position.

1 Committee on Postwar Tax Policy release, Feb. 10, 1947.

2 Leffingwell, Trade and Taxes After the War, Feb. 12, 1947.

ABA Reports 229 New Members

During the first six months of the current association year, ended Feb. 28, there were 229 new member banks enrolled in the American Bankers Association, according to a semi-annual report by Max Stieg, Chairman of the ABA Organization Committee, and cashier of the Dairyman's State Bank, Clintonville, Wis. It is pointed out that this record of better than one new member bank each day is substantially above that of the similar six months a year ago, and brings ABA membership to more than 96% of all of the banks in the nation, representing more than 99% of total banking resources. The ABA advices made available March 4, also said:

"During the six months beginning Sept. 1, 1946, and ended Feb. 28, there were 189 banks and 40 branches which became members of the Association, compared with 125 banks in the six-month period a year ago. Chairman Stieg said that ABA membership increases are encouraging, and he praised particularly the work which has been done in Georgia where the ABA membership percentage advanced from 86 to more than 96% through securing ABA memberships from 38 banks. In making this record ABA State Vice-President Sherman Drawdy carried on a vigorous campaign which included a 1,000-mile auto trip and the cooperation of leading bankers in his state. Mr. Drawdy is President of the Georgia Railroad Bank & Trust Company, Augusta, Ga. and immediate past President of the Georgia Bankers Association.

Democracy in Industrial Relations

(Continued from first page)

vast and intricate that it required much greater control and direction of the national economy than we had ever experienced in the past. Yet the measures which we adopted and the methods which were used owed much of their success to the very fact that they did reflect both unity of purpose and faith in the free American way of life.

The period of reconversion, with all its trials and difficulties, called for a basic decision. The government and people of this nation faced a choice between continuing war controls and resuming the free pattern of life. In many respects, and especially in the field of labor relations, that was not an easy choice. But I am convinced, and I think the record proves beyond a doubt, that the return to free collective bargaining was a wise one—the only choice for a nation conceived in liberty.

I certainly need not remind this audience that the problem of industrial relations is fundamentally a problem of human relations. And by the same token, laws which seek to regulate or control this relationship should not neglect or overlook this fundamental aspect.

Huge Production Potential

I mean to discuss some of these proposals with you, but first I want to set in true perspective certain important facts. One of the most outstanding is the immense productive capacity which this nation has developed. America at war was able to maintain production for civilian needs at record levels and also turn out war materials with an annual value exceeding 60 billion dollars. America at peace is moving toward an era of unprecedented output.

This huge production potential, enlarged by technological advances already under way, points to higher levels of living than we have ever known. The great task that lies before us is to achieve an economic balance and stability which will promote the wise use of all our resources in men, materials and machines.

If that achievement is to be of lasting benefit—if it is to endure down through the years—it must have as its basis the American ideal of a free democratic economy—free for management to exercise its natural function, free for labor, so that all who are willing and able to work can find jobs under satisfactory conditions. By definition this excludes abnormally long hours of work or wage scales that impose substandard living conditions. It demands a firm basis of mass purchasing power among the nation's wage and salaried workers — since these groups comprise such a large segment of our economy.

Put in this way, the problem seems simple, but in reality any program which seeks a sound economic balance must reckon with other less tangible factors. Some of these factors are still not clearly understood, some of them are deeply rooted in the habits and customs of our people. The decisions which we reach and the programs which we adopt must fit the pattern of a free society.

Department of Labor Approach

That is how the Department of Labor approaches its tasks and that is how I shall approach the subject of industrial relations and legislation bearing upon it.

I cannot escape conviction that the best attitude is one which asks:

(1) How will this proposal affect the well-being of the American people?

(2) Will it help us to achieve and maintain economic stability?

(3) Will it encourage full production and employment and the widest possible distribution of goods and services?

(4) Will it improve the relationship between labor and management?

(5) And finally, does it jeopardize the basic freedom upon which our democracy rests?

I believe that the great majority of Americans would endorse that approach. But perhaps a good many of them might be inclined to wonder just what such questions have to do with proposed labor legislation. Most of the proposals now before Congress have to do with some phase of collective bargaining—and collective bargaining is now an integral part of our industrial structure.

Today some 50,000 union contracts affect the welfare of 15 million workers and their families. The agreements which are reached are not only bread-and-butter contracts to millions of wage earners. They also affect the profits of industry, the volume of consumer purchasing power and other factors that can stimulate or retard the smooth functioning of our economy.

In other words, collective bargaining today offers labor a voice in determining the shape of our economy. And this new role begins at a moment in history when our nation has proved that we can produce an almost unbelievable flow of goods and services—provided we can reach an economic balance which will ensure full and continued distribution.

Wage and Price Adjustments

It is common knowledge that much of the labor legislation which is before Congress was offered as a means of curbing labor and "restoring equality" at the bargaining table. Are such "curbs" needed to give us a better economic balance? Is there a real danger that labor, through collective bargaining, will demand and get too large a share of the national income? A share so large that industry could not function successfully?

This involves a question around which most of the debate between representatives of industry and labor has been waged. Each side in this debate has employed economists. These economists have made studies, have issued reports, the American public has been deluged with figures, all of which has resulted in confusion, disputes and strife. I am not an economist. However, it seems to me that the problem is of such a nature that one need not be an economist in order to arrive at a correct conclusion concerning the issues. I think the most important thing is that those who attempt to reach a correct conclusion be not special pleaders for either side of the controversy. The labor economists say that with living costs increasing, wage increases are necessary in order to maintain the standard of living of the American workers. No thoughtful person can combat the correctness of that position. On the other hand, the economists for industry say that wages form an important part of the cost of production. Therefore any wage increase must be reflected in the price of the products produced by those who have secured a wage increase. No thoughtful person can combat that philosophy. Therefore, what do we have? A constantly increasing spiral of wages and prices from which nobody benefits. The editors of our papers and of our magazines, most of our commentators and columnists, have argued that there is a very simple answer which should be recognized by labor. That is, that labor should realize that any wage increase simply reflects in a higher price for the products of labor and that therefore labor should be satisfied and desist from making demands for increases in wages. What these gentlemen neglect to say is that industry also should recognize that with every price increase there follows as a necessary corollary a further demand for wage increase. Therefore the value of price increases is only temporary and ephemeral. What both industry and labor should understand is that ultimately they together are going to price the products which they produce out of the market, which will be a disaster not only to each of them, but to our whole national economy.

The President's Council of Economic Advisors and President Truman's Economic Report to the Congress had this to say concerning it:

"Chief among the unfavorable factors is the market decline in real purchasing power of great numbers of consumers . . .

"If price and wage adjustments are not made—and made soon enough—there is danger that consumer buying will falter, orders to manufacturers will decline, production will drop, and unemployment will grow."

This is another way of saying that our free nation cannot keep the balance sheet of industry in the black if the balance sheet of labor is in the red. Look, for example, at what has happened since V-E Day to the buying power of factory workers who represent about 30% of all workers who are not on farms.

Moreover, the financial news indicates that management itself is concerned over this same situation.

There is one further point I wish to make before discussing specific labor legislation. The Department of Labor has consistently maintained that this whole question of labor-management relations and legislation bearing upon it cannot be treated as a thing apart. We must never forget that industrial strife is a symptom of basic economic maladjustments. Therefore, legislation designed to promote industrial peace must also be geared to the larger national purposes which seeks increased security and well-being for all of our people.

Position on Restrictive Legislation

I have not taken the position, nor do I take the position, that I oppose every piece of legislation which attempts to restrict the activities of labor unions. The organized labor movement in the United States has grown by leaps and bounds in the last 10 years. It is but natural that such rapid growth would bring with it abuses which, if the labor movement is not willing to correct, the Government must correct. Certainly the employer and the public should not be penalized by the inability of labor unions to agree as to which union has jurisdiction in a certain plant or factory or industry. In 1934 we in the Congress passed the National Labor Relations Act which gave to labor unions the machinery by which it could be determined what was the proper bargaining agent for the employees of any employer. Organized labor hailed this Act as its Magna Carta. It should be compelled to use the Act and to accept the decisions of the National Labor Relations Board, not only in reference to disputes between employers and workers, but also in reference to disputes between the various branches of organized labor. Particularly, as the President pointed out in his State of the Union message, labor should be prevented from using the secondary boycott as a device to thwart the decisions of the National Labor Relations Board. With the growth of the labor union movement, it is certain that unions should be compelled to make public their financial transactions. As a matter of fact, most of the unions do this already.

A study made by the Labor Department shows that amoung 25 international AFL organizations, 22 provide for regular reports on finances either directly to the local unions or to the union's convention and three provide for regular publication of fiamncial reports. Of the 36 CIO international unions, 31 provide for regular financial audits by a certified public accountant. Thirty publish financial reports available to anyone and five provide for financial reports to local unions or to members.

I agree also that labor unions should be made subject to suit in the event of violation of contract upon their part. The fact is that in 35 of our 48 States, they already are subject to such suits, both in the State Courts and the Federal Courts. The only objection I have taken to the legislation proposed on this point is that it is so designed as to set labor unions apart from everyone else or from every kind of organization in the country by allowing suits in Federal Court, regardless of the amount in controversy and in defiance of the constitutional provisions that jurisdiction of such private suits in Federal Courts shall be limited to those controversies in which there is a diversity of citizenship as between the parties.

Creation of a Medation Board

There are several bills before the Congress which feature the creation of a medation board. Some would set up a board outside the Department of Labor; others would set up a medation board within the Department but would make the board practically independent and give to it the work of conciliation and mediation now being carried on by the Labor Department's Conciliation Service.

I am opposed to these measures because I do not believe that either approach will promote industrial peace. There are several compelling reasons for my conclusion.

The establishment of such a board would interfere with and disrupt not only the work of the Conciliation Service, but a much larger area of voluntary collective bargaining between labor and management.

Inevitably, both sides would tend to carry important issues directly to the board without making any serious effort to reach a voluntary agreement among themselves. During the war we saw this happen time and time again—the parties were so anxious to have "their dispute" reach the National War Labor Board in Washington that in thousands of cases the preliminary negotiations were little more than a dress rehearsal for the big scene in Washington.

That is one of the reasons why the National Association of Manufacturers, the U. S. Chamber of Commerce, the American Federation of Labor, and the Congress of Industrial Organizations all strongly opposed the creation of a mediation board.

And these four groups know the value of the U. S. Conciliation Service because they have had a great deal of experience with it. Last year, for instance, Commissioners of Conciliation aided in the peaceful settlement of 13,000 industrial disputes. What's more, in 90% of the disputes where Commissioners were called in before work had halted, no stoppage occurred.

Last year our Conciliators also helped settle 3,400 strikes. Nearly two-thirds of these had begun before either side asked the Service to step in.

Moreover, as you know, all of these settlements were reached by voluntary methods, carried on with the friendly help of an impartial "moderator."

I am convinced that we would be very unwise to jeopardize or by-pass this highly useful machinery in order to set up a mediation board. But there is another reason why such a board would fail of its purpose. The solution of labor disputes is such a many-sided and complicated task that no board—regardless of the character, ability and experience of its members—would have the necessary background to mediate the enormously varied range of disputes that arise along our industrial front.

Industry-Wide Bargaining

Now let us examine a very different set of proposals—those designed to prevent industry-wide bargaining or to enact other restrictions which will limit the scope of a given union agreement within an industry. We here on the West Coast have had considerable experience with agreements of this sort. We know how flexible such contracts are and what a wide range of problems and conditions they are designed to meet. And I believe most of you share my belief that these bargaining systems have helped bring stability into industrial relations and that they indicate maturity of development.

The avowed purpose of limiting proposals is two-fold. They seek to prevent complete or widespread shut-downs as the result of a labor-management dispute; and they seek to protect employers within an industry from the economic pressure which unions might otherwise be able to exert.

So far as the first purpose is concerned, I see no reason to suppose that a ban on industry-wide bargaining will achieve it. Witness the fact that there was no industry-wide contract in steel when the industry was sharply curtailed early in 1946. Nor would such a prohibition cope with the problems raised by disagreements affecting such public utilities as gas, light or local transportation companies.

In this connection, I would like to cite a study recently made by the Bureau of Labor Statistics entitled "Area of Bargaining with Associations and Groups of Employers." This compilation shows the important industries which now bargain on a national or industry-wide scale, those which bargain by geographic or regional areas and those bargaining within a city, county, or metropolitan area.

The study clearly indicates that proposals which would narrow the scope of bargaining, either within an industry or a geographic area, would also disrupt established procedures in such industries as glass and glassware, dyeing and finishing textile, hosiery, lumber, maritime, metal mining, rubber, men's clothing and women's clothing, paper and pulp—to name only some of the more important sectors. In most of these industries area-wide bargaining has worked very well and employers themselves are not desirous of a change.

As I look back over the troubled period of reconversion, I find little reason to think that these proposed limitations would have contributed anything substantial toward industrial peace.

This desire to localize negotiation seems to rest somewhat on the belief that both sides are more apt to reach a peaceful settlement under such conditions. My experience since V-J Day does not bear this out. Time after time when local union committees and their employers were deadlocked, I have called upon the heads of international unions, and they were able to reach a settlement.

Regarding the second purpose—to restrict the economic power of unions at the bargaining table—I can see no justification for this approach unless it can be demonstrated that labor is receiving a disproportionate share of the national income. To date, I have seen no evidence to support this view.

Labor's Infringement on Management

In this connection, it is only fair to say that some employers feel that organized labor now threatens management's "right to manage." While I do not question the sincerity of this viewpoint, I do believe that such fears are based upon a lack of real familiarity with the collective bargaining process. Because of the increase in union membership during the war and because of changes in union and business management, many representatives of both groups got their first taste of free collective bargaining in the last year.

Undoubtedly there were instances where one side or both took extreme positions, but I do not think this fact warrants any curtailment of the sort proposed. Moreover, I am convinced that these limitations would encourage further strife. It is significant, too, that the trend of successful bargaining has been to increase the range of subjects which are open for discussion. For example, many employers who once objected to discussing anything but wages and hours, have found by experience that grievance machinery, safety and health and other matters are proper subjects for collective bargaining.

Witness, also, the recent letter which President Truman received from the Advisory Board of the Office of War Mobilization and Reconversion. Discussing a report on the guaranteed wage, the Board unanimously concluded:

"Adoption of guaranteed wage plans should not be the subject of legislative action, but should be referred to free collective bargaining. . . .

"Stabilization of employment and its effectuation through wage or employment guarantees, wherever possible, are matters of mutual concern to employers and employees. Each party has the definite responsibility of seeking to stabilize operations within a plant or industry in order to advance the level of general economic security of the nation. . . ."

"Closed Shop" Proposals

Another group of proposals is aimed at the closed shop and kindred forms of union security. By forbidding any contract which makes membership or nonmembership in a labor organization a condition of employment, these bills presumably would outlaw the closed shop, the union shop, maintenance of membership and possibly preferential hiring.

As of last April, 77% of the workers in this country who belonged to organized labor and worked under union contract would have their status changed by these bills. Here are the figures, by type of agreement:

Closed Shop	30%
Union Shop	15%
Maintenance of membership	29%
Preferential hiring	3%

Neglecting other considerations, it is plain that such proposals would open the doors to prolonged industrial chaos in America. Union security is the very heart of these contracts. In many cases these security provisions were won after long struggles and against the bitterest opposition from open shop employers. Given this historical background, and the undeniable fact that some employers still are anxious to get rid of unions, I do not see how a ban on union security could fail to provoke industrial strife.

But I also know that many employers, after direct and long experience with union security clauses, found that they were desirable and would object seriously to any legal ban on such provisions.

Let me be more specific and cite some definite examples. The National Foremen's Institute, Inc., an advisory service on labor matters for employers, recently surveyed the attitude of 1,000 companies that have some form of "closed shop." The Foremen's Institute reported—in some astonishment—that nearly one-fifth, 19.2%, of those employers believe that closed shop contracts made for better relations between employers and employees. Less than 15% reported that union security clauses had worsened labor relations in their plants. The remainder, almost two-thirds of the employers, could see little difference one way or the other.

