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U.S. Treasury Dept.

Press Releases
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TREASURY DEPARTMENT

5-107

FOR IMMEDIATE RELEASE,
October 8, 1946

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, for the 12 months commencing May 29, 1946, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota (Bushels)	Imports May 29, 1946, to Sept. 28, 1946 (Bushels)	Established Quota (Pounds)	Imports May 29, 1946, to Sept. 28, 1946 (Pounds)
Canada	795,000	221	3,815,000	479,279
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	240
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	839
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>221</u>	<u>4,000,000</u>	<u>480,358</u>

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Tuesday, October 8, 1946

Press Service
No. S-107

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China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	240
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	839
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>221</u>	<u>4,000,000</u>	<u>480,358</u>

As presently stored, the silver is mostly in the form of slabs cut from bus bar sections, the slabs being 8 to 12 inches wide, approximately half an inch thick, and two to six feet long. The two Mints and the Assay Office will recast it into either coinage ingots or commercial bars.

About 138 tons of the silver will be recovered from large electrical transformers, in which it was used in place of copper as winding material.

In most of the war plants, silver loss or damage apparently was negligible. In some instances there was loss from such causes as oxidation, melting, or the effects of acid. Preliminary estimates are that the total loss will be but a small percentage of the total weight of 474,194,634 fine troy ounces originally delivered to the plants.

The war plant silver is carried on the Treasury's books at a total value of about \$551,000,000. Most of it is "monetized" silver, valued at \$1.29 per ounce.

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Approximately 14,000 tons of Treasury silver remains on loan to the War Department. It was borrowed for electrical conductor use in the atomic bomb project plant at Oak Ridge, Tenn.

Oct 9, 1946

~~Memorandum to the Press~~

9-108

PROPOSED PRESS RELEASE

Arrangements have been completed by the Treasury and the Office of Defense Plants, Reconstruction Finance Corporation, for the return to the Treasury of approximately 16,300 tons of silver borrowed in 1942 for use in RFC war plants, ~~Secretary Snyder~~ ^{the Treasury Dept} announced today.

The silver was borrowed by the Defense Plant Corporation (now the Office of Defense Plants, RFC) for installation in war plants in the form of electrical conductors, chiefly heavy duty conductors known as bus bars. The installations were made in 13 plants located in 11 States. The plants were engaged in the production of scarce metals such as aluminum and magnesium.

In its bus bar role the silver replaced copper, and its use released an equivalent amount of copper for other vital war purposes.

Since the closing down of the war plants the silver has been in storage, under the protection of RFC guards. The storage points are scattered from coast to coast.

The RFC will deliver the silver to the United States Mints at Denver and Philadelphia and the Assay Office in New York City.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Thursday, October 10, 1946

Press Service
No. S-108

Arrangements have been completed by the Treasury and the Office of Defense Plants, Reconstruction Finance Corporation, for the return to the Treasury of approximately 16,300 tons of silver borrowed in 1942 for use in RFC war plants, the Treasury Department announced today.

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Approximately 14,000 tons of Treasury silver remains on loan to the War Department. It was borrowed for electrical conductor use in the atomic bomb project plant at Oak Ridge, Tennessee.

ALPHA

- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHAX

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on October 17, 1946.

(7)

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

ALPHA

TREASURY DEPARTMENT

Washington

5-109

FOR RELEASE, MORNING NEWSPAPERS,
Friday, October 11, 1946

(1)

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated October 17, 1946, and will mature January 16, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, October 14, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, October 11, 1946

Press Service
No. S-109

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Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on October 17, 1946.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special

treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

BIOGRAPHICAL SKETCH

Lester, Wilbur R.

Born December 9, 1915, Farm, Henry County, Illinois
Parents - Rufus Lester and Hattie Brown Lester

Attended rural grade school 1921-1928
Attended Kewanee High School 1928-1932

Attended Monmouth College, Illinois, 1932-1936
Received A.B. Degree
Attended Northwestern University Law School
1936-1939, Received J.D. Degree
Attended Harvard Law School, 1939-1940
Received LL.M. Degree

Legal Assistant to Judge Fred M. Vinson, U. S.
Court of Appeals, District of Columbia,
September 1940 through September 1942

Attorney, Department of Justice, October 1942 through
May 1943

Attorney Consultant, Office of Economic Stabilization,
June 1943 through February 1945 *Vinson*

Assistant to the Administrator, Federal Loan Agency,
March 1945 *Vinson*

Special Assistant to the Director, of War Mobilization
and Reconversion, April 1945 through July 22, 1945 *Vinson*

Assistant to the Secretary of the Treasury, from
July 23, 1945, to present. *Oct 10, 1946*

Married August 23, 1941, to Ethel McWilliam, *Wena Arkansas*
Son, Byron, born October 22, 1944 - *another expected end of*
Oct 46.

Member of the following fraternities:
Delta Theta Phi (legal); Theta Chi (social);
Pi Kappa Delta (forensic); and National
Collegiate Players (dramatic).

Coif (Honorary Legal)

officially commended the ^{very} "valuable and efficient service" rendered by Mr. Lester while associated with the Treasury Department.

Mr. and Mrs. Lester and ~~son~~ son, Byron, reside at Presidential Gardens, Alexandria, Virginia.

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Immediate
PRESS RELEASE

5-170

Secretary Snyder today announced the resignation of Wilbur ^{R.} Lester, who has served as Assistant to the Secretary of the Treasury since July 23, 1945. Mr. Lester will engage in the practice of law in Washington, D. C. ~~as a member~~ ^{He will be} ~~associated with~~ ^{associated with} the firm of Covington, Burling, Rublee, Acheson and Shorb, with offices in the Union ~~Bank~~ ^{Trust} Building.

[A native of Illinois, Mr. Lester received his education at Monmouth College, Northwestern University, ^{Law School} and Harvard Law School, having ~~he~~ earned his LL.M. degree from the latter university in 1940.

[In September, 1940, Mr. Lester was appointed legal assistant to Judge Fred M. Vinson, U. S. Court of Appeals, District of Columbia, serving in that capacity until the fall of 1942, when he went to the Department of Justice as an attorney.

From ^{June} ~~May~~ 1943, ~~till June of this year~~, Mr. Lester ^{to the present} ~~has held the following~~ ~~was associated with the present Chief Justice Vinson, ~~and~~ as~~ ~~Government positions:~~ attorney consultant in the Office of Economic Stabilization; ~~assistant~~ assistant to the Administrator of the Federal Loan Agency; special assistant to the Director of War Mobilization and Reconversion, and Assistant to the Secretary of the Treasury.

[In accepting his resignation, Secretary Snyder ~~announced~~

~~Show to Lester +~~
~~notify~~
~~Shore~~

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Friday, October 11, 1946

Press Service
No. S-110

Secretary Snyder today announced the resignation of Wilbur R. Lester, who has served as Assistant to the Secretary of the Treasury since July 23, 1945. Mr. Lester will engage in the practice of law in Washington, D. C. He will be associated with the firm of Covington, Burling, Burlee, Acheson and Shorb, with offices in the Union Trust Building.

A native of Illinois, Mr. Lester received his education at Monmouth College, Northwestern University Law School, and Harvard Law School, having earned his LL.M. degree from the latter university in 1940.

In September 1940, Mr. Lester was appointed legal assistant to Judge Fred M. Vinson, U. S. Court of Appeals, District of Columbia, serving in that capacity until the fall of 1942, when he went to the Department of Justice as an attorney.

From June 1943 to the present, Mr. Lester has held the following Government positions: Attorney Consultant in the Office of Economic Stabilization; Assistant to the Administrator of the Federal Loan Agency; Special Assistant to the Director of War Mobilization and Reconversion, and Assistant to the Secretary of the Treasury.

In accepting his resignation, Secretary Snyder officially commended the "very valuable and efficient service" rendered by Mr. Lester while associated with the Treasury Department.

Mr. and Mrs. Lester and son, Byron, reside at Presidential Gardens, Alexandria, Virginia.

oOo

Mr Shaeffer

5-111

October 9, 1946

TO MR. BARTELT:

The following market transactions were made during the month of September, 1946, in direct and guaranteed securities of the Government for Treasury investment and other accounts:

Sales	\$74,053,450
Purchases	<u>none</u>
Net sales	\$74,053,450

(Sgd) Joseph Greenberg
Joseph Greenberg
Assistant Commissioner of Accounts

CC to: Mr. Heffelfinger
Mr. Shaeffer
Miss Sanford

HNaud

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Monday, October 14, 1946..

Press Service
No. S-111

During the month of September, 1946, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net sales of \$74,053,450, Secretary Snyder announced today.

oOo

FOREIGN FUNDS CONTROL

To:

(1)..... Mr. Shaaffer 4408 M. Treas.
 (Room) (Bldg.)

(2).....
 (Room) (Bldg.)

(3).....
 (Room) (Bldg.)

Miss Bell, FFC, has original with Mr. Snyder's initials

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DEPARTMENT
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Press Service
No. S-112

ed today that Greece has been
se blocked accounts may be re-
cedure of General License No. 95.
hange of letters between the
ek Embassy acting on behalf of
Secretary Snyder similar to
he defrosting of the countries
Copies of the letter are avail-
of New York, Chicago and San

designated the Bank of Greece

From:..... M. L. Bell 10/7/46
 (Date)

.....
 (Room) (Bldg.)

-ccccc-

Miss Bell

*5455
etc*

MLBell:ebb 9/10/46

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, October 15, 1946

Press Service
No. S-112

Secretary Snyder announced today that Greece has been added to the list of countries whose blocked accounts may be released under the certification procedure of General License No. 95. This action was taken after an exchange of letters between the Charge d'Affaires a.i., of the Greek Embassy acting on behalf of the Greek Ministry of Finance and Secretary Snyder similar to those written in connection with the defrosting of the countries previously named in the license. Copies of the letter are available at the Federal Reserve Banks of New York, Chicago and San Francisco.

The Greek Government has designated the Bank of Greece as its certifying agent.

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Miss Bell
5455
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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, October 15, 1946

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your influence in widespread communities, I know I can count on you to again work with us in this renewed bond drive -- particularly in promoting the payroll savings plan.

600

stability of our Nation.

The experience of the war period, and the period that lies between VJ Day and the present hour, has taught the Treasury Department that it can always rely on your group for fine, effective cooperation. For the good deeds of the past, and for your continuing efforts in the future, I again extend my personal thanks and the thanks of your Government.

In your own plants, through your business connections, and through

against inflation, and is helping to maintain a widespread ownership of the public debt. Naturally, we want to do better. We want to increase small bond sales -- to bring in more and more of those hard-to-get dollars, which count the most.

The E bond is a good investment -- and you are doing a favor to the one you urge to buy. You are contributing to the future well-being of the individual, and to the economic

with shortages on every side. But in the years to come, goods will be available in greater variety and for immediate delivery. We shall be able to get what we want when we want it. This is worth saving for. It is worth buying bonds for.

In conclusion, I leave this message with you. The savings bond program, backed so unselfishly by you people, is doing well. It is having its effect in the battle

opportunity.

They provide family opportunity -- opportunity to provide a reserve for educating our children, or for purchasing a home or a farm.

They provide individual opportunity -- opportunity to accumulate the capital necessary to go into business for one's self, or for further education or travel.

Savings bonds represent the ideal way of holding purchasing power in reserve. Today we are confronted

Series E savings bonds, payable on demand, gives protection, so far as it can be provided financially, against misfortune in whatever form it may strike. Every person has greater peace of mind when he knows that he has, or is accumulating, such a reserve. Every survey has shown that the most common reason given for buying savings bonds is still, "to provide for a rainy day."

But savings bonds provide more than security; they also provide

in which you are now helping the most, and in which, I am sure, you will help.

There are plenty of reasons, based on legitimate self-interest, why every worker should want to get on the payroll savings plan, or to increase his allotment if he is already a participant.

The most powerful of these reasons is also the most general one. A reserve accumulated in the form of

A sharp decrease, of course, was to be expected after the end of the war. But there are also important causes which you can do something about. A major one is labor turnover. When a man changes jobs, his old payroll savings allotment is automatically cancelled. It requires a conscious effort -- and often a real sales job -- to get him back on the payroll savings plan at his new place of employment. This is one of the ways

in the plan has fallen from a high of
about 27, ^{000,000} ~~million~~ persons during the
war to about 7, ^{500,000} ~~1/2 million~~ at the
present time; but the average
deduction has continued about the
same, amounting now to around \$18.50
a month. This means that many of
the employees with smaller deductions
have dropped out of the plan
altogether.

There have been many causes for
the decrease in employee participation.

month only if they participate in some type of regular savings plan.

The payroll savings plan provides the most convenient method of buying savings bonds -- and, in addition, assures their purchase in advance of expenditures on consumers' goods.

I think that you will be interested in some of the results of an analysis which we have made of the present status of the payroll savings plan. Total participation

over-all figures, and it is the sales of these bonds which count the most in the terms of either of our major objectives -- that of combating inflation or that of maintaining a widespread ownership of the public debt.

Our most powerful instrument for selling bonds to the small investor is the payroll savings plan. Experience has demonstrated that most people can save money month after

But I should like to go further than the fine over-all record, which has been built up, in large part, by high sales of Series F and G bonds.

It has also been helped by the continued high sales of \$1,000 denomination E bonds -- which are bought, for the most part, by institutional investors and by individuals with high incomes.

Sales of smaller denomination bonds have fallen off more than the

as for all series. Cash sales of E bonds during the first nine months of the year amounted to \$3,5^{00,000,000,} ~~billion~~ ~~dollars~~, and fell short of redemptions by about \$800,^{000,000} ~~million~~ ~~dollars~~ -- a record which I consider remarkably good, especially in view of the period which we have been through, and of the predictions, which all of you heard, about the flood of savings bond redemptions which would follow the end of the war.

continue to take, plenty of hard work to maintain our savings bond record.

The over-all record of savings bond sales and redemptions is very good. Cash sales of all series of savings bonds in the first nine months of this year amounted to \$5,9^{00,000} ~~billion dollars~~, and exceeded redemptions by about \$900^{000,000} ~~million dollars~~. For E bonds only, the record is also good; but not as good

These, then, are the two primary objectives of the savings bond program: to maintain a widespread distribution of the public debt, and to aid in our fight against inflation. Some dollars, I think you will agree, are much more important than others in attaining these objectives; and, almost without exception, it is the hard-to-get money which is the most important. That is why we need salesmen and sales promotion. That is why it is taking, and why it will

making possible the retirement of additional amounts of bank-held debt. As you know, the Government no longer needs the net proceeds of savings bond sales to help finance a deficit. The accounts of the United States are now more than balanced on a cash basis. Every additional dollar which we raise by the sale of savings bonds, therefore, makes possible the retirement of another dollar of bank-held debt.

the present, when it would contribute to inflationary pressures, to the future, when it will help to maintain full employment.

Buying bonds now is like storing up the waters of a spring freshet behind an irrigation dam; so that, instead of washing out the bare plowed fields in the springtime, they will make the fields of the summer even greener.

The purchase of savings bonds also helps to combat inflation by

Keeping the ownership of the public debt widely distributed is, therefore, one of the major objectives of the savings bond program.

The second major objective of the savings bond program is to aid in combating inflation. It does this by drawing purchasing power off the market at a time when goods are scarce -- saving it for a time when they will be abundant. The purchase of savings bonds defers spending from

element of stability in our economy.

We all have many ties linking us with our country. We are citizens and we are taxpayers. Most of us are voters. Many of us have fought as soldiers. When we are also bondholders it adds another strong, enduring tie to those already existing. It gives us another common interest. It makes for better citizenship and for a more thoughtful consideration of national problems.

which are continuing active payroll savings plans. Often at considerable expense to themselves, these concerns are performing a patriotic service and, at the same time, are doing their employees a real favor.

The Treasury Department has two main objectives in promoting the sale of savings bonds. The first is to continue and, if possible, to further the wide distribution in the ownership of the public debt. In doing this, we maintain an important

An Address to be delivered by Secretary Snyder
at the Payroll Savings Management Meeting,
U. S. Savings Bonds Division in St. Louis, on
October 23, 1946

The savings bond program of the Treasury Department is very close to my heart. It is a program that I am always happy to discuss.

But, first, I want to express my sincere appreciation of what you people and the organizations which you represent are doing to forward this program, and to thank the business concerns of this community

T D
Wink

luncheon

(The following address by Secretary Snyder at a Savings
Bond Rally for the industrial workers of St. Louis, Mo.,

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Savings Bond rally sponsored by the Federal Reserve Bank
of St. Louis, Mo., for the industrial workers of that city,
is scheduled for delivery at the Statler Hotel, St. Louis,
at 1.30 P.M. C.S.T., October 23, 1946., and is for release
at that time.)

Wednesday

FOR RELEASE, 1.30 P.M., C.S.T.
WEDNESDAY, October 23, 1946.

Press Service
No. 5-113

TREASURY DEPARTMENT

Washington

FOR RELEASE, 1:30 P.M., C.S.T.
Wednesday, October 23, 1946

Press Service
No. S-113

(The following luncheon address by Secretary Snyder at a Savings Bond rally sponsored by the Federal Reserve Bank of St. Louis, Mo., for the industrial workers of that city, is scheduled for delivery at the Statler Hotel, St. Louis, at 1:30 P.M., C.S.T., Wednesday, October 23, 1946, and is for release at that time.)

The savings bond program of the Treasury Department is very close to my heart. It is a program that I am always happy to discuss.

But, first, I want to express my sincere appreciation of what you people and the organizations which you represent are doing to forward this program, and to thank the business concerns of this community which are continuing active payroll savings plans. Often at considerable expense to themselves, these concerns are performing a patriotic service and, at the same time, are doing their employees a real favor.

