Bus Adm

APR 11 1947

Final Edition

ESTABLISHED 1839

In 2 Sections—Section 2

The COMMERCIAL and FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 165 Number 4584 New York, N. Y., Thursday, April 10, 1947 Price 30 Cents a Copy

Retailers Propose Price Reductions

J. I. Straus, President of R. H. Macy & Co., signs newspaper page advertisement, asking cut in prices and profits by both producers and retailers. Sees danger of recession if prices remain at present level. Walter Morrow, President of American Retail Federation, also urges reexamination of price structures.

In a press conference on April 4, backed up by a full page advertisement in local papers, Jack I. Straus, President of R. H. Macy & Co., Inc., called for manufacturers' and retailers' price cuts "if we are to have continuing prosperity." "We at Macy's," Mr. Straus said, "recognize that we have the obligation to cut our own profit rates and we have done so. But at best a store's margin of profit is a small part of the total price of the article which it sells. Back of the store's price is the pyramiding of costs and profits from raw materials through processors and finishers to the completed article. All alike must make their proportionate contributions."

Jack I. Straus

Following Mr. Straus' statement, other heads of department and large retail stores joined in approval, to the extent that it was feared action might be taken by the Department of Justice under the Federal Anti-Trust and Conspiracy Laws, since any agreement as to prices has been generally regarded as an act in restraint of trade and commerce.

In his press conference, Mr. Straus stressed the advantage of lower prices in keeping up consumer purchases. "The public," he said, "still has extensive needs for all kinds of merchandise and ample resources to sustain purchasing power and full employment at reasonably lowered price levels. In proof we cite that Macy's during the past two months has offered in cooperation with manufacturers large purchases of wanted items at new lower price levels.

"The response has been overwhelming. In many cases, the quantities, though large, have proved insufficient. Other retailers have reported similar experiences."

In line with the policy publicized by R. H Macy & Co., Walter Morrow, President of the American Retail Federation, on April 7, in Washington, issued a statement in the bi-weekly trade letter of the organization advising the 500,000 individual members, through their state and local organizations, to review their prices "item by item and category by category, with a view to making reductions."

"There are no factors in the present economic picture," Mr. Morrow stated, "to indicate a long-continued deflationary spiral. Outlook for consumer demand is good.

"What every one is looking for is a way to minimize evil effects of a price shakedown or readjustment of the price structure. A lot of people can be hurt in the process of doing even that.

"The immediate need is to find a way to shake out speculative factors and inordinate profits in the areas where they exist. What business leaders are trying to do is accomplish it by voluntary individual action."

Does Consumer Credit Cause Business Fluctuations?

By R. J. SAULNIER*

Associate Professor of Economics, Barnard College

Holding consumer income is primary and dominant factor determining instalment credit, Dr. Saulnier points out increases in disposable income have greater effect when the income level is high than when it is low. Says it is not proven aggregate consumer demand is increased by instalment credit expansion, and concludes consumer instalment credit has not been active in initiation of changes in economic conditions.

The impossibility of dealing adequately in the time available with the relationship between consumer instalment credit and economic fluctuations must be very clear to all those in attendance at this conference. Certainly it has become clear to me as this paper developed, and I am therefore going to confine myself to a few questions, not more than five that have a bearing on our central problem.

First, let us consider the related questions: Why do consumers use the instalment payment device? and What determines the amount of instalment sales credit in use in our economy at any given time?

The first question is important only as an introduction to the second. One part, at least, of its answer is fairly obvious. Individuals use instalment sales credits to make purchases that call for payments so large relative to the flow of current income that they can be met only by saving out of income over a period of time.

(Continued on page 8)

*An address by Prof. Saulnier at Consumer Credit Conference, Wharton School, University of Pennsylvania, Philadelphia, Pa., March 26, 1947.

Investing in Big And Small Cities

By ROGER W. BABSON

Mr. Babson warns against investing too much money in big cities. Lists businesses in small cities which offer best opportunities for investments, and urges ownership of small farms and "some good jewels in your safe deposit box" as hedges against depression.

Many letters have come to me saying: Knowing you do not like investments in big cities such as New York, Philadelphia, Baltimore and Pittsburgh, what would you suggest "as insurance" for those who do live in these or other big cities? My answer is very simple—namely, to invest some of your money in small cities and well-diversified industries. Very big cities have reached their maximum of influence; their real estate will gradually decline in value; their workers will be less efficient; their cost of living will abnormally advance and their danger from communistic uprisings from within and attacks from without will continually increase.

Roger W. Babson

Bullish on Small Cities

I believe it is safe to say that locally controlled businesses in rural self-supporting and self-contained areas will more and more flourish. **What sort of businesses in these rural areas offer the best**

(Continued on page 9)

GENERAL CONTENTS

Editorial

As We See It

EDITORIAL

President Truman's Platform

In keeping with long established custom, the President has taken the occasion of the "Jefferson Day" dinner to set forth a sort of *apologia pro vita sua* of his Administration to date. In doing so, of course, he has taken pains to give definite form and expression to the platform upon which he now chooses to make the political fight of the next year and a half, or thereabouts. His was a political effort, and doubtless allowance must be made for that fact. What he had to say was, however, rather more than usually outspoken and explicit. It is now for the people to analyze and appraise. It is most ardently to be hoped that at some time in the not too far distant future the Republican party will be as explicit and as authoritative in setting forth its stand on basic public questions. The rank and file would then have a rather unusually good opportunity to make their choice between the two political policies and parties.

Certainly the Republican leaders should have no great difficulty in demolishing the platform of the opposing leader. President Truman, however effective his appeal to prejudice, to the emotions of a people now in an almost chaotic state, or to the slogan-ridden thinking of the masses, is really almost pitifully vulnerable to sane analysis. His *ipse dixit* arguments, based upon quotations from Thomas Jefferson, wrung from their context and often more suggestive of Jefferson's slavery to his own phrases than anything else, are far from convincing and his *ex cathedra* pronouncements in defense of his own budget proposals are hardly to be regarded as more than a notice that the leader of the Democratic party intends to stand by them, and if necessary to make a political issue of them in preparation for the

(Continued on page 4)

From Washington Ahead of the News

By CARLISLE BARGERON

A sight really to behold these days is the spectacle of Mr. Truman springing to leadership responsibilities. On the one hand, he assumes the leadership of the anti-Communist forces of the world, and on the other, the leadership of the jobholders against the Republican efforts to cut his budget. You get the impression that these constantly arising problems, calling for his assumpion of the leadership, annoy him no end and that he does it rather whimsically under the advice of what is being termed his streamlined and dynamic brain trust. But he does it.

Carlisle Bargeron

Under his inspired leadership, the jobholders are really marshalling their forces against the Senate. There are all sorts of organizations or unions operating among them, including the CIO, and never have these unions been so aggressive. Taking the tip from Mr. Truman, they are bringing such pressure on the Senate to restore the cuts which the House is effecting in the appropriation bills, as that august body has never experienced. Several of these organizations have been inert for years. About all they had to do was occasionally to join in the movement for higher pay for the government employees, but these movements came only periodically, and the union leaders enjoyed a life of ease, broken now and then by the aggressive tactics of the CIO.

But now they are up and at 'em. Learning tricks from the CIO, they are pulling gullible women's organizations and civic bodies into their campaign. "Don't let the Republicans destroy the essential services," is the rallying cry.

We are told, when Mr. Truman assumed the leadership of the anti-Commy forces in Greece, that his announcement of aid was greeted by applause over all that stricken country.

But we actually heard, through the medium of the radio, the applause he got when he announced to the assembled jobholders, wining and dining at the $100 a plate Jefferson Day dinner, that the

(Continued on page 9)

Time for Action!

"The spirit of the legislative reorganization law dictates that Congress, by Feb. 15 each year, fix a ceiling for total expenditures for the next fiscal year.

"On Feb. 20, the House passed such a ceiling by reducing the President's budget by $6,000,000,000. The Senate, after exhaustive debate, adopted on March 3 a reduction of $4,500,-000,000. On March 4, the matter went to conference and for thirty days has remained in an inactive status.

Harry F. Byrd

"In the meantime the House passed a tax reduction which will reduce fiscal 1948 revenue by $5,700,000,000, and the House leaders are now clamoring for quick action on the part of the Senate; yet the expenditure ceiling lies dormant in the bosom of the Republican party.

"The Republicans have talked a lot about economy, and it is my purpose to cooperate with them in every real economy measure presented. I submit that the time has come for action, and the responsibility rests upon the Republican leadership."—Senator Harry F. Byrd.

A dozen or so Senators Byrd in the Republican party would help!

But does the party boast even one?

Army Remittance Losses Scandalize British—Corresponding Losses Foisted on U. S. Taxpayer

By HERBERT M. BRATTER

Mr. Bratter, citing British War Secretary's admission that illegal military traffic in currency and goods has exceeded £38 million, contends corresponding unrealized U. S. scandal has been greater. Declares our Army officials and War Department, like British, have been dilatory in taking remedial action.

Military profiteering through loopholes in the British Army's currency and remittance system during and after the war has now been aired in Parliament and has scandalized both members of that body and the general public. The Secretary of State for War has admitted that illegal traffic in currency and goods has cost the British taxpayer £38,000,000, not including additional large sums similarly lost in Italy but subsequently eliminated by working off on the Italians the lire with which Army paymasters had been "stuck." The story is not without interest in the United States, since the corresponding scandal in our case has been on a larger scale. Further details on the British story will be revealed when the government completes a report promised Parliament.

The report would seem to be somewhat overdue, according to an editorial in the "Financial Times" of March 18, which observes in part:

> The total loss was so substantial that the profits of some individuals must have been very large; for the ordinary soldier, by selling his cigarette and chocolate ration, could not have caused the loss which the Treasury has incurred. Here is a scandal of the most serious kind, and it is impossible to leave it in the unsatisfactory position where it now rests. The investigation into the whole affair must be thorough and unsparing, and the results must be made public as soon as possible.

Britain, of course, has greater need than the United States to plug leakages of foreign exchange, but the writer has yet to see an American editorial demanding exposure of American Army laxity in this matter, or even the confession of the losses to Congress, as now has been done belatedly in the House of Commons. (See Parliamentary Debates, Feb. 26, 1947.)

All the Allied Governments concerned seem to have improvised in their efforts to prevent abuse of the military currency by their uniformed personnel and others. An interesting disclosure in the recent Parliamentary debates, however, is that the same problem was experienced during World War I. Why the military did not profit from that experience more than on the surface they appear to have done is still to be explained. One reason seems to be that the corruption of morals was not confined to the lower ranks, but extended upwards, with the result that even high officers winked at the practice. Various examples of this were learned by the writer in Germany last year.

In the House of Commons the Secretary of State for War, Mr. Bellenger, discussed the subject on the occasion of an Army request for a deficiency appropriation of £20,000,000. Apparently it was only incidentally that he revealed that a similar loss of £38,000,000 had been "written off in the Army account for 1945-46."

War Department Inaction

The U. S. War Department has never come before the Congress with a similar request for an appropriation to make good losses suffered when enlisted men, officers and civilians in Europe enriched themselves at Uncle Sam's expense by purchasing from the Army dollar remittances with military marks and other foreign currencies they had acquired for nothing or virtually nothing. Instead, the War Department has covered up the matter, and is now engaged in trying to make good some of its losses at the expense of others than those who illegally obtained dollars from it. For example, a Berlin correspondent of the N. Y. "Times" on March 31 reported how the Military Government collects from Americans their dollars as payment for house rents and taxi fares, whereas the payments made to Germans for these purposes by Military Government in turn are made in marks.

This is just one of the ways in which the Army can gradually work off on the Germans some of the 500,000,000 marks or more with which it was stuck by the dishonest transactions of its personnel, as reported by the writer in these columns last year. The N. Y. "Times" also reported that the Army was making money by "legerdemain" at the expense of businessmen, by manipulating the dollar prices of German exports acquired by the government for marks, thus providing another way to work off some of its cigar-coupon marks bought with millions of good dollars from GI profiteers and black-marketeers.

Mr. Bellenger told the House of Commons that, in Britain's case, the Army had "acted as general bankers and much of this money came from the canteens which the Army controls." Continuing:

"Of that £58,000,000, the sum of £13,000,000 was due to losses in Dutch currency, £41,000,000 to losses in relation to German currency, and £4,000,000 in relation to Austrian currency. With regard to the £13,000,000 in Dutch currency, honorable Members might wonder why we have not recovered that. I can only say . . . that it was agreed by . . . the Chancellor of the Exchequer that it should be written off as a part of the general financial winding up of the war. . . . Many of the Dutch people, starved of goods, had lost faith in their currency and got rid of it to the troops and others who came into their country. The surplus arose out of speculation in sterling notes; it arose out of speculation in continental currencies . . . ; it arose from the loot captured from Germans and from German pay offices.

* * *

"Unfortunately, the depredations [in Germany] arose from the large number of free reichsmarks in the pockets of the Germans, who proceeded to exchange those reichsmarks with British troops or British civilians and not only with them but also with others—because this was not confined to the British alone but people of other nationalities were concerned, too—for what are mainly canteen goods. It also arose from the sale of captured enemy porperty as well as British property."

The War Secretary went on to state that, while the government could control the supplies going to Army canteens on the continent, it "could not control the parcels of cigarettes which went out from this country and a large proportion of this loss was incurred because the cigarettes then and now were the real currency in Germany. I may say in that respect that as soon as that was realized—in September, 1945, I think it was—not I but the Treasury put a stop to these cigarettes being sent overseas duty free. That had a considerable effect on the transactions which were going on in Germany."

In contrast, when long after the corresponding abuses in the American occupation Army had been widely reported, when the then American Deputy Military Commander, General Lucius D. Clay, was asked whether he favored clamping down on the private traffic in cigarettes over and above the liberal GI rations, the AP reported that the General, who "himself uses 60 cigarettes a day," said he would not favor banning private imports of cigarettes by American Army personnel in Germany.

Although the British Army is criticized by Parliament for shutting the door only after the horse had been stolen, namely, by issuing a special sterling "voucher" currency for the use of Army personnel in Germany and Austria, the United States did not take a corresponding step until six weeks later, and the French not until six months afterwards. These vouchers, called B. A. F. V. S., are denominated in sterling and may not be used or even held by the population of the occupied areas. Mr. Bellenger said: "I cannot find any precedent for paying a British soldier in currency which is not legal tender."

Other Nations Involved

Stating that the main losses came from the sale of postal orders to the troops, Mr. Bellenger pointed out that not only British military personnel—naval, as well—and civilians, but also Czechs, Poles and other Allied nationalities who had access to British canteens were involved in the racket. The matter was brought to the attention of the Secretary of War only in March, 1945, he stated to the House, and the troops abroad were given two months notice that the B. A. F. V. S. were to be introduced. This notice had additional monetary value to those in the Army profiting from the then-existing system.

Opposition MPs stated that the £58,000,000 represented approximately 3.7% of the national income-tax collections this year.

Said Anthony Eden: "What we really feel is that we want this matter probed. It is not a heresy hunt. A large sum of money has disappeared at great cost to the taxpayer, and we ought to know about it."

To this, the American taxpayer might well exclaim: "Hear, hear."

By way of postscript the British press early this month reports a homeside aftermath of the war: large tobacco raids in London attributed to commando-trained Army deserters.

Delaware Bars Mass Picketing and Outlaws Secondary Boycotts

A bill outlawing secondary boycotts and mass picketing became a law in Delaware on April 5, as the Delaware Legislature ended one of the longest and most turbulent sessions in its history, according to an Associated Press dispatch from Dover, Del. on April 5, which also said:

"The bill, which also provides that an employer may refuse to grant a closed shop and limits union initiation fees at $25, was passed in the final session and signed by Gov. Walter W. Bacon within a half hour after the Legislature adjourned."

Death of W. H. A. Johnson Of Chicago Reserve Bank

William Hugh Alexander Johnson, of Evanston, Ill., 57 years of age, died on March 27. Mr. Johnson was Trust Examiner for the Federal Reserve Bank, of Chicago, with which institution he has been connected since 1934. He began his banking career with the Central Trust Company, of Illinois in 1913, after having been graduated from the Northwestern University Law School. He had written and lectured extensively on trust problems. The Reserve Bank in its advices also said:

"He was on the teaching staff of the Chicago Chapter of the American Institute of Banking for many years, was a life member of the Chicago Chapter, and was a director from 1923 to 1925 and Treasurer from 1925 to 1926. He was a member of the Committee on Trust Education of the American Bankers Association.

"He served in the United States Army during the first World War as a Lieutenant of Infantry. At the time of his death, he was a Captain of Infantry in the Reserve Corps of the United States Army."

Saturday Closing of N. Y. Savings Banks

While all banks in the metropolitan area are adopting the five-day week, closing on Saturdays, starting on Saturday April 5 virtually all savings bank offices will be open for "special" banking hours beyond the usual 9:00 a.m.-3:00 p.m. one or more days a week, it was reported on April 3 by The Savings Banks Association of the State of New York. The Association's announcement continues:

Of the more than 130 savings bank offices in the City, all but a very small minority have special banking hours selected to meet the special needs of the people in their areas. In most areas, these are usually on late Friday and Monday afternoons or early evenings. In shopping districts they coincide pretty generally with Thursday evening shopping hours, while in certain business districts, depositor surveys have shown that there is no need for any extra banking hours. Fifty-three of the 55 savings banks in the City have extra banking hours in one or more of their offices, according to a canvass just completed by the Association.

Very little inconvience or misunderstanding is expected, according to the announcement, in view of these extra hours and the fact that Saturday closings have been widely publicized by the press and through advertisements run by the savings banks individually and collectively over the past three weeks.

For the State as a whole, 95 of the 131 savings banks in all areas have indicated that they will not be open for business on Saturdays starting April 5. Others, in areas where Saturday is a busy shopping and banking day, the banks will not be open on Wednesday afternoons or some other period mutually agreed upon in the community. In Western New York most banks are deferring Saturday closings until late May, it was indicated.

An item bearing on Saturday closing in the New York Federal Reserve District appeared in our issue of March 6, page 1294.

Patterson Again Urges Single Defense Unit

Secretary of War Patterson again voiced approval of legislation to coordinate the armed forces under a single department of defense, April 2, when he appeared before the House Expenditures Committee to assert that such a step would be a strengthening of American national defense in the view of foreign governments. Declaring, according to Associated Press Washington advices, that the Unification Bill "is the only thing I know of that can strengthen national defense and not cost money," Secretary Patterson was quoted as saying that if a national emergency arises, "we will surely come at that time to a single authority, and we will have to improvise hastily as in 1941 and 1942."

Repeating his recent assertion to the Senate Armed Services Committee, Mr. Patterson said that there is now no "overall, comprehensive" general defense plan. Furthermore, he declared, it is impossible to establish one under the present structure. He added:

"The field of national defense is a single field. It involves the employment of the military forces, ground, sea, and air as members of a team," and direction of that team should be concentrated rather than "divided as at present."

National Labor Relations Board Decision Gives Employers Certain Freedom of Speech In Union Plants

Some of the freedoms of speech which employers may use with impunity in dealing with union organizing in their plants were spelled out in a National Labor Relations Board decision issued this week according to a special Washington dispatch on April 5 to the New York "Times," and from which the following was also taken:

The NLRB reversed its trial examiner on four counts and disagreed with its own counsel in dismissing an unfair labor practice complaint.

The principals were General Motors Corp., Rochester (New York) Products Division, and the United Electrical Workers, Congress of Industrial Organizations. Two of the three board members signed the decision, John M. Houston and James J. Reynolds Jr. Chairman Paul M. Herzog did not participate. The trial examiner was Charles E. Persons.

Count No. 1—An employee, Lester G. Scales, who was laid off after seven year's service, asked the personnel manager, Benjamin O. Snyder, to put him back to work. In the conversation, Mr. Scales testified, the personnel chief remarked "that the union would never get in and that they had a different class of people working there."

The board said: "While we agree that this remark revealed an anti-union attitude, we are of the opinion that, on the state of the record herein, Snyder's statement was not coercive and hence that it was protected by the constitutional guarantee of free speech."

Count No. 2.—"The trial examiner also found that supervisor [Herbert] Vollick's anti-union statements to Scales, in the course of their repeated arguments concerning unionism, interfered with, restrained, and coerced the respondent's employees in violation of Section 8 (1) of the Act. We do not agree. Under all the circumstances, we are of the opinion that Vollick's statements . . . do not warrant a finding that Vollick's conduct was coercive."

Count No. 3—The board also disagreed with the trial examiner's finding that, as a result of a statement by Foreman Alfred J. Marriott to Harry L. Pardee, an employee, the company interfered with, restrained, and coerced its employees in violation of the act.

On the date in question, the board said, "Marriott told Pardee 'that he was foolish to belong to the union and that he wasn't supposed to talk about the union or solicit members in the union on company property at any time.'

"Had the respondent company promulgated a rule prohibiting solicitation of union members by employees on company property during their non-working time, it would clearly be in violation of the act, absent a showing of circumstances requiring such a rule.

"However, shop Rule 21 of the rules promulgated by the respondent forbids 'soliciting or collecting contributions for any purpose whatever on company time.' Marriott's statement to Pardee was the sole instance in which any management representative stated that the restriction on soliciting applied not only to working time, as stated in Rule 21, but to non-working time as well.

"In view of the wide degree of publicity given to the respondent's shop Rule 21, and in the absence of any evidence that the respondent authorized or ratified Marriott's statement, we are of the opinion that the employees had no reasonable basis for believing that Marriott's statement to Pardee reflected the respondent's policy. Marriott's statement is, therefore, not attributable to the respondent."

Count No. 4—"Finally, the trial examiner found that, by personnel manager Snyder's conduct in presenting an anti-union leaflet for Scales' consideration, by Snyder's statement to employee [Wilbur K.] LeMoyne that 'there was no outside organization going to run this shop,' and by superintendent [John E.] Braun's suggestion to Le Moyne that 'if [he] didn't like [his] job, why didn't [he] quit,' the respondent interfered with, restrained, and coerced its employees" within the meaning of the act.

"While similar conduct and statements have been found, under certain circumstances, to be violative of the act, we note that, in the instant case, there is no showing of any other conduct on the part of the respondent, violative of the act, which would import into the statements and conduct in question a coercive quality.

"Counsel for the board contends that the trial examiner should have found that the respondent's shop Rule 22 is a violation, per se," of the act. "We find no merit in this contention. Shop Rule 22 provides that it shall be sufficient ground for disciplinary action, including discharge, 'to distribute or circulate literature, petitions, or written or printed matter of any description on company premises.

"There is no evidence here that Rule 22 was discriminatorily adopted or enforced, or that enforcement of the rule is improper under the act."

The board dismissed the complaint in its entirety.

Conference Bd. Studies Consumer Spending

Consumers in 1946 were spending somewhat less freely than usual, but preliminary estimates indicate that their expenditures in the last quarter of 1946 (on a seasonally adjusted annual rate basis) came to 88.5% of disposable income for that period, according to an analysis of the pattern of consumer spending completed by the National Industrial Conference Board, made available March 31.

The Board reports that in 12 of the 31 years from 1909 to 1941 (omitting the war years 1917 and 1918), consumers spent between 90.0% and 92.5% of their disposable income. In 23 of the 31 years they spent between 87.5% and 95.0% of their disposable income. From the Conference Board's advices we quote:

"In the last quarter of 1946, consumers were spending 64.0% of their disposable income for goods (as distinguished from services). Prior to last year, the analysis notes, there is no figure on record which comes at all close to this one. The record extends back to 1929, and in that span the highest percentage of disposable income expended for goods was a little more than 59% in 1936. Consumers, during the last quarter of 1946, expended 10.9% of their disposable income for durables. This, too, the analysis notes, is a near-record figure, except for four years, (1929 — 12.4%; 1930 — 11.5%; 1931—10.6%; and 1937—11.0%)

"More impressive," says the analysis, "is the rate at which consumers were using their funds in the last quarter of 1946 to acquire nondurable goods—a little more than 53%. At no time from 1929 through 1941 did the figure reach 50%, and in six of those years it was less than 48%. It follows, of course, that the rate of spending for services was below the usual peacetime rate. The figure was a little over 24.0% in the last quarter of 1946, while in the prewar years it was below 30% only once, and it ranged as high as 39% in 1933."

The Board further reports:

"Consumer credit, which was heavy prior to the war but which declined to a relatively low point during the war, has for two years or more been increasing in volume. Shortages of consumer durable goods during the war together with the restrictions imposed by government, led to a decline of $4.6 billion in the amount outstanding to $5.3 billion by the end of 1943. The prewar upward trend, however, was resumed during 1944, and by the end of 1945, credit outstanding stood at $6.7 billion. This was the equivalent, however, of only 4.8% of the disposable income of that year. The increase continued through 1946, the study points out. By the end of that year, credit outstanding totaled approximately $10 billion. This amount, however, was less than 7.0% of the disposable income.