In case you think the Foremen's Institute poll was not typical, let me refer you to a very recent issue of "Business Week." This magazine sent its reporters to interview businessmen on this subject. Altogether, their reporters talked to employers who manufactured just about everything from aircraft to razor blades. Each one had some form of union security—and what was the result?

Fifty-eight percent said that the effect of such elimination would be bad for management.

There is one particular reason why many businessmen should prefer some form of union security. So far as I know, every authority in the field of industrial relations favors the inclusion in labor contracts of provisions for handling grievances.

As some of you will recall, there was no dispute at the President's Labor-Management Conference on Industrial Relations in November, 1945, on this question. Enlightened labor unions have come to recognize through experience the necessity of including in their contracts sound provisions for the settlement of minor disputes — even up to the point of providing a terminal point in the form of arbitration or an umpire system where disputes within the operation of the contract can be decided. These are the day-to-day disputes, the inevitable frictions that are bound to arise where men work together. In the overall scheme of things, any single one may be unimportant. But unless they are handled properly, they breed discontent and frictions which in a short time would break down good industrial relations.

I doubt if you could find a management representative who is active in the field of labor relations who would question that conclusion. Now, if through a ban on union security, a substantial proportion of employees in any establishment would fall outside the union which has done the bargaining and would be compelled to deal individually on every grievance, the most substantial advance that has been made in industrial relations in many years would be lost.

Democracy in Unions

The question of democracy in unions is another case in point. Of course, the affairs of unions should be conducted democratically. And this does not always hold true. Yet here, as in every other phase of human relations, the preponderance of evidence must be given great weight. My own experience and observation leads me to conclude that union rules and practices are not behind other segments of American life in the practice of democracy.

In this connection, let me cite a recent article by Joseph Shister of Yale University. Entitled "The Locus of Union Control in Collective Bargaining," the article appeared in the "Quarterly Journal of Economics" for August 1946.

One of the points which the author makes in his summary and conclusions is of particular interest. I quote:

"The ultimate control over collective bargaining in most unions does rest with the rank and file. . . True, the full power of settlement is sometimes vested in the negotiators, but the significant point is that this power is voluntarily entrusted to the leaders by the rank and file in most instances. It is true further, that (especially in national negotiations) the actual control over the bargaining—in practice—rests with a small subcommittee of the negotiating group. But here again the condition has been brought about by necessary structural conditions, and was not imposed on the rank and file by leadership."

National Labor Relations Board

A third group of legislative proposals revolve around amendments to the National Labor Relations Act. In general, these bills would "equalize bargaining power" and seek to discourage strikes by depriving workers of certain rights they now have under the Act.

Passed in 1935, the Wagner Act has been attacked and defended in court and out. As you recall, its constitutionality was upheld by the Supreme Court early in 1937. During the next ten years a great body of law has been developed in interpreting the Act and its meaning. In many respects the provisions of this law are enmeshed with the collective bargaining process itself and it is very difficult to know just how far-reaching any given change might be. So much is involved, including the attitudes of many employers, when and if a new power equation is created. Therefore I have strongly urged the Congress that this whole question be made the subject of a special study by a Commission, as the President recommended in his State of the Union Message.

It goes without saying that such a study should look closely into the basic causes of labor disputes. And I would further recommend the kind of approach that I have indicated, paying close attention to the real goal this nation seeks in the years ahead—secure abundance in a world at peace.

Compulsory Arbitration

Right here I would like to add a word or two about compulsory arbitration. To some people this looks like a fair and simple solution to the strike problem. But let me remind you again—if compulsory arbitration is to succeed in eliminating walkouts and lockouts, it can only do so by abolishing or restricting the right to contract.

Compulsory arbitration simply means that the Government writes a contract for the parties. Proponents of such legislation seem to believe that Government intervention would apply primarily to wages, perhaps even to hours, but not much else because they hold that these are the most frequent matters in dispute. But many labor agreements contain numerous detailed provisions concerning working conditions, safety measures, benefits and grievance procedures. Disputes can and do arise over these matters. The arbitrator, if the dispute is to be settled must arrive at a just and equitable settlement. Those who are most strongly opposed to Government control and planning have not been slow to point out the impossibility of Government effectively regulating the infinite details of economic activity.

The principle of compulsory arbitration does violence to our whole Anglo-Saxon concept of law. Many people say that it is customary under our system when two people have a dispute to take that dispute into Court and let the Court decide which side is right and which is wrong. So far as contractual relations between parties is concerned, it has never been within the purview of the Court's power to write contracts for people. Once contracts have been written and agreed upon the Courts will interpret and enforce them, but no Court has attempted to write contracts. That is what those who advocate compulsory arbitration would have the Board of Arbitration or a Court do for the parties. It must also be realized that if an arbitrator writes a contract which, by increase in wages or by any other device, increases the cost to the employer, it will then be necessary for the arbitrator or for some governmental agency to determine what price the employer may charge for the products which he manufactures and sells. Just as sure as night follows the day the second step must follow the first. The Government cannot control the industrial relations side of the problem without controlling all of the other steps and the manufacture, distribution and sale of the goods produced. Therefore, those who unwittingly believe that there is a simple answer through the medium of compulsory arbitration have not looked further down the road which must be followed if such compulsory arbitration is to be effective. I don't think the American people want such a planned economy as the compulsory arbitration proposal would require.

Both management and labor oppose such an extension of control for they know that if a free enterprise economy is to be preserved, the terms of labor-management agreements should not be dictated by Government. This relationship touches the most vital activity of an overwhelming majority of our adult population. Freedom to contract in the sense that parties are free to refrain from entering into contracts, even where public policy requires the setting of some of the terms, is basic to the preservation of a free society.

My position on certain boycotts and other unlawful combinations should be well known. As President Truman said in his State of the Union Message, the use of the secondary boycott to further jurisdictional disputes or compel employers to violate the National Labor Relations Act is indefensible. But as the President's recommendation pointed out, not all secondary boycotts are unjustified. He carefully distinguished between boycotts intended to protect wages and working conditions and those in furtherance of jurisdictional disputes.

The bills dealing with this subject go far beyond the President's recommendation. They are aimed at all boycotts. I strongly urge that legislation dealing with this matter be so drawn as to come within the purview of the President's recommendations.

The months that followed V-J Day were anxious ones for industry and labor. During the war, to a very large extent, the normal processes of collective bargaining had given place to patriotic sanctions, including the no-strike pledge and a wide range of wartime controls. Necessarily this meant that many problems were left unsettled and many questions remained unanswered.

When Japan surrendered, these old questions rose to plague us. But unless I am very much mistaken, we have come a long way since August 1945. Both labor and management have a much more constructive atitude. The nation has boldly reaffirmed its faith in freedom, its regard for human dignity and human rights. Let us keep these principles constantly before us as we move into the world of tomorrow.

Supreme Court Actions; Decision on Federal Worker with Communistic Sympathies

The following actions were taken by the United States Supreme Court on March 17, Associated Press Washington advices stated:

"A ruling that loans from the Farm Credit Administration must be repaid before other creditors receive anything from a borrowing farmer's estate;

"Refusal to review protests of a government employee discharged by the Civil Service Commission on the ground that he is a Communist sympathizer;

Refusal to rule on an employer's contention that the right of freedom of speech permitted him to express to his workers his personal views against a labor union;

Refusal to review the trial of a union strike picket who said that although charged with assult and battery he was actually tried as though the charge was treason against the United States."

Justice Wiley Rutledge delivered the Court's 8 to 1 Farm Credit decision, reading it for Justice Frank Murphy, the author, who was absent. The case was that of a claim filed by the government in Roberts County Court in South Dakota, asking $523 from the estate of William Buttke. The claim was based on loans made to him by the Farm Credit Administration in 1935. The Associated Press added:

The County Court denied preference to the claim, but allowed the government $79 as the pro rata share as a common creditor. The South Dakota Supreme Court upheld the County Court, leaving the Justice Department to appeal to the Supreme Court.

The Civil Service case was that of Morton Friedman, ousted from a job with the War Manpower Commission because of his activities with the American Peace Mobilization. The United States District Court in Washington had ruled that the Commission had a right to dismiss persons whose loyalty was in doubt, and in referring to the APM said there "were reasonable grounds to believe this organization was formed under auspices of the Communist party designed to influence the American people to oppose participation in the war against Germany. Within a month after the German invasion of Russia its name was changed to American People's Mobilization and then favored assistance to Britain and Russia in the war against Germany. The United States Court of Appeals had affirmed the District Court action. The United Public Workers of America (CIO) filed a brief with the Supreme Court urging a review of the case.

The case involving an employer's contention of the right of free speech was that of C. D. Beck & Co., of Sidney, Ohio, which asserted that its managing partner had the constitutional right to call the union a "racket," to tell employees that if they joined the union they were "sticking their necks out" and to urge them to go to a union meeting but to return with changed minds — when at the same time he told the workers the decision was up to them and if they wanted a union it was all right with him.

The case arose during the war while the company was making buses for the Army. The National Labor Relations Board had ruled it was an unfair labor practice barred by the Wagner Act.

The strike picket whose trial the Court refused to review was Charles Blue, who contended that during his trial, ending with a fine of $1,000 and a sentence of six months' imprisonment, his case was prejudiced by the conduct of the prosecuting attorney.

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)

1947 Daily Averages	U. S. Govt. Bonds	Avge. Corpo-rate*	Corporate by Earnings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus.
Mar. 25	122.24	117.40	122.29	120.22	117.00	110.34	112.75	118.40	121.04
24	122.24	117.40	122.29	120.22	117.00	110.34	112.75	118.40	121.04
22	122.27	117.40	122.29	120.22	117.00	110.34	112.75	118.40	121.04
21	122.24	117.20	122.29	120.22	117.00	110.15	112.56	118.40	121.04
20	122.24	117.40	122.29	120.22	117.00	110.34	112.75	118.40	121.04
19	122.24	117.20	122.29	120.02	117.00	110.34	112.75	118.40	121.04
18	122.27	117.20	122.09	120.02	117.00	110.34	112.75	118.40	120.84
17	122.27	117.20	122.09	120.02	117.00	110.34	112.75	118.20	121.04
15	122.27	117.20	122.09	120.02	117.00	110.34	112.75	118.20	120.84
14	122.27	117.20	122.09	120.02	117.00	110.34	112.75	118.20	120.84
13	122.24	117.20	122.09	120.02	117.00	110.34	112.75	118.20	120.84
12	122.20	117.20	122.09	120.02	117.00	110.34	112.75	118.20	120.84
11	122.20	117.20	122.09	120.02	117.00	110.34	112.75	118.20	120.84
10	122.17	117.20	122.09	120.02	117.00	110.52	112.75	118.40	120.84
8	122.17	117.20	122.09	120.02	117.00	110.52	112.75	118.40	120.84
7	122.17	117.20	122.09	120.02	117.00	110.52	112.75	118.40	120.84
6	122.20	117.20	122.09	120.02	117.00	110.52	112.75	118.20	120.84
5	122.14	117.20	122.09	120.02	117.00	110.52	112.75	118.20	120.84
4	122.20	117.20	122.09	120.02	117.00	110.52	112.75	118.20	120.84
3	122.20	117.20	122.09	120.02	117.00	110.52	112.75	118.20	120.84
1	122.20	117.20	122.09	120.02	117.00	110.52	112.75	118.20	120.84
Feb. 28	122.20	117.20	122.09	120.02	117.00	110.52	112.75	118.40	120.84
21	122.14	117.40	122.09	120.22	111.20	110.70	112.93	118.40	121.04
14	122.20	117.40	122.09	120.02	117.20	110.88	113.12	118.40	120.84
7	122.20	117.60	122.09	120.22	117.20	111.07	113.31	118.60	120.84
Jan. 31	122.08	117.40	121.88	120.22	117.40	110.88	113.31	118.80	120.63
24	122.39	117.60	121.88	120.43	117.40	110.88	113.31	118.80	120.63
17	122.24	117.40	121.88	120.22	117.40	110.70	113.12	118.60	120.84
10	122.17	117.20	121.67	119.82	117.20	110.52	113.12	118.40	120.43
3	122.14	116.80	121.25	119.61	116.80	110.15	112.75	118.00	120.02
Dec. 27, 1946	122.17	116.80	121.04	119.61	116.80	110.15	112.56	118.80	119.82
20	121.92	116.61	120.84	119.20	116.61	109.97	112.37	117.60	119.82
13	121.92	116.41	120.63	119.20	116.41	109.97	112.37	117.40	119.61
6	121.74	116.22	120.84	119.00	116.22	109.60	111.81	117.40	119.61
Nov. 29	121.55	116.22	121.04	118.80	116.02	109.60	111.81	117.60	119.61
Oct. 25	121.77	116.61	121.04	119.20	116.22	110.34	112.19	117.60	120.02
Sept. 27	121.08	116.61	121.04	119.00	116.61	110.15	112.37	117.80	119.82
Aug. 30	122.92	118.40	122.71	120.43	118.00	112.37	114.85	118.80	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
High 1947	122.39	117.60	122.29	120.43	117.40	111.07	113.31	118.80	121.04
Low 1947	122.08	116.80	121.04	119.61	116.80	110.15	112.56	117.80	120.02
1 Year Ago									
Mar. 25, 1946	125.67	119.82	123.99	122.50	119.41	114.08	117.20	120.22	122.29
2 Years Ago									
Mar. 24, 1945	122.19	115.04	121.04	118.40	114.85	106.39	111.44	114.27	119.41

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

1947 Daily Averages	U. S. Govt. Bonds	Avge. Corpo-rate*	Corporate by Earnings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus.
Mar. 25	1.53	2.78	2.54	2.64	2.80	3.15	3.02	2.73	2.60
24	1.53	2.78	2.54	2.64	2.80	3.15	3.02	2.73	2.60
22	1.53	2.73	2.54	2.64	2.80	3.15	3.02	2.73	2.60
21	1.53	2.79	2.54	2.64	2.80	3.16	3.03	2.73	2.60
20	1.53	2.78	2.54	2.64	2.80	3.15	3.02	2.73	2.60
19	1.53	2.79	2.54	2.65	2.80	3.15	3.02	2.73	2.61
18	1.53	2.79	2.55	2.65	2.80	3.15	3.02	2.74	2.60
17	1.53	2.79	2.55	2.65	2.80	3.15	3.02	2.74	2.61
15	1.56	2.79	2.55	2.65	2.80	3.15	3.02	2.74	2.61
14	1.56	2.79	2.55	2.65	2.80	3.15	3.02	2.74	2.61
13	1.56	2.79	2.55	2.65	2.80	3.15	3.02	2.74	2.61
12	1.56	2.79	2.55	2.65	2.80	3.15	3.02	2.74	2.61
11	1.56	2.79	2.55	2.65	2.80	3.15	3.02	2.74	2.61
10	1.57	2.79	2.55	2.65	2.80	3.14	3.02	2.73	2.61
8	1.57	2.79	2.55	2.65	2.80	3.14	3.02	2.73	2.61
7	1.57	2.79	2.55	2.65	2.80	3.14	3.02	2.73	2.61
6	1.56	2.79	2.55	2.65	2.80	3.14	3.02	2.74	2.61
5	1.57	2.79	2.55	2.65	2.80	3.14	3.02	2.74	2.61
4	1.56	2.79	2.55	2.65	2.80	3.14	3.02	2.74	2.61
3	1.56	2.79	2.55	2.65	2.80	3.14	3.02	2.74	2.61
1	1.56	2.79	2.55	2.65	2.80	3.14	3.02	2.74	2.61
Feb. 28	1.56	2.79	2.55	2.65	2.80	3.14	3.02	2.73	2.61
21	1.57	2.78	2.55	2.64	2.79	3.13	3.01	2.73	2.60
14	1.56	2.78	2.55	2.65	2.79	3.12	3.00	2.73	2.61
7	1.56	2.77	2.55	2.64	2.79	3.11	2.99	2.72	2.61
Jan. 31	1.57	2.78	2.56	2.64	2.78	3.12	2.99	2.71	2.62
24	1.55	2.77	2.56	2.63	2.78	3.12	2.99	2.71	2.62
17	1.56	2.78	2.56	2.64	2.78	3.13	3.00	2.72	2.61
10	1.57	2.79	2.57	2.66	2.79	3.14	3.00	2.73	2.63
3	1.57	2.81	2.59	2.67	2.81	3.16	3.02	2.75	2.65
Dec. 27, 1946	1.57	2.81	2.60	2.67	2.81	3.16	3.03	2.75	2.66
20	1.59	2.82	2.61	2.69	2.82	3.17	3.04	2.77	2.66
13	1.59	2.83	2.62	2.69	2.83	3.17	3.04	2.78	2.67
6	1.60	2.84	2.61	2.70	2.84	3.19	3.07	2.78	2.67
Nov. 29	1.62	2.84	2.60	2.71	2.85	3.19	3.07	2.77	2.67
Oct. 25	1.60	2.82	2.60	2.69	2.84	3.15	3.05	2.77	2.65
Sept. 27	1.65	2.82	2.60	2.70	2.82	3.16	3.04	2.76	2.66
Aug. 30	1.55	2.73	2.52	2.63	2.75	3.04	2.91	2.71	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	2.68	2.94	2.78	2.64	2.55
High 1947	1.57	2.81	2.60	2.67	2.81	3.16	3.03	2.76	2.65
Low 1947	1.53	2.77	2.54	2.63	2.78	3.11	2.99	2.71	2.60
1 Year Ago									
Mar. 25, 1946	1.36	2.66	2.46	2.53	2.68	2.95	2.79	2.64	2.54
2 Years Ago									
Mar. 24, 1945	1.65	2.90	2.60	2.73	2.91	3.37	3.09	2.94	2.68

*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.