The Treasury Department has two main objectives in promoting the sale of savings bonds. The first is to continue and, if possible, to further the wide distribution in the ownership of the public debt. In doing this, we maintain an important element of stability in our economy.

We all have many ties linking us with our country. We are citizens and we are taxpayers. Most of us are voters. Many of us have fought as soldiers. When we are also bondholders it adds another strong, enduring tie to those already existing. It gives us another common interest. It makes for better citizenship and for a more thoughtful consideration of national problems. Keeping the ownership of the public debt widely distributed is, therefore, one of the major objectives of the savings bond program.

The second major objective of the savings bond program is to aid in combating inflation. It does this by drawing purchasing power off the market at a time when goods are scarce -- saving it for a time when they will be abundant. The purchase of savings bonds defers spending from the present, when it would contribute to inflationary pressures, to the future, when it will help to maintain full employment.

Buying bonds now is like storing up the waters of a spring freshet behind an irrigation dam; so that, instead of washing out the bare plowed fields in the springtime, they will make the fields of the summer even greener.

The purchase of savings bonds also helps to combat inflation by making possible the retirement of additional amounts of bank-held debt. As you know, the Government no longer needs the net proceeds of savings bond sales to help finance a deficit. The accounts of the United States are now more than balanced on a cash basis. Every additional dollar which we raise by the sale of savings bonds, therefore, makes possible the retirement of another dollar of bank-held debt.

These, then, are the two primary objectives of the savings bond program: to maintain a widespread distribution of the public debt, and to aid in our fight against inflation. Some dollars, I think you will agree, are much more important than others in attaining these objectives; and, almost without exception, it is the hard-to-get money which is the most important. That is why we need salesmen and sales promotion. That is why it is taking, and why it will continue to take, plenty of hard work to maintain our savings bond record.

The over-all record of savings bond sales and redemptions is very good. Cash sales of all series of savings bonds in the first nine months of this year amounted to \$5,900,000,000, and exceeded redemptions by about \$900,000,000. For E bonds only, the record is also good; but not as good as for all series. Cash sales of E bonds during the first nine months of the year amounted to \$3,500,000,000, and fell short of redemptions by about \$800,000,000 -- a record which I consider remarkably good, especially in view of the period which we have been through, and of the predictions, which all of you heard, about the flood of savings bond redemptions which would follow the end of the war.

But I should like to go further than the fine over-all record, which has been built up, in large part, by high sales of Series F and G bonds. It has also been helped by the continued high sales of \$1,000 denomination E bonds -- which are bought, for the most part, by institutional investors and by individuals with high incomes.

Sales of smaller denomination bonds have fallen off more than the over-all figures, and it is the sales of these bonds which count the most in the terms of either of our major objectives -- that of combating inflation or that of maintaining a widespread ownership of the public debt.

Our most powerful instrument for selling bonds to the small investor is the payroll savings plan. Experience has demonstrated that most people can save money month after month only if they participate in some type of regular savings plan. The payroll savings plan provides the most convenient method of buying savings bonds -- and, in addition, assures their purchase in advance of expenditures on consumers' goods.

I think that you will be interested in some of the results of an analysis which we have made of the present status of the payroll savings plan. Total participation in the plan has fallen from a high of about 27,000,000 persons during the war to about 7,500,000 at the present time; but the average deduction has continued about the same, amounting now to around \$18.50 a month. This means that many of the employees with smaller deductions have dropped out of the plan altogether.

There have been many causes for the decrease in employee participation. A sharp decrease, of course, was to be expected after the end of the war. But there are also important causes which you can do something about. A major one is labor turnover. When a man changes jobs, his old payroll savings allotment is automatically cancelled. It requires a conscious effort -- and often a real sales job -- to get him back on the payroll savings plan at his new place of employment. This is one of the ways in which you are now helping the most, and in which, I am sure, you will help.

There are plenty of reasons, based on legitimate self-interest, why every worker should want to get on the payroll savings plan, or to increase his allotment if he is already a participant.

The most powerful of these reasons is also the most general one. A reserve accumulated in the form of Series E savings bonds, payable on demand, gives protection, so far as it can be provided financially, against misfortune in whatever form it may strike. Every person has greater peace of mind when he knows that he has, or is accumulating, such a reserve. Every survey has shown that the most common reason given for buying savings bonds is still, "to provide for a rainy day."

But savings bonds provide more than security; they also provide opportunity.

They provide family opportunity -- opportunity to provide a reserve for educating our children, or for purchasing a home or a farm.

They provide individual opportunity -- opportunity to accumulate the capital necessary to go into business for one's self, or for further education or travel.

Savings bonds represent the ideal way of holding purchasing power in reserve. Today we are confronted with shortages on every side. But in the years to come, goods will be available in greater variety and for immediate delivery. We shall be able to get what we want when we want it. This is worth saving for. It is worth buying bonds for.

In conclusion, I leave this message with you. The savings bond program, backed so unselfishly by you people, is doing well. It is having its effect in the battle against inflation, and is helping to maintain a widespread ownership of the public debt. Naturally, we want to do better. We want to increase small bond sales -- to bring in more and more of those hard-to-get dollars, which count the most.

The E bond is a good investment -- and you are doing a favor to the one you urge to buy. You are contributing to the future well-being of the individual, and to the economic stability of our Nation.

The experience of the war period, and the period that lies between VJ Day and the present hour, has taught the Treasury Department that it can always rely on your group for fine, effective cooperation. For the good deeds of the past, and for your continuing efforts in the future, I again extend my personal thanks and the thanks of your Government.

In your own plants, through your business connections, and through your influence in widespread communities, I know I can count on you to again work with us in this renewed bond drive -- particularly in promoting the payroll savings plan.

5-114

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, October 15, 1946.

Press Service

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated October 17, 1946, and to mature January 16, 1947, which were offered on October 11, 1946, were opened at the Federal Reserve Banks on October 14.

The details of this issue are as follows:

Total applied for - \$1,804,729,000
Total accepted - 1,306,594,000 (includes \$34,194,000 entered on a fixed-price basis at 99.905 and accepted in full)
Average price - 99.905/4 Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
Low - 99.905 " " " " " " 0.376% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 12,300,000	\$ 8,970,000
New York	1,399,265,000	1,001,390,000
Philadelphia	18,130,000	14,830,000
Cleveland	4,010,000	4,010,000
Richmond	11,135,000	10,385,000
Atlanta	12,850,000	12,850,000
Chicago	265,535,000	187,085,000
St. Louis	28,976,000	20,966,000
Minneapolis	1,190,000	1,190,000
Kansas City	20,098,000	18,598,000
Dallas	7,780,000	7,210,000
San Francisco	23,460,000	19,110,000
TOTAL	\$1,804,729,000	\$1,306,594,000

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[Handwritten signature]

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, October 15, 1946

Press Service
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Boston	\$ 12,300,000	\$ 8,970,000
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Philadelphia	18,130,000	14,830,000
Cleveland	4,010,000	4,010,000
Richmond	11,135,000	10,385,000
Atlanta	12,850,000	12,850,000
Chicago	265,535,000	187,085,000
St. Louis	28,976,000	20,966,000
Minneapolis	1,190,000	1,190,000
Kansas City	20,098,000	18,598,000
Dallas	7,780,000	7,210,000
San Francisco	23,460,000	19,110,000
	<hr/>	<hr/>
	\$1,804,729,000	\$1,306,594,000

The investigation of this case in Piqua, Ohio resulted in case Ohio 3105 in which Genevieve Higgs, 1111 Park Avenue, Piqua, Ohio, and Joseph C. Ullery, Sr., 744 Biltmore Hotel, Piqua, Ohio were named together with Warren G. Higgs, 1111 Park Avenue, Piqua, Ohio, Colonel Fain D'Orsay and Joseph C. Ullery, Jr. as defendants. Due to the fact that the evidence against Genevieve Higgs and Joseph C. Ullery, Sr. is negligible, we have not named them as defendants in the cases in this district.

Respectfully,

Garland H. Williams
District Supervisor

cc District #9
cc District #10

Bernard Goldberg
@ Barney Goodman
308 West 94th Street
New York, New York

1942 Chrysler
Town & City Station Wagon
License P M 7 California 1946
C
Serial #70511880
Motor #C34-20118

1940 Packard Coupe
License #6N 8809, N. Y. 1946
Serial #14952489
Motor #D305898

John Doe
@ S. Pera
801 East Overland Street
El Paso, Texas

Chevrolet Coupe
License B/Z 946
Texas 1946
registered to Luis Gomez
811 Texas Street
El Paso, Texas

1940 Buick Sedan, Model 48
Motor #43793540
Serial #13601352

In addition the following defendants were named in two cases which arose out of the investigation of this jacketed case:

NYS: 755-M

Arthur McMillon
889 St. Nicholas Avenue
New York, New York

Lawrence F. Douglas
1184 Jackson Avenue
Bronx, New York

John Doe @ S. Pera
801 E. Overland Street
El Paso, Texas

Paul Douglas
889 St. Nicholas Avenue
New York, New York

Jose Armendariz @ Pepe
@ Jose Castenada
Juarez, Mexico

Ford Convertible
1946 Mexican license
blue K2741

NYS: 756-M

Thomas Ambrosio
2115 East First Street
Brooklyn, New York

John Doe @ Francesco Perez
2306 Canal Street
El Paso, Texas

Jose Armendariz @ Pepe
@ Jose Castenada
Juarez, Mexico

Plymouth Sedan
1946 Mexican license
yellow 15903

October 3, 1946

In re: Colonel Fain D'Orsay et al

SE 223
NYS: 747-M

Mr. H. J. Anslinger
Commissioner of Narcotics
Treasury Department
Tower Building
Washington 25, D. C.

Sir:

Pursuant to the verbal request of Mr. M. L. Harney,
Assistant to the Commissioner, the following list of de-
fendants in SE 223 is forwarded:

NYS: 747-M (This is the basic case in this investigation)

Colonel Fain D'Orsay
Woodward Hotel
55th Street & Broadway
New York, New York

Joseph C. Ullery
63 Riverside Drive
New York, New York

Jose Armendariz
@ Jose Castenada @ Pepe
Juarez, Mexico

Arthur G. Zweier @ Dutch
920 E. Yandell Boulevard
El Paso, Texas

Jesus Armendariz
El Paso, Texas

Enrique Trevino @ Charlie
Nuevo Laredo, Mexico

Alias Manuel
Nuevo Laredo, Mexico

Alias Jose
Nuevo Laredo, Mexico

Arthur Denison
2336 35th Street
Astoria, L.I., N. Y.

Thomas McGreal
21 West 65th Street
New York, New York

Michael F. Tierney
1965 Broadway
New York, New York

Warren G. Higgs
1111 Park Avenue
Piqua, Ohio

Frank Bitil
St. Nicholas Hotel
Decatur, Illinois

Luciano Garza
2301 Marcella
Laredo, Texas

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Federal Reserve Bank of St. Louis

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2- Mr. George H. Coffelt - October 14, 1946

[Another ^{leading} ~~important~~ figure was Arthur G. ZWEIER, alias "Dutch", of El Paso, Texas. Behind the front of a legitimate business-man, he was the go-between for New York racketeers and Mexican smugglers.

The investigation
disclosed that

~~that~~ a highly-
important source of marihuana was ~~was~~
Enrique TREVINO, of Nuevo Laredo, Mexico, who employed
smugglers to deliver marihuana to American dealers at
Laredo, Texas. During the course of the investigation,
one of his smugglers, Luciano GARZA, was arrested
at Laredo, Texas in possession of six kilos of marihuana,
which he had just smuggled across the International ~~line~~ Border.

Which resulted in
the arrest of

[On October 4, 1946, Rodolpho CASTRO, smuggler for
"Pepe" was arrested while attempting to ship approximately
12 pounds of marihuana to New York. On the same day,
Arthur G. ZWEIER was arrested at El Paso, Texas. Simultane-
ously, American narcotic and customs officers furnished
information to the Mexican authorities ~~and the Mexican~~
~~narcotic officers arrested~~ Jose ARMENDARIZ, alias "Pepe"
in Juarez, Mexico, ~~finding~~ A quantity of marihuana and
heroin in his possession.

later ^{was found}
On ~~October 7, 1946~~ the Federal Grand Jury at El Paso,
Texas, indicted Arthur G. ZWEIER and ~~Rodolpho~~ CASTRO on
substantive charges, ~~that~~

Apprehended

[Colonel ~~D~~ D'ORSAY and Joseph ~~W~~ ULLERY, with some
minor accomplices, had been arrested in New York during
August 1946 when about 30 pounds of marihuana ~~was~~ seized
in their possession. Also ~~arrested~~ in New York in
September were Arthur McMILLON, ~~James~~ ~~Mc~~ and
Paul DOUGLAS, ~~then~~ they received a shipment of approxi-
mately 18 pounds of marihuana. ~~that~~

Lawrence
F. Dough

taken in
custody as

[Thomas AMBROSIO was arrested in September, also at
New York, when he claimed another shipment of 12 pounds
of marihuana. Both of these shipments had been forwarded
from El Paso, Texas.

Altogether, the evidence in these cases relates to
approximately 296 pounds of marihuana.

attachments (3)
Newspaper clipping
cc-ltr.10/3/46 from NY
cc-Teletype from NY

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE

TO Mr. George H. Coffelt

October 14, 1946

FROM H. J. Anslinger

Climaxing several weeks of intensive investigation, indictments were returned in the Southern District of New York on _____ against the following:

(to be supplied by teletype)

These persons are alleged to be involved in the smuggling and "wholesaling" end of one of the largest marihuana distributing organizations brought to light in recent years.

The investigation originated with the Bureau of Narcotics at New York City, extended through Ohio and Illinois to Texas where it continued along the Mexican border with the assistance there of the Bureau of Customs.

Among the principals in New York were Colonel ~~Wain~~ D'ORSAY and Joseph C. ULLERY. With several accomplices, they contrived to have marihuana shipped by express, as air or rail passenger baggage, or by automobile from Mexico, after having it smuggled into this country in the vicinity of Laredo, Texas and El Paso, Texas. The marihuana usually was forwarded in lots approximating twenty or thirty pounds.

To disguise the ultimate destination of the marihuana, use was sometimes made of trans-shipment stations. One such was Piqua, Ohio. Warren G. HIGGS, of Piqua, Ohio was indicted as a result of his activities in this respect.

Frank BITIL, of Decatur, Illinois associated himself with the New York traffickers in some of their marihuana ventures and his indictment resulted.

The investigation revealed an important smuggler in the person of Jose ARMENDARIZ alias "Pepe", of Juarez, Mexico, who supplied and caused to be smuggled into Texas much of the marihuana handled by the ring.

TREASURY DEPARTMENT

BUREAU OF NARCOTICS

Office of the
Assistant to the Commissioner

To Mr. Coffelt

OCT 14 1946

Copy of teletype will follow,
as soon as received from New
York.

(2-N)

RECEIVED 12:30 PM

OCTOBER 15, 1946

YYYYYYYYYYYYYYYYYYYY

WA BUR NAR

THIS IS WILLIAMS AT NEW YORK

REFERENCE SE 223

THE GRAND JURY IN THE SOUTHERN DISTRICT OF NEW YORK HAS TODAY VOTED SEVEN INDICTMENTS IN THIS CASE

THE BASIC INDICTMENT IS A CONSPIRACY TO VIOLATE SECTIONS 2591 A ⁷/₈ AND 2593 A THAT IS TO SAY SALES AND POSSESSION COUNTS

THE FOLLOWING PERSONS ARE NAMED IN THIS CONSPIRACY INDICTMENT

DORSAY DENNISON TIERNEY MCGREAL BITEL ENRIQUE TREVINO
JOHN DOE ALIAS MANUEL * JOHN DOE ALIAS JOSE ULLERY GOLDBERG ZWEIER
JOSE ARMENDARIZ RUDOLPH CASTRO JESUS ARMENDARIZ AND WARREN HIGGS
GA IS TAT OK FOR THE FIRST ONE GA V

MR HARNEY IS OUT TO LUNCH GA

OK I WILL GO ON

ANOTHER IS A SUBSTANTIVE INDICTMENT CHARGING SALE OF TWO POUNDS TO GOLDBERG AND INCLUDES DORSAY MCGREAL AND ULLERY

ANOTHER SUBSTANTIVE INDICTMENT IS FOR GOLDBERG ALONE FOR POSSESSION OF TWO POUNDS

ANOTHER SUBSTANTIVE IS POSSESSION OF THIRTY POUNDS AND INCLUDES DORSAY ULLERY AND HIGGS

ANOTHER SUBSTANTIVE AND CONSPIRACY INDICTMENT IS AGAINST AMBROSIO AND FRANCISCO PEREZ

ANOTHER CONSPIRACY AND SUBSTANTIVE INCLUDES ^{McMillan} MCGILLAN PAUL DOUGLAS LAWRENCE^F DOUGLAS AND RUDOLPH CASTRO

ANOTHER SUBSTANTIVE IS AGAINST PAUL DOUGLAS ALONE

IN TOTAL THERE ARE TWENTY DEFENDANTS IN THE SEVEN INDICTMENTS END
THANKS END

O

TREASURY DEPARTMENT
Washington

RELEASE MORNING NEWSPAPERS
Wednesday,

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...

Perez, of El Paso, Texas; Arthur McMillon, of New York; Paul Douglas and Lawrence Douglas, of New York.

[Two hundred and ninety-six pounds of marijuana was seized by Narcotics agents during the investigation of this dope ring, according to an announcement made by Commissioner Harry J. Anslinger of the Bureau of Narcotics. In progress for ~~several~~ several weeks, the search began in New York, extended to Ohio and Illinois and finally to Texas, where it continued along the Mexican border, with the assistance there of the Bureau of Customs, another Treasury enforcement agency.