"The major development in the sphere of consumer credit during the past year or two, the analysis remarks, has been the vigor with which commercial banks have been cultivating the field. Small-loan companies, industrial banks, industrial loan companies, and credit unions are also striving for a larger share of consumer credit. Commercial banks now hold the major portion of the outstanding instalment loans. The volume held by commercial banks at the close of 1946 was greater than at any previous time, and more than double the amount held at the end of the previous year.

"The consumers' retail bill for 1946 totaled $96.7 billion, of which $77.7 billion was paid out at non-durable goods stores and $19.0 billion at durable goods stores. This was the largest sales volume in history. The peak was reached in December, 1946, when $10.3 billion went into the cash registers.

"The dollar volume of sales rose from month to month during the year, except for a temporary drop following the peak reached in August. On a seasonal basis, however, sales actually declined for a time after March, the earlier levels not being reached again until after June. When monthly sales are placed on a constant dollar basis, it appears that after February, despite month-to-month fluctuations, the physical volume of goods passing accross the counter did not change materially. Adjusting for both the price factor and the seasonal pattern discloses that the 1946 sales peak, in terms of physical volume, was reached in February, and that it has declined ever since.

"The 1946 figures are less impressive, the study points out, when they are thus corrected, but for the year as a whole retail volume was higher than in 1945. Total dollar volume increased 26% over the period, while average prices rose 10%. Thus, about 15% more goods were sold at retail in 1946 than in 1945, with the greatest proportional gains made by the durable components.

"As indicated by department store stocks, which were low in the latter part of 1945, inventories rose consistently (seasonally adjusted) through 1946. By December, they were as high, in respect to the 1935-1939 average, as were sales. While the movement of sales during the last half of the year was relatively stable, stocks continued to mount and appreciably catch up with sales."

The report states that "concern about the size of stocks and their unbalanced nature in the face of leveling sales has made merchants cautious in making future commitments. Indications of still higher prices on some spring lines are also a deterrent."

The State of Trade

With the war more than a year behind us business and industry today still finds itself waging an uphill fight to restore peacetime production, hampered as it is on the one hand by shortages of some raw materials and intricate labor problems on the other.

In the race between wages and prices which has been growing in pace these many months, prices are winning out and have now reached a point where consumer resistance to them, coupled with shortages of several basic materials, threaten production and may well, if not checked, result in a general recession in business.

Strong evidence of this trend was noted the past week in retail trade when sales volume failed to come up to merchants' expectations. In fact, it is reported by one authority that consumers were refraining from Easter buying in anticipation of post-Easter sales.

Late last week a warning note was struck by Jack I. Straus, the President of R. H. Macy & Co., who contended that present high prices are endangering American prosperity and called upon both retailers and manufacturers to lower them. Said Mr. Straus, "unless prices are lowered, we believe that a business recession is probable." In calling for an adjustment of prices which would bring reluctant buyers back into the market for goods, Mr. Straus was not alone, since other merchants agreed that if abnormal profits from primary sources through to the retailer are foresworn, prices can come down.

In an effort to determine the reaction to Mr. Straus' proposal, a week-end survey of key cities throughout the country, the New York "Times" states, showed a mixed response to the appeal. However, in an effort to implement this formula, it is understood that most large stores will begin clearances and price reductions on Monday of the present week.

Heavy clouds gathered over the labor front on Monday, last, as approximately 350,000 telephone workers left their stations in the first country-wide strike in the industry's history. It is reported that workers in all but nine of the 48 states took part in the stoppage which cut long distance and toll calls to an estimated 20% of the normal volume of 5,361,000 daily.

The manufacture, installation and distribution of Western Electric Co. products were crippled the same day in an off-shoot of the nation-wide telephone strike when 60,000 of the company's 81,000 hourly-rated employees at Kearney, N. J. and in other sections of the country joined the walkout with demands similar to those of the telephone workers on wages and other conditions.

The chief issues of the telephone strike are varied, one of them calling for increases in wage rates of plant employees of $21 and those of operators of $12 a week. The major issue is one of organization, since the 617,000 workers in the telephone company and its subsidiaries a minority have no union affiliation, the majority being spread out over 84 unions. Another important issue that the National Federation of Telephone Workers are striving to achive is that of collective bargaining on a nation-wide scale. Should the strike continue for any extended period of time, the great inconvenience and harm done the American people will be immeasurable and readily apparent.

The safety strike growing out of the six-day period of mourning which began at midnight March 31 when John L. Lewis ordered his 400,000 soft coal miners to leave the pits also creates a very vexing problem for both the Government and industry to cope with. Taking advantage of Mr. Krug's order on Saturday calling for the closing of 518 mines until they were declared safe for operation, Mr. Lewis on the same day asked Secretary Krug to close all of the 2,531 soft coal mines under government operation until union safety committees joined in finding them safe to work.

This proposal was rejected by the Secretary as being arbitrary resulting in most of the soft coal miners remaining away from the pits and production, according to the Solid Fuels Administration of the Interior Department, dropping to about 31% of normal.

Total industrial production the past week held close to the very high levels that were reached in recent weeks. Shortages again proved a stumbling block to output in some industries.

In the week ended March 22, total continued claims for unemployment compensation declined almost 2% while initial claims fell about 5%. The gradual resumption of industrial activities affected by seasonal conditions was reported as the main reason for the decline in all types of unemployment claims during that week.

Automotive production of cars and truck in the United States and Canada last week was estimated at 102,478 units by Ward's Automotive Reports, compared with a revised figure of 100,355 last week.

In the like week a year ago 47,735 vehicles were turned out and in 1941 the total was 116,255. Included in the current week's volume are 68,395 cars and 28,753 trucks produced in this country and 33,465 and 1,865 in Canada.

Ward's states that a postwar production record probably would have been reached the past week had it not been for parts shortages caused by slow deliveries as a result of the severe blizzard, the spread of influenza absenteeism, a vendor strike that curtailed convertible, station wagon and seven-passenger model schedules, and Good Friday afternoon plant closings.

In wholesaling, the demand for electrical appliances, automobile accessories and hardware continued at the high levels of previous weeks. Order volume for paint and wallpaper remained high and a slight improvement in the supply of these items was reported. Interest in furniture fell slightly and buyers displayed considerable resistance to high-priced, substandard goods. In the matter of case goods, demand remained heavy but offerings continued to be limited.

Moderate temperatures and interest in Easter apparel combined to lift total retail volume moderately above that of the previous week. Dollar volume, however, was well above that of the corresponding week a year ago. Women's apparel and house furnishings were among the best sellers. Interest in appliances and hardware remained high as consumer preference for well-known brands continued.

Total wholesale volume decreased fractionally in the week as dollar volume remained moderately above that of a year ago. Stocks of many previously scarce items continued to improve. Many buyers were hesitant about placing orders for goods that could not be delivered immediately or in the near ftute.

Steel Industry — Scrap prices declined last week in every major district in the country, according to "The Iron Age," national metalworking paper. Average quotations on heavy melting steel were

(Continued on page 7)

As We See It

(Continued from first page)

election to come in November, 1948.

Misuse of Jeffersonia

It may be that in Jefferson's time we could, with a somewhat straighter face, declare "our protest against the atrocious violations of the rights of nations by the interference of any one in the internal affairs of another," but even in that day our house was partly made of glass—and Jefferson was rather fond of seizing upon some occasion directly affecting and threatening our interests to give expression to pious reflections for which, in the abstract or as applied to far distant points of earth's surface, he would never have risked war with first class powers. Jefferson's really serious interest was, of course, in preventing these "atrocious violations" from occurring so close to our shores and in such manner as to threaten our own freedom from them. It would be difficult indeed, to conceive of Jefferson sending American soldiers, American funds, or any other form of American aid to the far reaches of the Mediterranean and beyond, to prevent France, Britain or Russia from violating the rights of small nations in the area—a practice in which they have been engaged since the memory of man runneth not to the contrary.

Nor can the President's employment of the Rooseveltian argument of a shrunken earth to bring Greece and Turkey as close to us and our vital interests as Mexico, be regarded as less than fantastic. Indeed he does not even attempt to build up such a line of reasoning coherently and rigorously, step by step, but switches the discussion without regard for logic to our "responsibility . . . to stand guard before the edifice of lasting peace," and from that point presents his defense against the many who have charged him with deliberate by-passing of the United Nations, of which this country was from the first the main sponsor, a defense, incidentally, which is not very likely to restore the damage done that institution. His notion of preventing war is, to say the least, more than a little naive—and certainly without regard to the teachings of history.

Says the President:

"We must take a positive stand. It is no longer enough merely to say 'We don't want war.' We must act in time—ahead of time—to stamp out the smoldering beginnings of any conflict that may threaten to spread over the world.

"We know how the fire starts. We have seen it before — aggression by the strong against the weak, openly by the use of armed force and secretly by infiltration. We know how the fire spreads. And we know how it ends."

Not in Accord With History

How much simpler our problems would be were the origin of war so easily explained! It would, of course, come very much nearer the facts to say that wars—or at all events large scale wars—in the past have almost invariably had their origin in competitive desire of powerful nations to interfere in the affairs of lesser peoples. It would be about as difficult to supply much historical evidence in support of the notion that acting in time or ahead of time would prevent widespread war. In the past it would have done so, to all appearances, only when one nation, or group of nations, was already so much stronger than their rivals that they could, by a show of strength, frighten their rivals from the field. Such remedies may postpone conflicts, but rarely have they permanently prevented them. The risk is great, of course, that they will merely precipitate them. The President — and, we greatly fear, a great many Americans—need to do some much more profound thinking about these matters.

It is for this reason that we find it impossible to agree with so many of our political leaders that to differ in this matter of foreign policy is little short of treason. We are more inclined to believe that to acquiesce without inquiry is by far the more dangerous course for the American people.

Of course, the President is quite correct when he insists that we must have the strongest economy possible. We should have it, and we should all be the better off for having it quite regardless of these "responsibilities" which we apparently are disposed to assume in the realm of world politics. The Chief Executive, however, is much less convincing when he discloses his ideas of how such a position can be and should be reached. In contrast to some of the more extreme Rooseveltian ideas on the subject, there is a good deal that is encouraging in President Truman's general approach. But there is likewise much in what he has done of late, and in what he now says, which must be rejected in toto. One would suppose that a $37.5 billion budget had been handed to him from the mountain top written on tablets of stone. It is our belief that the country would be stronger—more able to meet such foreign obligations as we decide to undertake—if we were on our way definitely toward a $25 billion budget, which in its turn was regarded merely as a stepping stone toward a much smaller annual outlay. We might also ask ourselves whether we shall be weaker or stronger as a result of the outlays for Greece or Turkey—and the others to come.

The Republican party faces real opportunity. Will it make good use of it?

George II of Greece Dies

The death of King George II of Greece was anonunced at Athens on April 1, United Press advices reported. The King, who was 53 years old and had felt deep concern over conditions in his country brought about by the war and internal dissension, suffered a heart attack in the early afternoon which he was unable to survive. His brother, Paul I, succeeds him on the throne of Greece. The King's death is not expected to have immediate political consequences.

President Truman expressed grief at news of King George's passing, United Press advices from Washington stated. The President was quoted as saying: "It is a satisfaction to me that only a few weeks before his unexpected death, I assured His Majesty and Greece of continuing American interest in the welfare of our gallant ally."

From London came word that the British Court would be in mourning for one week in memory of the Greek King. Special London advices to the New York "Times" April 1 stated that Prime Minister Attlee sent a message to Premier Demetrios Maximos expressing "the deep regret with which my colleagues and I have learned of the severe loss which your country has sustained in the death of his Majesty King George II." The same advices said:

It has always been denied in official circles that King George of Greece was helped back to his throne by Britain and, in fact, it was generally understood that the Labor Government looked upon his return with misgivings.

At the same time it is a fact that Foreign Office officials feel that the King's influence, after he returned to Athens last September, was in the right direction. He worked for moderation and, while he did not succeed, it is recognized that he faced an impossible task and that the situation might be worse today but for his efforts.

It is presumed here that King Paul I will carry on the same policies, and there will be no question of any change in the British attitude toward Greece, it was stated today.

Farm Safety Week

President Truman has designated the week beginning July 20 as National Farm Safety Week, pointing out that more fatal accidents occur in farming than in any other occupation, according to Washington Associated Press advices of April 2. Requesting observance of this "fourth annual National Farm Safety Week," the President continued:

"I also urge farm people everywhere to set aside a specific time during National Farm Safety Week for family discussions of methods for the prevention of accidents, in order that these producers of the nation's food may live and work with greater safety."

Boston News Bureau Suspends Publication of Daily—Continues News Distribution

The suspension of publication of the "Boston News Bureau" was announced by the Bureau on April 5. As explained in advices from the "Boston Bureau" of the "Wall Street Journal" the announcement affects only the publication of the daily paper, the "Boston News Bureau." These advices added "Boston News Bureau, Inc., will continue operations as a news distributing, news gathering agency, and it will continue its mechanical facilities for the printing of Barron's National Business and Financial Weekly."

According to the announcement by the "Boston News Bureau" the latter has ararnged for the "Wall Street Journal" to service its subscribers. The notice to the subscribers of the "Boston News Bureau" concerning its suspension of publication says:

"Many circumstances converged toward this decision postponed long after purely practical considerations made it logical. There is demand for national and world news requiring expensive and extensive news gathering facilities. New methods of news transmission and the swifter distribution of daily publications enable subscribers to have laid on their desks on the day of issue newspapers printed many miles distant. New England has become as close to New York as were the New York suburbs 50 years ago. In such circumstances the existence of two publications such as the 'Boston News Bureau' and 'The Wall Street Journal' within a territory easily served by one became an uneconomic operation.

"'The Boston News Bureau' as a corporate entity will continue operating news distribution, news gathering and publishing services. The mechanical plant will be available for job printing. The reporting and editorial personnel of the 'Boston News Bureau' will continue to cover New England for 'The Wall Street Journal' and the other business and financial services which had their beginnings in Boston.

"'The Boston News Bureau' has aranged for 'The Wall Street Journal' to service its subscribers. Where this results in a duplication of service or where the arrangements may prove otherwise unacceptable, special arrangements will be made to satisfy the commitments of the 'Boston News Bureau'."

With reference to the above the "Wall Street Journal" states:

Published by Dow, Jones & Co., Inc., with which the "Boston News Bureau" is affiliated, The "Wall Street Journal" contains to agreater extent than any other publication the news and features which the "Boston News Bureau" provided.

In its issue of April 7 the "Wall Street Journal" contained the following as to the decision of the "Boston News Bureau":

From the announcement of suspension we quote this paragraph:

"'The Boston News Bureau' was founded in 1887 by the late C. W. Barron. From that venture Mr. Barron went on to the purchase in New York of Dow, Jones & Co., Inc., and The 'Wall Street Journal.' The genius and the foresight that built a great national news organization thus had their beginnings in Boston. That organization still has its home in Boston. So much that is fine and stable in American life had similar beginings. The organizing talents and the capital of New England flowed out to a developing nation. It was perhaps inevitable that the children should grow greater than the parent; inevitable and in many ways inspiring, yet forcing changes that are made with a heavy heart."

President Signs Sugar Control Extension Bill

Congressional action was completed on Mar. 31 on legislation to extend sugar rationing and price controls until Oct. 31, and the measure received President Truman's signature the same day, Associated Press Washington advices said. Stating that it was necessary that he sign the extention act "in order to avoid any lapse in sugar distribution controls after Mar. 31," the President nevertheless protested that Oct. 31 was too early a date "for the termination of sugar controls." Under the act, which embodies a Senate-House compromise accepted by a conference committee, at least 20 pounds of sugar would be pledged to individual American users during the next seven months. The minimum ration on all annual basis would be 35 pounds, 10 pounds above the 1946 figure.

The President's statement pointed out:

"Sugar controls are of concern not only to domestic producers and users but have international implications as well. As the purchaser of the Cuban sugar crop this country acts as the agent of friendly nations to make sure that other countries as well as our own receive their fair share of the world's sugar supply. We must continue to fulfill our pledge of dealing fairly with other nations while guaranteeing to the American consumers the maximum amount that our share of total world supplies permits this year. A premature ending of controls over sugar would bring about a scramble of competing countries for the inadequate supplies now in prospect. A period of soaring sugar prices and unrestrained competition in the world market might, after a brief period of false prosperity, result in disastrous economic consequences for the sugar-producing countries."

Mr. Truman went on to say that if later in the year it became apparent "that hopes for supply increases are not materializing and that discontinuance of sugar controls by Oct. 31 would not be in the public interest, I shall ask the Congress to reconsider the present terminal date for sugar control authorization."

Clinton P. Anderson, Secretary of Agriculture, announced according to the Associated Press, the establishment of a new Sugar Rationing Administration to enforce the new extension act. It was stressed that all present regulations would remain in effect unless changed through official announcement and that ration books would continue to be necessary.

Final action by Congress on compromise legislation continuing sugar allocation and price control until Oct. 31, was registered on March 31. On that date Associated Press advices from Washington said:

"Under the compromise, the OPA is stripped of further administration of the controls, and the power transferred to the Department of Agriculture. The bill also sets aside 50,000 tons of sugar for new industrial users and continues inventory controls, except over household consumers, until March 31, 1948."

Mine Administrator Answers Lewis

Capt. N. H. Collisson tells union chief he will open all mines not on list as dangerous. Points out under Krug-Lewis Agreement local union mine safety committees can promptly close mines they deem unsafe.

Denying a request of John L. Lewis that all bituminous coal mines in nation, except two, remain closed following end of "memorial" holiday of mine workers on April 7, Capt. N. H. Collisson, U. S. Coal Mines Administrator, has informed union leader that under agreement with Government, local union safety committees have right to order men from any mine deemed dangerous.

Capt. Collisson's letter to Lewis, dated April 5 follows:

Mr. John L. Lewis,
President,
United Mine Workers of America,
United Mine Workers' Building,
Washington 5, D. C.

Dear Sir:

I have received your letter of this day suggesting that I close all but two coal mines in Government possession as unsafe.

I have carefully considered your request and am unable to agree that I should follow the arbitrary procedure of closing down the entire soft coal industry when the Krug-Lewis Agreement itself provides a means by which the union may guard against working in unsafe mines.

I wish again to emphasize that the local union Mine Safety Committee has power under Section 2 (b) of the Krug-Lewis Agreement to withdraw the men from any mine if they consider it to be so unsafe as to present an "imminent danger." Under Section 2 (b) there can be a prompt closing of any mine which your local union Mine Safety Committee considers too dangerous to operate. That mine would remain closed until there could be a suitable inspection to determine the grounds for the Safety Committee's action.

On April 3, you yourself testified before a subcommittee of the House Committee on Education and Labor as follows:

Mr. Nixon. That is an indication that as far as you are concerned that there are only two mines to which the men are going back?

Mr. Lewis. No, no. Again the rule of reason enters into it.

I shall, accordingly, use "the rule of reason" and allow to reopen only (a) those mines not on my list of 518 dangerous mines as to which the operating manager has filed the certificate of safety required by Order No. CMAN-16, unless the local Mine Safety Committee finds imminent danger in any of those mines; (b) those of the 518 mines as to which the union Mine Safety Committee and the operating manager have joined in a safety certification or as to which the Bureau of Mines has been satisfied upon reinspection.

This safety program cannot be successful unless you promptly instruct the union Mine Safety Committees to cooperate fully with the mine management and the Federal inspectors.

Sincerely yours,
N. H. COLLISSON,
Captain, U.S.N.R.
Coal Mines Administrator.

The sections of the Krug-Lewis agreement referred to in the foregoing letter read as follows:

(2) Mine Safety Program

"(a) Federal Mine Safety Code —As soon as practicable and within 30 days after the date of agreement the Director of the Bureau of Mines of the Interior Department after consultation with the United Mine Workers and such other persons as he deems appropriate, will issue a reasonable code of standards and rules on safety conditions and practices. This code will be placed in effect by the Coal Mines Administrator and Bureau of Mines inspectors will make periodic investigations and reports of violations.

"In cases of violation the Coal Mines Administrator will take appropriate action which may include disciplining or replacing the operating manager so that with all reasonable dispatch said violation will be corrected.

"The Federal Mine Safety Code can be reviewed and revised by the Director of the Bureau of Mines upon request of either the Coal Mines Administrator or the United Mine Workers.

"(b) Mine Safety Committee—At each mine there will be a Mine Safety Committee selected by the local union. This Committee may inspect mine development or equipment used in producing coal for the purpose of ascertaining compliance with the Federal Safety Code. While engaged in performance of their duties Committee members will be paid by the union but will be deemed to be employed in the mine within the meaning of the Workmen's Compensation Laws. Conditions believed by the Committee to endanger the lives of mine workers will be reported to the management.

"In special instances in which the Committee believes an immediate danger threatens, it will have the right, in general, to require removal of miners from unsafe areas, unless and until the Administrator modifies or concels the Committee's authority."

February Truckloadings Drop 5.9% Below January, 1946

The volume of freight transported by motor carriers in February decreased 5.9% below January but increased 22.9% over February of last year, according to American Trucking Associations, Inc., which further announced as follows:

Comparable reports received by ATA from 227 carriers in 38 states showed these carriers transported an aggregate of 1,704,749 tons in February, as against 1,812,556 tons in January and 1,387,157 tons in Feb. 1946.

The ATA index figure, computed on the basis of the average monthly tonnage of the reporting carriers for the three-year period of 1938-1940 as representing 100, was 200.

Approximately 86% of all tonnage transported in the month was hauled by carriers of general freight. The volume in this category decreased 5% below January but increased 21.4% over February, 1946.

Transportation of petroleum products, accounting for about 7% of the total tonnage reported, showed a decrease of 17.1% below January but increased 28.1% over Feb. 1946.

Carriers of iron and steel hauled about 3% of the total tonnage. Their traffic volume was 0.1% below January but increased 211.6% over Feb. 1946.

About 4% of the total tonnage reported consisted of miscellaneous commodities, including machinery, household goods, textiles, groceries, chemicals, packing house products, tobacco, wood, rubber products, cement, soap, paper, motor vehicles and motor vehicle parts. Tonnage in this class decreased 6.8% below January but increased 2.2% over Feb. 1946.

Govt. Limits Cotton Futures Holdings

A new regulation limiting speculative holdings in cotton futures to not more than 30,000 bales long or short in any one or all futures months combined on any one of the nation's three cotton exchanges, New York, New Orleans and Chicago was issued by the Government on April 3, according to Washington Associated Press advices. Department of Agriculture officials stated that the action, to become effective May 10, is designed to prevent "unreasonable or unwarranted" price fluctuations. At present the maximum any person is permitted to hold is 30,000 bales in any one future month. Thus, at present, with trading being conducted in seven futures, a trader may hold as much as 210,000 bales on any one market.

The order, it is stated, was issued by the Commodity Exchange Commission on recommendation of Secretary of Agriculture Anderson, made after the sharp break in cotton markets last October. That break, one of the sharpest in history, cut prices nearly nine cents a pound from a postwar peak of 38.5 cents, and thousands of small traders were wiped out. Mr. Anderson subsequently reported (we quote from the Associated Press) that this price collapse was "accelerated and extended by forced liquidation of many thinly-margined speculative accounts, and the collapse of two large accounts."

The Commission, composed of the Secretary of Agriculture, Secretary of Commerce Harriman, and Attorney-General Clark, is acting under authority of the Commodity Exchange Act, granting the Government power to police commodity markets.

Senate Group Approves Greece-Turkey Aid

Proposed legislation to carry out President Truman's program of financial and limited military aid to Greece and Turkey received unanimous approval of the Senate Foreign Relations Committee on April 3, Associated Press Washington advices stated. The measure as approved carried a revision of the amendment offered by Chairman Vandenberg (R.-Mich.) to give the United Nations authority to call a halt on American assistance only when the international organization finds that assistance being provided by itself makes the continuance of American aid unnecessary. Such action by the UN to halt United States assistance would, under the revised Vandenberg amendment, require a majority vote of the General Assembly or the support of 7 out of 11 members of the Security Council. The bill, which would extend approximately $400,000,000 in aid to Greece and Turkey, is said to contain a provision calling for Senate confirmation of whatever official is named to head the program. Senator Vandenberg said that if President Truman decides on more than one mission, the Senate will have to pass on the additional appointments. Hearings on parallel legislation are still being conducted by the House Foreign Affairs Committee, where witnesses have generally opposed the President's program.

Mitchell Chairman of NAM Tax Committee

Don G. Mitchell, President of the Sylvania Electric Products, Inc., New York, has been appointed Chairman of the Taxation Committee of the National Association of Manufacturers, it was announced on April 4 by Earl Bunting, NAM President. Mr. Mitchell recently was elected as one of NAM's directors-at-large for 1947.

Items About Banks, Trust Companies

Irving Trust Company of New York announces the promotion of Harry S. Bayer and George A. Murphy from Assistant Vice-Presidents to Vice-Presidents. Mr. Bayer has for more than 13 years been engaged in the mortgage and real estate activities of the company and is now in charge of its mortgage and real estate division. Mr. Murphy joined the Irving in 1931 and three years later became associated with its personal trust division. He is now assuming direct charge of the division.