National Fertilizer Association Commodity Price Index Declines Slightly

The weekly wholesale commodity price index compiled by The National Fertilizer Association and made public on March 24, declined to 199.3 for the week ended March 22, 1947 from 199.6 in the preceding week. This is the second consecutive week in which there has been a drop in the index. A month ago the index stood at 195.4 and a year ago at 144.4, all based on the 1935-1939 average as 100. The Association's report continued as follows:

During the week three of the composite groups in the index declined while four advanced; the other four remained at the level of the previous week. The foods index fell, principally because of lower prices for meats, although higher prices were quoted for fowl, some fats and oils, cocoa, flour, and some canned goods. The greatest drop of any of the composite groups was evidenced in the farm products group; prices for barley and peanuts rose, but lower prices for cotton, grains, and livestock brought the index down 2.4% below the level of the previous week. Lower prices for hemp caused the textiles index to decline. A rise in the price of bituminous coal and petroleum caused the fuels index to advance. Higher prices for feedstuffs were responsible for a rise in the index for miscellaneous commodities. The decrease in the price of silver was more than offset by an advance in the price of steel scrap, with the result that the metals index rose. The rise in the building materials index was due to higher prices for lime and white lead.

During the week 23 price series in the index declined and 21 advanced; in the preceding week 21 declined and 29 advanced; in the second preceding week 7 declined and 39 advanced.

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

% Each Group Bears to the Total Index	Group	Latest Week Mar. 22, 1947	Preceding Week Mar. 15, 1947	Month Ago Feb. 22, 1947	Year Ago Mar. 23, 1946
25.3	Foods	223.6	224.4	220.4	144.0
	Fats and Oils	328.3	321.4	296.9	147.4
	Cottonseed Oil	427.4	427.4	387.5	163.1
23.0	Farm Products	249.8	256.0	241.6	173.2
	Cotton	332.7	336.1	320.8	254.1
	Grains	245.2	253.1	214.7	173.3
	Livestock	242.5	249.5	241.3	160.5
17.3	Fuels	164.9	159.2	159.4	126.5
10.8	Miscellaneous Commodities	163.6	162.6	155.6	134.3
8.2	Textiles	210.5	211.1	216.4	165.4
7.1	Metals	147.9	147.8	142.9	117.1
6.1	Building Materials	203.4	203.0	212.2	167.8
1.3	Chemicals and Drugs	154.5	154.5	155.3	127.2
.3	Fertitlizer Materials	128.0	128.0	125.5	116.4
.3	Fertilizers	133.7	133.7	133.7	119.8
.3	Farm Machinery	126.3	126.3	124.3	105.3
100.0	All groups combined	199.3	199.6	195.4	144.4

*Indexes on 1926-28 base were: March 22, 1947, 199.3; March 15, 1947, 155.5; and March 23, 1946, 112.5.

Electric Output for Week Ended March 22, 1947, 18.5% 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 March 22, 1947, was 4,759,066,000 kwh., an increase of 18.5% over the corresponding week last year when electric output amounted to 4,017,310,000 kwh. The current figure also compares with 4,763,843,000 kwh. produced in the week ended March 15, 1947, which was 19.5% higher than the 3,987,877,000 kwh. produced in the week ended March 16, 1946. The largest increases were reported by the Central Industrial and Southern States groups which showed increases of 23.0% and 21.4%, respectively over the same week in 1946.

PERCENTAGE INCREASE OVER SAME WEEK LAST YEAR

Major Geographical Division—	Week Ended— Mar. 22	Mar. 15	Mar. 8	Mar. 1	Feb. 22
New England	11.5	11.5	13.0	10.3	16.4
Middle Atlantic	11.8	12.1	13.6	12.3	14.3
Central Industrial	23.0	23.3	23.8	24.4	30.8
West Central	16.3	18.4	18.1	16.5	17.0
Southern States	21.4	24.2	27.2	24.8	23.5
Rocky Mountain	9.1	10.6	13.0	10.5	7.6
Pacific Coast	19.9	20.2	23.1	21.7	19.9
Total United States	18.5	19.5	21.1	19.9	21.8

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended—	1946	1945	% Change Over 1945	1944	1932	1929
Dec. 7	4,672,712	4,096,954	+14.1	4,538,012	1,563,384	1,840,863
Dec. 14	4,777,943	4,154,061	+15.0	4,563,079	1,554,473	1,860,021
Dec. 21	4,940,453	4,239,376	+16.5	4,616,975	1,414,710	1,637,683
Dec. 28	4,442,443	3,758,942	+18.2	4,225,814	1,619,265	1,542,000

Week Ended—	1947	1946	% Change Over 1946	1945	1932	1929
Jan. 4	4,573,807	3,865,362	+18.3	4,427,281	1,602,482	1,733,810
Jan. 11	4,852,513	4,163,206	+16.6	4,614,334	1,598,201	1,736,721
Jan. 18	4,856,890	4,145,116	+17.2	4,588,214	1,588,967	1,717,315
Jan. 25	4,856,404	4,034,365	+20.4	4,576,713	1,588,853	1,728,208
Feb. 1	4,777,207	3,982,775	+19.9	4,538,552	1,578,817	1,726,161
Feb. 8	4,801,179	3,983,493	+20.5	4,505,269	1,545,459	1,718,304
Feb. 15	4,778,179	3,948,620	+21.0	4,472,298	1,512,158	1,699,250
Feb. 22	4,777,740	3,922,796	+21.8	4,473,962	1,519,679	1,706,719
Mar. 1	4,797,099	4,000,119	+19.9	4,472,110	1,538,452	1,702,570
Mar. 8	4,786,552	3,952,539	+21.1	4,446,136	1,537,747	1,687,229
Mar. 15	4,763,843	3,987,877	+19.5	4,397,529	1,514,553	1,683,262
Mar. 22	4,759,066	4,017,310	+18.5	4,401,716	1,480,208	1,679,589
Mar. 29		3,992,283		4,329,478	1,465,076	1,633,291

Soviet-U. S. Trade in 1946

WASHINGTON, MARCH 19 (Special to the "Chronicle")—In its last published quarterly analysis of Russian-American trade the Department of Commerce reports that in the July-September period the value of our trade with the Soviet Union contracted slightly, compared with the first two quarters of the year, but not enough to reduce the quarterly average below the $100,000,000 mark for exports or below $25,000,000 for imports.

The following table presents the changes in the value of our trade on a quarterly basis since the end of the war along with quarterly averages for the prewar and war periods.

QUARTERLY EXPORTS TO THE USSR: PREWAR, WAR AND POSTWAR
(In millions of dollars)

Period—	Exports, Including Re-exports— Total Exports	Lend-Lease	†UNRRA & Private Relief	Cash Purchases	General Imports
Quarterly average:					
1936-38	12.2	----	----	12.2	6.3
1939-41	20.9	*	----	20.9	6.3
1942-44	658.0	647.5	4.3	6.2	8.7
1945	459.6	445.8	12.5	1.3	13.5
Quarters:					
July-Sept., 1945	320.2	315.0	4.3	.9	13.0
Oct.-Dec., 1945	112.9	75.9	34.2	2.8	4.8
Jan.-March, 1946	114.5	57.0	49.7	7.8	31.0
April-June, 1946	108.8	48.3	50.8	9.7	26.2
July-Sept., 1946	93.3	34.8	40.0	18.5	18.9

*Less than half unit.

†Entirely shipments by private relief agencies before the fourth quarter of 1945. Beginning with the latter quarter, UNRRA shipments were as follows: October-December, 1945, $16,500,000; January-March, 1946, $43,100,000; April-June, 1946, $48,700,000, and July-September, 1946, $38,500,000.

U. S. Participation in International Statistics

(Continued from first page)

ber governments and non-governmental organizations, and (3) the general futherance of statistical improvements and development throughout the world. The Commission, as a first step in coming to grips with the basic problem of establishing comparability of definitions and classifications in international statistics, established a committee of its own members on industrial classification. This Committee will review information to be assembled by the Secretariat on industrial classification systems now in use by various member governments of the United Nations and will recommend to the full Commission a future program of work in this important field. Similar work will be undertaken in other technical fields as rapidly as the availability of facilities permits.

"The Statistical Commission at its first session," continued Dr. Rice, "attempted to establish the role of non-governmental international statistical organizations, such as the International Statistical Institute, in relation to the role of official inter-governmental international organizations, such as the United Nations. In general it is the view of the Commission that the governmental organizations 'have responsibilities for the collection, analysis, and publication of statistics required in the performance of their assigned tasks and for the general development and improvement of and adequate and co-ordinated international statistical system'; and that the non-governmental organizations 'should maintain and develop their scientific and professional character and should direct their activities toward the development of statistical methodology and scientific standards, the interchange and diffusion of knowledge, the training of statisticians, and the maintenance of high professional competence'."

Russian Envoy Recalled

Nikolai V. Novikov, Russian Ambassador to the United States, departed by air for Moscow on March 13, after stating that he was returning home under special orders from his government. Declining to comment upon President Truman's declaration of United States foreign policy, Mr. Novikov asserted, according to advices to the New York "Times," that the speech had no connection with his departure from this country. To support his statement he pointed out that his plane ticket had been purchased a week earlier. Mr. Novikov succeeded Andrei A. Gromyko as Ambassador to Washington on June 3, 1946. Asked when he expected to return to the United States, he is reported to have said: "Nobody knows this when he is called to the capital, but I hope to return as soon as possible."

Moody's Daily Commodity Index

Tuesday, March 18	429.8
Wednesday, March 19	423.7
Thursday, March 20	423.2
Friday, March 21	422.6
Saturday, March 22	423.6
Monday, March 24	424.8
Tuesday, March 25	426.4
Two weeks ago March 11	423.4
Month ago February 25	411.5
Year ago March 25, 1946	272.0
1946 High Dec. 24	380.6
Low Jan. 2	264.7
1947 High March 17	430.2
Low Jan. 20	371.5

Weekly Coal and Coke Production Statistics

The total production of soft coal in the week ended March 15, 1947, as estimated by the United States Bureau of Mines, was 13,150,000 net tons, an increase of 370,000 tons, or 2.9%, over the preceding week. Output in the corresponding week of 1946 was 13,215,000 tons. The total production of bituminous coal and lignite for the current calendar year to March 15 was estimated at 137,050,000 net tons, a gain of 1.6% over the 134,938,000 tons produced from Jan. 1 to March 16, 1946.

Output of Pennsylvania anthracite for the week ended March 15, 1947, as estimated by the Bureau of Mines, was 1,195,000 tons, an increase of 142,000 tons (13.5%) over the preceding week. When compared with the corresponding week of 1946, there was a decrease of 81,000 tons, or 6.3%. The calendar year to date shows a decrease of 6.8% when compared with the corresponding period of 1946.

The Bureau also reported that the estimated production of beehive coke in the United States for the week ended March 15, 1947, showed an increase of 10,300 tons when compared with the output for the week ended March 8, 1947; and was 31,400 tons more than for the corresponding week of 1946.

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

	Week Ended			Jan. 1 to date	
Bituminous coal & lignite—	Mar. 15, 1947	Mar. 8, 1947	Mar. 16, 1946	*Mar. 15, 1947	Mar. 16, 1946
Total, including mine fuel	13,150,000	12,780,000	13,215,000	137,050,000	134,938,000
Daily average	2,192,000	2,130,000	2,203,000	2,172,000	2,105,000

*Subject to current adjustment.

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

	Week Ended			Calendar Year to Date		
Penn. Anthracite—	‡Mar. 15, 1947	§Mar. 8, 1947	Mar. 16, 1946	Mar. 15, 1947	Mar. 16, 1946	Mar. 20, 1937
*Total incl. coll. fuel	1,195,000	1,053,000	1,276,000	11,797,000	12,651,000	10,924,000
†Commercial produc.	1,149,000	1,012,000	1,227,000	11,343,000	12,164,000	10,378,000
Beehive Coke—						
¶United States total	137,900	127,600	106.500	1,301,900	972,600	802,700

*Includes washery and dredge coal and coal shipped by truck from authorized operations. †Excludes colliery fuel. ‡Subject to revision. §Revised. ¶Estimated from weekly carloadings reported by 10 railroads.

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

(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—	Mar. 8, 1947	Mar. 1, 1947	Mar. 9, 1946
Alabama	397,000	390.000	434.000
Alaska	7,000	7,000	6,000
Arkansas	28,000	34,000	40,000
Colorado	162,000	150,000	164,000
Georgia and North Carolina	1,000	1,000	1,000
Illinois	1,488,000	1,550,000	1,643,000
Indiana	617,000	606,000	529,000
Iowa	40,000	47,000	31,000
Kansas and Missouri	122,000	138,000	137,000
Kentucky—Eastern	1,215,000	1,155,000	1,183,000
Kentucky—Western	500,000	490,000	490,000
Maryland	37,000	45,000	46,000
Michigan	1,000	1,000	3,000
Montana (bituminous and lignite)	70,000	67,000	84,000
New Mexico	30,000	31,000	30,000
North and South Dakota (lignite)	58,000	65,000	57,000
Ohio	803,000	784,000	790,000
Oklahoma	62,000	57,000	65,000
Pennsylvania (bituminous)	2,810,000	2,792,000	2,921,000
Tennessee	148,000	143,000	175,000
Texas (bituminous and lignite)	3,000	2,000	2,000
Utah	186,000	191,000	145,000
Virginia	397,000	394,000	415,000
Washington	24,000	28,000	27,000
†West Virginia—Southern	2,352,000	2,373,000	2,358,000
‡West Virginia—Northern	1,043,000	918,000	1,092,000
Wyoming	178,000	180,000	190,000
§Other Western States	1,000	1,000	*
Total bituminous and lignite	12,780,000	12,660,000	13,058,000

†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—Temporary Removal of Tariff on Copper Expected—Silver Again Off

"E. & M. J. Metal and Mineral Markets," in its issue of March 20, stated: "Consumers of major non-ferrous metals appeared to exhibit less nervousness last week over the supply outlook. Both producers and consumers feel reasonably certain that the 4¢ import tax on copper will be suspended for a year or more, which removed considerable pressure from the price structure. New business in zinc was on the quiet side. Lead is being offered more freely from foreign sources. Antimony advanced sharply, bringing the quotation more in line with that obtaining outside of the United States. Silver declined sharply, settling at 70⅞c. At the lower level there was marked improvement in consumer buying of silver and reduced pressure to sell. Tungsten ore was in demand and firm." The publication further went on to say in part as follows:

Copper

The domestic copper market presented a more orderly appearance in the week that ended yesterday, the quotaion continuing at 21½c, Connecticut Valley, throughout the period. The foreign price moved within narrow limits. The British Ministry of Supply showed some interest in second-quarter metal, but this was largely exploratory, observers here believe, and resulted in no business. Consumption of copper in the United Kingdom has been on a reduced scale, owing to the fuel shortage and the extreme cold.