[Evidence submitted to the grand jury which resulted in today's indictments indicate that Colonel D'Orsay and Joseph Ullery were ^{among the} principals in the New York distribution organization. With the help of several accomplices, they contrived to have shipments made from Texas to New York by express, after the marijuana had been smuggled across the border at ~~several~~ points near El Paso and Laredo. In lots approximating twenty to thirty pounds in weight, the drug was concealed for shipment in passenger baggage.

[To disguise the ultimate destination of the Marijuana, the ringleaders of the organization sometimes made use of transshipment stations. Such a station was maintained at Piqua, Ohio, where Warren Higgs was arrested as a result of his participation in its activities. The arrest of Frank Bitil, of Decatur, Ill., who had become associated with the New York traffickers, followed shortly afterward.

RECEIVED
NEWARK DEPT. OF JUSTICE

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Tuesday, October 16, 1946

[Climaxing several weeks of intensive investigation by agents of the Bureau of Narcotics, Treasury Department, a grand jury in the Southern District of New York today returned indictments against ^{twenty} ~~seven~~ persons alleged to be involved in the smuggling and "wholesaling" end of one of the largest marihuana distributing organizations brought to light in recent years.

[Named in ^{an} ~~the~~ indictments charging conspiracy to violate narcotics laws pertaining to the sale and possession of ~~the~~ ~~the~~ marihuana were Colonel ^{John} ~~John~~ D'Orsay, of New York; Arthur Dennison, of Astoria, L. I; Michael F. Tierney, of New York; Thomas McGreal, of New York; Frank Bitil, of Decatur, Ill.; Enrique Trevino and John Doe (alias Jose), of Nuevo Laredo, ^{Mexico;} ~~Mexico;~~ John Doe (alias Manuel), of Nuevo Laredo, Mexico; Joseph C. Ullery, of New York; Bernard Goldberg, of New York; Arthur G. Zweier, of El Paso, Texas; Jose Armendariz, of Juarez, Mexico; Rudolph Castro and Jesus ~~John~~ Armenderiz, of El Paso, Texas, and Warren Higgs, of Piqua, Ohio.

[^{substantive} Six ~~the~~ indictments, charging conspiracy, possession or sale of marijuana, were ^{also} brought against Goldberg, D'Orsay, McGreal, Ullery and Higgs. Other defendants named in these indictments are Thomas Ambrozio, of Brooklyn, New York; Francisco

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Tuesday, October 15, 1946

Press Service
No. S-115

Climaxing several weeks of intensive investigation by agents of the Bureau of Narcotics, Treasury Department, a grand jury in the Southern District of New York today returned indictments against twenty persons alleged to be involved in the smuggling and "wholesaling" end of one of the largest marihuana distributing organizations brought to light in recent years.

Named in an indictment charging conspiracy to violate narcotics laws pertaining to the sale and possession of marihuana were Colonel Fain D'Orsay, of New York; Arthur Dennison, of Astoria, L. I.; Michael F. Tierney, of New York; Thomas McGreal, of New York; Frank Bitil, of Decatur, Ill.; Enrique Trevino and John Doe (alias Jose), of Nuevo Laredo, Mexico; John Doe (alias Manuel), of Nuevo Laredo, Mexico; Joseph C. Ullery, of New York; Bernard Goldberg, of New York; Arthur G. Zweier, of El Paso, Texas; Jose Armendariz, of Juarez, Mexico; Rudolph Castro and Jesus Armenderiz, of El Paso, Texas, and Warren Higgs, of Piqua, Ohio.

Six substantive indictments, charging conspiracy, possession or sale of marihuana, were also brought against Goldberg, D'Orsay, McGreal, Ullery and Higgs. Other defendants named in these indictments are Thomas Ambrozio, of Brooklyn, New York; Francisco Perez, of El Paso, Texas; Arthur McMillon, of New York; Paul Douglas and Lawrence Douglas, of New York.

Two hundred and ninety-six pounds of marihuana was seized by Narcotics agents during the investigation of this dope ring, according to an announcement made by Commissioner Harry J. Anslinger of the Bureau of Narcotics. In progress for several weeks, the search began in New York, extended to Ohio and Illinois and finally to Texas, where it continued along the Mexican border, with the assistance there of the Bureau of Customs, another Treasury enforcement agency.

Evidence submitted to the grand jury which resulted in today's indictments indicate that Colonel D'Orsay and Joseph Ullery were among the principals in the New York distribution organization. With the help of several accomplices, they contrived to have shipments made from Texas to New York by express, after the marihuana had been smuggled across the border at points near El Paso and Laredo. In lots approximating twenty to thirty pounds in weight, the drug was concealed for shipment in passenger baggage.

To disguise the ultimate destination of the marihuana, the ringleaders of the organization sometimes made use of trans-shipment stations. Such a station was maintained at Piqua, Ohio, where Warren Higgs was arrested as a result of his participation in its activities. The arrest of Frank Bitil, of Decatur, Ill., who had become associated with the New York traffickers, followed shortly afterward.

The investigation revealed an important smuggler in the person of Jose ARMENDARIZ alias "Pepe", of Juarez, Mexico, who supplied and caused to be smuggled into Texas much of the marihuana handled by the ring.

Another leading figure was Arthur G. ZWEIER, alias "Dutch", of El Paso, Texas. Behind the front of a legitimate businessman, he was the go-between for New York racketeers and Mexican smugglers.

The investigation disclosed that a highly-important source of marihuana was Enrique TREVINO, of Nuevo Laredo, Mexico, who employed smugglers to deliver marihuana to American dealers at Laredo, Texas. During the course of the investigation, one of his smugglers, Luciano GARZA, was arrested at Laredo, Texas in possession of six kilos of marihuana, which he had just smuggled across the International Border.

On October 4, 1946, Rodolpho CASTRO, smuggler for "Pepe" was arrested while attempting to ship approximately 12 pounds of marihuana to New York. On the same day, Arthur G. ZWEIER was arrested at El Paso, Texas. Simultaneously, American narcotic and customs officers furnished information to the Mexican authorities which resulted in the arrest of Jose ARMENDARIZ, alias "Pepe", in Juarez, Mexico. A quantity of marihuana and heroin was found in his possession.

The Federal Grand Jury at El Paso, Texas later indicted ZWEIER and CASTRO on substantive charges.

Colonel D'ORSAY and Joseph ULLERY, with some minor accomplices, had been arrested in New York during August 1946 when about 30 pounds of marihuana was seized in their possession. Also apprehended in New York in September were Arthur McMILLON, Lawrence F. DOUGLAS and Paul DOUGLAS, taken in custody as they received a shipment of approximately 18 pounds of marihuana.

Thomas AMBROSIO was arrested in September, also at New York, when he claimed another shipment of 12 pounds of marihuana. Both of these shipments had been forwarded from El Paso, Texas.

ALPHA

- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on October 24, 1946.

~~(7)~~
The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

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TREASURY DEPARTMENT

Washington

5-116

FOR RELEASE, MORNING NEWSPAPERS,
Friday, October 18, 1946

(1)

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated October 24, 1946, and will mature January 23, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, October 21, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, October 18, 1946

Press Service
No. S-116

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Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on October 24, 1946.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

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DIVISION OF PUBLIC RELATIONS

Assignment sheet. Title 7/8% Certificates

Release date 10/21/46 Press Service No. S-117

	Bldg. dist.	Mailing list	No. copies to be sent
() Special messenger		65	65
G () General		60	60
TAC () Trade Agreement Commodities	22	158	
		Miss Rover (Please deliver)	200
CFQ () Coffee quotas	22	136	
CQ () Cotton quotas	22	135	
WQ () Wheat quotas	22	115	
BUL () Treasury monthly Bulletin	---	1,367	
F () Finance	167	540	
NM () Net Market transactions	142	207	
T () Taxes	167	600	
DLI () Debt limitation	151	325	
SF () Stabilization fund	174	551	
B () Weekly bill offering	150	178	
B&B () Bills & Bonds other than weekly	156	275	325
FE () Financial Editors	---	469	
NE () News Editors		1,575	
() Speech list	186	---	
PUBLIC RELATIONS, Room 4416	---	---	200
Press room			25
OWI			
Building distribution			<u>135</u>

Miss Rover has original

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Monday, October 21, 1946.

Press Service

No. S-117

Secretary of the Treasury Snyder today announced the offering, through the Federal Reserve Banks, of 7/8 percent Treasury Certificates of Indebtedness of Series K-1947, open on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness of Series J-1946, in the amount of \$3,777,773,000, which will mature on November 1, 1946. Since it is planned to retire about \$2,000,000,000 of the maturing certificates on cash redemption, subscriptions will be received subject to allotment to all holders on an equal percentage basis, except that subscriptions in amounts up to \$25,000 will be allotted in full. Cash subscriptions will not be received.

The certificates now offered will be dated November 1, 1946, and will bear interest from that date at the rate of seven-eighths of one percent per annum, payable with the principal at maturity on November 1, 1947. They will be issued in bearer form only, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the certificates now offered shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted. The full provisions relating to taxability are set forth in the official circular released today.

Subscriptions will be received at the Federal Reserve Banks and Branches, and at the Treasury Department, Washington, and should be accompanied by a like face amount of the maturing certificates.

The subscription books will close at the close of business Wednesday, October 23, except for the receipt of subscriptions from holders of \$25,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter class at the close of business Thursday, October 24.

Subscriptions addressed to a Federal Reserve Bank or Branch or to the Treasury Department, and placed in the mail before midnight of the respective closing days, will be considered as having been entered before the close of the subscription books.

The text of the official circular follows:

1010

UNITED STATES OF AMERICA

7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES K-1947

Dated and bearing interest from November 1, 1946

Due November 1, 1947

1946
Department Circular No. 796

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, October 21, 1946.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated 7/8 percent Treasury Certificates of Indebtedness of Series K-1947, in exchange for Treasury Certificates of Indebtedness of Series J-1946, maturing November 1, 1946. Approximately \$2,000,000,000 of the maturing certificates will be retired on cash redemption.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated November 1, 1946, and will bear interest from that date at the rate of 7/8 percent per annum, payable with the principal at maturity on November 1, 1947. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all Federal taxes, now or hereafter imposed. The certificates shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer certificates will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including \$25,000 will be allotted in full, and subscriptions for amounts over \$25,000 will be allotted to all holders on an equal percentage basis, but not less than \$25,000 on any one subscription. The basis of the allotment will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before November 1, 1946, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series J-1946, maturing November 1, 1946, which will be accepted at par, and should accompany the subscription.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

John W. Snyder,
Secretary of the Treasury.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, October 22, 1946.

Press Service

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated October 24, 1946, and to mature January 23, 1947, which were offered on October 18, 1946, were opened at the Federal Reserve Banks on October 21.

The details of this issue are as follows:

Total applied for - \$1,790,665,000
 Total accepted - 1,301,905,000 (includes \$30,750,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
 Low - 99.905 " " " " " " 0.376% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 6,680,000	\$ 5,210,000
New York	1,389,540,000	999,930,000
Philadelphia	13,760,000	10,430,000
Cleveland	10,280,000	8,420,000
Richmond	14,680,000	11,230,000
Atlanta	3,095,000	3,095,000
Chicago	260,740,000	186,790,000
St. Louis	3,320,000	2,840,000
Minneapolis	4,415,000	3,575,000
Kansas City	20,025,000	17,955,000
Dallas	6,930,000	6,630,000
San Francisco	57,200,000	45,800,000
TOTAL	\$1,790,665,000	\$1,301,905,000

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, October 22, 1946

Press Service
No. S-118

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated October 24, 1946, and to mature January 23, 1947, which were offered on October 18, 1946, were opened at the Federal Reserve Banks on October 21.

The details of this issue are as follows:

Total applied for - \$1,790,665,000
Total accepted - \$1,301,905,000 (includes \$30,750,000 entered on a fixed-price basis at 99.905 and accepted in full)
Average price - 99.905/4 Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
Low - 99.905 " " " " " " 0.376% " "

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

<u>Federal Reserve District</u>	<u>Total Applied For</u>	<u>Total Accepted</u>
Boston	\$ 6,680,000	\$ 5,210,000
New York	1,389,540,000	999,930,000
Philadelphia	13,760,000	10,430,000
Cleveland	10,280,000	8,420,000
Richmond	14,680,000	11,230,000
Atlanta	3,095,000	3,095,000
Chicago	260,740,000	186,790,000
St. Louis	3,320,000	2,840,000
Minneapolis	4,415,000	3,575,000
Kansas City	20,025,000	17,955,000
Dallas	6,930,000	6,630,000
San Francisco	57,200,000	45,800,000
	<hr/>	<hr/>
TOTAL	\$1,790,665,000	\$1,301,905,000

Assets and liabilities of all active banks in the United States and possessions, by classes,
June 29, 1946 - Contd.

(In thousands of dollars)

	: Total : all banks	: National : banks	: All banks : other than : national	: Banks other than national		
				: State : commercial	: Mutual : savings	: Private
LIABILITIES						
Demand deposits of individuals, partnerships, and corporations..	\$76,905,311	\$42,560,021	\$34,345,290	\$34,180,820	\$10,935	\$153,535
Time deposits of individuals, partnerships, and corporations..	48,480,943	17,173,998	31,306,945	15,054,458	16,229,292	23,195
U. S. Government and postal savings deposits.....	13,558,237	7,696,306	5,861,931	5,859,548	2,380	3
Deposits of States and political subdivisions.....	6,679,719	4,006,759	2,672,960	2,668,915	1,873	2,172
Deposits of banks.....	12,364,396	7,816,787	4,547,609	4,489,954	454	57,201
Other deposits (certified and cashiers' checks, etc.).....	2,360,799	1,240,887	1,119,912	1,114,342	3,457	2,113
Total deposits.....	160,349,405	80,494,758	79,854,647	63,368,037	16,248,391	238,219
Bills payable, rediscounts, and other liabilities for borrowed money.....	93,966	24,441	69,525	66,710	980	1,835
Acceptances executed by or for account of reporting banks.....	122,868	71,061	51,807	40,038	---	11,769
Other liabilities.....	959,222	529,217	430,005	370,185	57,750	2,070
Total liabilities.....	161,525,461	81,119,477	80,405,984	63,844,970	16,307,121	253,893
CAPITAL ACCOUNTS						
Capital notes and debentures.....	72,493	---	72,493	67,591	4,902	---
Preferred stock.....	126,991	47,424	79,567	79,567	---	---
Common stock.....	3,051,502	1,636,065	1,415,437	1,408,934	---	6,503
Surplus.....	5,215,735	2,100,222	3,115,513	1,946,217	1,156,822	12,474
Undivided profits.....	2,030,028	788,759	1,241,269	750,489	490,332	448
Reserves and retirement account for preferred stock and capital notes and debentures.....	680,054	301,107	378,947	313,695	62,135	3,117
Total capital accounts.....	11,176,803	4,873,577	6,303,226	4,566,493	1,714,191	22,542
Total liabilities and cap- ital accounts.....	172,702,264	85,993,054	86,709,210	68,411,463	18,021,312	276,435

Assets and liabilities of all active banks in the United States and possessions, by classes,
June 29, 1946

(In thousands of dollars)

	: Total : all banks	: National : banks	: All banks : : other than : : national :	Banks other than national		
				State commercial*	Mutual savings	Private
Number of banks.....	14,626	5,018	9,608	9,039	533	36
ASSETS						
Loans on real estate.....	\$10,146,353	\$2,747,984	\$7,398,369	\$3,115,439	\$4,280,165	\$2,765
Other loans, including rediscounts and overdrafts.....	21,547,139	11,750,457	9,796,682	9,669,206	65,969	61,507
Total loans.....	31,693,492	14,498,441	17,195,051	12,784,645	4,346,134	64,272
U. S. Government securities:						
Direct obligations.....	96,469,780	47,465,475	49,004,305	37,498,828	11,427,746	77,731
Guaranteed obligations.....	27,307	7,401	19,906	16,619	3,283	4
Obligations of States and political subdivisions.....	4,165,472	2,454,265	1,711,207	1,597,719	63,488	50,000
Other bonds, notes, and debentures.	4,521,911	1,945,946	2,575,965	1,489,004	1,080,756	6,205
Corporate stocks, including stocks of Federal Reserve banks.....	537,547	143,654	393,893	218,042	170,484	5,367
Total securities.....	105,722,017	52,016,741	53,705,276	40,820,212	12,745,757	139,307
Currency and coin.....	1,729,034	805,575	923,459	836,920	84,532	2,007
Balances with other banks, includ- ing reserve balances.....	31,732,067	17,856,276	13,875,791	13,157,382	660,243	58,166
Bank premises owned, furniture and fixtures.....	1,017,040	495,932	521,108	427,305	93,316	487
Real estate owned other than bank premises.....	50,520	10,038	40,482	22,355	17,804	323
Investments and other assets in- directly representing bank prem- ises or other real estate.....	73,880	46,916	26,964	21,703	5,236	25
Customers' liability on accept- ances outstanding.....	104,076	58,049	46,027	35,378	---	10,649
Other assets.....	580,138	205,086	375,052	305,563	68,290	1,199
Total assets.....	172,702,264	85,993,054	86,709,210	68,411,463	18,021,312	276,435

*Includes trust companies and stock savings banks.