The National City Bank of New York announced that as of March 31 its total deposits were $4,545 million and total resources were $4,874 million, compared with $4,664 million and $4,978 million, respectively, at last year-end. As of March 31 the City Bank Farmers Trust Company's total deposits were $209 million and total resources were $242 million, compared with $122 million and $155 million, respectively. During the first quarter of 1947 the bank's net current operating earnings were 73 cents per share on the 6,200,000 shares outstanding, compared with 72 cents per share during the first quarter of 1946; the combined net current operating earnings of the bank and its trust affiliate were 76 cents per share, compared with 80 cents per share a year ago. Additionally, the combined net profits from sales of securities were 41 cents per share, compared with 47 cents per share a year ago.

The total of the deposits for the bank and trust company together as of March 31 amount to $4,753,514,083 and total resources to $5,115,328,060 as compared with corresponding totals at the end of 1946 of $4,786,005,082 and $5,132,465,233 respectively. The total capital funds of the bank and the trust company together are $292,208,134 as of March 31, 1947 or $47.13 per share on the 6,200,000 shares outstanding compared with $287,631,634 or $46.39 per share as of Dec. 31, 1946.

The statement of condition of Guaranty Trust Company of New York as of March 31, 1947, shows total resources of $2,841,800,875, as compared with $2,893,376,869 on Dec. 31, 1946. Deposits are $2,450,270,491, as compared with $2,501,513,458 three months ago. U. S. Government obligations total $1,415,822,179, as compared with $1,451,254,461; and loans and bills purchased total $744,331,676, as compared with $747,370,321. On Feb. 15, 1947, $10,000,000 was transferred from paid-in surplus to capital on account of stock dividend paid on that date; the balance in general contingency reserve at Dec. 31, 1946, amounting to $32,754,549.39, was transferred to undivided profits, and $40,000,000 was transferred from undivided profits to surplus. Capital therefore stood at $100,000,000 in March 31, 1947 as against $90,000,000 Dec. 31, 1946. Surplus fund is now shown at $200,000,000 as compared with $170,000,000 three months ago, and surplus on March 31 was $56,982,566 against $61,627,361 Dec. 31.

The statement of condition of the Bankers Trust Company of New York as of March 31, 1947 shows total resources of $1,486,679,439 and total deposits of $1,309,545,921, compared with the figures for three months before of $1,565,163,449 and $1,390,389,699 respectively. The chief assets of the bank are: Cash and due from other banks $302,739,147 on March 31 against $347,623,987 on Dec. 31 last; U. S. Government securities of $601,190,404 at the end of March compared with $643,442,654; and loans and bills discounted of $505,035,363 against $499,897,811. The capital and surplus have remained unchanged for the past three months at $30,000,000 and $80,000,000 respectively, while the undivided profits have increased from $37,153,662 at the end of 1946, to $37,729,773 on March 31. The latter statement also shows a general reserve account of $15,424,265, compared with $15,428,103 on Dec. 31 last.

The First National Bank of New York in its report of condition at the close of business on March 31, 1947, shows total resources of $762,406,987 and total deposits of $619,464,487, compared respectively with $797,481,798 and $654,209,988 on Dec. 31, 1946. Cash on hand and due from the Federal Reserve banks and other banks is shown to be $131,014,053 on March 31 compared with $155,862,271 three months ago; United States Government obligations amounted to $462,522,606 in the latest report, and $467,978,989 in the 1946 year-end report; loans and discounts appeared as $80,802,431 on March 31, against $88,444,436 on Dec. 31, 1946. Capital and surplus has remained unchanged for the first quarter of this year, at $10,000,000 and $100,000,000 respectively; while undivided profits are now given at $25,818,016 after making provision for the April 1 dividend of $2,000,000, compared with $25,980,023 on Dec. 31, 1946, after making provision for a similar dividend on Jan. 2, last.

J. P. Morgan & Co., Inc., in its statement of condition at the close of business on March 31, reported total deposits of $598,299,391 compared with $583,927,459 on Dec. 31 last; and total resources Dec. 31 of $670,040,278 compared with $653,740,350 for the preceding period. Cash on hand and due from banks at the latest date is shown as $141,744,799 against $141,364,027; United States Government securities held, $365,027,608 against $358,329,718; and loans and bills purchased, $119,431,157, compared with $112,738,742 at the end of 1946. During the past three months, the capital and surplus have remained unchanged at $20,000,000 each, and undivided profits have risen from $17,742,567 to $18,024,419 at the end of March.

Brown Brothers Harriman & Co., private bankers, in their statement of condition of March 31, 1947, report total resources and deposits at new highs in the 129-year history of the institution. On that date, total assets amounted to $251,308,268 compared with $241,557,005 on Dec. 31, 1946, and $208,186,002 on March 31, 1946. Deposits amounted to $221,107,304 compared with $211,616,142 at the close of 1946 and $184,610,547 a year ago. Capital and surplus was $13,785,473 compared with $13,765,284 three months earlier and $13,705,542 a year ago. Loans and discounts totaled $59,066,554 against $59,542,723 on Dec. 31, 1946, and $52,756,899 on March 31, 1946. Other important asset items compare as follows with the figures for three months and a year ago: cash on hand and due from banks $51,601,538 against $55,714,099 and $39,274,169; United States Government securities $75,479,494 against $67,045,857 and $53,352,370; state, municipal and other public securities $45,343,563 against $39,471,712 and $48,879,044.

As of March 31, 1947 the total resources of the United States

(Continued on page 16)

Steel Operations Again Show Slight Drop— Price Cuts Deferred Pending Wage Settlement

"As if the steel industry didn't have enough trouble this week with its coal mines abruptly shut down over a union-government safety squabble, its attention was forcibly focused on the steel labor outlook which is turning darker every day," according to "The Iron Age," national metalworking paper, which in its issue of today (April 10), further adds:

"Contract extensions run out the end of this month and it is not expected that Philip Murray, steelworkers' union head, will again postpone the issues.

"A real crisis in steel labor relations—more serious than any since early 1946—will be reached around the middle of this month. At that time Mr. Murray will report to his policy committee on the results obtained so far in collective bargaining meetings with the United States Steel Corp. The report will be brief and can be summed up in two words—nothing accomplished.

"Meetings between the union and the Steel Corp. have led up blind alleys because the steel firm insisted that basic wage talks were of no value until the portal pay question was legislated out of the way. The current portal bill in Congress has apparently satisfied no one except its sponsors and current reports say that President Truman will veto the bill.

"A veto without the substitution almost immediately of an acceptable portal pay bill which would eliminate the danger of long retroactive pay adjustments will find the steel union close to the end of its contract extension and in a position where some policy decision must be made in an attempt to put heat on the steel industry for wage increase action.

"Cordial relations between steel firms and the union are now synthetic. Both sides are aware that some definite action must be taken within a week to 10 days if the steel labor outlook is to remain on an even keel. There is little chance that the Steel Corp. will budge from its position that no definite wage negotiations can lead anywhere until retroactive portal pay possibilities are eliminated by law.

"It looks as if the failure of Congress to act promptly many weeks ago on the specific question of the portal pay issue will place on it the responsibility for a steel strike if one occurs — and this week such a possibility was not remote. Mr. Murray and his policy committee will decide that question soon.

"If the coal controversy is cleared up within the next 10 days no substantial drop in steel output will occur. If the shutdown takes a more serious turn a week from now, steel firms will be forced to make sharp cuts in their schedules to conserve stocks of coal on hand.

"The steel price situation looks clear-cut this week. If the union were to agree to a contract without a wage increase—too unlikely to consider—steel prices would be cut immediately. If the final wage agreement would result in a moderate increase, the probability of a basic price reduction would be good. If the union gains a substantial wage increase, a cut in base prices would be unlikely. No action on base prices one way or the other will be taken until after final contracts are signed with the USWA.

"Further downward adjustments on steel extra charges — (charges for chemical and physical characteristics which are added to the base price)—in addition to those already made will take place on wire products within the next week or so. These minor revisions will save steel consumers several million dollars a year. About 30 days from now additional extra revisions will be made on pipe and tubular goods thus effecting further savings.

"'An Iron Age' tabulation of the 1946 earnings reports of 22 companies, representing 88% of the steelmaking capacity of the United States, shows a 49% gain in earnings over 1945. This was accomplished despite a 19% decline in net sales and operating revenues. Strike contingency transfers, combined with excellent operations during the last half of the year were almost entirely responsible for the bright 1946 income picture. Study of the 1946 income picture leads many observers to predict that if the strike clouded air clears earnings in the first half of 1947 will be excellent.

"The scrap price decline continued this week at major centers. 'The Iron Age' steel scrap composite declined to $35.42 a gross ton, a drop of $1.91 a gross ton from last week's figure of $37.33."

The American Iron and Steel Institute this week announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 93% of the steel capacity of the industry will be 95.1% of capacity for the week beginning April 7, compared with 95.4% one week ago, 95.8% one month ago and 78.3% one year ago. The operating rate for the week beginning April 7 is equivalent to 1,664,200 tons of steel ingots and castings, compared to 1,669,400 tons one week ago, 1,676,400 tons one month ago, and 1,379,900 tons one year ago.

"Steel," of Cleveland, in its summary of latest news developments in the metalworking industry, on April 7 stated in part as follows:

"The steel market was in something of a dither last week with the rumor factory working overtime. Substantial across-the-board reduction in base prices was reported under consideration by the United States Steel Corp. and a statement by Benjamin Fairless, President, late in the week, denying such action was in immediate prospect did not entirely squelch the rumors.

"Competent market opinion leans to the view 'something is doing on prices' considering the pressure being exerted by Washington for downward price adjustments. Even though no immediate steel cut is effected, it is reasoned a token reduction of $1 to $2 per ton at least is likely if the steel wage settlement contains no substantial increase, a move expected within the next three weeks. Such a move, market observers argue, would help tremendously in stemming inflation which has official Washington, and for that matter business and industry, on the anxious seat.

"Meanwhile, steel producers continue to revise product extra lists in line with changes recently effected by the Carnegie-Illinois Steel Corp., which resulted in decreases up to $10 per ton on some products. An advance of $4 per ton on spiegeleisen was made last week by Carnegie-Illinois at Pittsburgh, while an eastern plate mill, Central Iron & Steel, announced an increase of $9 per ton in plate prices due to high scrap costs, and U. S. Steel's subsidiary on the West Coast established new bases in that area on sheets and shapes, resulting in lower prices to Pacific Coast buyers. Incidentally, easing of several cents per pound on 'gray' market steel offering is reported with consumer buying resistance increasing.

"Steel scrap prices continue to soften and the recent advance in pig iron appears to have been definitely checked with prices rapidly becoming stabilized. However, steel-making costs have been adversely affected by a $5 to $7 advance on fireclay silica and ladle brick and by higher contract prices on certain ferroalloys which went into effect April 1.

"Demand for steel continues strong, though here and there some easing in pressure is noted. Uncertainty over prices may induce buying hesitancy over the next week or so. Flat-rolled products are in greatest supply stringency and no easing is likely in the immediate months ahead. Steel producers, however, continue to predict supply-demand balance will be attained in most other products by midsummer. Steel allocations for new ¾%&—J

"Steel allocations for new freight cars, maintenance and repairs will be upped from 165,000 tons monthly to 210,000 tons beginning with July, some increase being effected in June if car-builders' operations are up sufficiently to warrant such action."

Govt. Ends Connection With Mt. Clemens Suit

A new development in the portal-to-portal pay issue arose on April 2 when, according to Associated Press advices from Cincinnati, a motion for dismissal of an appeal in the original portal pay suit was filed in the Sixth United States Circuit Court of Appeals by counsel for the employees of the Mount Clemens (Mich.) Pottery Co. While it was not possible at the time to ascertain from the employees' attorney, Edward Lamb, whether the plan was to reinstate the appeal later or abandon the suit entirely, the company's action was followed on April 4 by the U. S. Government ending its connection with the Mount Clemens' portal pay test case after the principals in the litigation had agreed to an irrevocable dismissal of the suit.

A representative for the plaintiffs told reporters that dismissal of the appeal had been sought so that the case would be taken off the Appellate Court docket, and he added that this would halt Attorney General Clark in his efforts to get a quick ruling from the United States Supreme Court. The record of the appeal had been transferred from the Cincinnati court to the Supreme Court on March 29 after the Attorney General had asked the high tribunal for an immediate review of the action.

From Washington, April 4, Associated Press accounts said:

> In a memorandum submitted to the Sixth Circuit Court at Cincinnati, Mr. Clark said that he had noticed that counsel for the pottery workers and the Mount Clemens company were asking the court jointly to dismiss the case "with prejudice to any renewal" of the appeal.
>
> Legal authorities said that such an agreement for a final dismissal would leave the Justice Department powerless to carry the case into the Supreme Court.
>
> Mr. Clark said that "the Government, although of the opinion that an early Supreme Court review of this case would be desirable, while not consenting to the dismissal of this case, urges no objection thereto."
>
> The Mount Clemens workers took the case to the Circuit Court after a Detroit District Court dismissed their claims on grounds that the time involved was inconsequential. A representative of the workers has said the case was being dropped to prevent a quick appeal to the Supreme Court.

It is stated that altogether, workers' portal-to-portal pay cases filed throughout the country aggregated about $6,000,000,000 in claims.

Peak in Building Costs Reached, Consensus Of General Contractors Shows

Fifty-three per cent of 268 general contractors in all parts of the country polled by F. W. Dodge Corporation, fact-finding organization of the construction industry, believe that the peak in construction costs has been reached. The results of the poll conducted by F. W. Dodge Corporation made known on April 5 are as follows:

In some areas, notably in New England, the South Atlantic states and the East South Central States, opinion was preponderant, at least 2 to 1, that costs had attained their highest level.

Only in the Pacific States was opinion general that the peak had not been reached and here further cost climbs, ranging from 11 to 12% during the current calendar year, were expected.

The minority, or 126 general contractors, believe that further increases can be expected, the average increase anticipated by them being 8.7 to 10.2% above current levels.

Most Prices Stable Since January

At the same time the poll indicated that prices for most building materials, with the exception of lumber, Portland cement, structural steel and cast-iron soil pipe and fittings, have tended to remain stable since Jan. 1.

More than half of the contractors reported prices stable for all except two items: lumber and Portland cement. Lumber costs have declined in some areas with the over-all trend stable to downward, while Portland cement, structural steel, cast-iron soil pipe and fittings have tended to increase since the first of the year, the Dodge survey shows.

The other items, mentioned most often as having remained stable since Jan. 1, in the order of stability reported, are: structural clay tile, brick, building blocks, clay sewer pipe, building plaster, warm-air furnaces, hardwood flooring and cast-iron radiation.

Wage Increases General

Forty-three per cent of the contractors reported that the average wage of some building craftsmen in their respective areas of operation had increased since the first of the year and 76% said that they expected increases later in the current building season. The amount of the increases varied but 10% was most frequently mentioned as the average wage increase of craftsmen effectuated since Jan. 1 or expected this Spring.

In general, wage increases since Jan. 1 are most frequently reported to have become effective in the Middle Atlantic States, the West South Central States and the Pacific States. Anticipated increases are frequently reported in all areas excepting the East South Central States of Kentucky, Tennessee, Alabama and Mississippi. In this latter area, for example, 45% reported that increases have already taken place and 45% said increases will take place in the average wage level of craftsmen within the next few months.

Unusual High-Cost Factors Spotted

General contractors, by extremely high majorities, reported that the following unusual factors contribute to the high costs of building at present:

1. Labor inefficiency caused by irregular flow of materials, 239 to 22.
2. Delays in construction owing to inadequate supply of skilled workers, 209 to 39.
3. Excessive expenditure of time in shopping for and obtaining materials, 197 to 53.

Many general contractors reported that the greatest contributing factors to high present-day costs were the low productivity of building mechanics, the low level of skill of some craftsmen and the failure of workers to do "a day's work for a day's pay."

Respondents in general said that they expected improvement in these retarding factors, many in the next year or two, but the consensus was that improvement would come only when the supply of materials and the numerical and qualitative strength of the labor force was adequate to meet the demands for construction.

Construction Drop Expected

The consensus, 175 to 66, was that there would be a drop in the current high rate of contract letting before in the industry attains continuous recovery. The majority felt that costs would stabilize below present levels; the average expected construction cost drop was 14%, as computed from responses of those anticipating that stabilization would occur at levels below those of the present time.

Skilled-Worker Shortage

There is a shortage of skilled craftsmen in some trades in all regions, with varying intensities, the survey shows. The most acute shortages are generally reported to be among brick masons, carpenters and plasterers, with frequently reported shortages of plumbers, electricians, especially in the East and Middle West, and lathers, except in New England and the South Atlantic States.

Only 31 general contractors of all those polled indicated there were no shortages in any trades in the areas where they operate. The most intensive shortages of craftsmen were in the East North Central States of Ohio, Indiana, Illinois, Michigan and Wisconsin, followed by the Middle Atlantic States of New York, New Jersey and Pennsylvania, and the West North Central States of Minnesota, Iowa, Missouri, North and South Dakota, Nebraska and Kansas. The least shortages were reported in the West South Central region, composed of Arkansas, Louisiana, Oklahoma and Texas.

Productivity of Workers

The majority of general contractors do not believe that productivity per man hour of on-site workers will be increased in 1947 as compared with 1946, while at the same time few believe it will be less than last year. As to productivity per man hour this year compared with last the summary of opinion shows it will be: more, 106; less, 25; same, 140. However, a majority of contractors in New England, the Pacific States and the West South Central States said they expected higher productivity this year over last.

Lump-Sum Bidding

In the aggregate, the general contractors reported that 34.6% of their present work, by dollar volume, is being done on a lump-sum basis, while the remainder is being done on cost-plus-fixed-fee contracts.

Pauley Resigns Reparations Post

Edwin W. Pauley on March 7 tendered his resignation as United States Reparations Commissioner, and it was stated that President Truman had accepted it only because of Mr. Pauley's "generous offer" to serve Secretary of State George C. Marshall as reparations adviser, according to a United Press dispatch from Washington. "I am sure," the President wrote in his letter accepting the resignation, "that you will respond to any request which General Marshall will make of you with the same loyalty and zeal which you have shown to me."

The State of Trade

(Continued from page 3)

down $2.75 a ton at Philadelphia, $3.25 in the Youngstown area, $1.50 at Chicago, $2 in Pittsburgh, $2.50 in Boston and $2.88 in New York.

The downward trend that appeared two weeks ago has now become a definite downward movement and it is almost certain that one of the greatest scrap price peaks in history has been passed, states the above trade authority.

Scrap consumers, it is reported, are attempting to take advantage of this downward trend by refraining from buying as far as possible. By this method it is hoped that prices can be depressed further. While there was an indication last week that additional declines in the scrap price level are in order, there was no concrete evidence yet of a drop comparable in speed and degree with the upward trend which began last fall, the magazine observes.

Efforts in some quarters to minimize the effect of the "memorial strike" in the coal fields last week did not alter the fact that one large producer was confronted with the prospect of taking off as many as eight blast furnaces in the Pittsburgh district because of coke shortages. These units are entirely dependent upon beehive coke for fuel and since beehive coke workers were scheduled to observe the mine shutdown last week, some firms in the Middle West may feel the effects of the loss in coal for some weeks to come.

The drop in the steel ingot rate last week was not considered to reflect a downward movement. Gas shortages at Pittsburgh and the probable effects of the coal mine shutdown the previous week were more responsible than any other factors. This situation is temporary and it is to be expected that normal fluctuations in the steel ingot rate will take place from time to time.

The relationship between the U. S. Steel Corp. and the steel workers' union continues unruffled and static, "The Iron Age" points out, but the dilly-dallying in Congress over portal-to-portal legislation might change this serene state of minds. The steel corporation will definitely make no wage increase commitments until the danger of portal-to-portal retroactive payments is completely eliminated.

The continual deferment in steel wage negotiations is beginning to snap the nerves of some steel workers as well as some steel officials and labor and management would come to an agreement quickly if the portal-to-portal legislation framed to care for that problem alone were quickly passed, the magazine notes.

Steel consumers in past weeks were not finding steel supplies any easier to obtain but there were additional signs that a more normal market is already in the making. Some companies are making headway in reducing backlogs other than for flat-rolled material. Still other companies report that incoming business in March was not as heavy as in February. Orders so far this year are still running ahead of the same period a year ago but in recent weeks the difference has been reduced.

The move in the steel industry to reduce extra charges where inequalities have been found—started a few weeks ago by Carnegie-Illinois Steel Corp.—will be broadened to include products in addition to those already announced. Some changes will be made in wire rod and other wire product extras. Studies are also being made on tubular goods items. Action on the latter may not take place for several weeks. Contrary to predictions in some circles, reports "The Iron Age," reductions in the base price of steel products were not to go into effect last week and no specific consideration is being given such action at this time.

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 95.1% of capacity for the week beginning April 7, 1947, as compared with 95.4% one week ago, 95.8% one month ago and 78.3% one year ago. This represents a decrease of 0.3 point or 0.3% from the preceding week.

The week's operating rate is equivalent to 1,664,200 tons of steel ingots and castings compared with 1,669,400 tons one week ago, 1,676.400 tons one month ago and 1,379,900 tons one year ago.

Electric Production — The Edison Electric Institute reports that the output of electricity decreased to 4,728,885,000 kwh. in the week ended March 29, 1947, from 4,759,066,000 kwh. in the preceding week. Output for the week ended March 29, 1947, was 18.5% above that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 206,500,000 kwh. in the week ended March 30, 1947, compared with 176,500,000 kwh. for the corresponding week of 1946, or an increase of 17%. Local distribution of electricity amounted to 195,300,000 kwh. compared with 174,900,000 kwh. for the corresponding week of last year, an increase of 11.6%.

Railroad Freight Loadings—Car loadings of revenue freight for the week ended March 29, 1947 totaled 829,412 cars, the Association of American Railroads announced. This was a decrease of 14,629 cars, 1.7% below the preceding week, and 20,270 cars or 2.5% above the corresponding week for 1946. Compared with the similar period of 1945, a decrease of 6,588 cars or 0.8% is shown.

Railroad Earnings In February —Class I railroads of the United States in February, 1947, had an estimated net income, after interest and rentals, of about $14,600,000 compared with $22,200,000 in February, 1946, according to reports filed by the carriers with the Association of American Railroads. In the first two months of 1947, they had an estimated net income, after interest and rentals, of $43,900,000 compared with $52,000,000 in the corresponding period of 1946.

In February, 1947, net railway operating income, before interest and rentals, amounted to $43,145,572 as against $50,521,963 in February, 1946. For the first two months of this year the figure was $101,202,013 compared with $116,469,855 in the same period of 1946.

Operating expenses for the month of February, 1946, and the two months ended February, 1946, only partially reflect the retroactive wage increased applicable from Jan. 1, 1946. Net earnings of the railroads for those 1946 periods are overstated to the extent of the exclusion of the retroactive wage payments.

In the 12 months ended Feb. 28, 1947, the rate of return on property investment averaged 2.62%, compared with 3.61% for the 12 months ended Feb. 28, 1946.

Total operating revenues in the first two months of 1947 totaled $1,321,473,786 compared with $1,219,946,495 in the same period of 1946, or an increase of 8.3%. Operating expenses in the first two months of 1947 amounted to $1,048,327,763 compared with $953,037,483 in the corresponding period of 1946, or an increase of 10%.

Thirty-eight class I railroads failed to earn interest and rentals in the first two months of 1947, of which 17 were in the Eastern District, five in the Southern Region and 16 in the Western District.

Paper and Paperboard Production — Paper production in the United States for the week ended March 29, was 109.6% of mill capacity, against 105.8% in the preceding week and 104.9% 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 102%, compared with 103% in the preceding week and 100% in the corresponding week a year ago.

Business Failures Continue Rise —In the week ending April 3 commercial and industrial failures rose to a total of 71, reports Dun & Bradstreet, Inc. This number of concerns failing, up eight from the 63 occuring in the previous week, has been exceeded only once in any week since 1943. Compared with the 19 recorded in the corresponding week of last year, failures were almost four times as numerous in the week just ended.

Large failures involving liabilities of $5,000 or more outnumbered small failures three to one. Concerns failing in the large size group aggregated 53, one less than a week ago, but four times as high as in the same week of 1946 when only 13 large failures occurred. The week's increase, however, was concentrated in small failures with losses under $5,000. Doubling the number reported last week, small concerns failing totalled 18 this week, three times the number occurring in the comparable week a year ago.

Manufacturing continued to account for the largest number of failures. At 29 in the week just ended, manufacturers failing showed an increase of four from the 25 registered a week ago and compared with 12 in 1946's corresponding week. Retail trade had the second-highest number of failures this week.