The House voted on March 12 to suspend until March 31, 1949, the 4c import tax on copper. The bill is now in the hands of the Senate.

[A compromise amendment to the Patterson bill, providing for a one-year suspension of the copper duty, is expected to be advocated before the Senate Finance Committee; it was said on March 25.—Ed.]

In a report to Congress on the copper situation, the Federal Trade Commission warned that quick action is necessary to prevent discrimination in the distribution of scarce copper. The Commission asked for a careful scrutiny of the production and distribution policies and practices of the domestic copper producers to assure equitable distribution among all copper users. The United States is asked to take a position opposing the resurrection of international cartels, either governmental or private, to the end that world distribution may be conducted on a competitive and open market basis.

Lead

Sales of lead increased during the last week, a more or less usual occurrence in the middle of the month. The quantity booked totaled 14,537 tons, chiefly for April shipment. Producers felt that less excitement prevailed among consumers in calling for metal. A European holder of 1,000 tons of lead asked for bids on this material in this market, which was viewed as a strange development.

Some foreign lead will be allocated by the government for April to take care of hardship cases, and the industry believes that between 6,000 and 7,000 tons will be released.

Australia is shipping lead into this market, and trade authorities estimate that 2,500 tons have already been shipped.

The price situation was unchanged last week.

Zinc

Most producers agreed that the week that just ended was on the quiet side so far as zinc was concerned. This referred to orders received, for the movement of the metal into consumption continued well above normal, particularly in Prime Western and Special High Grade. The market was steady at 10½c for Prime Western, East St. Louis.

Export inquiry was described as fair, with sales of Prime Western at 11c to 11¼c.

Antimony

Effective March 15, the National Lead Co., now operating the smelter at Laredo, Tex., advanced its quotation for antimony 4¾c per pound, establishing the bulk price, carload lots, f.o.b. Laredo, at 33c. Metal packed in boxes, in lots of 5 tons but less than a carload, was raised on the same day to 35.94c per pound, f.o.b. New York area.

Demand continues well in excess of available supplies. The current level of prices in the domestic market is more in line with the world price. Some scattered lots of Chinese antimony have been offered at 36c and higher. However, the general situation in antimony is expected to remain tight until China again appears as an important seller.

Tin

Hearings before a House committee on extension of controls due to expire at the end of current month were held in Washington during the last week. Conservation of tin supplies through allocation will be necessary for some time, authorities hold.

Negotiations in regard to arriving at a settling basis on 1947 purchases of tin concentrates from Bolivian sources have been temporarily suspended. Officials here are awaiting receipt of details of the agreement between Bolivia and the Argentine that was referred to recently by President Herzog of Bolivia.

There was no price developments in the domestic market for tin. Forward metal, in cents per pound, was nominally as follows:

	March	April	May
March 13	70.000	70.000	70.000
March 14	70.000	70.000	70.000
March 15	70.000	70.000	70.000
March 17	70.000	70.000	70.000
March 18	70.000	70.000	70.000
March 19	70.000	70.000	70.000

Chinese, or 99% tin, 69.125c.

Quicksilver

Demand for quicksilver remained inactive, with most operators indisposed to take a stand on the market one way or the other. There was no news from Washington in regard to plans for handling metal brought here not so long ago from Japan. Prices asked by the Cartel were unchanged. The New York market for spot metal continued at $87 to $90 per flask.

Silver

Offerings of silver continued in excess of normal, with the result that the New York Official price registered further losses during the week that ended yesterday. The quotation settled at 70⅞c an ounce troy, a net loss for the period of 6⅛c.

Imports of silver in January consisted of 4,120,000 oz. in ore and base bullion and 7,451,000 oz. as refined bullion. This compares with 4,996,000 oz. in ore and base bullion and 4,011,000 oz. as refined bullion imported during December.

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
March 13	21.225	22.375	70.000	15.000	14.800	10.500
March 14	21,225	22.400	70.000	15.000	14.800	10.500
March 15	21.225	22.225	70.000	15.000	14.800	10.500
March 17	21.225	22.150	70.000	15.000	14.800	10.500
March 18	21.225	22.425	70.000	15.000	14.800	10.500
March 19	21.225	22.425	70.000	15.000	14.800	10.500
Average	21.225	22.333	70.000	15.000	14.800	10.500

Average prices for calendar week ended March 15 are: Domestic copper f.o.b refinery, 21.225¢; export copper, f.o.b. refinery, 22.275¢; Straits tin, 70.000¢; New York lead, 15.000¢; St. Louis lead, 14.800¢; St. Louis zinc, 10.500¢; and silver, 78.000¢.

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 0.275c. per pound above the refinery basis, effective Jan. 2, 1947.

"E. & M. J. M. & M. M's" 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 0.075c., is deducted 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; the premium on Special High Grade in most instances is 1¼c.

Quotations for lead reflect prices obtained for common lead only.

Truman Signs Bill Extending Excise Tax

Legislation passed by Congress extending the wartime excise tax rates was signed by President Truman on March 11. As indicated in Associated Press advices from Washington on March 11 the legislation continues indefinitely the high wartime levies on such items as liquor, furs, jewelry and cosmetics, and for transportation and telephone services. From the same advices we also quote:

Mr. Truman requested the legislation to prevent an automatic rollback of rates that would have taken place July 1 in connection with ending of war powers measures. The rollback would have brought a loss of an estimated $1,200,000,000 annually in tax revenue. The legislation, as an example, continues the levy on liquor at $9 a proofgallon, whereas it would have dropped to $6 on July 1.

The measure exempts from the fur tax all fur-trimmed women's coats up to $150 value, and removes the levy on transportation tickets for foreign travel. Transportation taxes still will be levied for travel in this country and in certain areas of the Western Hemisphere north of the Equator, except South America.

Final congressional action on the measure was completed on March 7, when the Senate agreed to the conference report adjusting the differences between the House and Senate bills. House approval of the report was registered on March 6. The measure originally passed the House by a vote of 373 to 35 on Jan. 29, while the Senate passed it in amended form on Feb. 17. The newly enacted measure continues for an indefinite period the wartime rates established in 1943 which otherwise would revert to earlier levels automatically on July 1 in consequence of President Truman's proclamation Dec. 31 formally ending war hostilities.

Freight Cars on Order Again Up in February

The Class I railroads on March 1, 1947 had 75,358 new freight cars on order, the Association of American Railroads announced on March 21. This included 23,759 hopper (including 2,397 covered hoppers), 4,594 gondolas, 594 flat, 30,920 plain box, 5,042 automobile, 9,581 refrigerator, 550 stock and 318 miscellaneous freight cars. New freight cars on order Feb. 1, last, were 69,538 and on March 1, 1946 totaled 39,191. Since March 1, this year, additional orders for freight cars have been placed.

They also had 680 locomotives on order March 1, this year, which included 45 steam, six electric and 629 Diesel locomotives. On March 1, 1946, they had 463 locomotives on order, which included 85 steam, six electric and 372 Diesel one year ago.

The Class I railroads put 1,437 freight cars in service in February which included 509 hopper, including 76 covered hopper, 26 gondolas, 28 refrigerator, 224 automobile box, 457 plain box, and 193 flat cars. In February, 1946, they placed 2,350 freight cars in service.

They also put 84 new locomotives in service in February, of which 10 were steam, and 74 were Diesel. New locomotives installed in February, 1946, totaled seven, of which six were steam, and one 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.

Trading on New York Exchanges

The Securities and Exchange Commission made public on March 19 figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round lot stock transactions for the account of all members of these exchanges in the week ended March 1, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended March 1 (in round-lot transaction) total 2,085,943 shares, which amount was 18.41% of the total transactions on the Exchange of 5,668,220 shares. This compares with member trading during the week ended Feb. 22 of 1,676,310 shares or 17.20% of the total trading of 4,875,070 shares.

On the New York Curb Exchange, member trading during the week ended March 1 amounted to 460,250 shares, or 17.04% of the total volume on that Exchange of 1,350,265 shares. During the week ended Feb. 22 trading for the account of Curb members of 446,160 shares was 17.56% of the total trading of 1,270,345 shares.

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

WEEK ENDED MARCH 1, 1947

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	216,420	
‡Other sales	5,451,800	
Total sales	5,668,220	
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	648,850	
Short sales	108,160	
‡Other sales	582,610	
Total sales	690,770	11.82
2. Other transactions initiated on the floor—		
Total purchases	152,100	
Short sales	20,600	
‡Other sales	182,900	
Total sales	203,500	3.14
3. Other transactions initiated off the floor—		
Total purchases	187,793	
Short sales	20,300	
‡Other sales	182,630	
Total sales	202,930	3.45
4. Total—		
Total purchases	988,743	
Short sales	149,060	
‡Other sales	948,140	
Total sales	1,097,200	18.41

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

WEEK ENDED MARCH 1, 1947

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	17,105	
‡Other sales	1,333,160	
Total sales	1,350,265	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	140,525	
Short sales	10,470	
‡Other sales	130,305	
Total sales	140,775	10.41
2. Other transactions initiated on the floor—		
Total purchases	23,575	
Short sales	1,000	
‡Other sales	34,835	
Total sales	35,835	2.20
3. Other transactions initiated off the floor—		
Total purchases	71,375	
Short sales	1,700	
‡Other sales	46,465	
Total sales	48,165	4.43
4. Total—		
Total purchases	235,475	
Short sales	13,170	
‡Other sales	211,605	
Total sales	224,775	17.04
C. Odd-Lot transactions for Account of Specialists—		
Customers' short sales	0	
§Customers' other sales	75,835	
Total purchases	75,335	
Total sales	68,828	

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

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

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

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

Wholesale Prices Rose 1.6% In Week Ended March 8, Labor Department Reports*

Price advances in all commodity groups, with sharp increases for agricultural products, raised average primary market prices 1.6% during the week ended March 8, 1947, according to the Bureau of Labor Statistics, U. S. Department of Labor—the Bureau under date of March 13 adding that at 148.7% of the 1926 average, the highest level since late 1920, its index of commodity prices in primary markets was about 11% below the May, 1920 peak. It has advanced 4.9% during the last four weeks and 37.4% since a year ago, said the Bureau, which further reported:

"Farm Products and Foods—Market prices of farm products rose 3.2% during the week as demand, particularly for grains, was stimulated by expectation of large demands for export following the Hoover report on food conditions abroad. At the same time market shipments were restricted because of bad weather and the box car shortage. Grain quotations jumped 6.4% on the average with wheat, corn and oats up 6 to 7% and rye 6%. Quotations for livestock and poultry rose nearly 6% with especially sharp increases for cattle. Prices of hogs and sheep also rose and there were rapid advances in live poultry prices. Quotations for raw wool advanced following an increase in the selling price of the Commodity Credit Corporation to meet parity requirements. On the average farm products were 9.8% higher than in early February and 35.8% above a year ago.

"Food prices rose 1.9% during the week. Advances for flour reflected heavy government buying for shipment abroad. Fruits and vegetables were higher due largely to light shipments. The shortage of pork, which increased demand for other meats, resulted in higher meat prices. Among other foods, higher prices were reported for edible fats and oils, black pepper and corn syrup. As a group food prices were 8.9% above four weeks earlier and 56.3% above early March 1946.

"Other Commodities—Led by building materials, average prices of all commodities other than farm products and foods rose 0.5% during the week. Substantially higher prices were reported by additional mills for Douglas Fir and Ponderosa Pine. Pig iron prices rose about 10% with heavy demand for steel mills, aggravated by the acute shortage of steel scrap. Prices of copper and lead again increased. Bar silver prices were up reflecting increased foreign demand especially for resale in India. Higher metal costs caused price increases for copper and brass sheets and wire, lead pipe, lead pigments, cast iron pipe, copper sulphate and silver nitrate. Prices of a number of fats and oils, fatty acids and fertilizer materials advanced reflecting continued scarcity. Lower prices for synthetic camphor followed recent declines in prices of the raw material, turpentine. Tankage prices were lower. Prices of some textile products advanced largely because of increased costs of production. Quotations for calf skins were higher but leather belting prices cropped from recent high levels. Cattle feed prices were up about 10% as demand rose in anticipation of future shortages."

CHANGES IN WHOLESALE PRICES BY COMMODITY GROUPS FOR WEEK ENDED MARCH 8, 1947

(1926=100)

Commodity Groups—	3-8 1947	3-1 1947	2-22 1947	2-8 1947	3-9 1946	Percetnage changes to March 8, 1947 from— 3-1 1947	2-8 1947	3-9 1946
All commodities	148.7	146.4	144.3	141.7	108.2	+ 1.6	+ 4.9	+37.4
Farm products	181.8	176.1	171.7	165.5	133.9	+ 3.2	+ 9.8	+35.8
Foods	170.7	167.5	162.5	156.7	109.2	+ 1.9	+ 8.9	+56.3
Hides and leather products	174.2	174.1	175.8	172.9	120.1	+ 0.1	+ 0.8	+45.0
Textile products	137.4	137.0	135.4	137.7	101.9	+ 0.3	— 0.2	+34.8
Fuel and lighting materials	98.6	98.6	98.6	98.6	85.4	+ 0.2	+ 0.2	+15.7
Metals and metal products	139.7	138.6	138.4	138.3	107.8	+ 0.8	+ 1.0	+29.6
Building materials	175.4	173.0	172.6	170.6	121.1	+ 1.3	+ 2.8	+44.8
Chemicals and allied products	130.6	129.3	129.2	127.6	96.0	+ 1.0	+ 2.4	+36.0
Housefurnishings goods	126.1	125.5	125.3	123.0	108.3	+ 0.5	+ 2.5	+16.4
Miscellaneous commodities	111.9	111.2	110.7	110.0	95.4	+ 0.6	+ 1.7	+17.3
Special Groups—								
Raw materials	162.5	158.9	156.2	153.1	121.4	+ 2.3	+ 6.1	+33.9
Semi-manufactured articles	144.0	142.7	141.3	141.3	99.6	+ 0.9	+ 1.9	+44.6
Manufactured products	143.7	142.0	140.0	137.5	103.8	+ 1.2	+ 4.5	+38.4
All commodities other than Farm products	141.4	139.9	138.3	136.5	102.6	+ 1.1	+ 3.6	+37.8
All commodities other than Farm products and foods	129.4	128.7	128.3	128.1	101.6	+ 0.5	+ 1.0	+27.4

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM MARCH 1, 1947 TO MARCH 8, 1947

Increases

Cattle feed	9.6	Fertilizer materials	1.3
Grains	6.4	Paint and paint materials	0.9
Livestock and poultry	5.6	Mixed fertilizers	0.8
Nonferrous metals	3.9	Cement	0.7
Oils and fats	3.3	Furnishings	0.7
Cereal products	3.0	Iron and steel	0.6
Fruits and vegetables	3.0	Chemicals	0.4
Meats	2.4	Petroleum and products	0.4
Other textile products	2.2	Bituminous coal	0.3
Other foods	2.1	Other farm products	0.3
Lumber	1.8	Clothing	0.2
Hides and skins	1.6	Woolen and worsted goods	0.2
Other building materials	1.4	Plumbing and heating	0.1

Decreases

Other leather products	2.9	Dairy products	1.0
Drugs and pharmaceuticals	0.3		

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

Cotton Ginned from 1946 Crop Prior to Jan. 16

The Census report issued on Jan. 23 compiled from the individual returns of the ginner's, shows as follows the number of bales of cotton ginned from the growth of 1946 prior to Jan. 16, 1947, and comparative statistics to the corresponding date in 1946 and 1945.