Comparison of assets and liabilities of all banks - Continued

	(In thousands of dollars)		
	June 29, 1946	Dec. 31, 1945	June 30, 1945
LIABILITIES			
Deposits of individuals, partnerships, and corporations:			
Demand.....	\$76,905,311	\$73,932,416	\$66,709,190
Time.....	48,480,943	45,291,845	41,347,701
U. S. Government and postal savings deposits.....	13,558,237	24,779,196	24,543,584
Deposits of States and political subdivisions.....	6,679,719	5,820,735	5,441,597
Deposits of banks.....	12,364,396	14,089,647	12,626,462
Other deposits (certified and cashiers' checks, etc.).....	2,360,799	2,616,254	1,264,157
Total deposits.....	<u>160,349,405</u>	<u>166,530,093</u>	<u>151,932,691</u>
Bills payable, rediscounts, and other liabilities for borrowed money.....	93,966	227,150	81,075
Acceptances executed by or for account of reporting banks....	122,868	86,635	56,330
Interest, discount, rent, and other income collected but not earned.....)	(59,299)	
Interest, taxes, and other expenses accrued and unpaid.....)	959,222 (383,183)	804,912
Other liabilities.....)	(453,104)	
Total liabilities.....	<u>161,525,461</u>	<u>167,739,464</u>	<u>152,875,008</u>
CAPITAL ACCOUNTS			
Capital notes and debentures.....	72,493	72,080	78,762
Preferred stock.....	126,991	163,340	186,014
Common stock.....	3,051,502	2,951,948	2,853,340
Surplus.....	5,215,735	5,004,281	4,661,967
Undivided profits.....	2,030,028	1,781,100	1,759,473
Reserves and retirement account for preferred stock and capital notes and debentures.....	680,054	638,862	612,415
Total capital accounts.....	<u>11,176,803</u>	<u>10,611,611</u>	<u>10,151,971</u>
Total liabilities and capital accounts.....	<u>172,702,264</u>	<u>178,351,075</u>	<u>163,026,979</u>

Assets and Liabilities of All Active Banks in the United States and Possessions on June 29, 1946, December 31, 1945, and June 30, 1945

(Amounts in thousands of dollars)

	June 29, 1946	Dec. 31, 1945	June 30, 1945
Number of banks.....	14,626	14,598*	14,587*
ASSETS			
Loans on real estate.....	\$10,146,353	\$8,979,872	\$8,743,034
Other loans, including overdrafts.....	21,547,139	21,486,995	19,349,106
Total loans.....	31,693,492	30,466,867	28,092,140
U. S. Government securities:			
Direct obligations.....	96,469,780	101,879,165	94,192,682
Guaranteed obligations.....	27,307	24,908	47,763
Obligations of States and political subdivisions.....	4,165,472	4,083,267	3,892,484
Other bonds, notes, and debentures.....	4,521,911	3,990,467	3,609,496
Corporate stocks, including stocks of Federal Reserve banks.....	537,547	537,926	530,460
Total securities.....	105,722,017	110,515,733	102,272,885
Currency and coin.....	1,729,034	2,025,088	1,649,487
Balances with other banks, including reserve balances.	31,732,067	33,589,693	29,246,407
Bank premises owned, furniture and fixtures.....	1,017,040	1,020,023	1,041,995
Real estate owned other than bank premises.....	50,520	72,930	113,868
Investments and other assets indirectly representing bank premises or other real estate.....	73,880	77,244	79,314
Customers' liability on acceptances outstanding.....	104,076	75,856	48,037
Interest, commissions, rent, and other income earned or accrued but <u>not</u> collected.....	580,138	(295,803)	482,846
Other assets.....	(211,838)	(211,838)	(211,838)
Total assets.....	172,702,264	178,351,075	163,026,979

* Excludes banks in The Philippines.

\$10,146,000,000 in June 1946. Other loans showed a net increase of approximately \$60,000,000.

Cash and balances with other banks, including reserve balances, in June 1946 were \$33,461,000,000, a decrease of \$2,154,000,000 since December 1945.

Total capital accounts were \$11,177,000,000, an increase of \$565,000,000, or 5 percent, in the first half of the year.

Deposits of individuals, partnerships, and corporations in June 1946 were \$125,386,000,000, an increase of \$6,162,000,000 since December 1945, and United States Government and postal savings deposits were \$13,558,000,000, a reduction of \$11,221,000,000, or 45 percent in the period, due principally to the withdrawal of War loan accounts to provide for Federal debt retirement. Deposits of States and political subdivisions showed an increase of \$859,000,000, or nearly 15 percent, in the first half of the year, being \$6,680,000,000 on June 29, 1946. Deposits of banks were \$12,364,000,000, a decrease of \$1,725,000,000, and other deposits were \$2,361,000,000, a decrease of \$255,000,000.

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

Thak.
Wm
Press Service
No. 5-119

FOR RELEASE, MORNING NEWSPAPERS

Friday, October 18, 1946

The total deposits of all commercial and savings banks in the United States and possessions on June 29, 1946, amounted to \$160,349,000,000, Comptroller of the Currency Preston Delano announced today. This figure, which covers the returns of the 14,626 active banks of all classes, was a decrease of \$6,181,000,000, or nearly 4 percent, in the amount of deposits reported by the active banks on December 31, 1945, but an increase of \$8,417,000,000, or $5\frac{1}{2}$ percent, in the amount reported on June 30, 1945.

The total assets at the end of June 1946 amounted to \$172,702,000,000, which was \$5,649,000,000, or 3 percent, less than at the end of December 1945, but \$9,675,000,000, or 6 percent, more than at the end of June 1945. Most of the decline in assets between December 1945 and June 1946 was in holdings of United States Government obligations, due to the retirement of such securities held by the banks.

The banks held obligations of the United States Government, direct and guaranteed, of \$96,497,000,000 in June 1946, a decrease of \$5,407,000,000, or 5 percent, since December 1945. Obligations of States and political subdivisions held amounted to \$4,165,000,000, an increase of \$82,000,000, and other securities held amounted to \$5,060,000,000, an increase of \$531,000,000. The aggregate of all securities held in June 1946 was \$105,722,000,000, and represented 61 percent of the banks' total assets. At the end of December 1945 the ratio was 62 percent.

Loans totaled \$31,693,000,000 in June 1946, a net increase of \$1,227,000,000, or 4 percent, since December 1945, and an increase of \$3,601,000,000, or nearly 13 percent since June last year. The total of loans on real estate held increased 13 percent since December 1945, and amounted to

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS
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Cash and balances with other banks, including reserve balances, in June 1946 were \$33,461,000,000, a decrease of \$2,154,000,000 since December 1945.

Total capital accounts were \$11,177,000,000, an increase of \$565,000,000, or 5 percent, in the first half of the year.

Deposits of individuals, partnerships, and corporations in June 1946 were \$125,386,000,000, an increase of \$6,162,000,000 since December 1945, and United States Government and postal savings deposits were \$13,558,000,000, a reduction of \$11,221,000,000, or 45 percent in the period, due principally to the withdrawal of War loan accounts to provide for Federal debt retirement. Deposits of States and political subdivisions showed an increase of \$859,000,000, or nearly 15 percent, in the first half of the year, being \$6,680,000,000 on June 29, 1946. Deposits of banks were \$12,364,000,000, a decrease of \$1,725,000,000, and other deposits were \$2,361,000,000, a decrease of \$255,000,000.

Assets and Liabilities of All Active Banks in the United States and Possessions on June 29, 1946, December 31, 1945, and June 30, 1945

(Amounts in thousands of dollars)

	June 29, 1946	Dec. 31, 1945	June 30, 1945
Number of banks.....	14,626	14,598*	14,587*
ASSETS			
Loans on real estate.....	\$10,146,353	\$8,979,872	\$8,743,034
Other loans, including overdrafts.....	21,547,139	21,486,995	19,349,106
Total loans.....	31,693,492	30,466,867	28,092,140
U. S. Government securities:			
Direct obligations.....	96,469,780	101,879,165	94,192,682
Guaranteed obligations.....	27,307	24,908	47,763
Obligations of States and political subdivisions.....	4,165,472	4,083,267	3,892,484
Other bonds, notes, and debentures.....	4,521,911	3,990,467	3,609,496
Corporate stocks, including stocks of Federal Reserve banks.....	537,547	537,926	530,460
Total securities.....	105,722,017	110,515,733	102,272,885
Currency and coin.....	1,729,034	2,025,088	1,649,487
Balances with other banks, including reserve balances.	31,732,067	33,589,693	29,246,407
Bank premises owned, furniture and fixtures.....	1,017,040	1,020,023	1,041,995
Real estate owned other than bank premises.....	50,520	72,930	113,868
Investments and other assets indirectly representing bank premises or other real estate.....	73,880	77,244	79,314
Customers' liability on acceptances outstanding.....	104,076	75,856	48,037
Interest, commissions, rent, and other income earned or accrued but not collected.....	580,138	(295,803)	482,846
Other assets.....	(211,838)	(211,838)	(211,838)
Total assets.....	172,702,264	178,351,075	163,026,979

* Excludes banks in The Philippines.

Comparison of assets and liabilities of all banks - Continued

(In thousands of dollars)

	June 29, 1946	Dec. 31, 1945	June 30, 1945
LIABILITIES			
Deposits of individuals, partnerships, and corporations:			
Demand.....	\$76,905,311	\$73,932,416	\$66,709,190
Time.....	48,480,943	45,291,845	41,347,701
U. S. Government and postal savings deposits.....	13,558,237	24,779,196	24,543,584
Deposits of States and political subdivisions.....	6,679,719	5,820,735	5,441,597
Deposits of banks.....	12,364,396	14,089,647	12,626,462
Other deposits (certified and cashiers' checks, etc.).....	2,360,799	2,616,254	1,264,157
Total deposits.....	160,349,405	166,530,093	151,932,691
Bills payable, rediscounts, and other liabilities for borrowed money.....	93,966	227,150	81,075
Acceptances executed by or for account of reporting banks...	122,868	86,635	56,330
Interest, discount, rent, and other income collected but not earned.....)		59,299)	
Interest, taxes, and other expenses accrued and unpaid.....)	959,222 (383,183)	804,912
Other liabilities.....)		453,104)	
Total liabilities.....	161,525,461	167,739,464	152,875,008
CAPITAL ACCOUNTS			
Capital notes and debentures.....	72,493	72,080	78,762
Preferred stock.....	126,991	163,340	186,014
Common stock.....	3,051,502	2,951,948	2,853,340
Surplus.....	5,215,735	5,004,281	4,661,967
Undivided profits.....	2,030,028	1,781,100	1,759,473
Reserves and retirement account for preferred stock and capital notes and debentures.....	680,054	638,862	612,415
Total capital accounts.....	11,176,803	10,611,611	10,151,971
Total liabilities and capital accounts.....	172,702,264	178,351,075	163,026,979

Assets and liabilities of all active banks in the United States and possessions, by classes,
June 29, 1946
(In thousands of dollars)

	Total all banks	National banks	All banks other than national	Banks other than national		
				State commercial*	Mutual savings	Private
Number of banks.....	14,626	5,018	9,608	9,039	533	36
ASSETS						
Loans on real estate.....	\$10,146,353	\$2,747,984	\$7,398,369	\$3,115,439	\$4,280,165	\$2,765
Other loans, including rediscounts and overdrafts.....	21,547,139	11,750,457	9,796,682	9,669,206	65,969	61,507
Total loans.....	31,693,492	14,498,441	17,195,051	12,784,645	4,346,134	64,272
U. S. Government securities:						
Direct obligations.....	96,469,780	47,465,475	49,004,305	37,498,828	11,427,746	77,731
Guaranteed obligations.....	27,307	7,401	19,906	16,619	3,283	4
Obligations of States and political subdivisions.....	4,165,472	2,454,265	1,711,207	1,597,719	63,488	50,000
Other bonds, notes, and debentures....	4,521,911	1,945,946	2,575,965	1,489,004	1,080,756	6,205
Corporate stocks, including stocks of Federal Reserve banks.....	537,547	143,654	393,893	218,042	170,484	5,367
Total securities.....	105,722,017	52,016,741	53,705,276	40,820,212	12,745,757	139,307
Currency and coin.....	1,729,034	805,575	923,459	836,920	84,532	2,007
Balances with other banks, includ- ing reserve balances.....	31,732,067	17,856,276	13,875,791	13,157,382	660,243	58,166
Bank premises owned, furniture and fixtures.....	1,017,040	495,932	521,108	427,305	93,316	487
Real estate owned other than bank premises.....	50,520	10,038	40,482	22,355	17,804	323
Investments and other assets in- directly representing bank prem- ises or other real estate.....	73,880	46,916	26,964	21,703	5,236	25
Customers' liability on accept- ances outstanding.....	104,076	58,049	46,027	35,378	---	10,649
Other assets.....	580,138	205,086	375,052	305,563	68,290	1,199
Total assets.....	172,702,264	85,993,054	86,709,210	68,411,463	18,021,312	276,435

*Includes trust companies and stock savings banks.

Assets and liabilities of all active banks in the United States and possessions, by classes,
June 29, 1946 - Cont'd.
(In thousands of dollars)

	: Total : all banks	: National : banks	: All banks : other than : national	: Banks other than national		
				: State : commercial	: Mutual : savings	: Private
LIABILITIES						
Demand deposits of individuals, partnerships, and corporations..	\$76,905,311	\$42,560,021	\$34,345,290	\$34,180,820	\$10,935	\$153,535
Time deposits of individuals, partnerships, and corporations..	48,480,943	17,173,998	31,306,945	15,054,458	16,229,292	23,195
U. S. Government and postal savings deposits.....	13,558,237	7,696,306	5,861,931	5,859,548	2,380	3
Deposits of States and political subdivisions.....	6,679,719	4,006,759	2,672,960	2,668,915	1,873	2,172
Deposits of banks.....	12,364,396	7,816,787	4,547,609	4,489,954	454	57,201
Other deposits (certified and cashiers' checks, etc.).....	2,360,799	1,240,887	1,119,912	1,114,342	3,457	2,113
Total deposits.....	160,349,405	80,494,758	79,854,647	63,368,037	16,248,391	238,219
Bills payable, rediscounts, and other liabilities for borrowed money.....	93,966	24,441	69,525	66,710	980	1,835
Acceptances executed by or for account of reporting banks.....	122,868	71,061	51,807	40,038	---	11,769
Other liabilities.....	959,222	529,217	430,005	370,185	57,750	2,070
Total liabilities.....	161,525,461	81,119,477	80,405,984	63,844,970	16,307,121	253,893
CAPITAL ACCOUNTS						
Capital notes and debentures.....	72,493	---	72,493	67,591	4,902	---
Preferred stock.....	126,991	47,424	79,567	79,567	---	---
Common stock.....	3,051,502	1,636,065	1,415,437	1,408,934	---	6,503
Surplus.....	5,215,735	2,100,222	3,115,513	1,946,217	1,156,822	12,474
Undivided profits.....	2,030,028	788,759	1,241,269	750,489	490,332	448
Reserves and retirement account for preferred stock and capital notes and debentures.....	680,054	301,107	378,947	313,695	62,135	3,117
Total capital accounts.....	11,176,803	4,873,577	6,303,226	4,566,493	1,714,191	22,542
Total liabilities and cap- ital accounts.....	172,702,264	85,993,054	86,709,210	68,411,463	18,021,312	276,435

DIVISION OF PUBLIC RELATIONS

Assignment sheet. Title Statistics of income for 1943, Part 2

Release date 10/18/46 Press Service No. S-120

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TREASURY DEPARTMENT

Washington

FOR RELEASE,
Friday, October 18, 1946

Press Service
No. S-120

Secretary of the Treasury Snyder today made public the first of a series of tabulations which will appear in the report "Statistics of Income for 1943, Part 2," compiled from corporation income and declared value excess-profits tax returns, excess profits tax returns, and personal holding company returns. These data are prepared under the direction of Commissioner of Internal Revenue Joseph D. Nunan, Jr.

SUMMARY DATA

The number of corporation income and declared value excess-profits tax returns for 1943 is 455,894, of which 283,735 show net income of \$28,717,966,215, while 136,786 show deficit of \$898,721,600, and 35,373 have no income data (inactive corporations).

The income tax liability reported on these returns is \$4,479,165,784 and the declared value excess-profits tax is \$154,933,526, while an excess profits tax liability of \$11,291,483,093, after credits, is reported on 68,202 corporation excess profits tax returns for the same period. Thus the total amount of corporation income and excess profits taxes is \$15,925,582,403, representing an increase of 30 percent as compared with the total for 1942. The amounts of income tax and excess profits tax liability do not take into account any credit claimed for income and profits taxes paid to a foreign country or United States possession.

The 68,202 taxable corporation excess profits tax returns for 1943 show excess profits net income of \$22,306,883,041 and adjusted excess profits net income of \$14,552,877,667.

A comparison of the 1943 returns with the 1942 returns is provided in the following summary:

Corporation returns, 1943 and 1942: Summary data

(Money figures in thousands of dollars)

	1943	1942	Increase or decrease (-)	
			Number or amount	Per-cent
Income and declared value excess-profits tax returns				
Total number of income and declared value excess-profits tax returns, Form 1120	455,894	479,677	-23,783	-5
Returns with net income: <u>1/</u>				
Number	283,735	269,942	13,793	5
Net income <u>1/</u>	28,717,966	24,052,358	4,665,609	19
Tax liability:				
Income tax <u>2/</u>	4,479,166	4,337,728	141,438	3
Declared value excess-profits tax <u>3/</u>	154,934	66,854	88,079	132
Excess profits tax <u>4/</u>	11,291,483	7,851,814	3,439,669	44
Total	15,925,582	12,256,396	3,669,186	30
Returns with no net income: <u>1/</u>				
Number	136,786	172,723	-35,937	-21
Deficit <u>1/</u>	898,722	1,000,746	-102,025	-10
Number of returns of inactive corporations	35,373	37,012	-1,639	-4
Excess profits tax returns				
Taxable excess profits tax returns, Form 1121:				
Number	68,202	54,002	14,200	26
Excess profits net income <u>5/</u>	22,306,883	17,084,370	5,222,513	31
Adjusted excess profits net income <u>6/</u>	14,552,878	10,494,667	4,058,210	39
Excess profits tax		See above		

For footnotes, see p. 12

Allowance of the net operating loss deduction reduced the net income for declared value excess-profits tax computation by \$224,952,476 on 44,583 returns filed for 1943, as compared with \$378,113,851 on 46,008 returns filed for 1942. See note 15, page 12.