Fifty-one of the week's 71 failures occurred in three geographic regions: the Middle Atlantic States with 19, the New England States with 18, and the East North Central States with 14. No other area reported more than six concerns failing, the only marked exception to the general uptrend occured in the Pacific States.

No Canadian failures were reported, as compared with nine in the previous week and three in the corresponding week of 1946.

Wholesale Food Price Index Continues Downward—A further recession in food prices in the past week brought the Dun & Bradstreet wholesale food price index for April 1 to $6.45, from $6.56 a week earlier, a drop of 1.7%. The current figure represents the lowest level since February 11 when it registered $6.32. At this time a year ago the index stood at $4.19.

Individual price declines included flour, wheat, corn, rye, oats, barley, beef, hams, bellies, butter, coffee, cottonseed oil, steers, hogs and lambs. Advances occured only in sugar, cocoa and potatoes. The index represents the sum total of the price per pound of 31 foods in general use.

Daily Wholesale Commodity Price Index—The wholesale price level worked lower in the past week, following the irregular movement of the previous week. The daily wholesale commodity price index, compiled by Dun & Bradstreet, Inc., closed at 265.81 on April 1, as compared with 268.03 on March 23, and with 188.99 on the corresponding date last year.

Grain prices continued to fluctuate erratically with wheat closing lower for the week after early advances which carried prices sharply up from last week's lows. Late selling was attributed to very favorable reports on the winter wheat crop, uncertainty over Washington developments and a slackening in export inquiry for grains and flour. Although corn developed some weakness at the close, all future deliveries sold at new seasonal highs last week under broad commission house buying. Government purchases of cash corn continued in good volume. Domestic trade in flour expanded somewhat but bakers continued to limit their purchases to moderate quantities. Cocoa buying was limited to immediate needs with prices rising slightly above a week ago. Coffee trended slightly downward and a fair volume was reported at the lower levels. Refined lard prices were steady but futures declined rather sharply, reflecting the increased supply of hogs resulting from better weather conditions. Hogs, steers, and lambs finished lower for the week.

Irregular movements again featured leading cotton markets last week with quotations at the close practically unchanged for the period. Bullish factors were attributed to renewed talk of inflation and the announcement of an unexpectedly sharp advance in the March parity price for the staple. Other influences included active mill and trade price-fixing and the prospect for a tight supply position for the balance of the current season. The recession shown at mid-week appeared to be due to profit-taking and a technical readjustment of values, while the setback suffered on the final trading day was largely influenced by reports of a slowing down in the woolen textile industry. Cotton registered under the government export sales program showed a further decline to only 950 bales in the week ended March 22, from 1,322 in the previous week, and 17,113 two weeks earlier. Some let-up in activity was noted in the carded gray cotton cloth markets. Trading was mostly routine and was said to be the quietest in recent months.

After a strong beginning, packer hides developed a somewhat easier trend. Transactions were small and quietness ruled in leading markets pending relaxation of export controls on certain heavy wet cattle hides, effective April 1. Activity in sole leather was fair with demand for light-weight leathers considerably better than that for heavies.

February Wholesale Hardware Sales Above 1946—A gain of 42% in wholesale hardware sales in this country, comparing February, of this year, with the same month in 1946, was reported in the every-other-Thursday market summary in "Hardware Age." Sales to date, for the same concerns averaged 42% more in the first two months of 1947 than in the same months in 1946.

Inventories on hand as of Feb. 28, 1947 were reported to be 63% greater than as of the same period a year before, and to have increased 6% over January 1947.

Retail and Wholesale Trade—Total retail volume rose moderately again last week as this year's pre-Easter buying attained its peak. Mild weather in most sections of the country added further impetus to consumer purchasing and dollar volume ran well above that of a year ago, according to Dun & Bradstreet, Inc., in its weekly review of trade. Apparel and specialty shops were crowded and demand for millinery, shoes and gift items increased substantially over that of the previous week.

Women's suits and coats continued to be among the best sellers with demand for blouses and footwear very heavy. Main floor items such as handbags, gloves and costume jewelry attracted many shoppers. Interest in women's millinery increased substantially, and skirts, sweaters and lingerie were frequently requested. The demand for men's suits and furnishings continued at a high level, and some improvements in stocks was reported.

Despite continued consumer resistance to high prices, retail food volume remained at a very high level last week with total dollar volume well above that of the corresponding week a year ago. The supply of meat, fish and dairy products was abundant. Stocks of fresh fruits and vegetables were ample. The supply of canned goods generally was adequate and consumer interest in canned fish continued at a high level.

The demand for electrical appliances, builders' supplies and other durable goods items which are not yet in adequate supply, continued at the high level of previous weeks. Interest in furniture, draperies and slip covers increased moderately. The demand for paint and hardware remained strong and numerous requests for gardening tools were reported. Consumer insistence on well-known brands at reasonable prices continued.

Retail volume for the country in the period ended Wednesday of the previous week was estimated to be from 11 to 15% 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 10 to 14, East 13 to 17, Middle West and South 11 to 15, Southwest 8 to 12 and Pacific Coast 9 to 13.

Wholesale order volume dropped fractionally in the week, reflecting chiefly the usual pre-holiday decline in wholesale activity. Numerous fill-in orders and currently higher prices served to keep total dollar volume moderately above that of the corresponding week a year ago. High retail inventories in many soft goods lines caused many buyers to purchase only in quantities sufficient to fill their immediate needs. Deliveries continued to improve and stocks in most lines were considerably 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 29, 1947, increased by 10% above the same period of last year. This compares with an increase of 12% in the preceding week. For the four weeks ended March 29, 1947, sales increased by 10% and for the year to date by 13%.

Here in New York last week retail sales were rather spotty as Easter shopping came to a close. Gains and losses over a year ago were about equally divided among stores, being estimated at 15%.

According to reports, ready-to-wear and accessory volume did not compare favorably with 1946, since many consumers were waiting for lower prices in anticipated sales.

There was little reordering in women's apparel last week, but reports state that buying will increase in the next three weeks for special promotions on leading numbers slated for delivery before the end of May. Textile markets were spotty with bidding strongest on rayons. Worth Street continued booking cottons for late third and early fourth quarter delivery. Wool goods, with the exception of worsteds and gabardines, were sluggish.

Notwithstanding slight increases in primary markets the past week, wholesale food prices moved fractionally lower.

According to the Federal Reserve Board's index, department store sales in New York City for the weekly period to March 29, 1947, increased 7% above the same period last year. This compared with an increase of 13% in the preceding week. For the four weeks ended March 29, 1947, sales rose 9% and for the year to date increased to 13%.

Does Consumer Credit Cause Business Fluctuation?

(Continued from first page)

However, the other part of the answer is by no means obvious, namely, Why do so many individuals prefer to do this saving after rather than before the purchase? In any event this is a problem for psychologists and sociologists; certainly an economist has no special light with which to illuminate it. We can make more of a contribution in connection with our second query: What factors determine how much instalment sales credit is used in the economy?

Obviously, there are a great variety of factors and conditions to be taken into account. In the first place, we know that the demand for instalment sales credit is a derived demand, that is, we use this kind of credit only because we demand the goods that the credit is used to purchase. Consequently, the factors determining the demand for sales credit are in large part, but not exclusively, the factors determining the demand for durable consumer goods. Dominant among these factors is the amount of the national income, or what, more precisely, may be called consumer disposable income, which is the total of income payments to individuals less taxes. It is to be expected, therefore, that income is the primary factor determining the demand for instalment sales credit.

The precise nature of the connection is developed in Kisselgoff's studies of the relation between instalment sales credit outstandings and disposable income. The two quantities were closely connected from 1929 to 1940, which is the extent of the period that can be studied, because of lack of data for years prior to 1929 and abnormal supply conditions after 1940. It is interesting, however, that in the latter half of the period a given level of disposable income was related with a higher level of outstandings than in the first half of the period. This suggests a secular upward trend in the amount of outstanding credit, which is somewhat surprising in view of the fact that in the years after 1935 a given level of disposable income produced a somewhat lower level of expenditure on consumer durable goods than in the years 1929 to 1932.

The observed upward trend in instalment sales credit outstanding is reflected in the fact that in 1935 and after, a given amount of expenditure on consumer durable goods produced a considerably, and consistently, larger amount of instalment sales credit outstandings than in the years 1929 and 1932. This trend is due, it seems probable, to the widening acceptance of the "instalment payment plan" among individuals, to the increasing facility with which access can be had to credit, and possibly to a change in the average income of the users of credit. Over the years 1929-40 this trend was such that, even when disposable income remained constant, average instalment credit outstandings increased about $100,000,000 per year. Of course, we have no particularly persuasive reason to believe that this trend will continue indefinitely, certainly not at the same rate as in the years 1929-40 when growth factors were especially evident. For purposes of this paper the important point is that outstandings are mainly determined by two factors: by the amount of consumer disposable income and by the fairly regular growth factor. I have already indicated the quantitative importance of the growth factor; as for the effect of disposable income, it appears that over the years 1929-40 a 1% increase in disposable income has been associated with a 1.6% increase in oustandings.

Substantially closer relationships are found when one relates instalment sales credit not with disposable income but with disposable income less the amount necessary for subsistence. It is the relationship between instalment sales credit outstanding and this refined measure of income which is the subject of Kisselgoff's present investigations. However, for present purposes the rough relation between outstandings and disposable income is sufficient. What the relationship suggests is that within the limits of credit terms offered over the period 1929-40, it was consumer income that was the principal determinant of the amount of credit outstanding. Of course, there is a casual relationship, as we shall see in a moment, between consumer credit and consumer income but in this connection the amount of credit outstanding is but one of a whole set of factors affecting income while income is apparently the dominant factor affecting credit outstanding. There are many implications for credit policy that flow from this fact, one of which is that in a world of stable or near stable income, consumer credit would be only a moderately destabilizing influence, if it had any such influence.

Before passing on to our next question it may be well to point out that what Kisselgoff calls supersubsistence income — that part of disposable income in excess of the amount of income required for meeting basic living or subsistence costs — is more variable than disposable income. Since a change of given amount in disposable income produces a more than proportionate change in that part of income which has the greatest effect on consumer demand for instalment sales credit, the destabilizing effects of income changes are increased. It seems probable that increases in disposable income have a minor effect on the demand for instalment sales credit when the level of income is low and much greater effects when it is high, a probability that fits well into the observed features of economic recovery and expansion during the thirities.

Effect of Rise in Instalment Credit

The third question to which I shall turn grows out of the foregoing. Granted that an increase in income will raise the demand for consumer durable goods, and that it will cause a strengthening in the demand for instalment sales credit, what is the effect on economic conditions of the resultant rise in outstandings? In other words, how does an increase, or decrease in the amount of consumer credit outstanding affect consumer demand and the level of income and employment?

On first thought it would seem certain that an increase in outstandings is expansive and that a decrease is contractive of the flow of consumer expenditure even though it is less clear what effect the change would have on the money supply. However, what simplicity there seems to be in the matter is illusory and disappears quickly when we examine the question more closely. It becomes clear at once that if we are to appraise the destabilizing effects of instalment credits in a given time period it is not sufficient, except as a first approximation, to determine the balance, positive or negative, between the amount of new credits extended and repayments on credits extended in the same and earlier periods. One must also examine into the source (or the disposition) of the funds that are represented in the excess (or deficiency) of new credits over repayments. The nature of the problem may be illustrated by the following cases; each of the cases represents a way of increasing outstanding instalment sales credits which, while it is perfectly feasible within the framework of our present business and financial institutions, is nonexpansionary by one, or perhaps more, of the customary measures of expansionary effect. These ways are: (1) saving out of current income; (2) the activation of idle cash balances; (3) a concurrent expansion of consumer credit and contraction of some other form of credit; (4) the diversion of investment into consumer capital from some other form of capital.

Let us consider these several possibilities in turn: (1) Saving out of current income. If "A" spends on consumption in a given period an amount which is less than his current income during the same period, so that "B" can spend on consumption beyond his current income, there is obviously no increase in the money supply nor is there any expansion of aggregate consumer demand, although it is probable that some change has occurred in the distribution of demand among commodities.

Some such process as this is always involved in the use of consumer credit: those repaying debts are saving on balance, while those receiving new credits are spending beyond their current income. When outstandings are constant these two processes are in balance and aggregate consumer demand is unaffected. We may take this, provisionally, as a first conclusion: economic fluctuations are affected only by changes in instalment credit outstanding, and not by the level of outstandings. However, we cannot conclude that aggregate consumer demand is increased by every net expansion of instalment credit. Suppose for example, that an expansion of outstandings for a given finance company is made possible by credits extended by an insurance company. Funds saved out of current income by policyholders, to assure consumption for some one in the future, are turned over, through the media of financial institutions, to other individuals (possibly to some extent to the same, or similar, policyholders) to finance consumption in the present. No change in aggregate consumer demand occurs during this period.

In connection with this case it is interesting to note that, to an increasing extent, insurance company funds are being channeled into consumer credit uses. A comparable result would follow from an increase in outstandings made possible by public purchase out of savings of securities in instalment credit-extending institutions. We need not pursue the point further. Here are obvious ways in which outstandings can increase with no increase either in money supply or in aggregate consumer demand, although they might involve a shift in the pattern of aggregate consumer demand that is, in the distribution of consumer expenditure among the various objects of consumer purchase.

The Activation of Existing Balances

It is entirely possible for an expansion of consumer credit to occur without benefit of saving out of current income and at the same time not to involve any addition to the money supply. For example, an expansion in outstandings can occur as a result of the activation of idle cash balances or when, as a result of changed habits of cash utilization, active balances are turned over more rapidly. Either, or both, of these developments can occur if a manufacturing concern, for example, allows its consumer receivables to increase by an amount equal to a concurrent decline in cash on its balance sheet. Aggregate consumer demand increases and money supply is constant. The same process occurs, as is evidenced by Dauer's findings, in nonbank financial institutions; transformations of cash into receivables, and vice versa, can occur without any change at all in the money supply. Whether there is an expansionary effect in the time period in question is not clear, although there is a strong presumption that there is. However, it seems likely that this effect, since it involves no increase in the money supply, probably has a lesser tendency to persist over a period of time than might an increase in outstandings traceable to an increase in money supply.

An Expansion of Consumer Credit Concurrent With a Contraction Of Some Other Type of Credit

There is some reason to believe that to a considerable extent consumer credit substitutes for, rather than adds to, the total of other types of credit in use. If a manufacturing concern can sell for cash because its dealers, acting independently or through some financial agency, are able to extend the necessary credit to the ultimate buyers, the manufacturer's receivables will not rise, his cash will not be depleted, and he will not need to borrow. Thus, credit which would have been injected into the economic system by means of increased business borrowings is injected into the economic system at the point of consumer purchase. In a real and significant sense the latter merely substitutes for the former. That this happens in our financial system is evidenced in a tolerably convincing manner by the facts which show that concerns producing consumer durables that are sold on intermediate credit terms are generally less dependent on banks for short-term financing than are other types of concerns. Thus an expansion of consumer credit may occur with no net increase in money supply, or in aggregate consumer demand, over what would otherwise have occurred. It is exceedingly difficult to appraise the quantitative effect of such possible substitutions of credits, but the possibility that they can occur should give us some pause in evaluating the expansive or contractive effects of changes in outstandings.

The Transfer of Capital From One Investment Form to Another

Allied to this process of substitution of one form of credit for another is the case of a transfer of equity investment to consumer capital from some other form, possibly from the production sphere. Suppose, for example, that investments held by individuals as they are extinguished through repayment give rise to proceeds that are used to buy shares in personal or sales finance companies. The results are not exactly the same for individuals as they might be for banks but for the former the action permits larger consumer credit outstandings with no increase in money supply and probably no increase in aggregate consumer demand. Of course, shifts of this kind in the composition of the community's capital can produce many subtle economic effects, such as in the relation of cash balances to payments, but this train of reaction is extremely complex and to follow it out would lead us too far afield. Referring to its simple financial effect we see that a rise, or a fall, in consumer credit outstandings is a poor index of the expansive, or contractive, impact of the credit.

It will be recalled that our first conclusion with respect to the question, how does consumer credit affect the level of income and employment? was that these effects were produced through the influence of consumer credit on aggregate consumer demand and that it was only a change in outstandings, not the level of outstandings, that affected aggregate consumer demand. We can go beyond this now and say that even where outstandings rise aggregate consumer demand and money supply are increased only when this is made possible through a bank credit expansion not offset by bank credit contraction in other sectors of the economic system.

It will be noted that in the foregoing I have said nothing about the tendency for an increase in consumer instalment credit to cause an inflation of prices. Clearly, money supply and aggregate consumer demand can increase considerably without causing prices to rise if there is considerable and widespread unemployment or partial use of human and material resources in the economy. Thus, a given expansion of aggregate consumer demand and money supply may work itself out in the first instance by raising the level of employment. Only in the latter phases of an expansion, when resources are fully, or near-fully, utilized in spots through the economy does the expansion affect prices; if high utilization of resources is general the expansion may reflect itself in little else than an inflation of prices.

So far I have considered only the direct effects of consumer credit on economic conditions. One could develop at some length the indirect effects, but this process is so complicated and calls for so many assumptions that it does not seem worthwhile to follow it out. We can be sure that whatever indirect effects consumer instalment credit have on economic activity, these effects are produced over a long period and are inextricably mixed with the indirect effects of many other factors originating in earlier periods. It is, therefore, quite hopeless to try to appraise the indirect effects of consumer credit alone. Rather than follow this possible will-o'-the-wisp it will be more profitable, I think, to turn to my forth question: How have changes in consumer credit outstandings compared over the period 1929-40 with changes in general business conditions? It is the familiar problem of "timing" in business cycle analysis and its answer should throw some light on the nature of the relationship between consumer instalment credit and economic fluctuations.

Evidence concerning the timing of net changes in consumer credit outstandings and economic fluctuations presents a rather puzzling picture. Let us turn first to series on cash loans which are to a certain extent substitutive for instalment sales credits. If we take outstandings as our measure of the cyclical effect of instalment credit, and the National Bureau's reference cycle peaks and troughs as evidence of cyclical turning points, it is clear that a decline in cash loan outstandings lagged by nearly two years after the peak in 1929 and by a nearly equal period after the trough in 1933; the 1937 peak in general business coincided with a flattening out of the curve of cash loan outstandings, although some lag is again evident, and the trough of 1938 coincided with a resumption of the briefly interrupted growth. There is little evidence here to support the view that instalment credit initiates turn in the level of business activity.

If we take not the amount of cash loan outstandings but net changes in outstandings as our measure of cyclical effect, we find a close correspondence at the trough in 1933, and considerable precedence of changes in the net credit change curve over economic fluctuations at the peak in 1937 and at the trough in 1938. However, it may be argued that it is not the change in direction of the net credit change curve that is important, but whether net credit change is positive or negative. If we take the view, that consumer credit is an expansive factor (counting only its direct effects) so long as net credit change is positive and a contractive factor as long as net credit change is negative, then we must conclude that in 1937, at least, cash loan credit to consumers was continuing to have an expensive effect on general business conditions for at least four months after the peak of business had been reached although its maximum expansive effect occurred as early as 1935. Further, it began to have an expansive effect on business conditions before the trough of business had been reached in 1938.

Instalment Sales Credit Record

The record for instalment sales credit may be reviewed briefly. Here, as in cash loan outstandings, the amount of sales credit outstanding lagged considerably behind the cyclical turning points in 1929, 1937, and 1938; it was almost perfectly timed with the cyclical trough in 1933. If we take a positive net change in sales credit outstanding as being an expansive factor, then instalment sales credit continued to be expansive nearly six months after general business had turned down in 1929, its stimulative effect appeared almost exactly at the bottom turning point in 1933, and both its expansive and contractive effects lagged considerably after the turning points in 1937 and 1938. If we examine the evidence for changes in the direction of the net credit change curve we see that these changes preceded changes in business conditions except in the trough of 1938. Only, however, if we are prepared to estimate the possible secondary and tertiary effects of changes in the rate of increase or decrease of outstandings can we assign any calculated influence to these facts.

All of this evidence, while useful, is less satisfactory than it might be if a longer period were covered, nor can the observable changes in outstandings be classified easily into those that expand aggregate consumer demand and those that do not. All that can be said is that on the record there was a close correspondence of changes in consumer credit outstandings and changes in general business conditions in 1933, not a close correspondence at all at the peak year 1937 or the trough year 1938, and that the evidence for 1929 is too incomplete to make a fair judgment. All in it is not a very strong factual basis on which to argue that consumer instalment credit is a significant governor of economic conditions. The results are more negative than positive. They point to the conclusion that consumer instalment credit, both sales credit and cash loan credit, has not been an active initiator of changes in economic conditions; if it has played a role at all it has been in supporting an expansion once other forces have intitiated it and possibly carrying a contraction to a point that would not otherwise be reached.

Before concluding this paper let me raise a fifth question. How important are the expansive and contractive influences of consumer instalment credit relative to the influences excercised by other dynamic factors in our economy? For purposes of the discussion let us consider the net change in consumer instalment credit outstandings as a measure of its direct influence. In order to simplify the argument let us say that a given net change in outstandings produces an equal amount of increase or decrease in the flow of aggregate demand in any given period. Using this measure we see that from 1929 to 1940 the amount of net change in total consumer instalment credit was never more than 1.5% of national income. Since 1934, when the deficit on Federal fiscal account began to be an important factor in economic affairs, net changes in total consumer instalment credit outstanding has averaged only about 20% of the net income effect of the Federal budget.

Indirect Effects

These calculations take account only of the direct effect of changes in consumer instalment credit on national income. Of course, there are indirect effects to be taken into account as well. But even if we use a ration of direct effect to total effect of 1 to 3, it still remains that instalment credit changes are relatively minor as compared with the total changes in income produced by Federal fiscal operations or by all economic forces combined. As total debt has grown relative to consumer instalment debt the magnitude of the latter's influence on the economy tends, of course, to decline. These considerations point to the conclusion that, unless one can attribute some special strategic influence to consumer instalment credit, it cannot be counted as a major factor among that whole complex of forces and conditions which, taken in concert, produce fluctuations in our economic system.

Summary

By way of conclusion let me summarize the answers that I have given to my five questions. Ultimate purchasers use the instalment payment device in order to smooth their expenditure flows to some rough conformity with their receipts of income, although why they do not do this by saving first and buying later, rather than buying first and saving later, is not for an economist to say. The amount of credit used in determined primarily by the disposable income of consumers, with some tendency for its use to rise as its social acceptance widens and as credit facilities become more accessible. This relationship has been taken to mean that while consumer instalment credit is but one among many factors affecting the level of national income, the level of national income has a decisive effect on the amount of consumer credit in use.

In exploring our third question we saw that not all changes in the amount of consumer credit outstandings would have the same effects on aggregate consumer demand and on money supply. Only when the credit expansion is general and when it involves access to the banking system is it likely that expansive effects will be felt and even these will reflect themselves, in price increases only when resources are approaching full utilization. In examining our forth question we found a rather mixed picture as regards the relation in time between consumer credit changes and turning points in general business conditions. Finally, unless one feels that there is some specially strategic feature to consumer instalment credit, it must be appraised, on the basis of quantitative measurement, as not a major element influencing changes in national income. All in all the evidence does not add greatly to the prestige of consumer credit as a strategic factor in business cycles, although its role in supporting waves of expansion or contraction, once these have been initiated, is reasonably clear.

Investing in Big And Small Cities

(Continued from first page)

opportunities? Here are some suggestions:

(1) Locally controlled grain handlers to supply the staff of life; manufacturers of building materials, such as gypsum, lumber, cement, lead, copper;

(2) Bus, truck and airplane transportation companies which will be called on to handle a much increased business;

(3) Local oil producers and distributors in contrast to the larger operators with refineries in big cities; also coal and wood yards;

(4) Local hotels and restaurants which will be called on to accommodate the continual influx from large industrial centers destined to suffer from unemployment;

(5) Local trading companies in a position to either sell for cash or barter the valuables most easily transported, such as silver, gold, ornaments, platinum or diamonds, for living necessities . . .;

(6) Automobile and farm machinery repair shops which should run to capacity, plus;

(7) Any well-located buildings of large capacity, which would be in demand for conversion for any of the above purposes.

Own Certain Real Estate

There should be added to this list existing homes and especially small farms over 50 miles from large cities. That is, cottages off the main line, which are not dependent upon the operation of a public utility. Merchants should carry a full line of wood, coal and oil stoves, kerosene lamps and candles as well as a big supply of canned goods. Don't always bank on others to supply garden produce, but each year plan enough of a garden to supply vegetables for sustenance and for canning in season. Remember that potatoes, beans and greens will furnish as good a diet as millions live on today.

It might be suggested that dollar bills, stored in a safe deposit vault would be a good hedge if another war or depression comes. That may not be true. Far better have some good jewels in your safe deposit box! What about local bank stocks? The business of small banks may become very profitable. But large holdings of depreciated securities might make their stocks of little value. However, banks with their chief assets distributed throughout the Central West and South should be safe.