RUNNING BALES

(Counting round as half bales and excluding linters)

State—	1946	1945	1944
United States	*8,165,988	8,027,449	11,114,107
Alabama	788,865	884,733	960,372
Arizona	139,896	98,213	104,478
Arkansas	1,154,565	762,898	1,238,144
California	407,118	304,650	220,527
Florida	3,757	6,083	10,098
Georgia	547,208	632,686	786,556
Illinois	1,203	669	3,038
Kentucky	6,170	4,926	10,511
Louisiana	245,495	370,886	583,425
Mississippi	1,014,858	1,364,888	1,754,688
Missouri	279,345	126,855	377,853
New Mexico	131,265	97,777	98,465
North Carolina	429,802	397,175	660,068
Oklahoma	245,773	270,369	567,365
South Carolina	682,345	618,418	802,545
Tennessee	473,068	347,470	502,425
Texas	1,601,597	1,725,534	2,409,644
Virginia	13,658	13,219	23,905

*Includes 171,641 bales of the crop of 1946 ginned prior to Aug. 1 which was counted in the supply for the season of 1945-46, compared with 132,737 and 48,182 bales of the crops of 1945 and 1944.

The statistics in this report include 2,345 bales of American-Egyptian for 1946, 3,960 for 1945, and 7,429 for 1944; also included are 5 bales of Sea-Island for 1946, 10 for 1945, and 14 for 1944. The ginning of round bales has been discontinued since 1941.

The statistics for 1946 in this report are subject to revision when checked against the individual returns of the ginners being transmitted by mail. The revised total of cotton ginned this season prior to Dec. 13 is 7,785,126 bales.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on March 19 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 March 8, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

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

Week Ended March 8, 1947

	Total For Week
Odd-Lot Sales by Dealers— (Customers' purchases)	
Number of orders	26,585
Number of shares	757,786
Dollar value	$32,429,505
Odd-Lot Purchases by Dealers— (Customers' sales)	
Number of Orders:	
Customers' short sales	330
*Customers' other sales	23,324
Customers' total sales	23,654
Number of Shares:	
Customers' short sales	11,604
*Customers' other sales	645,815
Customers' total sales	657,419
Dollar value	$25,164,857
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	0
†Other sales	192,650
Total sales	192,650
Round-Lot Purchases by Dealers—	
Number of shares	286,080

*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."

Freight Traffic Handled 10.9% Higher in February

The volume of freight traffic handled by Class I railroads in February, 1947, measured in ton-miles of revenue freight, increased about 10.9% above the corresponding month of last year, the Association of American Railroads announced on March 22. February traffic amounted to 50,000,000,000 ton-miles, according to estimates based on reports just received by the Association from Class I carriers.

The February freight traffic this year was more than double that of the same month in 1939.

The following table summarizes final ton-mile statistics for the year 1946, and preliminary figures for the first two months of 1947 (000 omitted):

	1946	1945	% Change
Mo. of Dec.	49,576,603	46,295,117	+ 7.1
Yr. (final)	591,954,423	680,671,394	—13.0
	1947	1946	
Mo. of Jan.	*53,500,000	48,241,378	+10.9
Mo. of Feb.	†50,000,000	45,089,938	+10.9

*Revised. †Preliminary estimate.

Congress Vetoes Oil Equipment for Russia

The House Appropriations Committee has rejected a State Department request for authority to send $25,000,000 worth of oil refining equipment to Russia, it was stated on Mar. 13 by Committee Chairman, Representative John Taber (R-N.Y.), according to a Washington Associated Press dispatch. Mr. Taber said that the equipment, mostly pipelines, was obtained for shipment to Russia under lend-lease agreement, but had not been transported prior to last Dec. 31. A provision in a 1946 lend-lease appropriation prohibits use of any administrative funds for shipments after that date. However, the State Department was said to have sought authority to complete the transaction. The Senate Appropriations Committee had already refused permission. Mr. Taber told reporters: "We can't do such a thing; that's appeasement."

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

Both gross and net earnings for the month of November were the lowest recorded since June. Gross earnings were also slightly less than in November, 1945. However, net earnings were greater than in the previous year.

For November just passed the gross earnings were $658,160,195 as compared with $661,181,176 in November of the previous year. However, operating expenses were also 2.28% less than in November, 1945, and therefore the net earnings of $122,079,195 in November, 1946 showed an increase of 8.40% over the net earnings of $112,619,836 for the corresponding month of 1945. The total results in gross and net earnings for all the U. S. railroads for November are shown in comparison with the preceding November in the subjoined table:

Month of November—	1946	1945	Inc. (+) or Dec. (—) Amount	%
Mileage of 129 roads	227,205	228,119	— 914	— 0.40
Gross earnings	$658,160,195	$661,181,176	— $3,020,981	— 0.46
Operating expenses	536,081,000	548,561,340	— 12,480,340	— 2.28
Ratio of expenses to earnings	(81.45%)	(82.97%)		
Net earnings	$122,079,195	$112,619,836	+ $9,459,359	+ 8.40

As is our custom, we shall now break these totals down into geographical groupings in order to show how the various sections of the country contributed to the grand totals. In gross earnings all the regions in the Eastern district showed increases over the previous year, while only two regions outside of this district showed increases. The largest gain of 10.22% was recorded by the Great Lakes region. Next came the Northwestern region with an increase of 3.52%. Decreases were shown by three regions with the largest one being recorded by the Pocahontas region, one of 14.32%. In net earnings only three regions showed increases over the preceding November. The Northwestern region with an increase of 1.318% showed the greatest improvement over the corresponding period in 1945. Gains of 20.76% and 4.08% were recorded by the Central Western and Great Lakes regions respectively. The decreases ranged from the high of 42.03% of the Pocahontas region to the low of 7.57% of the Southern region in same district. The results are presented in complete form in the appended tabulation. The footnote to this tabulation explains the boundaries of the various districts and regions.

SUMMARY BY GROUPS—MONTH OF NOVEMBER

District and Region	Gross Earnings 1946 $	1945 $	Inc. (+) or Dec. (—) $	%
Eastern District—				
New England region (10 roads)	24,371,985	23,915,560	+ 456,425	+ 1.91
Great Lakes region 23 roads)	110,664,012	100,399,005	+ 10,265,007	+10.22
Central Eastern region (19 roads)	132,297,063	131,174,551	+ 1,122,512	+ 0.86
Total (52 roads)	267,333,060	255,489,116	+ 11,843,944	+ 4.64
Southern District—				
Southern region (23 roads)	91,783,905	89,848,822	+ 1,935,083	+ 2.15
Pocahontas region (4 roads)	28,747,507	33,553,312	— 4,805,805	—14.32
Total (27 roads)	120,531,412	123,402,134	— 2,870,722	— 2.33
Western District—				
Northwestern region (16 roads)	76,444,256	73,846,301	+ 2,597,455	+ 3.52
Central Western region (14 roads)	138,789,943	151,005,483	— 12,215,540	— 8.09
Southwestern region (20 roads)	55,061,524	57,437,642	— 2,376,118	— 4.14
Total (50 roads)	270,295,723	282,289,926	— 11,994,203	— 4.25
Total all districts (129 roads)	658,160,195	661,181,176	— 3,020,981	— 0.46

District and Region—	Mileage 1946	Mileage 1945	Net Earnings 1946 $	1945 $	Inc. (+) or Dec. (—) $	%
Eastern District—						
New England region	6,536	6,503	4,293,208	5,201,546	— 908,338	—17.46
Great Lakes region	25,361	25,556	16,413,722	15,770,999	+ 642,723	+ 4.08
Cent. East'n region	23,917	23,874	20,275,225	24,366,201	— 4,090,976	—16.79
Total	55,814	55,993	40,982,155	45,338,746	— 4,356,591	— 9.61
Southern District—						
Southern region	37,233	37,303	18,458,246	19,971,014	— 1,512,768	— 7.57
Pocahontas region	6,015	6,019	5,766,590	9,947,274	— 4,180,684	—42.03
Total	43,248	43,322	24,224,836	29,918,288	— 5,693,452	—19.03
Western District—						
Northwest'n region	45,587	45,558	19,462,125	1,372,561	+ 18,089,564	+1,318.00
Cent. West'n region	54,491	54,660	24,744,360	20,490,338	+ 4,254,022	+20.76
Southwest'n region	28,065	28,586	12,665,719	15,499,903	— 2,834,184	—18.29
Total	128,143	128,804	56,872,204	37,362,802	+ 19,509,402	+52.22
Total all dists.	227,205	228,119	122,079,195	112,619,836	+ 9,459,359	+ 8.40

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

EASTERN DISTRICT

New England Region—Comprises the New England States.

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

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

SOUTHERN DISTRICT

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

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

WESTERN DISTRICT

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

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

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

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

Month of November	Gross Earnings Year Given	Year Preceding	Inc. (+) or Dec. (—)	%	Mileage Year Given	Year Preced'g
1909	$242,115,779	$207,816,169	+$34,299,610	+16.50	226,204	222,966
1910	246,650,774	245,651,263	+ 999,511	+ 0.41	237,596	233,340
1911	241,343,763	243,111,388	— 1,767,625	— 0.73	234,209	231,563
1912	276,430,016	244,461,845	+ 31,968,171	+13.07	237,376	233,305
1913	269,220,882	278,364,475	— 9,143,593	— 3.28	243,745	241,452
1914	240,235,841	272,882,181	— 32,646,340	—11.96	246,497	242,849
1915	306,733,317	240,422,695	+ 66,310,622	+27.58	246,910	245,858
1916	330,258,745	306,606,471	+ 23,652,274	+ 7.71	248,863	248,058
1917	360,062,052	326,757,147	+ 33,304,905	+10.19	242,407	241,621
1918	438,602,283	356,438,875	+ 82,163,408	+23.05	232,274	232,259
1919	436,436,551	439,029,989	— 2,593,438	— 0.59	233,032	232,911
1920	592,277,620	438,038,048	+154,239,572	+35.21	235,213	233,839
1921	464,440,498	590,468,164	—126,027,666	—21.34	236,043	234,972
1922	523,748,483	466,130,328	+ 57,618,155	+12.36	234,748	235,679
1923	530,106,708	522,458,208	+ 7,648,500	+ 1.46	253,589	253,793
1924	504,589,062	530,724,567	— 26,135,505	— 4.92	236,309	236,122
1925	531,742,071	504,781,775	+ 26,960,296	+ 5.34	236,726	235,917
1926	559,935,895	531,199,465	+ 28,736,430	+ 5.41	237,335	236,369
1927	502,994,051	561,153,956	— 58,159,905	—10.36	238,711	238,142
1928	530,909,223	503,940,776	+ 26,968,447	+ 5.35	241,138	239,982
1929	498,316,925	531,122,999	— 32,806,074	— 6.18	241,695	241,326
1930	398,211,453	498,882,517	—100,671,064	—20.18	242,616	242,625
1931	304,896,868	398,272,517	— 93,375,649	—23.45	242,734	242,636
1932	253,223,409	304,829,968	— 51,606,559	—16.93	241,971	242,027
1933	260,503,983	253,225,641	+ 7,278,342	+ 2.87	242,708	244,143
1934	256,629,163	257,376,376	— 747,213	— 0.29	238,826	240,836
1935	300,916,282	256,637,723	+ 44,278,559	+17.25	237,306	238,668
1936	357,966,993	300,927,116	+ 57,039,877	+18.95	236,428	237,485
1937	317,550,416	357,792,100	— 40,241,684	—11.25	235,104	235,624
1938	319,094,405	317,550,416	+ 1,543,989	+ 0.49	234,166	235,098
1939	367,571,031	319,041,859	+ 48,529,172	+15.21	233,325	234,058
1940	374,628,835	367,571,031	+ 7,057,804	+ 1.92	232,629	233,321
1941	457,016,549	374,763,846	+ 82,252,703	+21.95	232,078	232,660
1942	690,108,064	457,016,549	+233,091,515	+51.00	230,175	231,954
1943	762,057,485	690,108,064	+ 71,949,421	+10.43	229,099	230,031
1944	780,672,490	761,993,806	— 18,678,684	— 2.45	228,525	228,931
1945	661,181,176	780,230,525	—119,049,349	—15.26	228,119	228,350
1946	658,160,195	661,181,176	— 3,020,981	— 0.46	227,205	228,119

Month of November	Net Earnings Year Given	Year Preceding	Increase (+) or Decrease (—)	%
1909	$92,016,358	$73,266,874	+$18,749,484	+25.59
1910	83,290,035	93,778,921	— 10,488,886	—11.18
1911	79,050,299	82,069,166	— 3,018,867	— 3.68
1912	93,017,842	80,316,771	+ 12,701,071	+15.81
1913	78,212,966	93,282,860	— 15,069,894	—16.15
1914	67,989,515	77,567,898	— 9,578,383	—12.35
1915	118,002,025	67,999,131	+ 50,002,894	+73.53
1916	118,373,536	118,050,446	+ 323,090	+ 0.27
1917	96,272,216	117,102,625	— 20,830,409	—17.79
1918	75,882,188	95,809,962	— 19,927,774	—20.80
1919	48,130,467	74,979,347	— 26,848,880	—35.81
1920	85,778,171	48,244,641	+ 37,533,530	+77.80
1921	97,366,264	78,431,412	+ 18,934,852	+24.14
1922	113,662,987	97,816,937	+ 15,846,050	+16.20
1923	124,931,318	117,623,537	+ 7,307,781	+ 6.21
1924	131,435,105	125,084,714	+ 6,350,391	+ 5.08
1925	148,157,616	131,381,847	+ 16,775,769	+12.77
1926	158,197,446	148,132,228	+ 10,065,218	+ 6.79
1927	125,957,014	158,501,561	— 32,544,547	—20.53
1928	157,140,516	127,243,825	+ 29,896,691	+23.49
1929	127,163,307	157,192,289	— 30,028,982	—19.10
1930	99,526,934	127,125,694	— 27,596,760	—21.71
1931	66,850,734	99,557,310	— 32,706,576	—32.85
1932	63,966,101	66,854,615	— 2,888,514	— 4.32
1933	66,866,614	63,962,092	+ 2,904,522	+ 4.54
1934	59,167,473	65,899,592	— 6,732,119	—10.22
1935	82,747,438	60,061,636	+ 22,685,802	+37.77
1936	110,226,942	82,690,190	+ 27,536,752	+33.30
1937	68,915,594	110,214,702	+ 41,299,108	+37.47
1938	88,374,131	68,915,594	+ 19,458,537	+28.23
1939	111,985,638	88,374,743	+ 23,610,895	+26.71
1940	115,868,592	111,985,513	+ 3,883,079	+ 3.47
1941	121,465,161	115,940,536	+ 5,524,625	+ 4.77
1942	283,691,654	121,459,164	+162,232,490	+133.57
1943	259,838,916	283,691,655	— 23,852,739	— 8.41
1944	256,222,818	259,802,288	— 3,579,470	— 1.68
1945	112,631,526	255,995,436	—143,363,910	—56.00
1946	122,079,195	112,619,836	+ 9,459,359	+ 8.40

New Capital Issues in Great Britain

The following statistics have been compiled by the MIDLAND BANK LIMITED. These compilations of issues of new capital, which are subject to revision, exclude all borrowings by the British Government for purely financial purposes; shares issued to vendors; allotments arising from the capitalization of reserve funds and undivided profits; sales of already issued securities which add nothing to the capital resources of the company whose securities have been offered; issues for conversion or redemption of securities previously held in the United Kingdom; short-dated bills sold in anticipation of long-term borrowings; and loans of municipal and county authorities which are not specificaliy limited. In all cases the figures are based upon the prices of issue.