RETURNS INCLUDED

The data presented in these tabulations are from returns for the calendar year ending December 31, 1943, a fiscal year ending within the period July 1943 through June 1944, and a part year with the greater portion of the accounting period in 1943.

The data are from corporation income and declared value excess-profits tax returns, Form 1120; life insurance company income tax returns, Form 1120L; mutual insurance company income tax returns, Form 1120M; and corporation excess profits tax returns, Form 1121. Included for this purpose in addition to returns filed by domestic corporations are the returns filed by foreign corporations engaged in business within the United States. Amended returns and tentative returns are not included. The complete report, Statistics of Income for 1943, Part 2, will contain more detailed statistics from corporation income and declared value excess-profits tax returns and from corporation excess profits tax returns, together with data from personal holding company returns, Form 1120H.

The statistics are compiled from the returns as filed, prior to revisions that may be made as a result of audit by the Bureau of Internal Revenue and prior to changes which may result from carry-backs, from relief granted under section 722, or from the renegotiation of war contracts, after the returns were filed. The effect of renegotiation settlements reached to date with respect to the tax year 1943 will be shown in a special tabulation to be included in the complete report, Statistics of Income for 1943, Part 2.

CHANGES IN LAW AFFECTING CORPORATION RETURNS

The provisions of the Revenue Act of 1942 continue in effect for the calendar year 1943, for a fiscal year ending in the period July through November 1943, and for a part year beginning and ending in 1943.

In the case of returns for fiscal years ending in the period January through June 1944, and returns for part years ending in 1944 with the greater part of the accounting period falling in 1943, the tax liability is affected by certain changes in law introduced by the Revenue Act of 1943. These changes are described below:

Income and Declared Value Excess-Profits Tax Returns, Form 1120 -

(1) The amount of income subject to excess profits tax which is a credit against net income in arriving at normal-tax net income and surtax net income is decreased by \$5,000. This is the result of a change in the excess profits tax law which provides an increase in the specific exemption from \$5,000 to \$10,000 for purposes of determining adjusted excess profits net income.

(2) Corporations filing returns for taxable years beginning in 1943 and ending in 1944 are required to compute two tentative taxes, one under the 1942 Act, the other under the 1943 Act, and prorate each on the basis of the number of days before January 1, 1944, and the number after December 31, 1943, respectively. The prorated portions of the two tentative taxes are then combined to determine the actual liability, which is the amount tabulated in this report. Amounts tabulated from these returns for all items other than the tax liability are the amounts used in computing the tentative tax for 1943 under provisions of the Revenue Act of 1942.

Excess Profits Tax Returns, Form 1121 -

(1) The excess profits tax rate is increased from 90 to 95 percent of adjusted excess profits net income.

(2) The specific exemption allowed a corporation, or an affiliated group of corporations filing a consolidated return, in determining adjusted excess profits net income is increased from \$5,000 to \$10,000. Exemption from filing an excess profits tax return is accordingly extended to cover corporations with excess profits net income up to \$10,000, as against the \$5,000 limitation previously in effect.

(3) The percentage of invested capital allowed as a credit under the invested capital method is reduced as follows:

<u>Invested capital</u>	<u>Percentage allowed as a credit under the Revenue Act of --</u>	
	<u>1943</u>	<u>1942</u>
First \$5,000,000	8	8
Next 5,000,000	6	7
Next 190,000,000	5	6
Over 200,000,000	5	5

(4) The limitation on post-war credit is amended to give effect to the increase in excess profits tax rate from 90 to 95 percent, and

special rules are provided for the computation of post-war refunds on fiscal year returns.

(5) Corporations with taxable years beginning in 1943 and ending in 1944 are required to compute two tentative taxes and prorate each in a manner similar to that described above for income tax. As in the case of the income tax returns, the only item in this report affected by this change is the tax liability, all other items having been tabulated in the amounts determined under the provisions of the 1942 Act.

CLASSIFICATIONS PRESENTED

In table 1, pages 6 - 10, selected data from corporation income and declared value excess-profits tax returns for 1943 and excess profits tax liability from corporation excess profits tax returns are shown by major and minor industrial groups for returns with net income and returns with no net income.

The industrial classification is based on the business activity reported on the return. When multiple businesses are reported on a return, the classification is determined by the business activity which accounts for the largest percentage of total receipts. Therefore, the industrial groups do not reflect pure industry classifications.

The only change in the industrial groups between 1942 and 1943 is the transfer of mutual fire insurance companies issuing perpetual policies to the minor group "Other insurance carriers" from the minor group "Mutual insurance, except life or marine."

The classification of the returns by net income and deficit classes, shown in table 2, and the classification by returns with net income and returns with no net income, shown in both tables, are based on the amount reported for declared value excess-profits tax computation, adjusted by excluding the net operating loss deduction.

Certain tabulations prepared from the 1943 returns were made public previously in a preliminary report issued as of March 8, 1946, and are omitted from this series of releases. Table 1-A of the preliminary report shows by major industrial groups the number of consolidated income tax returns filed by affiliated corporations, with the corresponding amount of total compiled receipts, net income, income subject to excess profits tax, income tax, declared value excess-profits tax, excess profits tax, and dividends paid. In table 3 of the preliminary report, there is shown by adjusted excess profits net income classes and by method of credit computation the number of taxable corporation excess profits tax returns for 1943, with the corresponding amount of excess profits net income, excess profits credit, adjusted excess profits net income, excess profits tax, credit for debt retirement, and post-war refund.

Table 2. - Corporation income and declared value excess-profits tax returns, 1943, by net income and deficit classes, for returns with net income and returns with no net income: Number of returns, and net income or deficit; also, for returns with net income: Total tax, income tax, declared value excess-profits tax, excess profits tax, and income subject to excess profits tax

(Net income and deficit classes and money figures in thousands of dollars)

Net income and deficit classes <u>1/</u>	Returns with net income <u>1/</u>							Returns with no net income <u>1/</u>	
	Number of returns	Net income <u>1/</u>	Income subject to excess profits tax <u>10/</u>	Taxes				Number of returns	Deficit <u>1/</u>
				Total tax	Income tax <u>2/</u>	Declared value excess-profits tax <u>3/</u>	Excess profits tax <u>4/</u>		
Under 1	62,933	25,543	38	5,108	4,913	164	32	84,297	22,978
1 under 2	29,718	43,514	120	9,297	8,846	353	99	16,605	23,828
2 under 3	21,048	52,160	181	11,652	11,014	497	140	8,304	20,362
3 under 4	16,777	58,536	261	13,560	12,742	603	216	5,081	17,596
4 under 5	15,837	71,534	266	17,003	15,977	805	221	3,516	15,749
5 under 10	40,570	290,834	11,036	76,297	64,090	3,047	9,160	8,230	57,700
10 under 15	19,829	243,215	30,329	77,573	50,058	2,534	24,981	3,373	41,089
15 under 20	12,095	209,207	39,180	74,730	40,276	2,150	32,304	1,739	30,030
20 under 25	8,478	189,952	45,180	73,507	34,546	1,827	37,134	1,173	26,163
25 under 50	20,294	715,465	232,328	323,856	131,438	6,515	186,103	2,302	79,456
50 under 100	13,840	977,169	409,931	515,936	179,354	7,823	328,760	1,174	80,976
100 under 250	11,158	1,748,589	868,756	997,619	293,213	12,534	691,873	651	98,662
250 under 500	4,860	1,700,087	925,949	1,001,292	260,307	11,977	729,009	218	73,802
500 under 1,000	2,852	1,983,564	1,079,424	1,160,129	303,516	13,024	843,589	73	50,731
1,000 under 5,000	2,665	5,395,744	3,026,314	3,192,622	790,889	31,469	2,370,264	45	101,254
5,000 under 10,000	391	2,745,948	1,510,926	1,599,912	407,374	17,541	1,174,998	2	11,989
10,000 and over	390	12,266,904	6,186,481	6,775,232	1,870,505	42,124	4,862,603	3	146,356
Tax on returns with no net income <u>2/ 3/</u>	-	-	-	256	108	148	-	-	-
Total	283,735	28,717,966	14,366,701	15,925,582	4,479,166	154,934	11,291,483	136,786	898,722
No income data (inactive corporations)	-	-	-	-	-	-	-	35,373	-

For footnotes, see p. 12

Footnotes for tables in this release

1/ "Net income" or "Deficit" for 1942-43 is the amount reported for declared value excess-profits tax computation adjusted by excluding net operating loss deduction (Items 31 and 27, respectively, page 1, Form 1120). See note 15.

2/ "Income tax" for 1942-43 consists of normal tax, surtax, and, for taxable years beginning after December 31, 1941, alternative tax reported in lieu of normal tax and surtax where the income includes an excess of net long-term capital gain over net short-term capital loss, if and only if such tax is less than the normal tax and surtax. Tabulated with the income tax for returns with net income is a small amount of surtax reported on returns with no net income, where receipts for the taxable year include interest on obligations of certain instrumentalities of the United States.

3/ Although the filing of consolidated returns is not permitted for declared value excess-profits tax purposes, the declared value excess-profits tax reported by the members of an affiliated group of corporations filing a consolidated income tax return is ordinarily tabulated under the same classifications as the income tax return. A small amount of declared value excess-profits tax reported by corporations whose consolidated income tax returns show no net income is included with the declared value excess-profits tax shown for returns with net income.

4/ The excess profits tax shown is that imposed by section 710 of the Internal Revenue Code as amended and should not be confused with the declared value excess-profits tax. The amount shown is the excess profits tax liability reported on corporation excess profits tax returns, less the credit for debt retirement and the net post-war refund. Throughout this release, the 1943 tax is before the amount deferred under section 710(a)(5) (relating to abnormalities under section 722) and after any adjustments under other relief provisions.

5/ The excess profits net income for returns with taxable year beginning in 1943 is obtained, as in 1942, from the normal-tax net income (computed without allowance of credit for income subject to excess profits tax and without allowance of dividends received credit) by making certain adjustments, consisting principally of the exclusion of long-term capital gains and losses, and dividends received from domestic corporations.

6/ The adjusted excess profits net income is the excess profits net income less the sum of the specific exemption, excess profits credit, and unused excess profits credit adjustment. For part year returns, the amounts of excess profits net income and adjusted excess profits net income have been placed on an annual basis.

7/ The industrial classification is based on the business activity reported on the return. When multiple businesses are reported on a return, the classification is determined by the business activity which accounts for the largest percentage of total receipts. Therefore, the industrial groups do not reflect pure industry classifications. The only change in the industrial groups between 1942 and 1943 is the transfer of mutual fire insurance companies issuing perpetual policies to the minor group "Other insurance carriers" from the minor group "Mutual insurance, except life or marine."

8/ Total number of returns includes returns of inactive corporations.

9/ "Total compiled receipts" consists of gross sales (less returns and allowances), gross receipts

from operations (where inventories are not an income-determining factor), all interest received on Government obligations (less amortizable bond premium), other interest, rents and royalties, net capital gain, net gain from sale or exchange of property other than capital assets, dividends, and other receipts required to be included in gross income. "Total compiled receipts" excludes nontaxable income other than tax-exempt interest received on certain Government obligations.

10/ "Income subject to excess profits tax," allowed as a credit in computing normal tax and surtax net income for taxable years beginning after December 31, 1941, is, in general, equal to the adjusted excess profits net income. However, in case the excess profits tax is determined as provided in section 721 (relating to abnormalities in income in the taxable period), section 726 (relating to corporations completing contracts under the Merchant Marine Act of 1936), section 731 (relating to corporations engaged in mining strategic minerals), or section 736(b) (relating to corporations with income from long-term contracts), the credit for income subject to excess profits tax is the amount of which the excess profits tax is 90 percent. For the purpose of computing such credit, the excess profits tax used is the tax computed without regard to the limitation provided in section 710(a)(1)(B) (the 80 percent limitation), without regard to the credit provided in section 729(c) and (d) for foreign taxes paid, and without regard to the adjustments provided in section 734 in case of position inconsistent with prior income tax liability.

11/ The industrial classification designated "Investment trusts and investment companies" consists of corporations which derived 90 percent or more of receipts from investments and which at no time during the taxable year had investments in corporations in which they owned 50 percent or more of the voting stock.

12/ The industrial classification designated "Holding companies" consists of corporations which derived 90 percent or more of receipts from investments and which at some time during the taxable year had investments in corporations in which they owned 50 percent or more of the voting stock.

13/ The industrial classification designated "Operating-holding companies" consists of corporations which derived less than 90 percent but more than 50 percent of receipts from investments.

14/ Less than \$500.

15/ The net operating loss deduction tabulated herein is the amount originally reported, consisting only of the net operating loss carry-over reduced by certain adjustments, and does not take into account whatever revisions may subsequently be made as the result of any carry-back of net operating loss from the two succeeding tax years. In general, the net operating loss carry-over is the sum of the net operating losses, if any, for the two preceding taxable years. If there is net income in the first preceding taxable year, the net operating loss for the second preceding taxable year is reduced to the extent such loss has been absorbed by such net income.

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Press Service
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In analyzing the data compiled from returns classified under the major group "Insurance carriers, agents, etc.," it should be noted that life insurance companies are required to include only interest, dividends, and rents in gross income. Beginning 1942, life insurance companies were allowed a "reserve and other policy liability credit" equal to a flat percentage of investment income less tax-exempt interest. This credit, which is deducted after arriving at net income, takes the place of the deductions for reserve earnings, deferred dividends, and interest paid, which formerly were allowed in computing net income. For 1943 the credit rate is 91.98 percent and for normal tax purposes the aggregate amount of reserve and other policy liability credit is \$902,706,498, reported only on returns with net income. As an offset to this credit, adjustment for certain non-life insurance reserves is reported in total amount of \$5,202,812 on returns with net income. The latter adjustment, which is made in order to include in the tax base the interest received on non-life insurance reserves, applies only to life insurance companies deriving a portion of their income from contracts other than life insurance, annuities, or non-cancellable health and accident insurance.

The statistics are compiled from the returns as filed, prior to revisions that may be made as a result of audit by the Bureau of Internal Revenue and prior to changes which may result from carry-backs, from relief granted under section 722, or from the renegotiation of war contracts, after the returns were filed. The effect of renegotiation settlements reached to date with respect to the tax year 1943 will be shown in a special tabulation to be included in the complete report, "Statistics of Income for 1943, Part 2."

TREASURY DEPARTMENT
Washington

FOR RELEASE,
Tuesday, October 22, 1946

Press Service
No. S-121

Secretary of the Treasury Snyder today made public the second in the series of tabulations which will appear in the report "Statistics of Income for 1943, Part 2," compiled from corporation income and declared value excess-profits tax returns, excess profits tax returns, and personal holding company returns. These data are prepared under the direction of Commissioner of Internal Revenue Joseph D. Nunan, Jr.

The following table shows data from corporation returns for 1943, classified by major industrial groups. Items tabulated include number of corporation income and declared value excess-profits tax returns, items of compiled receipts and compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income subject to excess profits tax, income tax, declared value excess-profits tax, excess profits tax, total tax, compiled net profitless total tax, and dividends paid by type of dividend.

In analyzing the data compiled from returns classified under the major group "Insurance carriers, agents, etc.," it should be noted that life insurance companies are required to include only interest, dividends, and rents in gross income. Beginning 1942, life insurance companies were allowed a "reserve and other policy liability credit" equal to a flat percentage of investment income less tax-exempt interest. This credit, which is deducted after arriving at net income, takes the place of the deductions for reserve earnings, deferred dividends, and interest paid, which formerly were allowed in computing net income. For 1943 the credit rate is 91.98 percent and for normal tax purposes the aggregate amount of reserve and other policy liability credit is \$902,706,498, reported only on returns with net income. As an offset to this credit, adjustment for certain non-life insurance reserves is reported in total amount of \$5,202,812 on returns with net income. The latter adjustment, which is made in order to include in the tax base the interest received on non-life insurance reserves, applies only to life insurance companies deriving a portion of their income from contracts other than life insurance, annuities, or non-cancellable health and accident insurance.

The statistics are compiled from the returns as filed, prior to revisions that may be made as a result of audit by the Bureau of Internal Revenue and prior to changes which may result from carry-backs, from relief granted under section 722, or from the renegotiation of war contracts, after the returns were filed. The effect of renegotiation settlements reached to date with respect to the tax year 1943 will be shown in a special tabulation to be included in the complete report, "Statistics of Income for 1943, Part 2."

Footnotes for table in this release

1/ The industrial classification is based on the business activity reported on the return. When multiple businesses are reported on a return, the classification is determined by the business activity which accounts for the largest percentage of total receipts. Therefore, the industrial groups do not reflect pure industry classifications. The only change in the industrial groups between 1942 and 1943 is the transfer of mutual fire insurance companies issuing perpetual policies to the minor group "Other insurance carriers" from the minor group "Mutual insurance, except life or marine."

2/ The industrial classification designated "Investment trusts and investment companies" consists of corporations which derived 90 percent or more of receipts from investments and which at no time during the taxable year had investments in corporations in which they owned 50 percent or more of the voting stock.

3/ The industrial classification designated "Other investment companies, including holding companies," consists of (1) corporations which derived 90 percent or more of receipts from investments and which at some time during the taxable year had investments in corporations in which they owned 50 percent or more of the voting stock and (2) corporations which derived less than 90 percent but more than 50 percent of receipts from investments.

4/ Number of returns excludes returns of inactive corporations.

5/ "Gross sales" consists of amounts received for goods, less returns and allowances, in transactions where inventories are an income-determining factor. For "Cost of goods sold," see "Deductions."