Don't Be an Isolationist

We should continue to put forth our best efforts to make the United Nations a success and free the world both from another war and depression even while reshaping our investment and living program along the above lines. Because we take out a fire insurance policy it does not mean that we expect our home to burn. Surely business should waste no time in decentralizing its operations; the military should be allowed its full budget estimates; and the Commerce Department should take precedence over the State Department.

Date of Int'l Fair at Milan Changed to June 14-29

Announcement was made on March 22 that the date of the International Fair at Milan, Italy, has been changed from the scheduled date of September to June, the new dates being June 14-29. John B. Erskine, of 135 So. La Salle Street, Chicago, representative of the Fair in the United States.

A previous item regarding the Fair appeared in our issue of Feb. 27, page 1172.

Electric Output for Week Ended April 5, 1947, 17.7% 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 April 5, 1947, was 4,690,055,000 kwh., an increase of 17.7% over the corresponding week last year when electric output amounted to 3,987,673,000 kwh. The current figure also compares with 4,728,885,000 kwh. produced in the week ended March 29, 1947, which was 18.5% higher than the 3,992,283,000 kwh. produced in the week ended March 30, 1946. The largest increases were reported by the Pacific Coast and Central Industrial groups which showed increases of 24.7% and 21.1% respectively over the same week in 1946.

PERCENTAGE INCREASE OVER SAME WEEK LAST YEAR

Major Geographical Division—	Week Ended— Apr. 5	Mar. 29	Mar. 22	Mar. 15	Mar. 8
New England	8.9	13.1	11.5	11.5	13.0
Middle Atlantic	10.8	13.6	11.8	12.1	13.6
Central Industrial	21.1	24.4	23.0	23.3	23.8
West Central	18.2	16.3	16.3	18.4	18.1
Southern States	18.0	17.0	21.4	24.2	27.2
Rocky Mountain	12.2	13.6	9.1	10.6	13.0
Pacific Coast	24.7	19.6	19.9	20.2	23.1
Total United States	17.7	18.5	18.5	19.5	21.1

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

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	4,728,885	3,992,283	+18.5	4,329,478	1,465,076	1,633,291
Apr. 5	4,693,055	3,987,673	+17.7	4,321,794	1,480,738	1,696,543
Apr. 12		4,014,652		4,332,400	1,469,810	1,709,331
Apr. 19		3,987,145		4,411,325	1,454,505	1,699,822
Apr. 26		3,976,750		4,415,889	1,429,032	1,688,434

From Washington Ahead of the News

(Continued from first page)

Bureaucratic ranks must be held against the Republican onslaught. These diners, stuffed with pig and fowl, washed down with Scotch and Rye, had been dozing through his discourse of world affairs. But when he came to the jobholders they awoke, shouted and hurrahed, and agreed that here was really a man of stature.

A wave of propaganda about his enhanced stature followed the dinner. There is not the slightest doubt that he has grown in the jobholders' eyes. But it has manifestly gone even further. We are beginning now to hear his proposed $400,000,000 gift to Turkey and Greece described as another Monroe Doctrine and the propagandists are saying that he will go down in history as another Monroe; that, indeed, there is quite a resemblance between them.

It is truly amazing. Only a few months ago, Mr. Truman was being described as just a bumbling little American; wholly inadequate for the job that had come to him. Then, rather impetuously, he decides to give away $400,000,000 and becomes an epochal figure in our history.

It has become clear that we are to have a build-up such as the Republicans gave Calvin Coolidge after the Harding scandals. These scandals had left them pretty low, in spirits until the Madison Square Garden debacle of the Democrats gave them renewed hope. They set out then on one of the best political publicity campaigns this country has ever known. Harding—they refused to mention his name. He was a forgotten figure in a vague past. Coolidge whom the Republicans had inadvertently tumbled upon, came to be known as America's strong, quiet man; as a refreshing breeze after a sticky atmosphere.

From now on, we are to be asked to forget about Roosevelt. Perhaps, his 14 years were a pretty sordid business. We have a new find, a real find, something the country has needed all the time.

One is likely to wonder why the New Dealers didn't run him instead of Roosevelt in the last Congressional campaign. He was President at the time, but I recall one of Bob Hannegan's speeches in which he mentioned Roosevelt about 19 times and Truman only once. And it was Roosevelt's voice, not Truman's, that we heard most during the campaign—the great master's voice made possible by preserved radio transcriptions.

It is apparent that the Democratic National Committee is getting ready to destroy those records, or to put them in cold storage at Hyde Park. From now on Truman is to be the candidate.

Of course, the dirt had not been dug up on the Roosevelt regime at the time of the last campaign. But it is being turned now, not because of any particular activity on the part of the Republicans because they are just not good at turning up the dirt. But in one way or another, it is being turned. The picture of the sordid era through which the country has lived, is unfolding, seemingly by itself. So Mr. Truman will come into his own, finally, as the New Deal white hope.

The stature into which he will be built by the propagandists will amaze even him. In a few months you will wonder where he has been all of our lives.

Bill to Outlaw Portal Pay Claims Opposed By Schwellenbach

Secretary of Labor Lewis B. Schwellenbach expressed opposition on March 20 to legislative proposals to outlaw portal pay claims, on the ground that such measures would undermine enforcement of the Fair Labor Standards Act, Associated Press Washington advices stated. The statement, released by the Department of Labor during the Secretary's absence on the West Coast, said:

"As Secretary of Labor I do not want to see this great humanitarian statute crippled to such an extent that it cannot be properly enforced. I also do not believe that the Congress desires such a result. . . .

"I do not believe the people of America are willing to take such a backward step from the sound social progress we have made in the past fifteen years."

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.
April 8	122.20	117.40	122.50	120.43	116.80	110.15	112.37	118.60	121.04
7	122,20	117.40	122.50	120.43	116.80	110.15	112.37	118.60	121.04
5	a	117.40	122.50	120.43	116.80	110.15	112.56	118.60	121.04
4	Market	Closed							
3	122.17	117.40	122.50	120.43	116.80	110.15	112.56	118.60	121.04
2	122.17	117.40	122.50	120.43	117.00	110.15	112.56	118.60	121.04
1	122.11	117.40	122.50	120.43	117.00	110.15	112.56	118.60	121.04
Mar. 28	122.27	117.40	122.50	120.43	117.20	110.34	112.75	118.60	121.04
21	122.24	117.20	122.29	120.22	117.00	110.15	112.56	118.40	121.04
14	122.27	117.20	122.09	120.02	117.00	110.34	112.75	118.20	120.84
7	122.17	117.20	122.09	120.02	117.00	110.52	112.75	118.40	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
High 1947	122.39	117.60	122.50	120.43	117.40	111.07	113.31	118.80	121.25
Low 1947	122.08	116.80	121.04	119.61	116.80	110.15	112.37	117.80	120.02
1 Year Ago Apr. 8, 1946	125.89	120.02	123.99	122.29	119.61	114.46	117.60	120.22	122.09
2 Years Ago Apr. 7, 1945	122.21	115.04	120.84	118.40	115.04	106.39	111.44	114.46	119.20

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.
April 8	1.53	2.78	2.53	2.62	2.81	3.16	3.04	2.72	2.60
7	1.53	2.78	2.53	2.63	2.81	3.16	3.04	2.72	2.60
5	a	2.78	2.53	2.63	2.81	3.16	3.03	2.72	2.60
4	Market	Closed							
3	1.53	2.78	2.53	2.63	2.81	3.16	3.03	2.72	2.60
2	1.53	2.78	2.53	2.63	2.80	3.16	3.03	2.72	2.60
1	1.54	2.78	2.53	2.63	2.80	3.16	3.03	2.72	2.60
Mar. 28	1.53	2.78	2.53	2.63	2.79	3.15	3.02	2.72	2.60
25	1.53	2.78	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
14	1.56	2.79	2.55	2.65	2.80	3.15	3.02	2.74	2.61
7	1.57	2.79	2.55	2.65	2.80	3.14	3.02	2.73	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
High 1947	1.57	2.81	2.60	2.67	2.81	3.16	3.04	2.76	2.65
Low 1947	1.53	2.77	2.53	2.63	2.78	3.11	2.99	2.71	2.59
1 Year Ago Apr. 8, 1946	1.34	2.65	2.46	2.54	2.67	2.93	2.77	2.64	2.55
2 Years Ago Apr. 7, 1945	1.64	2.90	2.61	2.73	2.90	3.37	3.09	2.93	2.69

a Market closed.

*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.

Moody's Common Stock Yields

For yields in prior years see the following back issues of the "Chronicle"; 1941 yields (also annually from 1929), Jan. 11, 1942, page 2218; 1942 yields, Jan. 14, 1943, page 202; 1943 yields, March 16, 1944, page 1130; 1944 yields, Feb. 1, 1945, page 558; 1945 yields, Jan. 17, 1946, page 299; 1946 yields, Jan. 9, 1947, page 193.

MOODY'S WEIGHTED AVERAGE YIELD OF 200 COMMON STOCKS

	Industrials (125)	Railroads (25)	Utilities (25)	Banks (15)	Insurance (10)	Average Yield (200)
January, 1947	4.4	6.6	4.6	4.2	3.3	4.5
February, 1947	4.6	6.8	4.7	4.2	3.3	4.7
March, 1947	4.7	6.8	4.9	4.4	3.4	4.8

Non-Ferrous Metals—Copper Sellers Cautious Pending Action on Tariff—Tin Deal Closed

"E. & M. J. Metal and Mineral Markets," in its issue of April 3, stated: "Though the Senate Finance Committee took no action April 2 at a meeting called to consider the bill that would temporarily suspend the import duty on copper, the industry as a whole remains highly optimistic regarding final adoption of the measure. The Senate appears to favor suspension of the 4c duty for one year and the House for two years. During the last week the foreign price of copper again moved higher on rather light offerings. Until the tariff issue is settled, business in both foreign and domestic metal is likely to suffer. The sharp advances in copper, lead, and tin in the British market was a mystery to traders here. To offset higher prices now prevailing for tin concentrates, the RFC is expected to advance the domestic quotation for tin." The publication further went on to say in part as follows:

Copper

Pending developments in Washington on the copper tariff, both consumers and producers were inclined to do nothing to disturb the situation. The domestic market continued at 21½¢, Connecticut Valley. The foreign market again moved into higher ground, with sales during the last week at prices ranging from 22½c to 23c, f.a.s. New York equivalent.

Imports of copper during January and February, in tons, according to the Bureau of the Census:

	Jan.	Feb.
In ore, matte, etc.	5,728	5,619
Blister copper	10,286	10,531
Refined copper	3,997	9,525
Old and scrap	22	151
Brass scrap (copper content)	8,390	10,259

The British Ministry of supply advanced the price of refined copper for delivery to consumers in the United Kingdom £10 per ton to £137. Figuring exchange at $4.02½, this is equivalent to 24.62c per pound. The British quotation, trade authorities here claim, does not reflect the prevailing world price.

Lead

Producers here were disposed to ignore the action taken by the British that raised the lead price for the British consumer to a figure somewhat above the world price, based on the official rate of exchange. Exactly why the British quotation was moved up to £90 per long ton on deliveries to consumers in the United Kingdom remained somewhat of a puzzle.

The market here continued firm at 15c, New York, and 14.80c, St. Louis. The American Smelting & Refining Co. announced that it has reinstated its prewar practice of opening books on the first of each month for business a month forward.

Industry sales for March totaled 76,000 tons, against 57,000 tons in February and 54,000 tons in January. Some foreign lead has come into the country that is not included in the report on sales. In brief, producers point out that consumers are getting more lead.

Sales last week amounted to 7,570 tons.

Zinc

Conditions surrounding the zinc market were unchanged last week. Both Prime Western and Special High Grade were in steady demand. Foreign buying has been less active of late, causing some irregularity in quotations named outside of this country.

Allocation of zinc from the government's holdings is expected to continue as long as a tight situation exists here in some grades.

During February the United States imported 5,214 tons of slab zinc and 22,156 tons of zinc contained in ore and concentrates. Ore was imported from Canada, Mexico, Bolivia, Peru and Italy.

Antimony

President Truman signed a bill on March 31 extending allocation of antimony until June 30. Control over antimony would have expired on March 31 unless renewed.

Nickel

Canada produced 19,447,552 lbs. of nickel in January, against 16,988,037 lbs. in December and 13,823,097 lbs. in January a year ago, the Dominion Bureau of Statistics reports.

Tin

As March ended the market for tin was in a state of general confusion over the price situation, awaiting clarification by RFC on the stand it will take in reference to the April requirements of consumers. The fact that the government has been compelled to settle for Bolivian tin concentrates for 1947 shipment on the basis of 76c per pound of tin contained, f.o.b. South American ports, made it appear certain that the price of the metal would be increased.

Vulcan Detinning Co., a producer of secondary tin, let it be known that it intends to obtain at least 80c per pound for tin, or 10c above the previous price. Pending definite word from RFC on the settlement basis for "Grade A" tin, the quotations on both Tuesday and Wednesday were wholly nominal.

President Truman signed a measure on March 31 extending allocation control for tin. Power to allocate the metal up to midnight March 31 was granted under the Second War Powers Act.

The British Ministry of Supply advanced the price of standard tin for the home market on March 29 to £437 per long ton, equivalent to 78.52c per pound. Straits quality tin was raised to £438 10s.

Nominal quotations for forward tin, Straits quality, in cents per pound, were as follows:

	April	May	June
March 27	70.000	70.000	70.000
March 28	70.000	70.000	70.000
March 29	70.000	70.000	70.000
March 31	70.000	70.000	70.000
April 1	—No quotations—		
April 2	—No quotations—		

Quicksilver

The market was disturbed last week on rumors to the effect that the Cartel had sold 1,000 flasks of quicksilver to a battery manufacturer at a price substantially below the prevailing quotation for spot metal. Confirmation was unobtainable. Operators in quicksilver familiar with past performances of the Cartel recalled that the European group in prewar years usually was prepared to take on large "special" transactions on so-called private terms. This was done without disturbing the regular market.

Spot quotations in New York were a little easier last week, showing a range of $86 to $90 per flask.

Silver

The silver market was unsettled last week, with prices fluctuating over what normally would be considered a wide range. The lower prices that were obtained early in the week brought in some good business from domestic consumers. Pressure from so-called outside sources diminished. The New York Official quotation settled yesterday at 75¾c an ounce, against 75¼c a week ago.

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

	—Electrolytic Copper— Dom. Refy.	Exp. Refy.	Straits Tin, New York	—Lead— New York	St. Louis	Zinc St. Louis
March 27	21.225	22.675	70.000	15.000	14.800	10.500
March 28	21.225	22.675	70.000	15.000	14.800	10.500
March 29	21.225	22.425	70.000	15.000	14.800	10.500
March 31	21.225	22.525	70.000	15.000	14.800	10.500
April 1	21.225	22.700	*	15.000	14.800	10.500
April 2	21.225	22.675	*	15.000	14.800	10.500
Average	21.225	22.613	70.000	15.000	14.800	10.500

*No quotations.

Average prices for calendar week ended March 29 are: Domestic copper f.o.b. refinery, 21.225c; export copper f.o.b. refinery, 22.533c; Straits tin, 70.000c; New York lead, 15.000c; St. Louis lead, 14.800c; St. Louis zinc, 10.500c; and silver, 74.450c.

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.

Qutations for lead reflect prices obtained for common lead only.

School-Savings Show Increase, ABA Reports

A million and a half pupil-depositors in 3,500 schools participating in school savings banking activities conducted by 300 banks have an aggregate bank balance of approximately $40,000,000, according to Rowland R. McElvare, Chairman of the Committee on School Savings Banking of the Savings Division of the American Bankers Association. In reporting on the first survey on school savings banking since 1941, Mr. McElvare, Senior Executive Vice-President of the Bank for Savings, New York, N. Y., said that the school savings banking program, which was virtually discontinued during the war in favor of the sale of war bonds and war savings stamps, has made a "very satisfactorily comeback within a short time." "School savings banking undoubtedly hit its low point in 1945 or 1946," the commitee reports. The advices further quote the Committee: "It is reasonable to believe that not more than 200 banks were engaged in school banking during this period of recession. The 1947 statistics show that while school banking has not entirely recovered, this activity has made a very satisfactory comeback within a short time. It might be well to restate the position of the Savings Division with respect to the school savings program of the United States Treasury Department. During the war we cooperated fully with the Treasury Department; and when it ended, we took the position that the banks should do everything in their power to preserve the school savings system inaugurated in nearly every school in the country.

"The Committee feels that school savings banking, as conducted in cooperation with the banks, is preferable from an educational standpoint to the stamp system of the Treasury Department. However, if the schools or the banks are unwilling to engage in school savings banking, the Division strongly urges the retention of the sale of Treasury stamps. We learn that at the present time only 40% of the schools are participating in the Treasury program, and that many of these are the same schools in which school savings banking is also conducted."

Hoover Discusses Relief With Truman

Former President Herbert Hoover told newsmen on March 12 that he would not even consider the post of Administrator and Coordinator of American relief abroad, Associated Press Washington advices stated. He made the statement after a conference with President Truman, the subject of which, he said, had been questions of administration of relief. The particular problems of Greece and Turkey had not been discussed, Mr. Hoover said, and indicated that the over-all estimate for direct relief amounted to $1,250,000,000. As for his participation in an American relief program, the former President declared: "At my time in life I have reached the stage of advice and consultation."

Moody's Daily Commodity Index

Tuesday, April 1	422.1
Wednesday, April 2	417.2
Thursday, April 3	418.3
Friday, April 4	Holiday Ex. Closed
Saturday, April 5	420.0
Monday, April 7	421.7
Tuesday, April 8	415.5
Two weeks ago, March 25	426.4
Month ago, March 8	422.8
Year ago, April 8 1946	273.6
1946 High Dec. 24	380.6
Low Jan. 2	264.7
1947 High March 26	431.8
Low Jan. 20	371.5

Market Value of Stocks on NYSE in January

The New York Stock Exchange announced on Feb. 6, that as of the close of business Jan. 31, there were 1,341 stock issues, aggregating 1,779,120,686 shares listed on the New York Stock Exchange, with a total market value of $69,626,679,535. This compares with the figures as of Dec. 31, 1946 of 1,334 issues aggregating 1,771,399,168 shares with a total market value of $68,594,911,644.

In making public the Feb. 6 announcement, the Exchange added:

As of the close of business Jan. 31, New York Stock Exchange member total net borrowings amounted to $293,931,964 of which $186,906,315 represented loans which were not collateralized by U. S. Government issues. The ratio of the latter borrowings to the market value of all listed stocks, on that date, was, therefore, 0.27%. As the loans not collateralized by U. S. Government issues include all other types of member borrowings, these ratios will ordinarily exceed the precise relationship between borrowings on listed shares and their total market value.

In the following table listed stocks are classified by leading industrial groups with the aggregate market value and average price for each:

Group—	Jan. 31, 1947 Market Value $	Jan. 31, 1947 Av. Price $	Dec. 31, 1946 Market Value $	Dec. 31, 1946 Av. Price $
Amusement	909,746,358	22.59	925,626,557	23.01
Automobile	5,108,971,637	38.87	4,643,963,764	35.34
Aviation	784,449,605	15.09	780,416,096	15.01
Building	1,048,489,104	41.60	1,043,576,541	41.85
Business and Office Equipment	656,274,574	48.86	627,507,529	47.07
Chemical	8,941,984,854	68.10	9,005,890,245	68.60
Electrical Equipment	1,930,250,449	34.74	1,750,964,098	31.80
Farm Machinery	849,483,908	59.66	823,268,079	57.82
Financial	1,298,235,181	24.41	1,268,585,021	23.92
Food	4,611,232,318	42.29	4,603,775,904	42.22
Garment	74,084,544	31.91	72,827,907	31.37
Land & Realty	61,087,279	9.81	60,814,672	9.77
Leather	315,782,937	31.47	300,466,791	29.95
Machinery & Metals	2,659,992,740	32.44	2,609,341,289	31.82
Mining (excluding iron)	1,998,631,984	30.98	2,042,507,394	31.67
Paper & Publishing	1,030,390,478	30.59	1,016,030,262	31.38
Petroleum	7,940,696,848	37.62	8,008,220,297	37.95
Railroad	5,019,720,164	42.62	4,907,338,263	42.33
Retail Merchandising	4,510,633,662	37.32	4,498,176,243	37.39
Rubber	758,431,670	64.45	741,412,498	63.00
Ship Building	51,932,006	19.30	50,748,377	18.86
Ship Operating	108,240,321	24.00	99,962,827	22.85
Steel, Iron & Coke	3,202,263,768	55.52	3,076,233,438	53.33
Textiles	1,038,742,871	30.69	1,003,205,148	30.40
Tobacco	1,657,028,520	56.25	1,640,308,295	55.76
Transportation Services	27,547,816	15.97	25,568,593	14.83
Utilities:				
Gas & Electric (Operating)	3,550,580,937	33.72	3,524,603,692	34.06
Gas & Electric (Holding)	1,960,379,883	20.26	1,946,219,293	20.12
Communications	4,311,471,606	96.96	4,269,123,899	96.04
Miscellaneous Utilities	209,851,642	25.97	211,122,135	26.13
U. S. Cos. Operating Abroad	1,119,572,626	27.98	1,161,573,122	29.03
Foreign Companies	1,292,547,496	24.44	1,267,634,851	23.97
Miscellaneous Businesses	589,949,749	37.19	587,898,524	37.09
All Listed Stocks	69,626,679,535	39.14	68,594,911,644	38.72

We give below a two-year compilation of the total market value and the average price of stocks listed on the Exchange.

1945—	Market Value $	Average Price $	1946—	Market Value $	Average Price $
Jan. 31	56,585,846,293	37.84	Jan. 31	78,467,733,341	48.61
Feb. 28	59,680,085,110	39.84	Feb. 28	74,164,879,781	45.79
Mar. 31	57,383,487,905	38.15	Mar. 30	77,932,414,601	47.88
Apr. 30	61,496,723,658	40.68	Apr. 30	80,943,361,516	49.22
May 31	62,430,603,026	40.64	May 31	84,043,436,932	50.44
June 30	62,636,685,716	40.68	June 28	80,929,333,989	47.99
July 31	61,242,460,874	39.65	July 31	79,132,265,907	46.04
Aug. 31	64,315,140,586	41.55	Aug. 30	74,350,238,520	42.79
Sept. 29	67,065,130,865	43.17	Sept. 30	66,863,605,035	38.20
Oct. 31	69,560,968,600	44.23	Oct. 31	66,114,906,579	37.65
Nov. 30	72,729,703,313	46.13	Nov. 30	65,741,093,383	37.26
Dec. 31	73,765,250,751	46.33	Dec. 31	68,594,911,644	38.72
			1947—		
			Jan. 31	69,626,679,535	39.14

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 specifically limited. In all cases the figures are based upon the prices of issue.

SUMMARY TABLES OF NEW CAPITAL ISSUES IN THE UNITED KINGDOM
(Compiled by the Midland Bank Limited)
(£000 omitted)

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

(£000 omitted)

Month	1938	1939	1940-44*	1945	1946	1947
January	7,465	13,858	1,927	100	5,666	14,186
February	19,248	8,132	1,314	1,654	4,618	15,835
March	6,392	2,897	2,874	118	7,237	-----
April	5,114	1,789	1,871	2,701	12,636	-----
May	27,323	6,611	1,550	1,608	7,133	-----
June	8,503	23,858	1,458	753	9,264	-----
July	15,188	2,800	5,046	661	31,461	-----
August	2,184	5,177	1,369	2,446	8,968	-----
September	1,649	64	3,476	1,343	13,278	-----
October	2,628	68	1,702	2,099	6,098	-----
November	12,802	869	916	3,382	9,063	-----
December	9,596	171	2,962	3,603	15,348	-----
Year	118,098	66,294	26,465	20,468	130,770	-----

*Five years' totals

National Fertilizer Association Commodity Price Index Falls Slightly

The weekly wholesale commodity price index compiled by The National Fertilizer Association and made public on April 7, declined to 200.4 for the week ended April 5, 1947 from the previous all-time high of 200.5 which was reached in the preceding week. A month ago the index stood at 199.9 and a year ago at 145.7, all based on the 1935-1939 average as 100. The Association's report added:

During the week five of the composite groups declined while one advanced; the other five remained at the level of the preceding week. Prices for butter, peas, potatoes, and cocoa rose but price declines for flour, ham, coffee, lard, and meats caused the foods index to drop. Although the price for corn and some livestock rose, the lower prices for cotton, wheat, oats, and poultry caused the farm products index to drop. The advance in the price of news roll paper was more than offset by declines for hides, leather, cottonseed meal, linseed meal, bran, and middlings, with the result that the index for the miscellaneous commodities group fell. The price of silver rose, but the drop in the price of steel scrap was responsible for a decline in the metals group. The textiles index declined slightly. The rise in the fuels index was due to higher quotations for gasoline.