SUMMARY TABLE OF NEW CAPITAL ISSUES IN THE UNITED KINGDOM

(Compiled by the Midland Bank Limited)

	Year to December 31 £		Year to December 31 £
1919	237,541,000	1933	132,869,000
1920	384,211,000	1934	150,190,000
1921	215,795,000	1935	182,824,000
1922	235,669,000	1936	217,221,000
1923	203,760,000	1937	170,906,000
1924	223,546,000	1938	118,098,000
1925	219,897,000	1939	66,294,000
1926	253,266,000	1940	4,096,000
1927	314,714,000	1941	2,326,000
1928	362,519,000	1942	3,885,000
1929	253,749,000	1943	8,583,000
1930	236,160,000	1944	7,576,000
1931	88,666,000	1945	20,468,000
1932	113,038,000	1946	130,770,000

NEW CAPITAL ISSUES IN THE UNITED KINGDOM BY MONTHS

(Compiled by the Midland Bank Limited)

	1938 £	1939 £	Total 1940-44 £	1945 £	1946 £
January	7,464,872	13,858,372	1,927,430	100,000	5,666,129
February	19,248,438	8,132,058	1,314,441	1,654,148	4,618,494
March	6,391,772	2,896,764	2,873,772	117,778	7,236,860
April	5,113,715	1,788,505	1,870,520	2,700,917	12,635,889
May	27,322,880	6,611,207	1,550,186	1,607,736	7,133,060
June	8,509,247	23,857,867	1,457,896	752,906	9,264,287
July	15,188,116	2,799,860	5,046,377	661,275	31,460,535
August	2,184,057	5,176,960	1,369,477	2,446,432	8,968,112
September	1,648,504	64,491	3,476,101	1,343,328	13,278,438
October	2,627,853	67,500	1,702,471	2,099,041	6,097,587
November	12,802,202	869,367	915,982	3,381,566	9,062,970
December	9,595,909	170,700	2,961,781	3,602,628	15,348,104
Year	118,097,565	66,293,651	26,466,434	20,467,755	130,770,465

Nov. Weekly Earnings Average About $45

Weekly earnings in manufacturing industries in November continued to average about $45.50 for the third successive month, according to preliminary estimates issued recently by the Bureau of Labor Statistics of the U. S. Department of Labor. This average is about $5 per week more than in November of last year although the average workweek is about one hour shorter, said the announcement, which also reported:

"Preliminary averages for November are:

	Weekly Earnings	Weekly Hours	Hourly Earnings
All Manufacturing	$45.65	40.2	113.5
Durable Goods	48.60	40.3	120.6
Non-durable Goods	42.59	40.1	106.2

"Final figures for Ocober indicate that both average hourly and average weekly earnings were slightly higher than in September in both the durable and non-durable goods groups. The transportation equipment and tobacco groups showed the greatest increases in weekly earnings over the month—$1.63 and $1.49 respectively. A longer work-week in the shipbuilding industry following the settlement of the maritime strike was a large factor in the gain in weekly earnings in the transportation equipment group. A bumper tobacco crop, combined with increased demand for tobacco, raised the earnings in the tobacco group to $36.82, the highest on record.

"In the year ending October 1946, weekly earnings of production workers in manufacturing increased 11½% or almost $5. While this is the average for all industries, the spread around this average was considerable. For example, four industries, employing 1% of all factory workers, reported decreases in weekly earnings between October 1945 and October 1946 while 51 industries, with 21% of the employment, had increases in weekly earnings of less than 10%. At the other extreme, increases in weekly earnings of 20% or more were reported by 13 industries with 11% of all workers. It must be remembered that these figures are industry averages; weekly earnings in individual plants or for individual workers may not agree with these."

Saturday Bank Holiday In Rhode Island

Banking institutions in Rhode Island are availing themselves of the year-round Saturday closing—with one exception, said the Providence, R. I. "Journal," viz. the Woonsocket Trust Co., of Woonsocket, whose President and Treasurer, William E. Lafond, said its decision to stay open was largely the result of one large mill paying its help late Friday afternoon. "These people do their banking Saturdays and we want to be able to serve them," he said.

The Saturday closing of the banks in Rhode Island was begun on March 8, and on the previous day the Providence "Journal" said in part:

The banks have voted individually to accept the permissive legislation enacted in January, but the feeling is quite general that acceptance was almost mandatory, since the Federal Reserve Bank in Boston is closing Saturdays, beginning tomorrow, and New York banks will be following suit next month.

Bank officers are widely in agreement that the Saturday closing is a trend that could not be sidetracked. But several predict there will be a return later to a five-and-a-half-day schedule.

Daily Average Crude Oil Production for Week Ended March 15, 1947 Increased 20,600 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended March 15, 1947, was 4,844,500 barrels, an increase of 20,600 barrels per day over the preceding week and a gain of 429,950 barrels per day over the corresponding week of 1946. The current figure also exceeded by 99,500 barrels the daily average figure of 4,745,000 barrels estimated by the United States Bureau of Mines as the requirement for the month of March, 1947. Daily output for the four weeks ended March 15, 1947, averaged 4,806,450 barrels. The Institute's statement adds:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,986,000 barrels of crude oil daily and produced 15,125,000 barrels of gasoline; 2,230,000 barrels of kerosine; 6,025,000 barrels of distillate fuel, and 8,916,000 barrels of residual fuel oil during the week ended March 15, 1947; and had in storage at the end of the week 106,813,000 barrels of finished and unfinshed gasoline; 10,501,000 barrels of kerosine; 34,384,000 barrels of distillate fuel, and 43,734,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*B. of M. Calculated Requirements March	State Allow-ables Begin- Mar. 1	Actual Production Week Ended Mar. 15, 1947	Change from Previous Week	4 Weeks Ended Mar. 15, 1947	Week Ended Mar. 16, 1946
**New York-Penna.	48,200		48,800	+ 6,100	46,600	48,700
Florida			150	----	150	100
**West Virginia	8,000		8,250	+ 1,500	7,300	8,300
**Ohio—Southeast }	8,000		6,350	+ 550	5,750	5,000
Ohio—Other }			2,450	+ 200	2,350	3,100
Indiana	18,000		16,850	— 450	17,450	17,900
Illinois	210,000		190,550	— 3,250	192,700	206,150
Kentucky	29,000		26,850	+ 250	27,000	32,150
Michigan	47,000		42,150	— 1,250	42,850	43,250
Nebraska	700		†650	— 50	700	800
Kansas	270,000	270,000	†260,700	+ 5,150	267,100	252,750
Oklahoma	375,000	369,475	†367,450	+ 1,050	368,250	371,500
Texas—						
District I			20,550	----	20,250	----
District II			157,900	----	151,950	----
District III			437,300	----	469,150	----
District IV			242,000	----	232,600	----
District V			38,300	----	37,400	----
East Texas			313,000	----	320,600	----
Other Dist. VI			111,000	----	108,550	----
District VII-B			36,450	----	36,250	----
District VII-C			34,900	----	33,800	----
District VIII			473,700	----	470,550	----
District IX			130,000	----	128,200	----
District X			84,650	----	83,900	----
Total Texas	2,060,000	‡2,145,271	2,129,750	----	2,093,200	1,817,500
North Louisiana			94,900	+ 750	94,300	82,550
Coastal Louisiana			311,450	----	310,900	293,350
Total Louisiana	400,000	447,000	406,350	+ 750	405,200	375,900
Arkansas	79,000	81,706	73,900	— 750	74,250	77,000
Mississippi	77,000		82,250	— 4,200	83,650	55,100
Alabama	2,100		950	----	900	1,000
New Mexico—So. East }	101,000	112,000	103,900	----	103,650	95,150
New Mexico—Other }			450	— 50	450	450
Wyoming	100,000		109,150	+ 2,750	109,650	110,300
Montana	24,000		22,550	+ 1,050	22,650	20,150
Colorado	38,000		33,650	— 950	35,600	25,400
California	850,000	§845,300	910,400	+12,200	899,050	846,900
Total United States	4,745,000		4,844,500	+20,600	4,806,450	4,414,550
**Pennsylvania Grade (included above)			63,400	+ 8,150	59,650	62,000

*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 pipelines. 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 oil 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. March 13, 1947.

‡This is the net basic allowable as of March 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and for certain other fields for which shutdowns were ordered for from 4 to 13 days, the entire State was ordered shut down for 4 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 4 days shutdown time during the calendar month.

§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 MARCH 15, 1947

(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	‡Finished and Unfin. Gasoline Stocks	‡Stocks of Kerosine	‡Stks. of Gas, Oil & Dist. Fuel Oil	‡Stks. of Resid. Fuel Oil
East Coast	99.5	810	96.5	1,852	23,137	5,014	9,931	6,489
Appalachian—								
District No. 1	76.3	97	67.8	286	2,716	186	375	208
District No. 2	84.7	61	98.4	207	1,006	32	71	74
Ind., Ill., Ky.	87.4	874	100.5	2,895	22,225	1,161	2,450	2,149
Okla., Kans., Mo.	78.3	407	86.8	1,445	10,648	330	1,233	903
Inland Texas	59.8	226	68.5	1,017	4,668	196	310	779
Texas Gulf Coast	89.2	1,158	94.5	3,631	15,834	1,832	6,460	5,118
Louisiana Gulf Coast	97.4	341	106.2	926	5,237	741	2,113	1,515
No. La. & Arkansas	55.9	65	51.6	175	2,252	209	421	126
Rocky Mountain—								
New Mexico	19.0	9	69.2	31	86	15	32	34
Other Rocky Mt.	70.9	125	75.8	389	3,075	48	470	747
California	85.5	813	81.8	2,271	15,929	737	10,518	25,592
Total U. S.—B. of M. basis Mar. 15, 1947	85.8	4,986	89.7	15,125	*106,813	10,501	34,384	43,734
Total U. S.—B. of M. basis Mar. 8, 1947	85.8	4,935	88.8	14,782	106,418	10,816	36,601	44,202
U. S. B. of M. basis Mar. 16, 1946		4,614		13,365	†104,735	8,196	26,588	37,746

*Includes unfinished gasoline stocks of 8,232,000 barrels. †Includes unfinished gasoline stocks of 8,697,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §In addition, there were produced 2,230,000 barrels of kerosine, 6,025,000 barrels of gas oil and distillate fuel oil and 8,916,000 barrels of residual oil in the week ended March 15, 1947, as compared with 2,304,000 barrels, 5,572,000 barrels and 8,496,000 barrels, respectively, in the preceding week and 2,205,000 barrels, 5,775,000 barrels and 8,274,000 barrels, respectively.

Civil Engineering Construction Totals $109,080,000 for Week

Civil engineering construction volume in continental United States totals $109,080,000 for the week ending March 20, 1947, as reported by "Engineering News-Record." This volume is 6% above the previous week, 3% above the corresponding week of last year, and 4% above the previous four-week moving average. The report issued on March 20, continued as follows:

Private construction this week, $82,520,000, is 19% greater than last week, and 54% above the week last year. Public construction, $26,560,000, is 22% below last week, and 49% less than the week last year. State and municipal construction, $23,756,000, 25% below last week, is 32% below the 1946 week. Federal construction, $2,804,000, is 27% above last week, and 84% below the week last year.

Total engineering construction for the 12-week period of 1947 records a cumulative total of $1,127,744,000, which is 33% above the total for a like period of 1946. On a cumulative basis, private construction in 1947 totals $760,892,000, which is 38% above that for 1946. Public construction, $366,852,000, is 25% greater than the cumulative total for the corresponding period of 1946, whereas state and municipal construction, $285,100,000 to date, is 45% above 1946. Federal construction, $81,752,000, dropped 15% below the 12-week total of 1946.

Civil engineering construction volume for the current week, last week, and the 1946 week are:

	Mar. 20, '47	Mar 13, '47	Mar. 21, '46
Total U. S. Construction	$109,080,000	$103,332,000	$105,931,000
Private Construction	82,520,000	69,294,000	53,650,000
Public Construction	26,560,000	34,038,000	52,281,000
State and Municipal	23,756,000	31,831,000	35,109,000
Federal	2,804,000	2,207,000	17,172,000

In the classified construction groups, waterworks, sewerage, earthwork and drainage, and unclassified construction, gained this week over last week. Three of the nine classes recorded gains this week over the 1946 week as follows: Commercial buildings, public buildings, and unclassified construction.

Census Bureau Report On Cotton Ginning

The Bureau of the Census of the Department of Commerce at Washington March 20, issued its final report on cotton ginning, excluding linters, which we give in full below:

REPORT OF COTTON GINNED—CROPS OF 1946, 1945 AND 1944

Cotton Ginned (Exelusive of Linters)

State—	Running Bales (Counting round as half bales) *1946	1945	1944	Equivalent—500-pound Bales 1946	1945	1944
United States	8,513,489	8,813,453	11,839,366	8,636,663	9,016,067	12,230,053
Alabama	803,139	905,472	965,770	822,133	930,459	1,003,947
Arizona	155,111	116,155	132,357	157,679	116,836	136,341
Arkansas	1,254,955	1,006,737	1,342,906	1,283,270	1,045,370	1,402,261
California	454,002	347,708	319,599	457,890	353,440	326,919
Florida	3,761	6,112	10,107	3,632	6,054	10,183
Georgia	553,552	664,557	799,367	558,808	670,629	813,55[illegible]
Illinois	1,610	1,353	3,086	1,520	1,286	3,08[illegible]
Kentucky	7,609	6,779	10,834	6,836	6,198	10,40[illegible]
Louisiana	246,472	377,708	594,119	247,488	388,376	622,34[illegible]
Mississippi	1,033,994	1,517,873	1,864,749	1,044,817	1,557,024	1,933,857
Missouri	317,177	182,342	400,731	303,033	176,822	404,444
New Mexico	131,682	100,167	104,766	133,110	99,108	107,162
North Carolina	443,705	431,327	711,481	443,051	430,674	716,162
Oklahoma	256,674	279,694	609,451	258,903	281,887	627,610
South Carolina	689,681	655,202	846,713	696,665	664,776	863,722
Tennessee	510,073	449,656	538,251	520,587	467,708	563,872
Texas	1,635,907	1,750,537	2,559,831	1,682,705	1,805,147	2,658,134
Virginia	14,385	14,074	25,248	14,536	14,273	25,650

*Includes 171,641 bales of the crop of 1946 ginned prior to Aug. 1 which was counted in the supply for the season for 1945-46, compared with 132,737 and 48,182 bales of the crops of 1945 and 1944.

The statistics in this report for 1946 are subject to revision. Included in the total for 1946 are 29,356 bales which ginners estimated would be turned out after the March canvass; American-Egyptian bales, 2,386 for 1946; 4,054 for 1945; and 8,605 for 1944; Sea-Island, 13 for 1946; 14 for 1945; and 19 for 1944. The ginning of round bales has been discontinued since 1941.

The average gross weight of the bale for the crop, counting round as half bales and excluding linters is 507.2 pounds for 1946; 511.5 for 1945; and 516.5 for 1944. The number of ginneries operated for the crop of 1946 is 8,257 compared with 8,632 for 1945; and 9,470 for 1944.

CONSUMPTION, STOCKS, IMPORTS AND EXPORTS—UNITED STATES

Cotton consumed during the month of February, 1947, amounted to 840,463 bales. Cotton on hand in consuming establishments on Feb. 28 was 2,250,615 bales, and in public storage and at compresses 4,282,547 bales. The number of active consuming cotton spindles for the month was 21,954,340. The imports of cotton for January, 1947, were 10,543 bales and exports were 289,672 bales.

January Portland Cement Output Up 39%

Production of 13,353,000 barrels of cement in January, 1947, reported to the Bureau of Mines, Department of the Interior, was 39% above that reported for January, 1946. Although the January, 1947 total represents a decrease of 8% below the December, 1946 figure, it still remains far above the usual seasonal trend. Sixty-six percent of capacity was utilized, a figure 19% above that reported for the corresponding month of the previous year. Mill shipments reached 8,363,000 barrels, an increase of 13% over that reported in January, 1946. Stocks of 15,911,000 barrels on Jan. 31, 1947, are 15% below that reported for January, 1946, but follow the usual seasonal upswing in the winter months. Clinker production of 14,216,000 barrels in January, 1947, shows an increase of 35% over that reported in January, 1946.

Demand for cement in January, 1947, as indicated by mill shipments, although 27% below the December, 1946 figure, are considerably above the 1935-39 average. Nine districts report decreases ranging from 2% to 28%, from the January total of the previous year, and ten show increases of 5% to 47%. Operations at the plant in Hawaii ceased on Dec. 14, 1946.