6/ "Gross receipts from operations" consists of amounts received from transactions in which inventories are not an income-determining factor. For "Cost of operations," see "Deductions."

7/ "Interest received on Government obligations, wholly taxable" consists of interest on Treasury notes issued on or after December 1, 1940, and obligations issued on or after March 1, 1941, by the United States or any agency or instrumentality thereof, reported as item 9 (b), page 1, Form 1120.

8/ "Interest received on Government obligations, subject to declared value excess-profits tax and surtax" consists of interest on United States savings bonds and Treasury bonds owned in principal amount of over \$5,000 issued prior to March 1, 1941, reported as item 9 (a), page 1, Form 1120.

9/ "Interest received on Government obligations, subject to surtax only" consists of interest on obligations of instrumentalities of the United States (other than obligations of Federal land banks, joint stock land banks, and Federal intermediate credit banks) issued prior to March 1, 1941, reported as item 9c, page 1, Form 1120.

10/ "Interest received on Government obligations, wholly tax-exempt" consists of interest on obligations of States, Territories, or political subdivisions thereof, the District of Columbia, and United States possessions; obligations of the United States issued on or before September 1, 1937; all postal savings bonds; Treasury notes issued prior to December 1, 1940; Treasury bills issued prior to March 1, 1941; United States savings bonds and Treasury bonds owned in principal amount of \$5,000 or less, issued prior to March 1, 1941; and obligations issued prior to March 1, 1941, by Federal land banks, joint stock land banks, and Federal intermediate credit banks. Interest from such sources is reported under item 15 (a) of schedule M, page 4, Form 1120.

11/ Amount shown as "Rents and royalties" consists of gross amounts received. The amounts of depreciation, repairs, interest, taxes, and other expenses, which are deductible from the gross amount received for rents, and the amount of depletion, which is deductible from the gross amount of royalties received, are included in the respective deduction items.

12/ "Net capital gain" is the net amount of gain arising from the sale or exchange of capital assets. (A net loss from this source is not deductible for the current year, but may be carried over and applied against capital gains in the five succeeding taxable years.) The term "Capital assets" means property held by the taxpayer (whether or not connected with trade or business), but excludes (1) stock in trade or other property which would properly be included in inventory if on hand at the close of the taxable year, (2) property held primarily for sale to customers in the ordinary course of trade or business, (3) property used in trade or business, of a character which is subject to the allowance for depreciation, (4) Government obligations issued on or after March 1, 1941, on a discount basis and payable without interest at a fixed maturity date not exceeding one year from the date of issue, and (5) real property used in the trade or business of the taxpayer. Beginning 1942 gains and losses from (a) sale or exchange of depreciable property and real property, used in the trade or business and held for more than 6 months, and from (b) involuntary conversion of such property and of capital assets held for more than 6 months are treated as long-term capital gains and losses, if the gains exceed the losses. If the losses exceed the gains, the net loss is deductible as an ordinary loss. For taxable years beginning after December 31, 1941, "short-term" applies to gains or losses on the sale or exchange of capital assets held six months or less; "long-term" applies to gains or losses on capital assets held over six months.

13/ "Net gain or loss, sales other than capital assets" is the net amount of gain or loss arising from the sale or exchange of depreciable property and real property used in trade or business. If such property has been held for more than 6 months, special treatment of the gain or loss is provided as described in note 12 above.

14/ "Dividends, domestic corporations" consists of dividends received from domestic corporations subject to income taxation under chapter 1 of the Internal Revenue Code. This item is reported in column 2, schedule E, page 3, Form 1120, and is the amount used for computation of the dividends received credit. There is excluded from this amount dividends from corporations organized under the China Trade Act, 1922, and corporations entitled to the benefits of section 251 of the Internal Revenue Code (corporations receiving a large portion of their gross income from sources within a possession of the United States), such dividends being included in "Other receipts."

15/ "Dividends, foreign corporations" is the amount reported in column 3, schedule E, page 3, Form 1120, and is not used for the computation of dividends received credit.

16/ "Total compiled receipts" excludes nontaxable income other than tax-exempt interest received on certain Government obligations.

17/ Where the amount reported as "Cost of goods sold" or "Cost of operations" includes items of deductions such as depreciation, taxes, etc., these items ordinarily are not transferred to their specific headings. However, an exception is made with respect to amortization of emergency facilities reported in costs, such amount being transferred to "Amortization."

18/ Amount shown as "Repairs" is the cost of incidental repairs, including labor and supplies, which do not add materially to the value of the property or appreciably prolong its life.

19/ The item "Taxes paid" excludes (1) Federal income tax and Federal excess profits taxes, (2) estate, inheritance, legacy, succession, and gift taxes, (3) income taxes paid to a foreign country or possession of the United States if any portion is claimed as a tax credit, (4) taxes assessed against local benefits, (5) Federal taxes paid on tax-free covenant bonds, and (6) taxes reported in "Cost of goods sold" and "Cost of operations."

20/ The deduction claimed for "Contributions or gifts" is limited to 5 percent of net income as computed without the benefit of this deduction.

21/ Amount shown as "Amortization" is the deduction provided by the Second Revenue Act of 1940 with respect to the amortization of the cost of emergency facilities necessary for national defense.

22/ "Net income" or "Deficit" is the amount reported for declared value excess-profits tax computation adjusted by excluding net operating loss deduction (items 31 and 27, respectively, page 1, Form 1120). See note 23.

23/ The net operating loss deduction tabulated herein is the amount originally reported, consisting only of the net operating loss carry-over reduced by certain adjustments, and does not take into account whatever revisions may subsequently be made as the result of any carry-back of net operating loss from the two succeeding tax years. In general, the net operating loss carry-over is the sum of the net operating losses, if any, for the two preceding taxable years. If there is net income in the first preceding taxable year, the net operating loss for the second preceding taxable year is reduced to the extent such loss has been absorbed by such net income.

24/ "Income subject to excess profits tax," allowed as a credit in computing normal tax and surtax net income for taxable years beginning after December 31, 1941, is, in general, equal to the adjusted excess profits net income. However, in case the excess profits tax is determined as provided in section 721 (relating to abnormalities in income in the taxable period), section 726 (relating to corporations completing contracts under the Merchant Marine Act of 1936), section 731 (relating to corporations engaged in mining strategic minerals), or section 736 (b) (relating to corporations with income from long-term contracts), the credit for income subject to excess profits tax is the amount of which the excess profits tax is 90 percent. For the purpose of computing such credit, the excess profits tax used is the tax computed without regard to the limitation provided in section 710 (a)(1)(B) (the 80 percent limitation), without regard to the credit provided in section 729 (c) and (d) for foreign taxes paid, and without regard to the adjustments provided in section 734 in case of position inconsistent with prior income tax liability.

25/ "Income tax" for 1943 consists of normal tax, surtax, and alternative tax reported in lieu of normal tax and surtax where the income includes an excess of net long-term capital gain over net short-term capital loss, if and only if such tax is less than the normal tax and surtax. Tabulated with the income tax for returns with net income is a small amount of surtax reported on returns with no net income, where receipts for the taxable year include interest on obligations of certain instrumentalities of the United States, described in note 9.

26/ Although the filing of consolidated returns is not permitted for declared value excess-profits tax purposes, the declared value excess-profits tax reported by the members of an affiliated group of corporations filing a consolidated income tax return is ordinarily tabulated under the same classifications as the income tax return. A small amount of declared value excess-profits tax reported by corporations whose consolidated income tax returns show no net income is included with the declared value excess-profits tax shown for returns with net income.

27/ The excess profits tax shown is that imposed by section 710 of the Internal Revenue Code as amended and should not be confused with the declared value excess-profits tax. The amount shown is the excess profits tax liability reported on corporation excess profits tax returns, less the credit for debt retirement and the net post-war refund. Throughout this release, the 1943 tax is before the amount deferred under section 710(a)(5) (relating to abnormalities under section 722) and after any adjustments under other relief provisions.

28/ Amount shown as "Compensation of officers" excludes compensation of officers of life insurance companies which file Form 1120L. Date not available.

29/ See note 28.

30/ Compiled net loss or deficit.

31/ Compiled net loss after total tax payment.

32/ Less than \$500.

Footnotes for tables in this release - Continued

20/ "Net gain or loss, sales other than capital assets" is the net amount of gain or loss arising from the sale or exchange of depreciable property and real property used in trade or business. If such property has been held for more than six months, special treatment of the gain or loss is provided as described in note 19 above.

21/ "Dividends, domestic corporations" consists of dividends received from domestic corporations subject to income taxation under chapter 1 of the Internal Revenue Code. This item is reported in column 2, schedule E, page 3, Form 1120, and is the amount used for computation of the dividends received credit. There is excluded from this amount dividends from corporations organized under the China Trade Act, 1922, and corporations entitled to the benefits of section 251 of the Internal Revenue Code (corporations receiving a large portion of their gross income from sources within a possession of the United States), such dividends being included in "Other receipts."

22/ "Dividends, foreign corporations" is the amount reported in column 3, schedule E, page 3, Form 1120, and is not used for the computation of dividends received credit.

23/ "Total compiled receipts" excludes nontaxable income other than tax-exempt interest received on certain Government obligations.

24/ Where the amount reported as "Cost of goods sold" or "Cost of operations" includes items of deductions such as depreciation, taxes, etc., these items ordinarily are not transferred to their specific headings. However, an exception is made with respect to amortization of emergency facilities reported in costs, such amount being transferred to "Amortization."

25/ Amount shown as "Repairs" is the cost of incidental repairs, including labor and supplies, which do not add materially to the value of the property or appreciably prolong its life.

26/ The item "Taxes paid" excludes (1) Federal income tax and Federal excess profits taxes, (2) estate, inheritance, legacy, succession, and gift taxes, (3) income taxes paid to a foreign country or possession of the United States if any portion is claimed as a tax credit, (4) taxes assessed against local benefits, (5) Federal taxes paid on tax-free covenant bonds, and (6) taxes reported in "Cost of goods sold" and "Cost of operations."

27/ The deduction claimed for "Contributions or gifts" is limited to 5 percent of net income as computed without the benefit of this deduction.

28/ Amount shown as "Amortization" is the deduction provided by the Second Revenue Act of 1940 with respect to the amortization of the cost of emergency facilities necessary for national defense.

29/ The net operating loss deduction tabulated herein is the amount originally reported, consisting only of the net operating loss carry-over reduced by certain adjustments, and does not take into account whatever revisions may subsequently be made as the result of any carry-back of net operating loss from the two succeeding tax years. In general, the net operating loss carry-over is the sum of the net operating losses, if any, for the two preceding taxable years. If there is net income in the first preceding taxable year, the net operating loss for the second preceding taxable year is reduced to the extent such loss has been absorbed by such net income.

30/ "Income subject to excess profits tax," allowed as a credit in computing normal tax and surtax net income for taxable years beginning after December 31, 1941, is, in general, equal to the adjusted excess profits net income. However, in case the excess profits tax is determined as provided in section 721 (relating to abnormalities in income in the taxable period), section 726 (relating to corporations completing contracts under the Merchant Marine Act of 1936), section 731 (relating to corporations engaged in mining strategic minerals), or section 736(b) (relating to corporations with income from long-term contracts), the credit for income subject to excess profits tax is the amount of which the excess profits tax is 90 percent. For the purpose of computing such credit, the excess profits tax used is the tax computed without regard to the limitation provided in section 710(a)(1)(B) (the 80 percent limitation), without regard to the credit provided in section 729(c) and (d) for foreign taxes paid, and without regard to the adjustments provided in section 734 in case of position inconsistent with prior income tax liability.

31/ "Income tax" for 1943 consists of normal tax, surtax, and alternative tax reported in lieu of normal tax and surtax where the income includes an excess of net long-term capital gain over net short-term capital loss, if and only if such tax is less than the normal tax and surtax. Tabulated with the income tax for returns with net income is a small amount of surtax reported on returns with no net income, where receipts for the taxable year include interest on obligations of certain instrumentalities of the United States, described in note 16.

32/ Although the filing of consolidated returns is not permitted for declared value excess-profits tax purposes, the declared value excess-profits tax reported by the members of an affiliated group of corporations filing a consolidated income tax return is ordinarily tabulated under the same classifications as the income tax return. A small amount of declared value excess-profits tax reported by corporations whose consolidated income tax returns show no net income is included with the declared value excess-profits tax shown for returns with net income.

33/ The excess profits tax shown is that imposed by section 710 of the Internal Revenue Code as amended and should not be confused with the declared value excess-profits tax. The amount shown is the excess profits tax liability reported on corporation excess profits tax returns, less the credit for debt retirement and the net post-war refund. Throughout this release, the 1943 tax is before the amount deferred under section 710(a)(5) (relating to abnormalities under section 722) and after any adjustments under other relief provisions.

34/ Amount shown as "Compensation of officers" excludes compensation of officers of life insurance companies which file Form 1120L. Data not available.

35/ See note 34.

36/ Less than \$500.

37/ Compiled net loss or deficit.

Footnotes for tables in this release

1/ "Net income" or "Deficit" is the amount reported for declared value excess-profits tax computation adjusted by excluding net operating loss deduction (items 31 and 27, respectively, page 1, Form 1120). See note 29.

2/ The industrial classification is based on the business activity reported on the return. When multiple businesses are reported on a return, the classification is determined by the business activity which accounts for the largest percentage of total receipts. Therefore, the industrial groups do not reflect pure industry classifications. The only change in the industrial groups between 1942 and 1943 is the transfer of mutual fire insurance companies issuing perpetual policies to the minor group "Other insurance carriers" from the minor group "Mutual insurance, except life or marine."

3/ The industrial classification designated "Investment trusts and investment companies" consists of corporations which derived 90 percent or more of receipts from investments and which at no time during the taxable year had investments in corporations in which they owned 50 percent or more of the voting stock.

4/ The industrial classification designated "Other investment companies, including holding companies," consists of (1) corporations which derived 90 percent or more of receipts from investments and which at some time during the taxable year had investments in corporations in which they owned 50 percent or more of the voting stock and (2) corporations which derived less than 90 percent but more than 50 percent of receipts from investments.

5/ "Number of returns with balance sheets" excludes returns of inactive corporations and returns of active corporations for which balance sheet data are lacking.

6/ Amount shown as "Cash" includes bank deposits.

7/ Amount shown as "Investments, Government obligations" consists of obligations of the United States or agency or instrumentality thereof as well as obligations of States, Territories, and political subdivisions thereof, the District of Columbia, and United States possessions.

8/ Amount shown as "Capital assets" consists of (1) depreciable tangible assets such as buildings, fixed mechanical equipment, manufacturing facilities, transportation facilities, and furniture and fixtures, (2) depreciable intangible assets - natural resources, and (3) intangible assets such as patents, franchises, formulas, copyrights, leaseholds, goodwill, and trade-marks. (Amounts in both tables of this release exclude land.)

9/ Assets and liabilities are tabulated as of December 31, 1943, or close of fiscal year nearest thereto. Total assets classes are based on the net amount of total assets after reserves for depreciation, depletion, amortization, and bad debts. Adjustments are made in tabulating the data, as follows: (1) Reserves, when shown under liabilities, are used to reduce corresponding asset accounts, and "Total assets" and "Total liabilities" are decreased by the amount of such reserves, and (2) a deficit in surplus, shown under assets, is transferred to liabilities, and "Total assets" and "Total liabilities" are decreased by the amount of the deficit.

10/ Amount shown as "Surplus and undivided profits" consists of paid-in or capital surplus and earned surplus and undivided profits. See note 11.

11/ Amount shown as "Deficit" consists of negative amounts of earned surplus and undivided profits.

12/ "Gross sales" consists of amounts received for goods, less returns and allowances, in transactions where inventories are an income-determining factor. For "Cost of goods sold," see "Deductions."

13/ "Gross receipts from operations" consists of amounts received from transactions in which inventories are not an income-determining factor. For "Cost of operations," see "Deductions."

14/ "Interest received on Government obligations, wholly taxable" consists of interest on Treasury notes issued on or after December 1, 1940, and obligations issued on or after March 1, 1941, by the United States or any agency or instrumentality thereof, reported as item 9(b), page 1, Form 1120.

15/ "Interest received on Government obligations, subject to declared value excess-profits tax and surtax" consists of interest on United States savings bonds and Treasury bonds owned in principal amount of over \$5,000 issued prior to March 1, 1941, reported as item 9(a), page 1, Form 1120.

16/ "Interest received on Government obligations, subject to surtax only" consists of interest on obligations of instrumentalities of the United States (other than obligations of Federal land banks, joint stock land banks, and Federal intermediate credit banks) issued prior to March 1, 1941, reported as item 32, page 1, Form 1120.

17/ "Interest received on Government obligations, wholly tax-exempt" consists of interest on obligations of States, Territories, or political subdivisions thereof, the District of Columbia, and United States possessions; obligations of the United States issued on or before September 1, 1917; all postal savings bonds; Treasury notes issued prior to December 1, 1940; Treasury bills issued prior to March 1, 1941; United States savings bonds and Treasury bonds owned in principal amount of \$5,000 or less, issued prior to March 1, 1941; and obligations issued prior to March 1, 1941, by Federal land banks, joint stock land banks, and Federal intermediate credit banks. Interest from such sources is reported under item 15(a) of schedule M, page 4, Form 1120.

18/ Amount shown as "Rents and royalties" consists of gross amounts received. The amounts of depreciation, repairs, interest, taxes, and other expenses, which are deductible from the gross amount received for rents, and the amount of depletion, which is deductible from the gross amount of royalties received, are included in the respective deduction items.