During the week 26 price series in the index declined and 15 advanced; in the preceding week 22 declined and 24 advanced; in the second preceding week 23 declined and 21 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 Apr. 5, 1947	Preceding Week Mar. 29, 1947	Month Ago Mar. 8, 1947	Year Ago Apr. 6, 1946
25.3	Foods	221.9	222.7	225.3	144.0
	Fats and Oils	320.7	321.4	316.2	147.4
	Cottonseed Oil	433.1	433.1	427.4	163.1
23.0	Farm Products	250.8	251.0	255.1	175.0
	Cotton	335.1	339.5	330.8	264.1
	Grains	246.2	254.0	239.1	173.4
	Livestock	242.9	240.1	253.5	161.3
17.3	Fuels	170.2	168.8	159.2	131.7
10.8	Miscellaneous Commodities	162.4	163.3	159.9	133.8
8.2	Textiles	217.2	217.9	209.4	166.9
7.1	Metals	147.7	147.9	146.9	117.2
6.1	Building Materials	203.4	203.4	213.7	167.8
1.3	Chemicals and Drugs	154.5	154.5	155.2	127.2
.3	Fertilizer Materials	128.0	128.0	127.8	116.4
.3	Fertilizers	133.7	133.7	133.7	119.8
.3	Farm Machinery	126.3	126.3	126.3	105.3
100.0	All groups combined	200.4	200.5	199.9	145.7

*Indexes on 1926-28 base were: April 5, 1947, 156.1; March 29, 1947, 156.2; and April 6, 1946, 113.5.

Market Value of Bonds on NYSE in February

The New York Stock Exchange announced on March 12 that as of the close of business Feb. 28, there were 925 bond issues, aggregating $137,105,955,411 par value listed on the New York Stock Exchange, with a total market value of $141,033,364,344. This compares with the figures as of Jan. 31, viz., 918 bond issues, aggregating $137,006,471,566 par value; total market value, $140,965,964,820.

In the following table listed bonds are classified by governmental and industrial groups with the aggregate market value and average price for each:

Group—	Feb. 28, 1947 Market Value $	Feb. 28, 1947 Average Price $	Jan. 31, 1947 Market Value $	Jan. 31, 1947 Average Price $
U. S. Government (incl. N. Y State, Cities, etc.)	$125,480,828,578	104.16	125,401,251,158	104.09
U. S. companies:				
Amusement	7,340,528	102.25	7,277,711	101.37
Aviation	5,912,500	59.13	6,262,500	62.63
Building	5,150,000	103.00	5,193,750	103.88
Chemical	32,943,500	101.05	32,927,500	101.00
Electrical equipment	66,243,750	101.91	66,081,250	101.66
Farm machinery	20,426,250	104.75	20,304,375	104.13
Financial	52,306,699	100.34	52,234,071	100.20
Food	171,284,666	102.42	169,411,986	101.30
Land and realty	16,914,805	87.19	16,616,390	85.65
Machinery and metals	9,999,375	100.19	9,958,750	99.79
Mining (excluding iron)	58,144,569	91.91	60,129,117	93.68
Paper and publishing	25,880,000	103.52	25,875,000	103.50
Petroleum	535,923,750	101.31	537,068,750	101.53
Railroad	7,347,861,952	89.50	7,427,059,486	90.55
Retail merchandising	13,238,805	98.61	13,233,461	98.57
Rubber	117,925,000	102.54	118,025,000	102.63
Steel, iron and coke	270,898,438	103.24	244,971,500	103.20
Textiles	41,500,000	103.75	41,400,000	103.50
Tobacco	236,669,311	105.48	237,253,589	105.74
Transportation services	19,134,250	99.53	19,124,948	99.48
Utilities:				
Gas and electric (operating)	3,002,778,748	106.10	2,944,625,111	106.50
Gas and electric (holding)	50,681,250	106.25	51,516,000	108.00
Communications	1,520,696,287	106.50	1,540,847,593	107.87
Miscellaneous utilities	125,400,529	85.41	123,818,850	84.33
U. S. companies oper. abroad	113,414,730	93.27	113,246,705	93.13
Miscellaneous businesses	23,920,000	104.00	24,006,250	104.38
Total U. S. companies	13,892,589,692	95.90	13,908,469,643	96.66
Foreign government	1,097,235,531	70.59	1,092,441,937	70.43
Foreign companies	562,710,543	94.44	653,802,082	94.52
All listed bonds	141,033,364,344	102.86	140,965,964,820	102.89

The following table, compiled by us, gives a two-year comparison of the total market value and the total average price of bonds listed on the Exchange:

1945—	Market Value $	Average Price $	1946—	Market Value $	Average Price $
Feb. 28	114,881,605,628	102.58	Jan. 31	145,555,685,231	104.75
Mar. 31	114,831,886,516	102.53	Feb. 28	146,523,982,940	105.19
Apr. 30	115,280,044,243	103.10	Mar. 30	146,180,821,869	104.75
May 31	114,857,381,979	103.01	Apr. 30	143,904,400,671	103.89
June 30	114,767,523,198	103.45	May 31	143,943,768,509	104.49
July 31	130,074,758,528	102.97	June 28	142,405,982,701	104.21
Aug. 31	129,748,212,202	102.49	July 31	141,407,058,263	103.52
Sep. 29	128,511,162,933	102.60	Aug. 30	140,958,397,671	103.10
Oct. 31	128,741,461,162	103.16	Sept. 30	139,784,237,292	102.16
Nov. 30	129,156,430,709	103.28	Oct. 31	140,245,279,977	102.46
Dec. 31	143,110,515,509	103.64	Nov. 30	139,520,722,520	102.00
			Dec. 31	140,792,540,973	102.64
			1947—		
			Jan. 31	140,965,964,820	102.89
			Feb. 28	141,033,364,344	102.86

Revise Vet Loan Plan

Gen. Omar Bradley, chief of the Veterans Administration, and Raymond M. Foley, Housing Commissioner, in a joint statement on April 2 said that the partnership between the Federal Housing Administration and the VA for the purpose of estimating veteran loans under the G. I. Bill of Rights would end on April 10, as the method has proved more confusing than helpful. Hereafter, the advices said, according to an Associated Press Washington dispatch, appraisers designated by the VA are to establish a "reasonable value" as the maximum price for which the home may be sold to a veteran with financing, in whole or in part, through a G. I. loan.

This will bring to an end the practice under which the FHA placed an "estimate of reasonable value" on home properties for which it had approved loans for mortgage insurance and on which the VA later was requested to approve a secondary loan. "When the valuation so established failed to coincide with the later appraisal by a VA-designated appraiser," misunderstanding and confusion was the result, according to the joint statement. It was added that:

"Such differences often arose because the FHA figures were predicated on the amount of the mortgage loan without regard to purchase price, whereas the VA appraisal deals with the purchase price only and is intended to establish the maximum amount the veteran may pay for the property."

Currency Import Controls Removed

Secretary Snyder announced on April 3 the removal of Treasury Department controls on the importation of all currency. The Department's announcement said:

"As a result of today's action, it will no longer be necessary for persons receiving or importing currency of any denomination from foreign countries to submit it to a Federal Reserve Bank for examination under the import controls. This change was in the form of an amendment to General License No. 87."

Czech Gift Parcels

Postmaster Albert Goldman announced on April 2, that the Postal Administration of Czechoslovakia has advised that until the end of 1947, gift parcels addressed to citizens of Czechoslovakia will be admitted free of customs duty under the following conditions:

"(1) The parcels may not exceed 13 pounds in weight; (2) the parcels may contain only articles for daily use, such as non-perishable foodstuffs, clothing, writing materials, soap, toilet articles, and limited amounts of tobacco. No parcel may contain more than two pounds of coffee, eight ounces of tea, three and one-half ounces of spices, and not more than 600 cigarettes or 21 ounces of tobacco or 120 cigars. Larger quantities of these commodities will be subject to customs duty in Czechoslovakia. Luxury articles (jewelry, etc.) are not exempted from customs duty; (3) the contents of the parcels must be destined exclusively for the personal use of tre addressee or members of his family. It is prohibited to sell these articles; (4) the Czechoslovak customs authorities can refuse free customs entry to persons who are known to import parcels in such quantity and so often that the imported goods exceed the needs of the addressee and his family."

Federal Reserve February Business Index

The Board of Governors of the Federal Reserve System issued on March 27, its monthly indexes of industrial production, factory employment and payrolls, etc. The Board's customary summary of business conditions was made public at the same time and appeared in our issue of April 3, page 1842. The indexes for February, together with a month and a year ago, follow:

BUSINESS INDEXES
1939 average = 100 for factory employment and payrolls;
1923-25 average = 100 for construction contracts;
1935-39 average = 100 for all other series.

	Adjusted for Seasonal Variation 1947 Feb.	Jan.	1946 Feb.	Without Seasonal Adjustment 1947 Feb.	Jan.	1946 Feb.
Industrial production—						
Total	*188	188	152	*184	184	148
Manufactures—						
Total	*196	196	154	*192	192	151
Durable	*222	220	138	*219	218	136
Nondurable	*176	177	167	*171	172	162
Minerals	*145	145	141	*140	140	134
Construction contracts, value—						
Total	†	146	136	†	120	117
Residential	†	144	95	†	119	85
All other	†	148	169	†	120	144
Factory employment—						
Total	*151.0	150.3	122.4	*150.5	149.8	121.9
Durable goods	*175.0	173.4	122.9	*174.7	173.1	122.6
Nondurable goods	*132.1	132.1	122.0	*131.4	131.4	121.4
Factory payrolls—						
Total	---	---	---	†	300.3	210.5
Durable goods	---	---	---	†	329.2	199.6
Nondurable goods	---	---	---	†	272.0	221.3
Freight carloadings	142	150	126	133	138	119
Department store sales, value	*270	265	250	*223	209	207
Department store stocks, value	*280	263	171	*257	235	158

*Preliminary. †Data not yet available.

NOTE—Production, carloadings, and department store sales indexes based on daily averages. To convert durable manufactures, nondurable manufactures, and minerals indexes to points in total index, shown in Federal Reserve Chart Book, multiply durable by .379, nondurable by .469, and minerals by .152.

Construction contract indexes based on 3-month moving averages, centered at second month, of F. W. Dodge data for 37 Eastern States. To convert indexes to value figures, shown in Federal Reserve Chart Book, multiply total by $410,269,000, residential by $184,137,000 and all other by $226,132,000.

Employment index, without seasonal adjustment, and payrolls index compiled by Bureau of Labor Statistics.

INDUSTRIAL PRODUCTION
(1935-39 average = 100)

	Adjusted for Seasonal Variation 1947 Feb.	Jan.	1946 Feb.	Without Seasonal Adjustment 1947 Feb.	Jan.	1946 Feb.
MANUFACTURES						
Iron and steel	*191	192	43	*191	191	43
Pig iron	†	192	48	†	192	48
Steel	208	206	46	208	206	46
Open hearth	174	177	38	174	177	38
Electric	451	413	106	451	413	106
Machinery	*278	276	188	*278	276	188
Transportation equipment	*232	229	199	*232	229	199
§Automobiles	*187	181	98	*187	181	98
Nonferrous metals and products	*202	203	141	*202	203	141
Smelting and refining	†	184	128	†	184	128
Lumber and products	*145	142	119	*132	126	110
Lumber	*136	131	108	*117	107	95
Furniture	*163	161	139	*163	161	139
Stone, clay and glass products	*219	219	185	*206	207	174
Plate glass	154	149	106	154	149	106
Cement	†	182	149	†	148	113
Clay products	*164	168	144	*156	156	138
Gypsum and plaster products	*230	226	201	*219	216	191
Abrasive and asbestos prod.	*267	264	197	*267	264	197
Textile and products	*171	172	160	*171	172	160
Cotton consumption	161	161	146	161	161	146
Rayon deliveries	*260	261	237	*260	261	237
Wool textiles	†	171	171	†	171	171
Leather products	†	116	133	†	116	137
Tanning	†	112	126	†	113	136
Cattle hide leathers	†	127	146	†	129	157
Calf and kip leathers	†	96	99	†	95	104
Goat and kid leathers	†	68	64	†	68	67
Sheep and lamb leathers	†	117	146	†	109	160
Shoes	†	*118	138	†	*118	138
Manufactured food products	*157	162	160	*142	149	145
Wheat flour	*158	162	163	*159	162	165
Meatpacking	*159	163	178	*152	191	171
Other manufactured foods	*160	166	165	*146	152	150
Processed fruits and veg.	*137	157	146	*86	102	92
Paper and products	†	*155	140	†	*155	141
Paperboard	181	179	155	181	179	155
Newsprint production	89	87	86	89	87	86
Printing and publishing	*139	138	123	*138	133	122
Newsprint consumption	125	122	108	122	114	106
Petroleum and coal products	†	174	161	†	174	161
Gasoline	*142	*144	129	*142	*144	129
Coke	†	---	91	†	---	91
By-products	†	---	85	†	---	85
Beehive	*404	410	295	*404	410	295
Chemicals	*254	254	232	*254	252	233
Rayon	*291	288	255	*291	288	255
Industrial chemicals	*435	430	379	*435	430	379
Rubber products	*247	247	216	*247	247	216
MINERALS						
Fuels	*150	150	149	*150	150	149
Bituminous coal	*162	173	160	*162	173	160
Anthracite	*107	118	121	*107	118	121
Crude petroleum	*149	*144	147	*149	*144	147
Metals	†	*115	93	†	*77	47
Iron ore	---	---	---	†	69	22

*Preliminary. †Data not available.

§This series is currently based upon man-hour statistics for plants classified in the automobile and automobile parts industries and is designed to measure productive activity during the month in connection with assembly of passenger cars, trucks, trailers, and buses; production of bodies, parts and accessories, including replacement parts; and output of nonautomotive products made in the plants covered.

FREIGHT CARLOADINGS
(1935-39 average = 100)

Coal	149	163	152	149	163	152
Coke	171	175	107	182	184	114
Grain	147	157	150	144	157	147
Livestock	111	123	158	89	118	126
Forest products	166	163	126	159	147	121
Ore	172	176	94	43	44	24
Miscellaneous	145	152	121	136	139	113
Merchandise, l.c.l.	76	77	78	74	74	75

NOTE—To convert coal and miscellaneous indexes to points in total index, shown in Federal Reserve Chart Book, multiply coal by .213 and miscellaneous by .548.

Civil Engineering Construction Totals $130,762,000 for Week

Civil engineering construction volume in continental United States totals $130,762,000 for the week ending April 3, 1947, as reported by "Engineering News-Record." This volume is 117% above the previous week, 0.2% below the corresponding week of last year, and 31% above the previous four-week moving average. The report, issued on April 3, went on to say:

Private construction this week, $59,421,000, is 77% greater than last week, but 26% below the week last year. Public construction, $71,341,000, is 169% above last week, and 40% greater than the week last year. State and municipal construction, $50,464,000, 143% above last week, is 26% above the 1946 week. Federal construction, $20,877,000, is 264% above last week, and 90% above the week last year.

Total engineering construction for the 14-week period of 1947 records a cumulative total of $1,318,638,000, which is 19% above the total for a like period of 1946. On a cumulative basis, private construction in 1947 totals $853,952,000, which is 16% above that for 1946. Public construction, $464,686,000, is 23% greater than the cumulative total for the corresponding period of 1946, whereas state and municipal construction, $356,317,000 to date, is 39% above 1946. Federal construction, $108,369,000, dropped 10% below the 14-week total of 1946.

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

	April 3, 1947	March 27, 1947	April 4, 1946
Total U. S. Construction	$130,762,000	$60,132,000	$130,993,000
Private Construction	59,421,000	33,639,000	79,870,000
Public Construction	71,341,000	26,493,000	51,123,000
State and Municipal	50,464,000	20,753,000	40,148,000
Federal	20,877,000	5,740,000	10,975,000

In the classified construction groups, sewerage, highways, earthwork and drainage, industrial buildings, commercial buildings, public buildings, and unclassified construction gained this week over last week. Five of the nine classes recorded gains this week over the 1946 week as follows: Waterworks, highways, earthwork and drainage, public buildings, and industrial buildings.

New Capital

New capital for construction purposes this week totals $195,529,000, and is made up of $40,314,000 in state and municipal bond sales and $155,215,000 in corporate securities. New capital for construction purposes for the 14-week period of 1947 totals $451,533,000, 18% greater than the $383,206,000 reported for the corresponding period of 1946.

March Civil Engineering Construction Totals $400,415,000

Civil engineering construction volume in continental United States totals $400,415,000 for March, an average of $100,104,000 for each of the four weeks of the month. This average is 12% above the average for February, and is 4% above the average of March, 1946, according to "Engineering News-Record." The report, issued on April 3, added in part:

Private construction for March on a weekly average basis is 25% above last month, and 16% greater than March, 1946. Public construction is 11% below last month and 16% below last March. State and municipal construction is 0.4% below last month, but 6% above the average for March, 1946. Federal construction, down 46% from last month, is 64% below March, 1946.

Civil engineering construction volume for March, 1947, February, 1947, and March, 1946, are:

	March, 1947 (4 Weeks)	Feb., 1947 (4 Weeks)	March, 1946 (4 Weeks)
Total U. S. Construction	$400,415,000	$356,491,000	$383,981,000
Private Construction	286,049,000	228,567,000	247,297,000
Public Construction	114,366,000	127,924,000	136,684,000
State and Municipal	98,819,000	99,167,000	93,405,000
Federal	15,547,000	28,757,000	43,279,000

New Capital

New capital for construction purposes for the four weeks of March, 1947, totals $72,999,000, or a weekly average of $18,250,000, 2% below the February, 1947, average, and 31% above the average for March, 1946.

Gas Sales Rise Sharply in February

Sales of gas utility companies to ultimate customers in February totaled 2,951,150,000 therms, an increase of 11.2% over February, 1946, the American Gas Association reports. For the 12 months ending Feb. 28, 1947, gas sales totaled 25,970,812,000 therms, a gain of 3.0% over the comparable period a year earlier. The Association's index of total gas utility sales on Feb. 28, 1947, stood at 206.8% of the 1935-1939 average. The report of the Association adds:

Extended periods of low temperatures accompanied by high winds throughout the month increased house-heating load demands to points that heavily taxed production facilities of all branches of the industry. Degree days in the manufactured gas area were 8.3% over a year ago. In the natural gas areas degree days were 20.6% higher, while mixed gas areas experienced a rise of 14.6% in degree days as compared with February 1946.

A degree day is a unit, based upon temperature difference and time, used in estimating fuel consumption. For any one day, when the mean temperature is less than 65 degrees F., there exists as many degree days as there are degrees difference in temperature between the average temperature for the day and 65 degrees Fahrenheit.

All branches of the gas industry recorded gains in sales in February. Manufactured gas sales were 12.3% higher; sales of natural gas increased 10.2%, and mixed sales were 25.4% above those in February 1946.

Sales data for February and for the 12 months ending Feb. 28, 1947 are tabulated below (in 000 therms):

Period Ended Feb. 28—	1947—Month	1946	1947—12 Mos.	1946
Natural gas	2,538,409	2,304,486	23,194,643	22,691,225
Manufactured gas	227,751	202,732	2,245,819	2,058,456
Mixed gas	184,990	147,480	1,314,749	1,221,131
Total	2,951,150	2,654,698	26,755,211	25,970,812

Housing Bill Meets Opposition

The Senate Banking Committee has recently heard several criticisms of the proposed Taft-Ellender-Wagner long-range housing legislation, according to Associated Press accounts from Washington. On March 26, Thomas A. Holden, a director of the Commerce and Industry Association of New York, described it as "a very bad bill" and "inflationary." He said the measure "assumes that the Federal Government shall become the all-wise guardian and mentor of all the people with respect to their housing needs." Several others have objected to the measure which calls for a $6,000,000,000 Government outlay over the next 45 years, according to George W. West, United States Chamber of Commerce Construction Chairman, but which would as its net accomplishment merely provide about 500,000 low-rent dwellings to low-income families. Mr. West told the Committee, "we hold no brief for slums, but we cannot agree with the proponents of this legislation that the way to improvement is to set up an elaborate and expensive establishment in Washington to administer large Federal subsidies." The Associated Press added:

Joseph H. Deckman, representing the National Home and Property Owners Foundation, said the legislation embraced "an experiment into State Socialism." He called it "primarily a public housing bill."

George M. Englar, of Baltimore, President of the National Apartment Owners Association, declared the bill "would only give us more bureaus, red tape, more government in business, and fewer houses."

The following day representatives of banking and the construction industry criticized provisions of the bill which would require only a 5% down payment on homes costing less than $5,000. From the same press advices we quote:

In testimony to the Senate Banking Committee, Abner H. Ferguson, counsel for the United States Savings and Loan League, said these provisions "seem to violate all the provisions of sound lending." Douglas Whitlock, Chairman of the Building Products Institute, contended that the pending Wagner-Ellender-Taft Bill "creates a new and hazardous basis for extending credit, wherein need rather than ability to pay is made the criterion of a loan."

Mr. Ferguson told the Committee that the bill "gives the most liberal terms to those whose financial condition makes them eligible for the least credit and gives the longest mortgage terms to the least durable houses."

The provisions to which Ferguson and Whitlock referred cover a privately financed middle-income home ownership plan designed to go into effect when building costs come down.

Under the plan, insured private loans would cover 95% of the total cost of a house, as compared with 90% at present. Payment would be over 30 years at 4% interest. Thus, on a $5,000 home, the down payment would be only $250.

Earlier, the National Association of Real Estate Boards declared that it is "violently opposed" to the bill. Herbert U. Nelson, the Association's Executive Vice-President, said that the measure is dangerous . . . misleading and fails to accomplish the purpose for which it was presented."

Trading on New York Exchanges

The Securities and Exchange Commission made public on April 2 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 15, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended March 15 (in round-lot transactions) totaled 1,768,920 shares, which amount was 17.33% of the total transactions on the Exchange of 5,105,070 shares. This compares with member trading during the week ended March 8 of 2,019,807 shares, or 18.16% of the total trading of 5,563,010 shares.

On the New York Curb Exchange, member trading during the week ended March 8 amounted to 342,392 shares, or 13.71%, of the total volume on that Exchange of 1,249,110 shares. During the week ended March 8 trading for the account of Curb members of 492,560 shares was 15.41% of the total trading of 1,597,870.

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

WEEK ENDED MARCH 15, 1947

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	168,980	
‡Other sales	4,936,090	
Total sales	5,105,070	
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	571,260	
Short sales	68,400	
‡Other sales	487,240	
Total sales	555,640	11.04
2. Other transactions initiated on the floor—		
Total purchases	151,770	
Short sales	15,600	
‡Other sales	135,830	
Total sales	151,430	2.97
3. Other transactions initiated off the floor—		
Total purchases	169,970	
Short sales	14,410	
‡Other sales	154,440	
Total sales	168,850	3.32
4. Total—		
Total purchases	893,000	
Short sales	98,410	
‡Other sales	777,510	
Total sales	875,920	17.33

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

WEEK ENDED MARCH 15, 1947

	Total for Week	†%
A. Total Round-Lot Sales:		
Short sales	16,400	
‡Other sales	1,232,710	
Total sales	1,249,110	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	119,590	
Short sales	6,625	
‡Other sales	105,010	
Total sales	111,635	9.26
2. Other transactions initiated on the floor—		
Total purchases	16,150	
Short sales	1,500	
‡Other sales	14,530	
Total sales	16,030	1.29
3. Other transactions initiated off the floor—		
Total purchases	38,175	
Short sales	2,690	
‡Other sales	38,125	
Total sales	40,815	3.16
4. Total—		
Total purchases	173,915	
Short sales	10,815	
‡Other sales	157,665	
Total sales	168,480	13.71
C. Odd-Lot transactions for Account of Specialists—		
Customers' short sales	0	
§Customers' other sales	63,540	
Total purchases	63,540	
Total sales	53,878	

*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."

Hotel Sales in November

Horvath & Horvath, New York public Accountants, in their January "Hotel Accountant" announced that "in order to show how rising costs are taking the profit out of increased sales, we have added to our trend data a comparison of monthly operating profits with those of the same month in the previous year, beginning with October, 1946.

"For that month, in the representative hotels which contribute regularly to these statistics, we find that despite a country-wide gain of 8% in total sales, there was a decrease of 3% in operating profit. All groups, except three, showed smaller house profits than in the 1945 month, the steepest slumps being 19% for the Pacific Coast and 12% for New York City even though the total sales at the latter exceeded by 8% those of October, 1945.

"As for the trend of sales in November, 1946, compared with a year before, the increase in total sales for the entire country was the smallest since April, 1945, and is 4 points below the improvement in October, 1946. November records also the first decrease in total room sales since June, 1940. This resulted from a drop of 4 points in occupancy, with room rates increasing only 3%. The significant group 'All Others,' was among those showing smaller room sales.