PORTLAND CEMENT IN UNITED STATES, PUERTO RICO AND HAWAII (Bbls.)

Month of January—	*1947	1946
Finished cement:		
Production	13,353,000	9,635,000
Shipments	8,363,000	7,391,000
Stocks (Jan. 31)	15,911,000	18,653,000
Capacity used	66%	47%
Clinker:		
Production	14,216,000	10,541,000
Stocks (Jan. 1)	4,581,000	5,304,000

*Operations at the plant in Hawaii were terminated in December 1946.

Trade Act Hearings By Congress

While hearings before the House Ways and Means Committee on the Administration's foreign trade program were begun on March 24, the Senate Finance Committee brought under way on March 19 its plans for hearings on the "relationship of the Reciprocal Trade Agreements Act to the proposed International Trade Organization to be considered at Geneva in April," as announced by Committee Chairman Eugene D. Milliken (R.-Colo.). "It would be advantageous for the State Department to know the considered view of the Senate Finance Committee in advance of the negotiations at Geneva," Senator Arthur H. Vandenberg, Chairman of the Foreign Relations Committee, wrote Senator Milliken.

The "Journal of Commerce" from its Washington bureau on March 16 said:

While the Finance Committee hearings are expected to stick closely to the principles involved, the Ways and Means Committee hearings will probably be more directly concerned over actual tariffs and proposed cuts. Recently the Committee was reported to be planning a "statement of facts" to be presented to the House at the conclusion of the hearings. The intention of such a statement would be to influence the Administration against making any great concessions to other nations at Geneva, an influential committee member stated.

Only Republicans on the House Committee were said to have approved the move to hold the hearings, with the Committee's eight Democrats protesting in vain that such an inquiry would embarrass the American delegation at next month's 18-nation trade conference in Geneva.

Construction Contracts Awarded in Two Months

Contracts awarded for residential construction in the thirty-seven states east of the Rocky Mountains totaled $465,810,000 during the first two months of this year against $191,794,000 during the corresponding months of 1946, it was reported March 20 by F. W. Dodge Corporation, a fact-finding organization for the construction industry.

The total number of dwelling units called for in the January-February contracts was 60,846 compared to 26,103 in the first two months of last year. Eight per cent of these contracts, in dollar volume, were for publicly owned housing projects.

A sharp relative increase in apartment projects was noted during the first two months of this year, the number of dwelling units therein totaling 16,922 against 5,572 units in such projects during the comparative period of last year.

Single-family dwellings erected by operative builders for sale or rent constituted the biggest volume this year with 35,456 dwelling units called for in the first two months compared to 15,119 in this classification in the corresponding period of last year.

Federal controls on nonresidential construction are reflected in the drop from $438,185,000 in January-February, 1946, to $343,570,000 in the first two months of this year. Gains in heavy engineering works, however, offset losses in manufacturing and some other classes of nonresidential building, to make the total of all construction contracts $1,013,825,000 for the first two months of 1947 against $744,900,000 in the corresponding period of last year.

Revenue Freight Car Loadings During Week Ended March 15, 1947 Increased 35,358 Cars

Loading of revenue freight for the week ended March 15, 1947 totaled 841,147 cars, the Association of American Railroads announced on March 20. This was an increase of 41,241 cars or 5.2% above the corresponding week in 1946, and an increase of 24,591 cars or 3.0% above the same week in 1945.

Loading of revenue freight for the week of March 15, increased 35,358 cars or 4.4% above the preceding week.

Miscellaneous freight loading totaled 382,218 cars an increase of 17,429 cars above the preceding week, and an increase of 22,892 cars above the corresponding week in 1946.

Loading of merchandise less than carload freight totaled 125,059 cars an increase of 3,525 cars above the preceding week, and an increase of 2,324 cars above the corresponding week in 1946.

Coal loading amounted to 191,836 cars, an increase of 11,373 cars above the preceding week, and an increase of 3,367 cars above the corresponding week in 1946.

Grain and grain products loading totaled 51,568 cars, an increase of 243 cars above the preceding week and an increase of 3,197 cars above the corresponding week in 1946. In the Western Districts alone, grain and grain products loading for the week of March 15 totaled 34,796 cars, a decrease of 1,023 cars below the preceding week but an increase of 1,821 cars above the corresponding week in 1946.

Livestock loading amounted to 12,484 cars a decrease of 706 cars below the preceding week and a decrease of 2,722 cars below the corresponding week in 1946. In the Western Districts alone loading of livestock for the week of March 15 totaled 9,622 cars, a decrease of 504 cars below the preceding week, and a decrease of 1,919 cars below the corresponding week in 1946.

Forest products loading totaled 48,715 cars, an increase of 1,600 cars above the preceding week and an increase of 6,442 cars above the corresponding week in 1946.

Ore loading amounted to 14,825 cars an increase of 1,814 cars above the preceding week and an increase of 4,445 cars above the corresponding week in 1946.

Coke loading amounted to 14,442 cars, an increase of 80 cars above the preceding week and an increase of 1,296 cars above the corresponding week in 1946.

All districts reported increases compared with the corresponding week in 1946 except the Southern and all reported increases compared with the same week in 1945 except the Allegheny and Southwestern.

	1947	1946	1945
Four Weeks of January	3,168,397	2,883,863	3,003,655
Four Weeks of February	3,179,198	2,866,876	3,052,487
Week of March 1	850,031	782,397	785,736
Week of March 8	805,789	786,189	767,055
Week of March 15	841,147	799,906	816,556
Total	8,844,562	8,119,231	8,425,489

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended March 15, 1947. During this period 83 roads reported gains over the week ended March 16, 1946.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS
(NUMBER OF CARS) WEEK ENDED MARCH 15

Railroads	Total Revenues Freight Loaded			Total Loads Received from Connections	
	1947	1946	1945	1947	1946
Eastern District—					
Ann Arbor	318	402	309	1,835	1,930
Bangor & Aroostook	3,943	3,371	2,945	429	440
Boston & Maine	7,145	7,727	7,224	15,013	15,045
Chicago, Indianapolis & Louisville	1,571	1,277	1,253	2,502	2,139
Central Indiana	17	39	38	57	44
Central Vermont	1,042	1,097	1,161	2,438	2,095
Delaware & Hudson	5,380	4,815	4,954	12,971	11,991
Delaware, Lackawanna & Western	7,788	7,848	8,092	9,473	9,776
Detroit & Mackinac	377	257	250	282	172
Detroit, Toledo & Ironton	2,777	2,300	1,971	1,887	1,524
Detroit & Toledo Shore Line	449	309	429	4,499	3,453
Erie	12,396	11,503	13,341	17,780	15,406
Grand Trunk Western	4,944	3,210	4,235	9,156	7,612
Lehigh & Hudson River	195	169	172	3,668	2,716
Lehigh & New England	2,196	2,273	2,073	1,817	1,786
Lehigh Valley	8,539	8,655	8,213	8,331	8,036
Maine Central	3,047	3,062	2,612	4,927	5,706
Monongahela	7,195	6,389	6,220	205	277
Montour	2,701	2,843	2,644	21	25
New York Central Lines	50,727	47,328	50,619	54,319	55,129
N. Y., N. H. & Hartford	10,307	10,686	11,605	16,467	15,371
New York Ontario & Western	518	855	992	3,218	2,653
New York, Chicago & St. Louis	7,370	5,476	7,769	15,936	14,874
N. Y., Susquehanna & Western	526	403	513	1,479	2,066
Pittsburgh & Lake Erie	5,858	7,519	8,079	9,498	7,504
Pere Marquette	6,662	5,007	5,299	8,947	7,937
Pittsburg & Shawmut	1,088	816	796	24	20
Pittsburg, Shawmut & Northern	312	285	264	92	235
Pittsburgh & West Virginia	719	929	1,013	2,609	1,852
Rutland	410	422	401	1,257	1,448
Wabash	6,546	5,826	6,118	12,654	12,268
Wheeling & Lake Erie	5,532	5,173	6,218	4,744	3,672
Total	168,595	158,471	167,828	228,535	215,202
Allegheny District—					
Akron, Canton & Youngstown	715	647	866	1,548	1,514
Baltimore & Ohio	43,422	42,106	43,291	25,245	24,774
Bessemer & Lake Erie	3,402	2,457	3,196	1,715	1,311
Cambria & Indiana	1,028	1,454	1,634	12	8
Central RR. of New Jersey	7,119	6,103	7,085	19,449	17,663
Cornwall	497	457	518	59	59
Cumberland & Pennsylvania	282	406	178	6	7
Ligonier Valley	113	40	112	8	15
Long Island	1,353	1,579	1,778	5,220	5,363
Penn-Reading Seashore Lines	1,816	1,715	1,952	1,910	1,922
Pennsylvania System	81,317	77,779	83,948	57,290	61,813
Reading Co.	15,387	14,519	15,357	26,890	27,618
Union (Pittsburgh)	18,409	17,635	19,333	5,678	3,300
Western Maryland	4,781	4,668	3,919	12,234	12,362
Total	179,641	171,795	183,167	157,264	157,729
Pocahontas District—					
Chesapeake & Ohio	34,827	32,191	27,768	12,381	13,018
Norfolk & Western	24,264	22,673	20,491	6,908	6,969
Virginian	5,294	5,498	4,455	1,756	1,761
Total	64,385	60,362	52,714	21,045	21,748

Railroads	Total Revenues Freight Loaded			Total Loads Received from Connections	
	1947	1946	1945	1947	1946
Southern District—					
Alabama, Tennessee & Northern	390	431	497	243	234
Atl. & W. P.—W. RR. of Ala.	870	954	900	2,121	2,094
Atlantic Coast Line	15,993	16,154	15,231	10,039	10,971
Central of Georgia	4,148	4,705	4,071	4,620	5,065
Charleston & Western Carolina	554	504	491	1,843	1,690
Clinchfield	2,010	1,774	1,597	3,836	3,460
Columbus & Greenville	383	385	276	299	316
Durham & Southern	94	107	224	753	703
Florida East Coast	2,938	3,934	3,792	1,561	1,699
Gainesville Midland	60	73	57	107	131
Georgia	1,269	1,206	1,065	2,488	2,387
Georgia & Florida	533	448	445	753	915
Gulf, Mobile & Ohio	5,113	5,345	4,523	4,294	4,358
Illinois Central System	28,351	28,729	27,329	16,033	14,696
Louisville & Nashville	29,043	27,705	25,649	10,673	10,075
Macon, Dublin & Savannah	298	246	184	1,075	1,159
Mississippi Central	433	340	338	436	444
Nashville, Chattanooga & St. L.	3,590	3,776	3,394	4,087	4,227
Norfolk Southern	1,219	1,302	1,078	1,657	1,688
Piedmont Northern	467	440	437	1,967	1,512
Richmond, Fred. & Potomac	371	407	497	8,753	9,946
Seaboard Air Line	12,496	12,209	11,920	9,407	8,636
Southern System	27,825	27,359	24,869	26,330	25,592
Tennessee Central	714	635	678	926	797
Winston-Salem Southbound	132	161	136	932	1,051
Total	139,319	139,329	129,678	115,242	113,846
Northwestern District					
Chicago & North Western	15,581	16,291	14,904	16,157	15,055
Chicago Great Western	2,712	2,596	2,352	3,734	3,533
Chicago, Milw., St. P. & Pac.	23,287	21,833	20,797	11,889	11,590
Chicago, St. Paul, Minn. & Omaha	4,036	3,705	3,682	5,079	5,085
Duluth, Missabe & Iron Range	1,615	1,328	1,170	404	315
Duluth, South Shore & Atlantic	776	807	675	938	669
Elgin, Joliet & Eastern	8,510	7,959	9,324	11,440	10,935
Ft. Dodge, Des Moines & South	587	461	347	208	155
Great Northern	12,039	12,638	11,168	5,337	4,742
Green Bay & Western	524	479	456	1,131	1,087
Lake Superior & Ishpeming	407	305	285	60	55
Minneapolis & St. Louis	2,468	2,188	2,030	2,816	2,586
Minn., St. Paul & S. S. M.	5,891	5,579	4,502	4,752	4,427
Northern Pacific	11,049	9,821	9,059	5,162	5,019
Spokane International	169	86	246	533	481
Spokane, Portland & Seattle	2,267	2,018	2,244	3,046	2,775
Total	91,918	88,094	83,241	72,686	68,509
Central Western District—					
Atch. Top. & Santa Fe System	25,864	22,638	24,425	10,933	9,836
Alton	3,214	2,922	3,693	3,610	3,440
Bingham & Garfield	463	5	378	105	7
Chicago, Burlington & Quincy	20,928	19,789	20,165	12,644	12,365
Chicago & Illinois Midland	3,341	2,999	2,847	700	805
Chicago, Rock Island & Pacific	13,318	12,206	11,829	14,355	13,613
Chicago & Eastern Illinois	2,925	2,919	2,719	3,605	3,582
Colorado & Southern	641	714	826	1,971	1,597
Denver & Rio Grande Western	3,821	2,920	3,630	5,077	3,715
Denver & Salt Lake	658	560	554	55	46
Fort Worth & Denver City	1,136	940	855	1,493	1,217
Illinois Terminal	2,407	2,128	2,478	1,936	1,779
Missouri-Illinois	1,102	936	920	585	582
Nevada Northern	1,655	1,464	1,157	182	103
North Western Pacific	960	537	714	563	598
Peoria & Pekin Union	22	9	10	0	0
Southern Pacific (Pacific)	29,549	27,435	28,630	11,317	9,215
Toledo, Peoria & Western	126	0	270	219	0
Union Pacific System	16,888	15,119	17,465	13,226	12,024
Utah	1,010	883	535	2	15
Western Pacific	1,466	1,601	1,774	3,501	2,651
Total	131,494	118,724	125,914	86,079	77,190
Southwestern District—					
Burlington-Rock Island	263	299	377	612	489
Gulf Coast Lines	6,356	5,222	6,729	2,764	2,307
International-Great Northern	2,130	2,054	2,854	3,919	3,535
†K. O. & G.-M. V.-O. C.-A.-A.	1,328	1,382	1,290	1,827	1,728
Kansas City Southern	3,315	2,810	5,133	3,375	3,131
Louisiana & Arkansas	2,595	2,393	3,434	2,678	2,290
Litchfield & Madison	398	351	352	1,492	1,205
Missouri & Arkansas	§	213	144	§	427
Missouri-Kansas-Texas Lines	5,343	5,345	7,175	4,530	4,003
Missouri Pacific	17,291	16,991	16,697	17,098	14,227
Quanah Acme & Pacific	113	162	150	247	224
St. Louis-San Francisco	10,124	10,187	9,643	8,041	8,399
St. Louis-Southwestern	2,783	2,830	3,332	6,046	5,299
Texas & New Orleans	9,667	9,005	11,029	6,009	5,595
Texas & Pacific	3,994	3,741	5,569	7,446	6,497
Wichita Falls & Southern	78	100	77	67	65
Weatherford M. W. & N. W.	17	46	29	15	13
Total	65,795	63,131	74,014	66,166	59,434

†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	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity Current	Percent of Activity Cumulative
1946—Week Ended					
Dec. 7	207,137	172,417	578,742	99	96
Dec. 14	167,937	175,640	571,179	102	96
Dec. 21	144,083	172,275	543,675	102	96
Dec. 28	99,555	109,210	532,773	66	96
1947—Week Ended					
Jan. 4	196,927	142,338	588,406	85	85
Jan. 11	171,420	178,043	580,026	102	94
Jan. 18	173,851	178,556	577,269	103	97
Jan. 25	155,432	173,720	557,140	101	98
Feb. 1	204,033	179,347	579,562	102	99
Feb. 8	202,189	181,017	599,009	104	99
Feb. 15	169,624	178,458	589,544	102	100
Feb. 22	147,458	177,282	565,571	103	100
Mar. 1	192,670	181,709	574,856	102	101
Mar. 8	237,292	179,025	614,471	102	101
Mar. 15	163,207	179,819	595,648	104	101

NOTES—Unfilled orders for 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.