19/ "Net capital gain" is the net amount of gain arising from the sale or exchange of capital assets. (A net loss from this source is not deductible for the current year, but may be carried over and applied against capital gains in the five succeeding taxable years.) The term "Capital assets" means property held by the taxpayer (whether or not connected with trade or business) but excludes (1) stock in trade or other property which would properly be included in inventory if on hand at the close of the taxable year, (2) property held primarily for sale to customers in the ordinary course of trade or business, (3) property used in trade or business, of a character which is subject to the allowance for depreciation, (4) Government obligations issued on or after March 1, 1941, on a discount basis and payable without interest at a fixed maturity date not exceeding one year from the date of issue, and (5) real property used in the trade or business of the taxpayer. Beginning 1942 gains and losses from (a) sale or exchange of depreciable property and real property, used in the trade or business and held for more than six months, and from (b) involuntary conversion of such property and of capital assets held for more than six months are treated as long-term capital gains and losses, if the gains exceed the losses. If the losses exceed the gains, the net loss is deductible as an ordinary loss. For taxable years beginning after December 31, 1941, "short-term" applies to gains or losses on the sale or exchange of capital assets held six months or less; "long-term" applies to gains or losses on capital assets held over six months.

Press Service
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compiled net profit less total tax, and dividends paid by type of dividend.

In analyzing the data compiled from returns classified under the major group "Insurance carriers, agents, etc.," it should be noted that life insurance companies are required to include only interest, dividends, and rents in gross income. Beginning 1942, life insurance companies were allowed a "reserve and other policy liability credit" equal to a flat percentage of investment income less tax-exempt interest. This credit, which is deducted after arriving at net income, takes the place of the deductions for reserve earnings, deferred dividends, and interest paid, which formerly were allowed in computing net income. For 1943 the credit rate is 91.98 percent; for normal tax purposes the aggregate amount of reserve and other policy liability credit reported on returns with balance sheets is \$901,880,385, applicable only to returns with net income. As an offset to this credit, adjustment for certain non-life insurance reserves is reported in total amount of \$5,194,445 on returns with balance sheets. The latter adjustment, which is made in order to include in the tax base the interest received on non-life insurance reserves, applies only to life insurance companies deriving a portion of their income from contracts other than life insurance, annuities, or non-cancellable health and accident insurance.

The statistics are compiled from the returns as filed, prior to revisions that may be made as a result of audit by the Bureau of Internal Revenue and prior to changes which may result from carry-backs, from relief granted under section 722, or from the renegotiation of war contracts, after the returns were filed. The effect of renegotiation settlements reached to date with respect to the tax year 1943 will be shown in a special tabulation to be included in the complete report, "Statistics of Income for 1943, Part 2."

TREASURY DEPARTMENT
Washington

FOR RELEASE,
Tuesday, October 29, 1946

Press Service
No. S-122

Secretary of the Treasury Snyder today made public the third in the series of tabulations which will appear in the report "Statistics of Income for 1943, Part 2," compiled from corporation income and declared value excess-profits tax returns, excess profits tax returns, and personal holding company returns. These data are prepared under the direction of Commissioner of Internal Revenue Joseph D. Nunan, Jr.

The accompanying tables show data from corporation income and declared value excess-profits tax returns with balance sheets, classified by major industrial groups in table 1 and by total assets classes in table 2. Tabulated under each classification are the number of returns, items of assets and liabilities as of the close of the taxable year, items of compiled receipts and compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income subject to excess profits tax, income tax, declared value excess-profits tax, excess profits tax as reported on corporation excess profits tax returns, total tax, compiled net profit less total tax, and dividends paid by type of dividend.

In analyzing the data compiled from returns classified under the major group "Insurance carriers, agents, etc.," it should be noted that life insurance companies are required to include only interest, dividends, and rents in gross income. Beginning 1942, life insurance companies were allowed a "reserve and other policy liability credit" equal to a flat percentage of investment income less tax-exempt interest. This credit, which is deducted after arriving at net income, takes the place of the deductions for reserve earnings, deferred dividends, and interest paid, which formerly were allowed in computing net income. For 1943 the credit rate is 91.98 percent; for normal tax purposes the aggregate amount of reserve and other policy liability credit reported on returns with balance sheets is \$901,880,385, applicable only to returns with net income. As an offset to this credit, adjustment for certain non-life insurance reserves is reported in total amount of \$5,194,445 on returns with balance sheets. The latter adjustment, which is made in order to include in the tax base the interest received on non-life insurance reserves, applies only to life insurance companies deriving a portion of their income from contracts other than life insurance, annuities, or non-cancellable health and accident insurance.

The statistics are compiled from the returns as filed, prior to revisions that may be made as a result of audit by the Bureau of Internal Revenue and prior to changes which may result from carry-backs, from relief granted under section 722, or from the renegotiation of war contracts, after the returns were filed. The effect of renegotiation settlements reached to date with respect to the tax year 1943 will be shown in a special tabulation to be included in the complete report, "Statistics of Income for 1943, Part 2."

Treasury Dept
Work

Press Service

No. 5-123

Monday
FOR IMMEDIATE RELEASE,
October 21, 1946.

The Bureau of Customs announced today that the quota of 1,000 pounds of wheat flour, semolina, crushed or cracked wheat, and similar wheat products, the product of Mexico, which may be entered for consumption or withdrawn from warehouse for consumption during the quota year May 29, 1946, through May 28, 1947, established by the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, has been filled.

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE

Monday, October 21, 1946

Press Service

No. S-123

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have only begun to realize the greatness of this country at home and abroad.

But we must never forget wherein lies our strength. That unity of purpose which carried us to military victory is one of the greatest single forces in the majesty of this country. This unity is the power of our past achievements and the hope for our future.

o Oo

as individuals and as citizens.

Their solution must come from within, through vigorous self-discipline.

I believe that we Americans, as individual citizens, have the foresight to see beyond the natural interest we have in the affairs of any group to which we may belong.

I believe that we have the fortitude to discipline ourselves to the exercise of our individual responsibility. With these convictions I am confident we would find that we

No family falls so low in prestige and respect in a community as that one which is torn by internal strife. So it can well be in world affairs.

Can we continue to dismiss as just "growing pains" of our American system, the extremes to which industrial strife has gone in some instances? Or the selfish grasping for more and more, regardless of the public welfare, that has been apparent in some quarters of our economy?

These are problems that stir deeply, down to the moral fibers of all of us

For the sake of our own welfare, and for the sake of our influence in the world, we must combat those forces that would undermine the economic progress of this country.

For, what shall it profit a man -- or a nation -- if he shall gain the whole world, and lose his own soul?

I wonder sometimes if we realize how much the exploitation of our domestic conflicts serves to diminish our force for good among nations.

our part toward relief of human suffering throughout the world and of our efforts to attain a broadening prosperity through the expansion of international trade.

Let us turn to the second of the dangers I mentioned. Having developed the magnificent country we have here, we cannot permit ^{impatience} ~~self-interest~~, lack of unity, or lack of cooperation to destroy the fruits of these great accomplishments.

a few weeks ago. It was my privilege, as Chairman of the Boards of Governors, to preside at these meetings. I experienced at first hand the enthusiastic support of representatives of many nations for the principles of international good will and cooperation upon which all of us hope will be built an era of spiritual and material progress.

We should be proud of the part the United States has played in this endeavor; we should be proud of

A people united is one force the nations of the world will understand.

We have but lately had a splendid proof that international cooperation for good can be accomplished, and that this nation can occupy a position of wise leadership in such an effort.

Bearing fruit from far-sighted planning, the first annual meetings of the International Bank for Reconstruction and Development and of the International Monetary Fund were held in Washington

Just this afternoon, in New York, the Assembly of the United Nations began deliberations which all of us hope will contribute greatly to cooperation among nations. President Truman, in addressing that Assembly's opening session, stated anew the determination of the United States to devote its every energy toward peaceful solution of the problems that still trouble the peoples of the world.

We must, all of us, stand behind the President as he ~~works~~^{works} toward that end.

wars. In our own self-interest, can we do other than exert ourselves to the utmost in building up the plans for economic stability, looking toward effecting a genuine world peace?

We CAN, as a people, wield a continuing and powerful influence toward that end. We must have patience, we must strive for understanding of our neighbors, above all we must strive toward a solidarity at home behind the foreign policy program of our country.

The young Republic's manifestation of a successful democracy set a pattern for worldwide political reform, imbedded in the aspirations of all peoples.

During the years our material progress has set a goal toward which the rest of the world constantly is striving.

Now, within a generation, this force for good in world affairs has been exerted militantly against the forces of destruction in two world

From the old world came the legions seeking this new, this novel way of life. In our growing cities, and in our fertile plains, and in the wealth of our resources, we made a place for them. It is not too much to say that these new citizens in turn made a place for us among the great nations; for out of their energy and zeal, and out of the strength of their character, came much of our vitality as a people.

Even before we were a nation, these shores afforded a haven for those trampled under the heel of hate, of discrimination, of persecution, whether political, religious, or economic.

As a youthful, growing nation, the United States continued to stand as a beacon for all mankind, offering those freedoms of spirit and opportunity which were peculiar to this country.

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chances for a prosperous economy and our potential as a force for good in the world. To prevent this is a responsibility equally of capital, agriculture, labor and management.

A glance at history reveals that, whether we have willed it or not, our country has, almost from its founding, exerted an ever growing influence upon world affairs. We cannot escape our responsibility. We must advance or recede; we cannot stand still -- and as we move we must move together.

contributions to the national welfare and to a peaceful, prosperous world.

There are two certain dangers we must guard against during this period of readjustment. First, although at times the progress toward a lasting world peace seems so painfully slow, we must constantly resist the temptation to retire smugly, into the tent of a new isolationism.

And second, we must also see to it that selfishness, and grasping desires, and lack of unity do not gain ascendancy within our country, so as to destroy our

our national unity and military greatness, we achieved victory over our enemies, there have appeared forces and tendencies in our country that are more than a little disturbing.

It is not in any spirit of criticism, but rather from a feeling that we must, as a people, experience a resurgence of greatness, that I should like, tonight, to suggest that we thoroughly examine ourselves; that we look at ourselves as individuals, and as citizens, in the light of our

Truly, as our world has shrunk, our place in its affairs has loomed ever larger.

5/21/42
We have had to raise our sights, and to expand our thinking. It augurs well for the national well-being that out here in this almost self-^{sustaining}~~sufficient~~ mid-west, the people are so keenly interested in, and so concerned for, our national problems and our international responsibilities.

Yet, in the little more than a year that has elapsed since, at the peak of

United States Navy aircraft, the "Truculent Turtle," fly non-stop from Australia to Ohio, a distance of 11,236 miles, in only 55 hours; and an equally great Army crew fly the "Dreamboat" across the Polar cap from Honolulu to Cairo, 9,500 miles, in 39 1/2 hours.

Many of you here tonight recall our amazed elation when, but 19 years ago, the "Spirit of St. Louis" flew from New York to Paris, a then almost unbelievable non-stop distance.

Rockies, into a national consciousness, typical of the unity that carried us to military victory. As a nation we have broadened our horizons beyond the Atlantic and beyond the Pacific, into a growing appreciation of our position as a World Power striving for peace and progress.

We have recently had a stirring demonstration of the forces that have impelled us along this path. We saw within the span of a few days, a great

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During the years in which it was my privilege to have a part in your business life here in St. Louis, I came to have a deep appreciation of the things this community stands for, symbolic as it is of the progress of the Middlewest, of which it is the heart.

We have come a long way during these years. As a community, you here in St. Louis have widened your horizons beyond the Alleghenies and beyond the

An Address by John W. Snyder,
Secretary of the Treasury Before
the St. Louis Chamber of Commerce on
October 23, 1946

For Release 9:30 P.M., CST,
Wednesday, October 23, 1946.

Press Release
No S-12

(The following address by Secretary Snyder
before the St. Louis Chamber of Commerce
in the Jefferson Hotel, St. Louis, Mo.,
is scheduled for delivery at 9:30 P.M.,
C. S. T., Wednesday, October 23, 1946
and is for release at that time.)

TREASURY DEPARTMENT

Washington

FOR RELEASE 9:30 P.M., C.S.T.,
Wednesday, October 23, 1946.

Press Service
No. S-124

(The following address by Secretary Snyder before the St. Louis Chamber of Commerce in the Jefferson Hotel, St. Louis, Mo., is scheduled for delivery at 9:30 P.M., C.S.T., Wednesday, October 23, 1946 and is for release at that time.)

During the years in which it was my privilege to have a part in your business life here in St. Louis, I came to have a deep appreciation of the things this community stands for, symbolic as it is of the progress of the Middlewest, of which it is the heart.

We have come a long way during these years. As a community, you here in St. Louis have widened your horizons beyond the Alleghenies and beyond the Rockies, into a national consciousness, typical of the unity that carried us to military victory. As a nation we have broadened our horizons beyond the Atlantic and beyond the Pacific, into a growing appreciation of our position as a World Power striving for peace and progress.

We have recently had a stirring demonstration of the forces that have impelled us along this path. We saw within the span of a few days, a great United States Navy aircraft, the "Truculent Turtle", fly non-stop from Australia to Ohio, a distance of 11,236 miles, in only 55 hours; and an equally great Army crew fly the "Dreamboat" across the Polar cap from Honolulu to Cairo, 9,500 miles, in 39 1/2 hours.

Many of you here tonight recall our amazed elation when, but 19 years ago, the "Spirit of St. Louis" flew from New York to Paris, a then almost unbelievable non-stop distance.

Truly, as our world has shrunk, our place in its affairs has loomed ever larger.

We have had to raise our sights, and to expand our thinking. It augurs well for the national well-being that out here in this almost self-sustaining mid-west, the people are so keenly interested in, and so concerned for, our national problems and our international responsibilities.

Yet, in the little more than a year that has elapsed since, at the peak of our national unity and military greatness, we achieved victory over our enemies, there have appeared forces and tendencies in our country that are more than a little disturbing.

It is not in any spirit of criticism, but rather from a feeling that we must, as a people, experience a resurgence of greatness, that I should like, tonight, to suggest that we thoroughly examine ourselves; that we look at ourselves as individuals, and as citizens, in the light of our contributions to the national welfare and to a peaceful, prosperous world.

There are two certain dangers we must guard against during this period of readjustment. First, although at times the progress toward a lasting world peace seems so painfully slow, we must constantly resist the temptation to retire smugly, into the tent of a new isolationism.

And second, we must also see to it that selfishness, and grasping desires, and lack of unity do not gain ascendancy within our country, so as to destroy our chances for a prosperous economy and our potential as a force for good in the world. To prevent this is a responsibility equally of capital, agriculture, labor and management.

A glance at history reveals that, whether we have willed it or not, our country has, almost from its founding, exerted an ever growing influence upon world affairs. We cannot escape our responsibility. We must advance or recede; we cannot stand still -- and as we move we must move together.

Even before we were a nation, these shores afforded a haven for those trampled under the heel of hate, of discrimination, of persecution, whether political, religious, or economic.

As a youthful, growing nation, the United States continued to stand as a beacon for all mankind, offering those freedoms of spirit and opportunity which were peculiar to this country.

From the old world came the legions seeking this new, this novel way of life. In our growing cities, and in our fertile plains, and in the wealth of our resources, we made a place for them. It is not too much to say that these new citizens in turn made a place for us among the great nations; for out of their energy and zeal, and out of the strength of their character, came much of our vitality as a people.

The young Republic's manifestation of a successful democracy set a pattern for worldwide political reform, imbedded in the aspirations of all peoples.

During the years our material progress has set a goal toward which the rest of the world constantly is striving.

Now, within a generation, this force for good in world affairs has been exerted militantly against the forces of destruction in two world wars. In our own self-interest, can we do other than exert ourselves to the utmost in building up the plans for economic stability, looking toward effecting a genuine world peace?

We can, as a people, wield a continuing and powerful influence toward that end. We must have patience, we must strive for understanding of our neighbors, above all we must strive toward a solidarity at home behind the foreign policy program of our country.

Just this afternoon, in New York, the Assembly of the United Nations began deliberations which all of us hope will contribute greatly to cooperation among nations. President Truman, in addressing that Assembly's opening session, stated anew the determination of the United States to devote its every energy toward peaceful solution of the problems that still trouble the peoples of the world.

We must, all of us, stand behind the President as he works toward that end.

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We should be proud of the part the United States has played in this endeavor; we should be proud of our part toward relief of human suffering throughout the world and of our efforts to attain a broadening prosperity through the expansion of international trade.

Let us turn to the second of the dangers I mentioned. Having developed the magnificent country we have here, we cannot permit impatience, lack of unity, or lack of cooperation to destroy the fruits of these great accomplishments.

For the sake of our own welfare, and for the sake of our influence in the world, we must combat those forces that would undermine the economic progress of this country.

For, what shall it profit a man -- or a nation -- if he shall gain the whole world, and lose his own soul?

I wonder sometimes if we realize how much the exploitation of our domestic conflicts serves to diminish our force for good among nations. No family falls so low in prestige and respect in a community as that one which is torn by internal strife. So it can well be in world affairs.

Can we continue to dismiss as just "growing pains" of our American system, the extremes to which industrial strife has gone in some instances? Or the selfish grasping for more and more, regardless of the public welfare, that has been apparent in some quarters of our economy?

These are problems that stir deeply, down to the moral fibers of all of us as individuals and as citizens.

Their solution must come from within, through vigorous self-discipline.

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I believe that we have the fortitude to discipline ourselves to the exercise of our individual responsibility. With these convictions I am confident we would find that we have only begun to realize the greatness of this country at home and abroad.

But we must never forget wherein lies our strength. That unity of purpose which carried us to military victory is one of the greatest single forces in the majesty of this country. This unity is the power of our past achievements and the hope for our future.