"Total restaurant volume in November increased 8% over the corresponding 1945 month, reflecting an improvement of 15% in food sales which was partly offset by a slump of 5% in beverage sales. Philadelphia fared the best in restaurant business with a gain of 25%. All groups except the Pacific Coast recorded higher food sales, but only three groups—New York City, Chicago and Philadelphia—had higher beverage sales.

"In comparison with October, 1946, the only groups which showed bigger gains in restaurant business were New York City, Detroit and Texas."

The following table was also included in the report:

NOVEMBER, 1946, COMPARED WITH NOVEMBER, 1945

	Sales, Increase or Decrease— *Total	Rooms	Total Restaurant	Food	Beverages	Occupancy Nov., 1946	Nov., 1945	†Room Rate Increase or Decrease
New York City	+11%	+ 4%	+17%	+22%	+10%	97%	98%	+ 5%
Chicago	+13	+ 4	+21	+28	+10	93	94	+ 5
Philadelphia	+15	+ 3	+25	+32	+15	91	93	+ 6
**Washington								
Cleveland	+ 6	+ 4	+ 8	+16	— 4	92	95	+ 7
Detroit	+ 4	— 1	+ 9	+16	— 7	91	96	+ 4
Pacific Coast	—13	— 8	—17	— 1	—42	93	98	— 3
Texas	+ 6	— 1	+14	+17	— 8	91	93	+ 1
All Others	+ 4	— 2	+ 9	+15	— 4	88	92	+ 3
Total	+ 4%	— 1%	+ 8%	+15%	— 5%	90%	94%	+ 3%
Year to date	+12%	+ 7%	+16%	+20%	+ 8%	93%	91%	+ 5%

†The term "rates" wherever used refers to the average daily rent per occupied room and not to scheduled rates. *Rooms and restaurant only.

**No figures for Washington are given because of the hotel strike there during part of November, 1946. Also, due to the hotel strike in Pittsburgh, that city is omitted from "All Others."

MONTHLY TOTALS FOR LAST SIX MONTHS

November, 1946	+ 4%	— 1%	+ 8%	+15%	— 5%	90%	94%	+ 3%
October	+ 8	+ 4	+11	+19	— 5	95	95	+ 4
September	+ 8	+ 5	+12	+20	— 3	94	93	+ 4
August	+ 9	+ 8	+11	+18	— 1	96	92	+ 4
July	+10	+ 8	+12	+18	+ 1	89	87	+ 6
June	+13	+ 3	+18	+24	+ 6	94	91	+ 5

Weekly Coal and Coke Production Statistics

The total production of bituminous coal and lignite in the week ended March 29, 1947, as estimated by the United States Bureau of Mines, was 12,150,000 net tons, a decrease of 735,000 tons, or 5.7%, from the preceding week. Output in the corresponding week of 1946 was 13,282,000 tons. Production of soft coal during the current calendar year through March 29 approximated 162,422,000 net tons, which was an increase of 0.6% over the 161,530,000 tons produced in the same period last year.

Output of Pennsylvania anthracite during the week ended March 29, 1947, as estimated by the Bureau of Mines, was 1,190,000 tons, an increase of 25,000 tons, or 2.1%, over the preceding week. When compared with the production in the corresponding week of 1946, there was a decrease of 120,000 tons, or 9.2%. The calendar year to date shows a decrease of 7.3% when compared with the corresponding period of 1946.

The Bureau also reported that the estimated production of beehive coke in the United States showed an increase of 900 tons when compared with the output for the week ended March 22, 1947; and was 31,300 tons more than for the corresponding week of 1946.

ESTIMATED UNITED STATES PRODUCTION OF BITUMINOUS COAL AND LIGNITE

(In Net Tons))

Bituminous coal & lignite—	Week Ended— Mar. 29, 1947	Mar. 22, 1947	Mar. 30, 1946	Jan. 1 to date— *Mar. 29, 1947	Mar. 30, 1946
Total, including mine fuel	12,150,000	12,885,000	13,282,000	162,422,000	161,530,000
Daily average	2,025,000	2,148,000	2,414,000	2,163,000	2,123,000

*Subject to current adjustment.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

(In Net Tons)

	Week Ended— ‡Mar. 29, 1947	§Mar. 22, 1947	Mar 30, 1946	Calendar Year to Date— Mar. 29, 1947	Mar. 30, 1946	Apr. 3 1937
Penn. Anthracite—						
*Total incl. coll. fuel	1,190,000	1,165,000	1,310,000	14,152,000	15,262,000	13,232,000
†Commercial produc.	1,144,000	1,120,000	1,260,000	13,607,000	14,674,000	12,570,000
Beehive Coke—						
¶United States total	135,100	134,200	103,800	1,571,200	1,182,400	951,100

*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 TONS

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

State—	Week Ended— Mar. 22, 1947	Mar. 15, 1947	Mar. 23, 1946
Alabama	396,000	398,000	430,000
Alaska	7,000	7,000	6,000
Arkansas	27,000	34,000	34,000
Colorado	148,000	162,000	160,000
Georgia and North Carolina	1,000	1,000	1,000
Illinois	1,474,000	1,498,000	1,608,000
Indiana	640,000	620,000	551,000
Iowa	40,000	34,000	35,000
Kansas and Missouri	122,000	119,000	142,000
Kentucky—Eastern	1,212,000	1,286,000	1,188,000
Kentucky—Western	496,000	519,000	483,000
Maryland	45,000	43,000	59,000
Michigan	1,000	1,000	4,000
Montana (bituminous and lignite)	60,000	63,000	76,000
New Mexico	34,000	32,000	31,000
North and South Dakota (lignite)	50,000	57,000	30,000
Ohio	770,000	814,000	774,000
Oklahoma	62,000	53,000	55,000
Pennsylvania (bituminous)	2,925,000	3,062,000	3,253,000
Tennessee	139,000	157,000	170,000
Texas (bituminous and lignite)	2,000	1,000	2,000
Utah	169,000	178,000	155,000
Virginia	418,000	424,000	405,000
Washington	23,000	24,000	27,000
†West Virginia—Southern	2,384,000	2,483,000	2,343,000
‡West Virginia—Northern	1,075,000	1,110,000	1,090,000
Wyoming	164,000	185,000	197,000
§Other Western States	1,000	*	1,000
Total bituminous and lignite	12,885,000	13,365,000	13,310,000

†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.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 2 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 22, 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 22, 1947

	Total For Week
Odd-Lot Sales by Dealers— (Customers' purchases)	
Number of orders	20,330
Number of shares	565,776
Dollar value	$23,830,277
Odd-Lot Purchases by Dealers— (Customers' sales)	
Number of Orders:	
Customers' short sales	331
*Customers' other sales	17,367
Customers' total sales	17,698
Number of Shares:	
Customers' short sales	11,757
*Customers' other sales	477,868
Customers' total sales	489,625
Dollar value	$18,543,382
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	0
†Other sales	127,430
Total sales	127,430
Round-Lot Purchases by Dealers—	
Number of shares	237,430

*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."

McComb Named Wage-Hour Administrator

William R. McComb, whose nomination as Administrator of the Wage and Hour, and Public Contracts Divisions, U. S. Department of Labor, was submitted to the Senate on March 7 by President Truman, has been an executive in the Department of Labor since 1937. The Senate confirmed the nomination on March 28. Previously one of two Deputy Administrators of the Divisions, Mr. McComb, was nominated to succeed L. Metcalfe Walling, whose resignation, effective March 15, also was announced by the President on March 7.

The national office of the Divisions was located in New York City for five years, because of the war, but early in March returned to the Department of Labor Building. However, Mr. McComb maintained his office in Washington throughout that period, during which he handled the many problems arising between the War and Navy Departments and the Divisions in the fulfillment of government contracts, including several of the so-called "Manhattan Projects." Between 1934 and 1936, Mr. McComb served as Deputy Administrator in charge of Construction, Heavy Machinery and Raw Materials Codes in the NRA program and subsequently was promoted to Special Assistant to the Administrator.

During World War I, Mr. McComb was an officer in the Chemical Warfare Service. Following the war, he was chief engineer in mining operations in South America, Canada and in the Western states, performing also metallurgical work with the Arizona Copper Company and Phelps Dodge Company.

Wholesale Prices Rose 0.3% in Week Ended March 29, Labor Department Reports*

Average primary market prices rose 0.3% during the week ended March 29, 1947, according to the Bureau of Labor Statistics, U. S. Department of Labor, which on April 3 added that "higher prices for agricultural products and some industrial commodities more than offset declines for a few nonagricultural articles." The Bureau's index of commodity prices in primary markets reached 149.4% of the 1926 average, 37.4% above a year ago, it was announced by the Bureau, which further reported:

"Farm Products and Foods—Market prices of farm products rose 0.5% as a group. Corn and wheat quotations increased in response to the continuing heavy demand for export. Other grain quotations, for which export allocations were small, decreased. Livestock and poultry quotations generally declined despite light supplies, because of continuing resistance to prevailing high prices. There was a sharp increase in prices of California oranges. Prices of old crop potatoes decreased. Apple prices were higher and onions lower. Raw cotton quotations moved upward to the highest point since mid-October because of the tight supply. Australian fine wools increased in price. Average prices of farm products were 4.4% above a month earlier and 37.9% higher than a year ago.

"Increased prices for fruits and vegetables were largely responsible for the advance of 0.2% for foods. Butter prices declined more than 6% with ample supplies. Prices of fluid milk decreased seasonally in San Francisco and prices of evaporated and powdered milk were lower reflecting the declining costs of milk and increased production. Lower prices for flour reflected the earlier break in wheat markets. Increased prices were reported for eggs, cocoa bans, oleo oil and corn syrup. Prices of edible tallow, refined soybean oil and black pepper declined with resistance to previous high prices. As a group, farm prices were 0.6% below the level of four weeks ago and 52.1% above last year.

"Other Commodities—Price movements in other commodity groups were mixed. Substantial price increases for additional petroleum products caused an advance of 1.8% for fuel and lighting materials. Prices of building materials as a group rose slightly because of higher prices for Douglas Fir lumber, cement and roofing. Prices of paint materials declined fractionally. Reductions were reported for a number of farm machines, but bar silver quotations advanced with limited supplies. Average prices of chemicals and allied products declined slightly as lower prices for silver nitrate, soybean oil and inedible tallow more than offset increased prices for salicylic acid and natural menthol due to higher costs. Soap prices continued to advance. Manufacturers' prices of men's cotton shorts were raised sharply, in response to higher labor and material costs. Prices of cotton flannel increased but prices of toweling declined. Burlap quotations increased with limited supplies but hemp prices were lower, reflecting lack of buying. Quotations for goatskins continued to decline and prices of steer hides were lower, whereas prices of calfskins advanced. Prices of heavier types of sole leather moved downward as demand eased. Cattle feed prices were higher."

CHANGES IN WHOLESALE PRICES BY COMMODITY GROUPS FOR WEEK ENDED MARCH 29, 1947
(1926=100)

Commodity Groups—	3-29 1947	3-22 1947	3-15 1947	3-1 1947	3-30 1946	Percent change to Mar. 29, 1947 from— 3-22 1947	3-1 1947	3-30 1946
All commodities	149.4	149.0	148.3	146.4	108.7	+ 0.3	+ 2.0	+37.4
Farm products	183.8	182.9	184.2	176.1	133.3	+ 0.5	+ 4.4	+37.9
Foods	166.5	166.2	166.5	167.5	109.5	+ 0.2	— 0.6	+52.1
Hides and leather products	174.2	174.9	175.7	174.1	120.1	— 0.4	+ 0.1	+45.0
Textile products	138.7	138.7	138.3	137.0	104.3	0	+ 1.2	+33.0
Fuel and lighting materials	103.5	101.7	98.8	98.6	85.4	+ 1.8	+ 5.0	+21.2
Metals and metal products	140.3	140.3	140.2	138.6	107.9	0	+ 1.2	+30.0
Building materials	177.0	176.7	175.3	173.0	123.6	+ 0.2	+ 2.3	+43.2
Chemicals and allied products	132.8	133.0	131.7	129.3	96.0	— 0.2	+ 2.7	+38.3
Housefurnishings goods	126.6	126.6	126.1	125.5	108.5	0	+ 0.9	+16.7
Miscellaneous commodities	114.9	114.6	113.0	111.2	95.4	+ 0.3	+ 3.3	+20.4
Special Groups—								
Raw materials	165.5	164.3	164.1	158.9	121.1	+ 0.7	+ 4.2	+36.7
Semi-manufactured articles	145.1	145.1	†145.0	†142.7	100.5	0	+ 1.7	+44.4
Manufactured products	143.3	143.1	142.1	142.0	104.5	+ 0.1	+ 0.9	+37.1
All commodities other than Farm products	141.9	141.6	140.5	139.9	103.3	+ 0.2	+ 1.4	+37.4
All commodities other than Farm products and foods	131.9	131.3	130.0	128.7	102.3	+ 0.5	+ 2.5	+28.9

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM MARCH 22, 1947 TO MARCH 29, 1947

Increases

Petroleum and products	4.0	Other foods	0.6
Fruits and vegetables	3.8	Bituminous coal	0.5
Grains	2.3	Other miscellaneous products	0.5
Other farm products	1.5	Lumber	0.4
Cement	0.9	Other textile products	0.3
Meats	0.9	Drugs and pharmaceuticals	0.2
Cattle feed	0.7	Nonferrous metals	0.1
Hosiery and underwear	0.7	Other building materials	0.1
Paper and pulp	0.1		

Decreases

Dairy products	3.0	Oils and fats	0.8
Livestock and poultry	1.6	Leather	0.4
Hides and skins	1.5	Cotton goods	0.3
Cereal products	1.3	Paint and paint materials	0.2
Agricultural implements	1.1	Motor vehicles	0.1

†Revised.

*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 Spinning for February

The Bureau of the Census announced on March 21, that, according to preliminary figures 23,854,572 cotton system spindles were in place in the United States on Feb. 28, 1947, of which 21,954,340 were consuming cotton the last working day of the month, compared with 21,919,368 in January, 1947, and 21,238,750 in February, 1946. The aggregate number of active cotton spindle hours reported for the month was 9,590,439,779, an average of 402 per spindle in place, compared with 10,587,614,246, an average of 444 per spindle in place for January, 1947, and 8,492,858,198, an average of 357 per spindle in place for February, 1946. Based on an activity of 80 hours per week, cotton consuming spindles in the United States were operated during February at 125.6% capacity. The percent on the same activity basis was 123.3 for January, 1947, and 113.0 for February, 1946.

Daily Average Crude Oil Production for Week Ended March 29, 1947, Increased 3,500 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended March 29, 1947, was 4,865,100 barrels, an increase of 3,500 barrels per day over the preceding week and a gain of 440,950 barrels per day over the corresponding week of 1946. The current figure also exceeded by 120,100 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 29, 1947, averaged 4,848,750 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 4,843,000 barrels of crude oil daily and produced 14,396,000 barrels of gasoline; 2,064,000 barrels of kerosine; 5,959,000 barrels of distillate fuel, and 8,668,000 barrels of residual fuel oil during the week ended March 29, 1947; and had in storage at the end of that week 107,576,000 barrels of finished and unfinished gasoline; 9,572,000 barrels of kerosine; 32,737,000 barrels of distillate fuel, and 43,364,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*B. of M. Calculated Requirements March	State Allowables Begin- Mar. 1	Actual Production Week Ended Mar. 29, 1947	Change from Previous Week	4 Weeks Ended Mar. 29, 1947	Week Ended Mar. 30, 1946
**New York-Penna.	48,200		45,250	— 2,250	46,050	49,550
Florida	----		150	----	150	100
**West Virginia	8,000		6,900	— 700	7,400	8,100
**Ohio—Southeast }	8,000		6,200	— 450	6,250	6,000
Ohio—Other }			2,200	— 300	2,350	2,200
Indiana	18,000		18,050	----	17,550	18,400
Illinois	210,000		190,100	+ 2,750	190,450	203,700
Kentucky	29,000		27,400	+ 200	27,000	32,300
Michigan	47,000		44,250	+ 3,100	42,750	46,900
Nebraska	700		†650	----	650	800
Kansas	270,000	270,000	†281,150	+13,400	266,300	253,200
Oklahoma	375,000	369,475	†370,400	+ 2,550	368,050	365,200
Texas—						
District I			20,550	----	20,550	----
District II			157,900	----	157,900	----
District III			487,300	----	487,300	----
District IV			242,000	----	242,000	----
District V			38,300	----	38,300	----
East Texas			313,000	----	313,000	----
Other Dist. VI			111,000	----	111,000	----
District VII-B			36,450	----	36,450	----
District VII-C			34,900	----	34,900	----
District VIII			473,700	----	473,700	----
District IX			130,000	----	130,000	----
District X			84,650	----	84,650	----
Total Texas	2,060,000	‡2,145,271	2,129,750	----	2,129,750	1,817,500
North Louisiana			94,850	— 1,300	95,000	83,850
Coastal Louisiana			311,450	----	311,450	293,350
Total Louisiana	400,000	447,000	405,300	— 1,300	406,450	377,200
Arkansas	79,000	81,706	73,150	— 1,600	74,100	77,050
Mississippi	77,000		86,000	— 1,300	85,500	57,000
Alabama	2,100		1,000	+ 50	950	1,000
New Mexico—So. East }	101,000	112,000	103,900	----	103,900	95,150
New Mexico—Other }			500	+ 50	450	500
Wyoming	100,000		111,850	— 2,450	110,450	108,500
Montana	24,000		22,150	— 150	22,100	20,150
Colorado	38,000		39,200	+ 1,800	36,200	23,150
California	850,000	§845,300	898,600	— 9,900	903,950	854,500
Total United States	4,745,000		4,865,100	+ 3,500	4,848,750	4,424,150
**Pennsylvania Grade (included above)			58,350	— 3,400	59,700	63,650

*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 20, 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 29, 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	793	94.5	1,816	22,911	4,341	9,149	6,189
Appalachian—								
District No. 1	76.3	104	72.7	292	2,771	194	340	234
District No. 2	84.7	55	88.7	193	949	24	65	91
Ind., Ill., Ky.	87.4	805	92.5	2,564	22,760	1,120	2,420	1,891
Okla., Kans., Mo.	78.3	398	84.9	1,414	10,959	351	1,171	896
Inland Texas	59.8	210	63.6	950	4,500	176	313	721
Texas Gulf Coast	89.2	1,079	88.0	3,289	15,402	1,585	5,843	5,304
Louisiana Gulf Coast	97.4	371	115.6	1,043	5,445	725	1,968	1,395
No. La. & Arkansas	55.9	63	50.0	178	2,020	187	430	119
Rocky Mountain—								
New Mexico	19.0	10	76.9	33	88	16	33	39
Other Rocky Mt.	70.9	119	72.1	369	3,203	46	484	682
California	85.5	836	84.1	2,255	16,568	807	10,521	25,803
Total U. S.—B. of M. basis Mar. 29, 1947	85.8	4,843	87.1	14,396	*107,576	9,572	32,737	43,364
Total U. S.—B. of M. basis Mar. 22, 1947	85.8	4,885	87.9	14,440	106,526	9,872	32,993	42,703
U. S. B. of M. basis Mar. 30, 1946	---	4,692	---	13,420	†104,297	9,081	29,615	37,661

*Includes unfinished gasoline stocks of 8,252,000 barrels. †Includes unfinished gasoline stocks of 8,997,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §In addition, there were produced 2,064,000 barrels of kerosine, 5,959,000 barrels of gas oil and distillate fuel oil and 8,668,000 barrels of residual fuel oil in the week ended March 29, 1947, as compared with 2,125,000 barrels, 5,968,000 barrels and 8,621,000 barrels, respectively, in the preceding week and 2,045,000 barrels, 5,496,000 barrels and 8,592,000 barrels, respectively, in the week endede March 30, 1946.

Senators Approve Hoover German Plan

Several members of Congress voiced approval of Herbert Hoover's recommendation that German industrial production, minus its military potential, be permitted to revive, according to Associated Press advices from Washington Mar. 24. Mr. Hoover, in his third report to President Truman on his economic mission to German and Austria is said to have stated that production is "the only path to recovery in Europe," and called this "the first necessity to peace." The former President's suggestion is to:

(1) Free German industry of foreign ownership and operate it at home, subject to a control commission; (2) halt the removal and destruction of all except arms plants and, (3) retain the highly industrialized Ruhr and Rhineland within Germany.

Senator Lucas of Illinois, the Democratic whip, is reported to have said that "the Hoover approach to a very difficult problem seems to me to be fundamentally sound. . . . " "The recovery of Germany is the key to the whole European situation."

Senator McCarthy (R.-Wis.), who is a World War II veteran, is said to have stated: "If we adopt his (Mr. Hoover's) plan it may indicate we have learned the inescapable fact that we can't have vengeance and peace. We've got to choose one or the other."

The Associated Press further stated:

Senator Chavez (D.-N.M.), said that he favored the points set out by Hoover. And Senator Ellender (D.-La.) declared that France should not seriously protest because her only objection is based on the theory that if Germany grows too strong another war may be in the offing.

The control commission suggested by Mr. Hoover can certainly take care of such a situation, he added.

Mr. Hoover said that his program would ease the relief burden of American taxpayers, adding, we desperately need recovery in all of Europe.

Truman Praises Hebrew University

President Truman in a message to the Board of Governors of the Hebrew University in Jerusalem, declared that the institution "has great potentialities as a factor in the peaceful development of Palestine," advices to the New York "Times" stated March 28. The message was read at a reception for visting board members given at the Community Center of Temple Emanu-El, in New York, by the American Friends of the Hebrew University. The reception, which was the climax of a three-day meeting of the board, its first in this country, was held in conjunction with the campaign to establish the first medical school in Palestine on the campus of the university. Extending good wishes and greetings to the board, the President's message went on to say, the same advices continued:

The Hebrew University is a worthy embodiment of the striving of a people toward full self-expression in the realm of science and scholarship. It has great potentialities as a factor in the peaceful development of Palestine and of the Middle East. The realization of these potentialities will be watched with interest and hope by the people of the United States.

Revenue Freight Car Loadings During Week Ended March 29, 1947, Decreased 14,629 Cars

Loading of revenue freight for the week ended March 29, 1947, totaled 829,412 cars, the Association of American Railroads announced on April 3. This was an increase of 20,270 cars or 2.5% above the corresponding week in 1946, but a decrease of 6,588 cars or 0.8% below the same week in 1945.

Loading of revenue freight for the week of March 29 decreased 14,629 cars or 1.7% below the preceding week.

Miscellaneous freight loading totaled 385,824 cars a decrease of 1,036 cars below the preceding week, but an increase of 12,300 cars above the corresponding week in 1946.

Loading of merchandise less than carload freight totaled 125,134 cars an increase of 1,154 cars above the preceding week, but a decrease of 3,329 cars below the corresponding week in 1946.

Coal loading amounted to 174,990 cars, a decrease of 9,745 cars below the preceding week, and a decrease of 11,227 cars below the corresponding week in 1946.

Grain and grain products loading totaled 51,256 cars, a decrease of 2,461 cars below the preceding week but an increase of 8,625 cars above the corresponding week in 1946. In the Western Districts alone, grain and grain products loading for the week of March 29 totaled 35,439 cars, a decrease of 1,072 cars below the preceding week but an increase of 7,411 cars above the corresponding week in 1946.

Livestock loading amounted to 14,121 cars a decrease of 21 cars below the preceding week and a decrease of 1,748 cars below the corresponding week in 1946. In the Western Districts alone loading of livestock for the week of March 29 totaled 11,070 cars, a decrease of 159 cars below the preceding week, and a decrease of 1,109 cars below the corresponding week in 1946.

Forest products loading totaled 50,503 cars, a decrease of 82 cars below the preceding week but an increase of 10,995 cars above the corresponding week in 1946.

Ore loading amounted to 13,222 cars a decrease of 1,941 cars below the perceding week but an increase of 3,474 cars above the corresponding week in 1946.

Coke loading amounted to 14,362 cars, a decrease of 497 cars below the preceding week but an increase of 1,180 cars above the corresponding week in 1946.

All districts reported increases compared with the corresponding week in 1946 except the Allegheny and all reported increases compared with the same week in 1945 except the Eastern, 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
Week of March 22	844,041	804,606	816,741
Week of March 29	829,412	809,142	836,000
Total	10,518,015	9,732,979	10,078,230

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended March 29, 1947. During this period 80 roads reported gains over the week ended March 30, 1946.