Life Ins. Purchases In February Increase

Life insurance purchases in the United States in February showed an increase of 13% over purchases in the corresponding month of last year and were nearly twice the aggregate reported for February in pre-war 1941, it was reported on March 20 by the Life Insurance Agency Management Association of Hartford, Conn. Total purchases in February were $1,718,329,000 compared with $1,516,833,000 in February of last year and $866,790,000 in February, 1941. The advices from the Association also said:

"Purchases of ordinary life insurance in February were $1,186,746,000, up 6% over February a year ago and more than twice the total in February, 1941. Industrial life insurance purchased in February amounted to $350,029,000, an increase of 14% over the corresponding month last year and 27% over February, 1941. Group life insurance purchases were $181,554,000 in February, an increase of 105% over February a year ago and more than three times the figure for February, 1941. These purchases represent new groups set up and do not include additions of insured personnel under group insurance contracts already in force.

"In the first two months of the year total life insurance purchases were $3,459,968,000, an increase of 21% over the first two months of 1946 and more than twice the corresponding period of 1941. Purchases of ordinary life insurance accounted for $2,415,772,000 of the two months' aggregate, an increase of 13% over last year. Industrial life insurance purchases represented $678,547,000 of the current year's total, an increase of 16% as compared with last year, while group life insurance purchases amounted to $365,649,000, an increase of 165% as compared with the first two months of last year."

Weekly Lumber Shipments 3.1% Below Production

According to the National Lumber Manufacturers Association, lumber shipments of 415 mills reporting to the National Lumber Trade Barometer were 3.1% below production for the week ending March 15, 1947. In the same week new orders of these mills were 48.1% above production. Unfilled order files of the reporting mills amounted to 79% of stocks. For reporting softwood mills, unfilled orders are equivalent to 29 days' production at the current rate, and gross stocks are equivalent to 35 days' production.

For the year to date, shipments of reporting identical mills were 13.0% above production; orders were 24.2% above production.

Compared to the average corresponding week of 1935-39, production of reporting mills was 22.6% above; shipments were 8.7% above; orders were 62.6% above. Compared to the corresponding week in 1946, production of reporting mills was 12.1% above; shipments were 3.6% above; and new orders were 63.2% above.

Truman Sets Army Day and Week

Monday, April 7, has been proclaimed by President Truman as Army Day, and the period, April 6-12, as Army Week; the proclamation invites State Governors to issue similar proclamations to honor the Army, Associated Press Washington advices stated on March 7. Stating that the Army can discharge its duties here and abroad "only with the firm support of our people," the proclamation urged Americans "to be mindful of the Army's needs, to the end that our soldiers may not lack the means to perform effectively their continuing tasks."

Items About Banks, Trust Companies

Irving Trust Company of New York announces the election to its board of directors on March 19 of William Jed Wardall who is Chairman of the board of The Best Foods, Inc. Mr. Wardall also is a director and member of the Executive Committee of McKesson & Robbins, Inc., a director of Sylvania Electric Products, Inc. and a trustee of the Presbyterian Hospital in New York. Prior to assuming the Chairmanship of The Best Foods, Inc., Mr. Wardall was sole trustee in charge of the reorganization of McKesson & Robbins, Inc., to which task he brought a long experience in the corporate management and reorganization field.

The North Side Savings Bank of New York, main office 3230 Third Ave., opened its second branch office within a period of 100 days on March 24, at 3125 Bainbridge Ave. in the Bronx. The first branch office was opened on Nov. 18, 1946, at 4201 White Plains Ave. Arthur A. Ekirch, Vice-President of the bank, will be in charge of operations at the new office. The March 15 statement of the North Side Savings Bank, established in the Bronx in 1905, lists total deposits in excess of $36,000,000 and 36,500 depositors. Officers of the bank are: Fred Berry, President; Arthur A. Ekirch and Robert F. Seiffert, Vice-Presidents; Christian Rieger, Treasurer; C. William Borchers, Vice-President and Secretary; George L. Kelley, Assistant Vice-President; Adolph J. Langmack, Isabella M. Davidson and T. A. Roden, Assistant Secretaries; and Arthur J. Martel, Auditor.

Harold P. Borer, General Manager for the United States of Cunard-White Star, Ltd., was elected trustee of the Brooklyn Trust Company, Brooklyn, N. Y., at a meeting of the board of trustees on March 20. Born in Brooklyn, Mr. Borer has spent his entire business career with the Cunard-White Star organization, having been first employed by the Cunard Line as an office boy in 1910. He has been General Manager for the United States since 1945. During World War II he was director of the British Ministry of War Transport in charge of all troop movements in British ships from the United States. He also is Vice-President and a director of the 25 Broadway Corporation and a director of Cunard-Donaldson, Ltd., of Montreal, Canada.

Raymond J. O'Rourke has been appointed Manager of the Consumer Credit Department of the Lafayette National Bank of Brooklyn, according to an announcement made by Walter Jeffreys Carlin, President. Mr. O'Rourke comes to the Lafayette from the Corn Exchange National Bank and Trust Company of Philadelphia, where he was Manager of the Time Sales Department and also active in its organization. He was also formerly Manager of Consumer Credit and Time Sales Department of Rutherford National Bank, Rutherford, N. J. Mr. O'Rourke is a graduate of New York University and has completed two years at the Graduate School of Banking, Rutgers University. He is President of the Philadelphia Retail Credit Managers Association, a member of National Federation of Sales Executives and a number of other clubs and organizations.

At a meeting of the board of directors of the State Street Trust Company of Boston on March 17, Russell Robb, Vice-President of Stone & Webster, Inc., was elected to the board. Mr. Robb a graduate of Harvard, 1923, has been connected with the Stone & Webster organization since that time, with the exception of World War II years. A director of various corporations, Mr. Robb is also a trustee of Concord Academy and of the Fenn School in Concord, Mass. He was called to active duty with the Army Air Forces in 1941, serving with headquarters of that branch during the early part of the war and later as staff officer, in various theatres of operation, with headquarters of the Air Transport Command. He was awarded the Legion of Merit, being released from active duty in January 1946 with the rank of Colonel. At the March 17 meeting the directors declared the usual quarterly dividend of 50 cents a share payable April 1, 1947, to stockholders of record at close of business March 24, 1947.

Clinton Lathrop, President-emeritus of the Windham National Bank of Willimantic, Conn., died on March 16, it was stated in advices from Willimantic to the Hartford "Courant" which also said:

He had been connected with the Windham National Bank for more than 69 years and had served as its President from February, 1923, when he was elected to fill the vacancy caused by the death of Guilford H. Smith, to January of this year at which time he was made President-emeritus. Mr. Lathrop was 87 years of age.

The election of Herbert P. Stellwagen, Executive Vice-President of the Indemnity Insurance Company of North America, to a directorship and of Robert Coltman, former Assistant Vice-President, to Vice-President in charge of investments, was announced on March 20 by W. Logan MacCoy, President of the Provident Trust Company of Philadelphia. The board of directors also promoted six other members of the company's staff. They are William G. Foulke, 2d, and John H. Zane, former Assistant Trust Officers, promoted to Trust Officers; George C. Denniston and James S. Maier, appointed Assistant Trust Officers; Henry Ecroyd, who was named Assistant Trust Investment Officer, and John Shaw, Assistant Treasurer. Mr. Stellwagen, a native of Brooklyn and a graduate of New York University, went to Philadelphia in 1929 as Assistant Vice-President of the Indemnity Insurance Company of North America and was elected Executive Vice-President in March, 1941. His first insurance connection was with the National Bureau of Casualty and Surety Underwriters, which he joined in 1920, later becoming its Secretary-Treasurer. He is a member of the Casualty Actuarial Society, trustee and Treasurer of the Williamson Free School of Mechanical Trades, and President of the American Institute for Property and Liability Underwriters, Inc.

Plans whereby the Chartiers Bank of McKees Rocks, Pa., will become the Chartiers branch of the Commonwealth Trust Company of Pittsburgh were announced on March 17, according to the Pittsburgh "Post Gazette" of March 18, which further reported:

William B. McFall, President of Commonwealth Trust, said the State Banking Department and the Federal Reserve authorities have approved assumption of the deposits of the McKees Rocks bank under a sale and liquidation program of the latter institution and that the change to a branch will take place on or about April 30.

Commonwealth Trust will buy the building of the Chartiers Bank and will take over assets of that bank to the amount of its deposits, which were $7,194,948 on Dec. 31, 1946. The balance of the Chartiers Bank assets will be liquidated and distributed among its stockholders after preferred stock is paid off at the liquidating value of $200,000. The RFC owns this preferred stock. The common stock of the Chartiers Bank has a par value of $25 per share, and it is estimated each shareholder will receive in excess of $125 per share.

Henry G. Haupt, Cashier and Secretary of the Chartiers Bank, will be elected a Vice-President of Commonwealth Trust, and all employed personnel of the McKees Rocks bank will be continued under branch operation.

Burr V. Brower, expert on foreign affairs, has become associated with the customer relations division of the Peoples First National Bank & Trust Company of Pittsburgh, it was made known in the Pittsburgh "Post Gazette" of March 18. The paper from which we quote states that Mr. Brower formerly specialized on import and export credits and foreign commitments for the National City Bank of New York.

William J. Gerbig was elected Cashier of the Calvert Bank of Baltimore, Md., at a meeting of the board of directors on March 18, filling the vacancy caused by the recent death of W. H. Dashiell. The Baltimore "Sun" reporting this said:

Mr. Gerbig, formerly Assistant Cashier, has been connected with the Calvert Bank for about three years. Previously he served with the Baltimore branch of the Federal Reserve Bank of Richmond.

Albert L. Long, for twenty-three years with the National Bank of Commerce of Memphis, Tenn., a Vice-President, and the Manager of the cotton and commodity department since 1929, has been elected a Vice-President of the Republic National Bank of Dallas, Tex., and will assume his duties in Dallas on April 1, it was announced by Fred F. Florence, President, of the Republic National, it is learned from the Dallas "Times-Herald" of March 16.

The Chartered Bank of India, Australia & China, announced on March 12 that at the annual general meeting of stockholders to be held on March 26 the directors would recommend that a final dividend be declared at the rate of 6½% per annum, less tax, making with the interim dividend 10% for the year, less tax, that £100,000 be added to the Officers' Pension Fund, that £10,000 be added to the Widows' & Orphans' Fund, that £100,000 be written off Bank Premises account and that £387,268.5.4. be carried forward.

Truman's Jefferson Day Speech Announced

It has been announced by the Democratic National Committee that President Truman, in a Jefferson Day dinner in Washington on April 5, will "deliver an important message in person to the American people," United Press Washington advices stated on March 8. Among those expected to attend are Cordell Hull, former Secretary of State; Henry A. Wallace, former Secretary of Commerce and former Vice-President, and Stephen T. Early, former White House press secretary.

From Washington Ahead of the News

(Continued from first page)

chorus, are scuttling the essential services of the government.

At first blush, you would think the coalition had gone crazy because the people out in the country must be in favor of reducing governmental expenditures. We have never known them when they were not.

But the more you think about it, the more you think you are the one that is nuts; that the Leftist coalition is on the right track; that the people don't want the governmental expenditures cut down or taxes reduced. Manifestly you are living in an Alice in Wonderland world, but it must be a case of your being wrong and the Leftists right because of the agitation in the newspapers against the Republican budget cutters. It seems they are quite irresponsible people.

They cut the appropriation of the Children's Bureau in the Labor Department. Why, the rascals are obviously against children. It so happens, of course, that the Children's Bureau has never given birth to a child and I doubt that you could find a single child in all this country who would say he owed his existence to this government department. But it is the Children's Department and to put its Bureaucrats in place, to check their appetite for spending government money, is to be against children.

Then there is the Bureau of Labor Statistics. It is most always under attack from some source, from organized labor, from others.

Under Roosevelt, its "services" were built up tremendously. To say that its "services" were built up tremendously is to say that Roosevelt gave freely to it just as he did to everybody else. He was spending money all over the place and the Bureaucrat that couldn't "increase his services" to the people was not worth his salt.

Well, the Republicans come along now and say that the carnival is over. We will continue to give you enough money to get all the service from you we need. The Bureaucrats scream to high heaven that the reactionaries are carrying us back to the dark ages. The fact is that with all the research services available in this country, the Bureau of Labor Statistics could be eliminated entirely, although the social scientists, as they call themselves, would fervently disagree.

I even read a very pathetic piece in the Washington "Post" recently of how the Republican wrecking crew was even denying the President the proper protection from the Secret Service. It was even clipping the appropriations of those boys.

In the New York "Times" there is criticism of the Republicans for denying an appropriation to 8,000 extra agents of the Internal Revenue Bureau whom Morgenthau put on three or four years ago to catch the supposedly unusual horde of tax dodgers. What sort of economy is it, asks the "Times," to deny a $30,000,000 appropriation which brought in $600,000,000 of hidden taxes? I'll bite. The fact is, however, they never did any such thing. The appropriation just gave Henry that many more Roosevelt voters. There is not a department in Washington that can't show that it saves the public money, except that for some reason or another, the public is carrying the greatest tax burden it ever carried in all history.

The House Republicans gave the Customs Service $3,500,000 more than they currently enjoy. But these Bureaucrats immediately ran to the papers in New York, San Francisco and other port cities and sold the editors on the argument they would have to discharge essential men, oh, around 2,000 of them. The fact is that appropriation allows them to employ an additional 400 men.

The labor leaders have joined in the agitation against the cut in the NLRB's appropriation, not that they have all enjoyed pleasant relations with this whimsical bureaucracy, but as an antidote to pending labor legislation. The pending legislation won't stop labor disputes, they say. What is needed is an increase in the NLRB's appropriation.

It is a tremendous propaganda, all told, against the Republican budget cutters, but it is this writer's guess that it won't prevail.

Results of Treasury Bill Offering

The Secretary of the Treasury announced on March 24 that the tenders for $1,300,000,000 or thereabout of 91-day Treasury bills to be dated March 27 and to mature June 26, which were offered on March 21 were opened at the Federal Reserve banks on March 24.

Total applied for, $1,823,470,000.

Total accepted, $1,308,024,000 (includes $22,215,000 entered on a fixed price basis at 99.905 and accepted in full).

Average price, 99.095+; equivalent rate of discount approximately 0.376% per annum.

Range of accepted competitive bids:

High, 99.906, equivalent rate of discount approximately 0.372% per annum.

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

(70% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on March 27 in the amount of $1,316,577,000.

Feb. Cotton Consumption

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

In the month of February, 1947, cotton consumed amounted to 840,463 bales of lint and 80,441 bales of linters, as compared with 947,036 bales of lint and 93,909 bales of linters in January and 747,748 bales of lint and 90,469 bales of linters in February, 1946.

In the seven months ending Feb. 28, cotton consumption was 6,044,326 bales of lint and 576,740 bales of linters, which compares with 5,152,778 bales of lint and 606,236 bales of linters in the corresponding period a year ago.

There was 2,250,615 bales of lint and 303,473 bales of linters on hand in consuming establishments on Feb. 28, 1947, which compares with 2,259,002 bales of lint and 290,318 bales of linters on Jan. 31, and 2,373,875 bales of lint and 354,126 bales of linters on Feb. 28, 1946.

On hand in public storage and at compresses, on Feb. 28, 1947, there were 4,282,547 bales of lint and 72,322 bales of linters, which compares with 5,985,625 bales of lint and 73,649 bales of linters on Jan. 31, and 9,402,082 bales of lint and 53,557 bales of linters on Feb. 28, 1946.

There were 21,954,340 cotton spindles active during February which compares with 21,919,368 cotton spindles active during January, 1947, and with 21,238,75[illegible] active cotton spindles during February, 1946.

Cotton Exchange Closing Saturday During Summer

The Board of Managers of the New York Cotton Exchange have voted to close the Exchange on Saturday, May 31, and on all Saturdays during the months of June, July and August.

2,205,000 barrels, 5,775,000 barrels and [illegible]