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

Railroads	Total Revenues Freight Loaded 1947	1946	1945	Total Loads Received from Connections 1947	1946
Eastern District—					
Ann Arbor	299	389	297	1,873	2,104
Bangor & Aroostook	3,855	3,648	3,239	423	424
Boston & Maine	7,694	8,235	7,297	14,020	15,444
Chicago, Indianapolis & Louisville	1,546	1,227	1,252	2,466	2,141
Central Indiana	21	29	36	40	73
Central Vermont	1,047	1,184	1,160	2,523	2,156
Delaware & Hudson	5,523	4,876	5,414	11,809	12,358
Delaware, Lackawanna & Western	7,639	8,401	8,383	9,729	9,467
Detroit & Mackinac	273	298	185	224	192
Detroit, Toledo & Ironton	2,714	2,637	1,943	1,734	1,582
Detroit & Toledo Shore Line	424	285	464	3,867	3,334
Erie	11,918	12,165	13,222	17,009	15,574
Grand Trunk Western	4,146	3,258	4,437	8,255	7,827
Lehigh & Hudson River	172	199	162	2,610	2,877
Lehigh & New England	2,218	2,428	1,731	1,433	1,771
Lehigh Valley	8,544	9,162	8,478	8,140	8,302
Maine Central	2,994	2,891	2,535	5,052	5,800
Monongahela	8,049	5,568	6,094	245	278
Montour	2,258	3,135	2,680	19	24
New York Central Lines	50,655	50,612	50,744	52,523	53,701
N. Y., N. H. & Hartford	10,465	10,847	11,004	15,393	16,566
New York Ontario & Western	999	990	914	2,402	2,800
New York, Chicago & St. Louis	6,627	5,976	7,056	15,090	14,682
N. Y., Susquehanna & Western	459	424	448	1,497	2,106
Pittsburgh & Lake Erie	5,766	7,738	8,559	8,653	8,087
Pere Marquette	5,971	5,454	5,353	8,272	7,816
Pittsburg & Shawmut	1,003	1,174	874	38	29
Pittsburg, Shawmut & Northern	355	278	247	100	245
Pittsburgh & West Virginia	536	993	1,007	2,438	1,931
Rutland	399	405	400	1,343	1,337
Wabash	6,186	6,032	5,927	12,163	11,960
Wheeling & Lake Erie	5,817	4,944	6,099	4,173	3,724
Total	166,572	165,882	167,641	215,556	216,712
Allegheny District—					
Akron, Canton & Youngstown	661	691	813	1,193	1,453
Baltimore & Ohio	41,896	44,660	45,957	25,006	25,479
Bessemer & Lake Erie	2,275	2,044	2,732	1,853	1,957
Cambria & Indiana	1,421	1,259	1,616	7	14
Central RR. of New Jersey	6,873	6,537	6,837	19,065	18,328
Cornwall	436	404	565	80	71
Cumberland & Pennsylvania	336	361	208	12	10
Ligonier Valley	57	62	105	7	8
Long Island	1,350	1,591	1,863	4,800	5,473
Penn-Reading Seashore Lines	1,867	1,796	2,178	1,982	2,200
Pennsylvania System	78,895	84,539	88,367	56,104	61,877
Reading Co.	15,766	15,680	14,990	26,626	28,278
Union (Pittsburgh)	19,443	18,308	19,316	4,196	3,852
Western Maryland	4,293	4,936	4,287	11,367	12,245
Total	175,569	182,868	189,834	152,298	161,245
Pocahontas District—					
Chesapeake & Ohio	32,396	32,464	28,920	13,601	13,623
Norfolk & Western	23,263	22,726	21,545	7,313	7,013
Virginian	4,942	4,455	4,600	1,955	1,486
Total	60,601	59,645	55,065	22,869	22,122

Railroads	Total Revenues Freight Loaded 1947	1946	1945	Total Loads Received from Connections 1947	1946
Southern District—					
Alabama, Tennessee & Northern	466	382	413	344	279
Atl. & W. P.—W. RR. of Ala.	978	946	907	2,092	1,946
Atlantic Coast Line	15,563	16,403	15,075	9,977	10,737
Central of Georgia	4,402	4,675	3,999	4,359	5,308
Charleston & Western Carolina	461	515	491	1,791	1,673
Clinchfield	2,071	1,840	1,608	4,034	3,482
Columbus & Greenville	441	402	227	290	324
Durham & Southern	123	103	125	749	749
Florida East Coast	2,827	3,996	3,764	1,575	1,695
Gainesville Midland	116	79	47	130	147
Georgia	1,338	1,223	1,226	2,319	2,416
Georgia & Florida	454	455	450	790	845
Gulf Mobile & Ohio	4,518	4,779	4,664	4,246	4,110
Illinois Central System	26,400	27,699	27,996	14,958	15,949
Louisville & Nashville	28,135	26,054	26,679	10,382	10,094
Macon, Dublin & Savannah	285	215	209	1,101	1,076
Mississippi Central	368	335	399	436	394
Nashville, Chattanooga & St. L.	3,619	3,739	3,794	4,237	4,133
Norfolk Southern	1,142	1,337	1,118	1,553	1,640
Piedmont Northern	441	437	466	1,894	1,499
Richmond, Fred. & Potomac	488	490	442	8,973	10,623
Seaboard Air Line	13,550	12,662	11,986	9,445	9,166
Southern System	27,851	27,230	26,109	25,443	25,905
Tennessee Central	774	625	685	930	886
Winston-Salem Southbound	118	141	146	1,030	1,040
Total	136,929	136,762	133,025	113,078	116,116
Northwestern District					
Chicago & North Western	15,757	15,990	17,090	15,965	13,874
Chicago Great Western	2,563	2,499	2,639	3,845	3,457
Chicago, Milw., St. P. & Pac.	22,735	21,194	21,332	11,810	11,287
Chicago, St. Paul, Minn. & Omaha	3,863	3,767	3,414	4,847	4,814
Duluth, Missabe & Iron Range	1,323	1,049	4,175	308	286
Duluth, South Shore & Atlantic	621	638	551	827	574
Elgin, Joliet & Eastern	8,288	8,207	9,416	11,752	10,775
Ft. Dodge, Des Moines & South	559	442	364	173	133
Great Northern	12,305	10,443	11,881	5,588	4,337
Green Bay & Western	475	468	501	1,092	1,108
Lake Superior & Ishpeming	296	234	320	71	101
Minneapolis & St. Louis	2,549	2,156	2,055	3,202	2,293
Minn., St. Paul & S. S. M.	5,180	5,132	4,298	4,224	3,678
Northern Pacific	10,551	8,978	9,216	5,067	4,801
Spokane International	136	76	238	666	436
Spokane, Portland & Seattle	2,854	2,204	2,264	2,500	2,440
Total	90,055	83,477	89,754	71,937	64,394
Central Western District—					
Atch. Top. & Santa Fe System	26,119	22,725	25,586	9,920	10,128
Alton	3,002	2,997	3,759	3,651	3,074
Bingham & Garfield	483	3	359	98	11
Chicago, Burlington & Quincy	21,888	19,647	20,424	12,388	11,147
Chicago & Illinois Midland	3,506	2,887	3,021	849	835
Chicago, Rock Island & Pacific	12,855	11,787	12,439	13,809	12,665
Chicago & Eastern Illinois	2,850	2,804	3,143	3,382	3,311
Colorado & Southern	618	737	759	2,084	1,574
Denver & Rio Grande Western	3,242	2,721	3,327	4,965	3,974
Denver & Salt Lake	751	689	513	53	70
Fort Worth & Denver City	1,280	978	938	1,578	1,291
Illinois Terminal	2,134	2,081	2,498	1,737	1,724
Missouri-Illinois	1,067	1,087	976	644	640
Nevada Northern	1,637	1,421	1,223	151	113
North Western Pacific	905	543	700	640	511
Peoria & Pekin Union	18	25	2	0	0
Southern Pacific (Pacific)	30,233	27,689	27,993	11,189	10,038
Toledo, Peoria & Western	123	0	330	220	0
Union Pacific System	17,250	14,283	16,086	13,107	12,308
Utah	742	817	539	5	6
Western Pacific	1,525	1,817	1,779	3,502	2,993
Total	132,228	117,738	126,394	83,972	76,413
Southwestern District—					
Burlington-Rock Island	262	309	404	706	441
Gulf Coast Lines	6,006	5,256	7,155	2,644	2,270
International-Great Northern	2,333	2,142	2,871	4,572	3,669
†K. O. & G.-M. V.-O. C.-A.-A.	1,090	1,176	1,301	1,934	1,907
Kansas City Southern	3,488	2,874	5,461	3,355	3,483
Louisiana & Arkansas	2,532	2,203	3,398	2,785	2,255
Litchfield & Madison	482	451	344	1,500	1,298
Missouri & Arkansas	§	189	133	§	390
Missouri-Kansas-Texas Lines	5,388	5,951	7,296	4,696	4,354
Missouri Pacific	17,662	16,174	16,347	17,057	14,727
Quanah Acme & Pacific	121	161	118	286	198
St. Louis-San Francisco	10,250	9,698	9,514	8,079	7,469
St. Louis-Southwestern	2,790	2,584	3,548	5,725	5,039
Texas & New Orleans	10.152	9,165	10,779	5,757	5,215
Texas & Pacific	4,813	4,317	5,481	7.872	6,792
Wichita Falls & Southern	74	84	83	67	51
Weatherford M. W. & N. W.	15	36	44	22	13
Total	67,458	62,770	74,287	67,057	59,571

†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 1947—Week Ended	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity Current	Cumulative
Jan. 4	196,927	142,338	588,406	85	85
Jan. 11	171,420	173,043	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	574,356	102	101
Mar. 8	237,292	179,025	614,471	102	101
Mar. 15	163,207	179,819	595,648	104	101
Mar. 22	155,794	176,918	574,090	103	101
Mar. 29	160,450	180,729	549,774	102	100

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.

Results of Treasury Bill Offering

The Secretary of the Treasury announced on April 7 that the tenders for $1,300,000,000 or thereabout of 91-day Treasury bills to be dated April 10 and to mature July 10, which were offered on April 3 were opened at the Federal Reserve banks on April 7.

Total applied for $1,841,319,000.

Total accepted, $1,314,459,000 (includes $20,834,000 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, 99.907, equivalent rate of discount approximately 0.368% 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 April 10 in the amount of $1,311,578,000.

State Dept. Would Extend Culture Program

Congress has again been asked by the State Department for legislation which would expand its inter-American cultural exchange program to a world-wide activity, Associated Press advices from Washington stated on March 24. The following four programs it is stated would be expanded under a bill which was submitted to the legislators by Under-Secretary Acheson:

"(1) Educational exchanges of students, professors and books.

"(2) Assignment of government specialists abroad to advise foreign governments on agriculture, public health and other problems.

"(3) Joint scientific services, such as international weather stations and tidal survey work.

"(4) International information activities including world wide radio broadcasting, maintenance of American libraries in embassies and consulates and providing documentary motion pictures for overseas showing."

These programs have been carried on with the American Republics for the past several years. Congress was asked a year ago to pass similar legislation, but action was never completed.

Weekly Lumber Shipments 1.7% in Excess of Output

According to the National Lumber Manufacturers Association, lumber shipments of 396 mills reporting to the National Lumber Trade Barometer were 1.7% above production for the week ended March 29, 1947. In the same week new orders of these mills were 1.4% below 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 10.0% above production; orders were 18.6% above production.

Compared to the average corresponding week of 1935-1939, production of reporting mills was 26.3% above; shipments were 13.3% above; orders were 10.5% above. Compared to the corresponding week in 1946, production of reporting mills was 14.3% above; shipments were 0.8% below; and new orders were 0.5% above.

Items About Banks and Trust Companies

(Continued from page 5)

Trust Company of New York were $152,518,800 against $165,067,967 as of Dec. 31, 1946; deposits of $119,447,913 were reported in the latest statement compared with $131,862,064 Dec. 31; U. S. Government obligations are now $79,958,195 against $90,398,154, and loans and bills purchased are shown to be $24,842,066 compared with $27,914,705 three months ago. Capital and surplus are unchanged at $4,000,000 and $24,000,000, while undivided profits rose from $2,810,528 at the end of the year to $2,824,414 on March 31.

J. Henry Schroder Banking Corporation reports total resources of $66,786,058 on March 31, 1947, against $79,337,377 on Dec. 31, 1946. Cash on hand and due from banks was $6,836,387 against $7,037,301. U. S. Government securities were $29,654,261 against $42,991,045; customers' liability on acceptances $13,098,932, compared with $12,660,939. Surplus and undivided profits were $3,257,277 against $3,253,590 in the previous quarter; amount due to customers was $41,840,090 against $54,194,577. Acceptances outstanding were $14,846,674 compared with $14,799,128.

Schroder Trust Company reported March 31 resources of $34,046,375 compared with $35,367,684 on Dec. 31, 1946; cash and due from banks, $8,097,800 against $8,262,323. U. S. Government securities totaled $17,816,389 against $19,455,959; loans and discounts $7,608,697 compared with $7,129,192. Surplus and undivided profits were $2,608,860 against $2,604,127. Deposits were $29,185,279 against $30,544,123.

The Continental Bank & Trust Company of New York reported as of March 31, 1947, total deposits of $179,620,409 and total assets of $193,483,875, compared respectively with $181,975,059 and $196,140,721 on Dec. 31, 1946. Cash on hand and due from banks amounted to $50,024,032, against $52,618,848; holdings of U. S. Government obligations to $70,140,386, against $72,448,078; loans and discounts to $55,118,397, against $52,307,498. Capital and surplus were unchanged at $5,000,000 each. Undivided profits were $1,938,721, compared with $1,878,391 at the end of the last quarter of 1946.

As of March 31, 1947 deposits of the Union Dime Savings Bank of New York were $210,914,453, as compared with $194,079,268 on March 31, 1946. Although the general trend of savings bank deposits has recently been downward, the Union Dime shows an increase in deposits for the first quarter of 1947 amounting to $3,635,000, against $3,435,000 for the first quarter of 1946.

William L. DeBost, President of the bank, announces that beginning Thursday, April 10, the bank will remain open until 6:30 p.m. every Thursday. The additional hours on Thursday were decided upon so that depositors may not be inconvenienced with banks in New York operating on a five-day week, observing the Saturday closing day. A number of the department stores in the neighborhood of the Union Dime, located at Avenue of the Americas and 40th Street, are open on Thursday nights.

John J. Pulleyn, a Commissioner of the Port of New York Authority until his retirement a year ago, died on April 3 at the age of 86 years. Mr. Pulleyn, who was prominent in the banking field, retired as Chairman of the Board of the Emigrant Industrial Savings Bank of New York and from active bank work in 1932.

In the New York "Sun" of April 4 it was stated:

Born in New York, he [Mr. Pulleyn] received most of his education in the public schools. At 18 he began work for a Wall Street firm. After two years he became associated with the Manhattan Safe Deposit & Storage Company. When his company was taken over by the New York Life Insurance Company, of which it was a subsidiary, he was made receiver.

In 1903 he was appointed comptroller of the Emigrant bank, after accepting what he believed would be a temporary job. He stayed 29 years.

When the bank observed its 75th anniversary on Sept. 31, 1925, it was the largest savings bank in the world with 200,000 depositors and $300,000,000 in assets. Mr. Pulleyn became its President and later its Chairman of the Board.

Fred Gretsch, President of the Lincoln Savings Bank of Brooklyn, N. Y., has announced that the bank's assets are now in excess of $300,000,000. This includes $266,919,000 due 222,062 depositors and surplus and reserves over $34,000,000, the largest in the bank's histoy. The Lincoln is one of the few savings banks that recently increased their dividend to 2%.

The First National Bank of Boston announces the opening of a branch at Avenida Rio Branco 18, Rio de Janeiro, Brazil, on April 15, under the direction of Vice-President John G. Carriker; Managers Matthew E. Gately, Jr., and Edmund F. Munn. It was announced by the bank that the purpose of the Rio branch is to aid American exporters and importers and to assist in development of Brazil's vast resources. It is added that through it the parent bank in Boston will be able to keep in constant touch with the economic trends in the Brazilian market so it may assist American manufacturers in establishing suitable outlets for their products.

The Citizens Banking Company of Celina, Mercer County, Ohio, has become a member of the Federal Reserve System, it is announced by President Ray M. Gidney of the Federal Reserve Bank of Cleveland. Member banks in the Fourth [Cleveland] Federal Reserve District now total 723, and hold approximately 85% of the total bank deposits in the district. The Reserve Bank says:

"Incorporated 50 years ago, The Citizens Banking Company is capitalized with $100,000, has a surplus of $42,500 and deposits totaling $2,549,206. It serves a thriving agricultural area in the west central part of the state. Officers of the bank are: August J. Spieler, Chairman of the Board and President; Lee Heckler, First Vice-President; Sam Dixon, Second Vice-President; N. F. Otey, Cashier; Ben H. Cartwright, Assistant Cashier and Secretary, and Miss Victoria Lennartz, Assistant Cashier. The directors are all of the officers with the exception of Miss Lennartz.

The directors and officers of the First-Central Trust Co. of Akron, Ohio, announce the conversion of the bank from a State to a National bank and the change of name to the First National Bank of Akron, effective April 1.

The staff of the Central National Bank of Cleveland, including the directors, paid tribute on March 28 to 18 of their number who have become eligible for retirement, the first group in the 57-year-old institution to retire under the pension system installed this year after ratification in January. The Cleveland "Plain Dealer," from which the foregoing is taken, stated that there were invited "to a party" by John C. McHannan, who is to continue as Board Chairman, and Loring L. Gelbach, President, men and women of the staff from the 11 other offices of the bank. Among those retiring, in addition to Arthur H. Seibig, Vice-Chairman, who announced his retirement Feb. 1 from his winter residence in Tuscon, Ariz., are, said the "Plain Dealer," Brig. Gen. Benedict Crowell, Chairman of the Executive Committee; A. M. Corcoran and C. A. Wilkinson, Vice-Presidents, who continue as members of the board; Charles L. Corcoran, Hugh W. Horton and Carl R. Lee, Vice-Presidents; John Fish and G. R. Wyman, Assistant Vice-Presidents; David K. Stewart, Assistant Manager, savings department.

Walter W. Smith, President of the First National Bank in St. Louis, announced that the board of directors at a meeting held March 28 elected William A. McDonnell as an Executive Vice-President and a director of the bank to serve equally with William C. Connett, the present Executive Vice-President. Mr. McDonnell has been Vice-President of the Mercantile-Commerce Bank & Trust Company since Aug. 15, 1944. After a two weeks vacation he will assume his new duties on April 15. McDonnell was born in Altheimer, Jefferson County, Ark. During World War I he served overseas as Captain and Operations Officer of the 6th Field Artillery Brigade. From 1919 to 1927 he practiced law in Little Rock; from 1927 to 1928, was Vice-President of the Federal Bank & Trust Company of Little Rock; from 1928 to 1933, Vice-President of the Bankers Trust Company, Little Rock; from 1933 to 1944, Executive Vice-President, The Commercial National Bank, Little Rock; 1944, Director, Little Rock Branch, Federal Reserve Bank of St. Louis.

In the banking field he has also served as President of the Arkansas Bankers Association, 1939-1940; Executive Councilman of A. B. A. from Arkansas, 1942-1945; Chairman, Resolutions Committee, A. B. A. Convention, 1943; Chairman, Bank Management Commission of A. B. A., 1942-1946, and a member of the Association of Reserve City Bankers.

Gale F. Johnston, President of the Mercantile-Commerce Bank & Trust Company, in commenting upon the resignation of McDonnell as a Vice-President of that bank, said: "The resignation of William A. McDonnell as Vice-President was accepted by the board of directors of the Mercantile-Commerce Bank & Trust Company with regret. The directors and officers of the Mercantile-Commerce appreciate the fine contribution Mr. McDonnell has made, not only to this bank, but to the institution of banking generally. To his new connection with the First National Bank he will take our best wishes for his continued success."

J. Lionberger Davis, one of the founders of Security National Bank Savings & Trust Co. of St. Louis, Mo., retired as Chairman of the board of that institution at its annual meeting on March 24. The St. Louis "Globe Democrat" reports that Mr. Davis was said to have expressed a desire to devote more time to his other business activities and to travel. The same paper said:

He retains his membership on the board of directors, having been elected at the stockholders' meeting in January. However, he has not been active at the bank for about a year and has arranged to sell most of his stock in the institution to other stockholders. The position of Chairman of the Board remains vacant. The President of the bank is Fred L. Denby, who succeeded Davis to that position some years ago when the latter was elevated to Board Chairman.

The National Deposit Bank in Owensboro, Ky., has increased its capital from $100,000 to $150,000 by the sale of $50,000 of new stock. The bulletin of the office of the Comptroller of the Currency indicates that the enlarged capital became effective March 17.

The Citizens Bank of Savannah, Tenn., became a member of the Federal Reserve System on March 31. In announcing this the Federal Reserve Bank of St. Louis said:

"The new member was chartered in February, 1904. It has a capital of $50,000, surplus of $25,000 and total resources of $1,936,502. Its officers are: Leck Guinn, President; J. H. DeBerry, Vice-President; D. A. Welch, Cashier, and J. H. Bryles and Elizabeth Stull, Assistant Cashiers. The addition of the Citizens Bank brings the total membership of the Federal Reserve Bank of St. Louis to 498 as compared with 492 a year ago."

The Anglo California National Bank of San Francisco will commence construction immediately of a new bank building at the southwest corner of East 14th Street and 35th Avenue, Oakland, it was announced on March 24 by Allard A. Calkins, President. Government authorities have granted approval and the bank has awarded a building contract to Stolte, Inc., Oakland. The site was purchased some time ago through the office of Albert E. Norman, Oakland real estate broker. The building will be of reinforced concrete construction, have one story and mezzanine and contain a total of approximately 5,500 square feet of floor space. Designed by the late Timothy L. Pflueger, it will be of restrained modern style with ceramic exterior finish. Built in response to the needs of the bank's customers in the East Oakland area, the new building will be equipped to render a complete banking service. Robert A. Smale, Assistant Vice-President of the bank and an Oakland resident for many years, will be manager of the new office, Mr. Calkins said.

The Anglo California National Bank observed its 74th birthday on April 4. Founded on April 5, 1873, as The Anglo Californian Bank Ltd., with its office at California and Leidesdorff Streets in San Francisco, the bank played an important part in the financing of the foreign trade that flourished during the 19th century. Today its head office is at 1 Sansome Street and it not only still finances foreign trade, on an even larger scale, but renders every other banking service. It so happens, as well, that April 4 marks the 30th anniversary of the establishment of the bank's automobile finance department, the first, it is said, to be organized by any bank in the United States. The bank, headed by Allard A. Calkins, President, has present resources exceeding $485,000,000, and serves 175,000 depositors through 23 offices in 13 Northern and Central California communities.

Wants End of Consumer Credit Restrictions

Committee on Finance and Currency of Chamber of Commerce of State of New York, under Chairmanship of John M. Schiff, says Regulation W of Federal Reserve serves no good purpose but restricts demand, production and employment.

Declaring that Regulation W which limits consumers' credit has "outlived its usefulness and restricts demand, production and employment," the Committee on Finance and Currency of the Chamber of Commerce of the State of New York made public on April 7, a report urging Congress to eliminate the regulation and establish a free economy in the credit field.

John M. Schiff

Regulation W, which was a war-powers order, has been revised 22 times and the Federal Reserve Board has issued approximately 130 official interpretations of its meaning, the report pointed out. Questioning if the regulation served any useful purpose, the report continued:

"It did not reduce the demand for strategic materials necessary for the war effort, because the government took over the distribution of these materials and allocated all to war production purposes only. Furthermore, the contention that a backlog of purchasing power for postwar use would be built up by this Regulation is not sound. The fact was no consumer durable goods could be bought, for the government's allocation of materials prevented production. The backlog which was created was due to high employment and high wages. Under these conditions there could be no inflationary pressure."

The Chamber Committee advanced the following reasons, in effect, for discontinuance of the regulation:

It restricts demand, production and employment. Some controlled durable goods are now produced beyond demand.

It grants a priority on scarce articles to the well-to-do who can afford to pay cash or the higher instalment payments.

The regulation especially discriminates against the war veteran who is given liberal credit facilities over a 20-year period through the Federal Housing Authority and other bodies ready to finance a new home.

It has the effect of inducing many people owning war bonds to liquidate them in order to secure funds for the necessary down payment on commodities.

The regulation produces no income for the government, but its enforcement requires an increase in government employees to regulate and enforce it.

The report of the Committee, of which John M. Schiff is Chairman, will be presented for approval of the membership of the Chamber at the monthly meeting today.

Charles S. Whitman Dies

Charles S. Whitman, a former Governor of New York, died of a heart attack at the age of 78, on March 29, according to Associated Press advices from New York City. Mr. Whitman's death occurred at the University Club, where he had resided for many years. Born in Hanover, Conn., the descendant of a distinguished Colonial family, Charles Whitman began his public career in 1901 as Assistant Corporation Counsel of New York City. Two years later he became a member and then President of the Board of City Magistrates. He was appointed to the Court of General Sessions in 1907, and two years later was elected District Attorney on the Republican ticket, in which office he gained fame as a prosecutor. He was elected Governor of New York in 1914 and was re-elected in 1916. At that time the Governor's term was for two years. Later he returned to private law practice, and in 1926 was President of the American Bar Association.