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ALPHA

- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on October 31, 1946.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

ALPHA

5-125

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, October 25, 1946

(1)

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated October 31, 1946, and will mature January 30, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, October 28, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, October 25, 1946

Press Service
No. S-125

The Secretary of the Treasury, by this public notice, invites tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated October 31, 1946, and will mature January 30, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000 and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, October 28, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on October 31, 1946.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117(a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

Treasury Department
Bureau of Internal Revenue
Washington, D. C.

Tuesday News

Oct. ~~1946~~

5-126

The Treasury Department

~~Joseph D. Nunan, Jr., Commissioner of Internal Revenue,~~

announced today the appointment of Harold Dudley Greeley, New York attorney and accountant, as a member of the Excess Profits Tax Council.

Mr. Greeley was born in Minneapolis, Minn., in 1882. He received law degrees from New York University (LL.B.) and the University of Maine (LL.M.) and also took graduate studies at Harvard University. He was admitted to the bar in New York and Connecticut and also qualified as a certified public accountant in New York.

He has been engaged in the practice of both law and accounting since 1912, and has also been a professor of taxation at the New York Law School and a lecturer on taxation and estates at Columbia University, New York University, and other institutions.

Mr. Greeley's appointment completed the roster of the 15-member council, which recently began its program of administering claims of corporate taxpayers for relief from the wartime excess profits tax, under Section 722 of the Internal Revenue Code. Charles D. Hamel is chairman of the council.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, October 29, 1946.

Press Service
No. S-126

The Treasury Department announced today the appointment of Harold Dudley Greeley, New York attorney and accountant, as a member of the Excess Profits Tax Council.

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He has been engaged in the practice of both law and accounting since 1912, and has also been a professor of taxation at the New York Law School and a lecturer on taxation and estates at Columbia University, New York University, and other institutions.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Monday, October 28, 1946.

Press Service

5 127

The Treasury today announced the subscription figures and the basis of allotment for the offering of 7/8 percent Treasury Certificates of Indebtedness of Series K-1947 in exchange for Certificates of Indebtedness of Series J-1946, maturing November 1, 1946, in the amount of \$3,777,773,000.

Reports received from the Federal Reserve Banks show that subscriptions aggregate \$3,432,000,000. Subscriptions in amounts up to and including \$25,000, totaling about \$40,000,000, were allotted in full. Subscriptions in amounts over \$25,000 were allotted 51 percent on a straight percentage basis, but not less than \$25,000 to any one subscriber, with adjustments, where necessary, to the next highest \$1,000.

Details as to subscriptions and allotments will be announced when final reports are received from the Federal Reserve Banks.

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Monday, October 28, 1946

Press Service
No. S-127

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Details as to subscriptions and allotments will be announced when final reports are received from the Federal Reserve Banks.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, October 29, 1946.

Press Service

5-128

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated October 31, 1946, and to mature January 30, 1947, which were offered on October 25, 1946, were opened at the Federal Reserve Banks on October 28.

The details of this issue are as follows:

Total applied for - \$1,754,460,000
 Total accepted - 1,303,261,000 (includes \$29,445,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.905/ Equivalent rate of discount approx. 0.376% per annum
 Range of accepted competitive bids:
 High - 99.906 Equivalent rate of discount approx. 0.372% per annum
 Low - 99.905 " " " " " " 0.376% " "

(73 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 3,769,000	\$ 2,932,000
New York	1,343,216,000	990,583,000
Philadelphia	14,110,000	10,600,000
Cleveland	15,790,000	13,138,000
Richmond	8,605,000	7,930,000
Atlanta	1,690,000	1,690,000
Chicago	273,400,000	201,057,000
St. Louis	33,210,000	24,732,000
Minneapolis	2,065,000	2,065,000
Kansas City	14,915,000	13,754,000
Dallas	5,740,000	5,470,000
San Francisco	37,950,000	29,310,000
TOTAL	\$1,754,460,000	\$1,303,261,000

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, October 29, 1946

Press Service
 No. S-128

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated October 31, 1946, and to mature January 30, 1947, which were offered on October 25, 1946, were opened at the Federal Reserve Banks on October 28.

The details of this issue are as follows:

Total applied for - \$1,754,460,000
 Total accepted - 1,303,261,000 (includes \$29,445,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.905 / Equiv. rate of discount approx 0.376% per annum

Range of accepted competitive bids:

High - 99.906 Equiv. rate of discount approx. 0.372% per annum
 Low - 99.905 " " " " " " 0.376% " "

(73 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 3,769,000	\$ 2,932,000
New York	1,343,216,000	990,583,000
Philadelphia	14,110,000	10,600,000
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Richmond	8,605,000	7,930,000
Atlanta	1,690,000	1,690,000
Chicago	273,400,000	201,057,000
St. Louis	33,210,000	24,732,000
Minneapolis	2,065,000	2,065,000
Kansas City	14,915,000	13,754,000
Dallas	5,740,000	3,470,000
San Francisco	37,950,000	29,310,000
TOTAL	\$1,754,460,000	\$1,303,261,000

COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	Established : TOTAL QUOTA	TOTAL IMPORTS : Sept. 20, 1946 ; to Oct. 19, 1946	ESTABLISHED : 33-1/3% of Total Quota	IMPORTS : Sept. 20, 1946 to Oct. 19, 1/1946.
United Kingdom.....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	69,627	-	-
Netherlands.....	68,240	-	22,747	-
Switzerland.....	44,388	-	14,796	-
Belgium.....	38,559	-	12,853	-
Japan.....	341,535	-	-	-
China.....	17,322	-	-	-
Egypt.....	8,135	-	-	-
Cuba.....	6,544	-	-	-
Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	100,964	1,599,886	-

1/ Included in total imports, column 2.

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to October 19, 1946.

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: 20, 1946, to Oct. 19, 1946	Imports Sept. 20, 1946, to Oct. 19, 1946	Established: 20, 1946, to Oct. 19, 1946	Imports Sept. 20, 1946, to Oct. 19, 1946
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	13,324,635	-
Peru.....	247,952	163,067	3,047,883	-
British India.....	2,003,483	730,262	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
Brazil.....	618,723	618,723	-	-
Union of Soviet Socialist Republics...	475,124	-	-	-
Argentina.....	5,203	5,104	-	-
Haiti.....	237	-	-	-
Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa.....	2,240	-	-	-
Netherlands East Indies.	71,388	-	-	-
Barbados.....	-	-	-	-
Other British West Indies 1/.....	21,321	-	-	501
Nigeria.....	5,377	-	-	-
Other British West Africa 2/.....	16,004	-	-	-
Other French Africa. 3/..	689	-	-	-
Algeria and Tunisia.....	-	-	-	-
	14,516,882	10,400,415	45,656,420	16,373,019

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
 2/ Other than Gold Coast and Nigeria.
 3/ Other than Algeria, Tunisia, and Madagascar.

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Tuesday, October 29, 1946.

Press Service
No. S-129

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to October 19, 1946.

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established Quota	Imports Sept. 20, 1946, to Oct. 19, 1946	Established Quota	Imports Sept. 20, 1946, to Oct. 19, 1946
Egypt and the Anglo-Egyptian Sudan.....	783,816	-		13,324,635
Peru.....	247,952	163,067		3,047,883
British India.....	2,003,483	730,262		-
China.....	1,370,791	-		-
Mexico.....	8,883,259	8,883,259		-
Brazil.....	618,723	618,723		-
Union of Soviet Socialist Republics...	475,124	-		-
Argentina.....	5,203	5,104		-
Haiti.....	237	-		-
Ecuador.....	9,333	-		-
Honduras.....	752	-		-
Paraguay.....	871	-		-
Colombia.....	124	-		-
Iraq.....	195	-		-
British East Africa.....	2,240	-		-
Netherlands East Indies.	71,388	-		-
Barbados.....	-	-		-
Other British West Indies 1/.....	21,321	-		501
Nigeria.....	5,377	-		-
Other British West Africa 2/.....	16,004	-		-
Other French Africa 3/..	689	-		-
Algeria and Tunisia.....	-	-		-
	14,516,882	10,400,415	45,656,420	16,373,019

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
2/ Other than Gold Coast and Nigeria.
3/ Other than Algeria, Tunisia, and Madagascar.

COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin:	Established: TOTAL QUOTA	TOTAL IMPORTS Sept. 20, 1946, to Oct. 19, 1946:	ESTABLISHED: 33-1/3% of Total Quota	IMPORTS Sept. 20, 1946, to Oct. 19, 1946.	1/
United Kingdom.....	4,323,457	-	1,441,152	-	
Canada.....	239,690	31,337	-	-	
France.....	227,420	-	75,807	-	
British India.....	69,627	69,627	-	-	
Netherlands.....	68,240	-	22,747	-	
Switzerland.....	44,388	-	14,796	-	
Belgium.....	38,559	-	12,853	-	
Japan.....	341,535	-	-	-	
China.....	17,322	-	-	-	
Egypt.....	8,135	-	-	-	
Cuba.....	6,544	-	-	-	
Germany.....	76,329	-	25,443	-	
Italy.....	21,263	-	7,088	-	
TOTALS	5,482,509	100,964	1,599,886	-	

1/ Included in total imports, column 2.

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Press Service
No. S-130

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Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, November 4, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on November 7, 1946.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 1, 1946.

Press Service
No. S-130

The Secretary of the Treasury, by this public notice, invites tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated November 7, 1946, and will mature February 6, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, November 4, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal Tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

TREASURY DEPARTMENT

Washington

5-131

FOR IMMEDIATE RELEASE,
Thursday, October 31, 1946.

Press Service

The Secretary of the Treasury today announced the final subscription and allotment figures with respect to the current offering of 7/8 percent Treasury Certificates of Indebtedness of Series K-1947. Subscriptions for amounts up to and including \$25,000 were allotted in full and amounted to \$40,563,000.

Subscriptions and allotments were divided among the several Federal Reserve Districts and the Treasury as follows:

<u>Federal Reserve District</u>	<u>Total Subscriptions Received</u>	<u>Total Subscriptions Allotted</u>
Boston	\$ 81,244,000	\$ 42,208,000
New York	2,026,663,000	1,036,450,000
Philadelphia	82,249,000	42,569,000
Cleveland	90,592,000	47,344,000
Richmond	75,380,000	39,246,000
Atlanta	80,539,000	42,319,000
Chicago	324,216,000	169,758,000
St. Louis	64,602,000	35,039,000
Minneapolis	66,531,000	38,008,000
Kansas City	123,102,000	66,855,000
Dallas	72,105,000	37,715,000
San Francisco	333,899,000	171,263,000
Treasury	11,288,000	5,778,000
TOTAL	\$3,432,410,000	\$1,774,552,000

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Thursday, October 31, 1946

Press Service
 No. S-131

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Dallas	72,105,000	37,715,000
San Francisco	333,899,000	171,263,000
Treasury	11,288,000	5,778,000
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TOTAL	\$3,432,410,000	\$1,774,552,000

PRESS RELEASE

By Under Secretary of the Treasury O. Max Gardner
October 31, 1946

[In view of the numerous comments and personal inquiries that have come to me, some of which have appeared in the press, concerning the consideration of my name by the President for appointment to the Court of Saint James, I desire to say that I have not been tendered the appointment, and, if I should be so honored, I am not in a position to accept. [I greatly appreciate the confidence of those who have suggested my name to the President and Secretary Byrnes.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, November 1, 1946

Press Service
No. S-132

O. Max Gardner, Under Secretary of the Treasury,
today issued the following statement:

In view of the numerous comments and personal inquiries that have come to me, some of which have appeared in the press, concerning the consideration of my name by the President for appointment to the Court of Saint James, I desire to say that I have not been tendered the appointment, and, if I should be so honored, I am not in a position to accept.

I greatly appreciate the confidence of those who have suggested my name to the President and Secretary Byrnes.

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ALPHA

- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on November 14, 1946.

(7)

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

ALPHA

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 5, 1946

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The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated November 14, 1946, and will mature February 13, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

~~(2)~~

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Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Friday, November 8, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

~~(6)~~

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, November 5, 1946

Press Service
No. S-133

The Secretary of the Treasury, by this public notice, invites tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated November 14, 1946, and will mature February 13, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

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The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal Tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

5-134

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 5, 1946.

Press Service

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated November 7, 1946, and to mature February 6, 1947, which were offered on November 1, 1946, were opened at the Federal Reserve Banks on November 4.

The details of this issue are as follows:

Total applied for - \$1,804,814,000
 Total accepted - 1,311,974,000 (includes \$29,149,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.905/4 Equivalent rate of discount approx. 0.376% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
 Low - 99.905 " " " " " " 0.376% " "

(71 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 5,810,000	\$ 4,389,000
New York	1,365,671,000	984,553,000
Philadelphia	18,115,000	13,243,000
Cleveland	7,152,000	5,702,000
Richmond	8,380,000	7,945,000
Atlanta	5,975,000	5,975,000
Chicago	277,012,000	198,843,000
St. Louis	5,681,000	5,275,000
Minneapolis	29,225,000	21,453,000
Kansas City	9,695,000	8,448,000
Dallas	12,948,000	10,338,000
San Francisco	59,150,000	45,810,000
TOTAL	\$1,804,814,000	\$1,311,974,000

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 5, 1946

Press Service
 No. S-134

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated November 7, 1946, and to mature February 6, 1947, which were offered on November 1, 1946, were opened at the Federal Reserve Banks on November 4.

The details of this issue are as follows:

Total applied for - \$1,804,814,000
 Total accepted - 1,311,974,000 (includes \$29,149,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.905 \neq Evuiv. rate of discount approx. 0.376% per annum

Range of accepted competitive bids:

High - 99.907 Equiv. rate of discount approx. 0.368% per annum
 Low - 99.905 " " " " " " 0.376% " "

(71 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 5,810,000	\$ 4,389,000
New York	1,365,671,000	984,553,000
Philadelphia	18,115,000	13,243,000
Cleveland	7,152,000	5,702,000
Richmond	8,380,000	7,945,000
Atlanta	5,975,000	5,975,000
Chicago	277,012,000	198,843,000
St. Louis	5,681,000	5,275,000
Minneapolis	29,225,000	21,453,000
Kansas City	9,695,000	8,448,000
Dallas	12,948,000	10,338,000
San Francisco	59,150,000	45,810,000
TOTAL	\$1,804,814,000	\$1,311,974,000

COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	Established : TOTAL QUOTA	TOTAL IMPORTS : Sept. 20, 1946, to Oct. 26, 1946	ESTABLISHED : 33-1/3% of Total Quota	IMPORTS : Sept. 20, 1946 to Oct. 26, 1946
United Kingdom.....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	69,627	-	-
Netherlands.....	68,240	-	22,747	-
Switzerland.....	44,388	-	14,796	-
Belgium.....	38,559	-	12,853	-
Japan.....	341,535	-	-	-
China.....	17,322	-	-	-
Egypt.....	8,135	-	-	-
Cuba.....	6,544	-	-	-
Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	100,964	1,599,886	

1/ Included in total imports, column 2.

WHEN THIS RELEASE HAS BEEN MIMEOGRAPHED,
PLEASE FORWARD 10 COPIES TO ROOM 403, WILKINS
BLDG.

~~5/35~~

liminary reports from the
tion waste chargeable to the
nations of September 5, 1939,
D, March 31, 1942, and June
October 26, 1946.

(OTHER THAN HARSH OR ROUGH
CHIEFLY USED IN THE MANU-
N LINTERS). Annual quotas

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: 20, 1946, to Oct. 26, 1946	Imports Sept. 20, 1946 to Oct. 26, 1946	Established: 20, 1946 to Oct. 26, 1946	Imports Sept. 20, 1946 to Oct. 26, 1946
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	17,051,208	-
Peru.....	247,952	160,617	3,396,039	-
British India.....	2,003,483	814,330	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
Brazil.....	618,723	618,723	-	-
Union of Soviet Socialist Republics...	475,124	-	31,900	-
Argentina.....	5,203	5,104	-	-
Haiti.....	237	-	-	-
Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa.....	2,240	-	-	-
Netherlands East Indies.	71,388	-	-	-
Barbados.....	-	-	-	-
Other British West Indies 1/.....	21,321	-	501	-
Nigeria.....	5,377	-	-	-
Other British West Africa 2/.....	16,004	-	-	-
Other French Africa. 3/..	689	-	-	-
Algeria and Tunisia.....	-	-	-	-
	14,516,882	10,482,033	45,656,420	20,479,648

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago,
2/ Other than Gold Coast and Nigeria.
3/ Other than Algeria, Tunisia, and Madagascar.

(over)

*Miss Waitz - Please have
this mimeographed &
mailed out to all on the
list -
Thanks.*

Mavis B.

5/25

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, March 31, 1942, and June
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LINTERS). Annual quotas

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: 20, 1946	Quota : Oct. 26, 1946	Imports Sept. : 20, 1946	Established : Quota ; 20, 1946 to Oct. 26, 1946
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	-	17,051,208
Peru.....	247,952	160,617	814,330	3,396,039
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China.....	1,370,791	-	-	-
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(over)

November 5, 1946

Friday

5/134

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to **October 26, 1946.**

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: Sept. 20, 1946 to Oct. 26, 1946	Imports Sept. 20, 1946 to Oct. 26, 1946	Established: Sept. 20, 1946 to Oct. 26, 1946	Imports Sept. 20, 1946 to Oct. 26, 1946
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	17,051,208	-
Peru.....	247,952	160,617	3,396,039	-
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Mexico.....	8,883,259	8,883,259	-	-
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Colombia.....	124	-	-	-
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(over)

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	Imports Sept. 20, 1946, to Oct. 26, 1946	Quota	Imports Sept. 20, 1946, to Oct. 26, 1946	Quota
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	-	17,051,208
Peru.....	247,952	160,617	814,330	3,396,039
British India.....	2,003,483	-	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
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Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	: Established : : TOTAL QUOTA	: TOTAL IMPORTS : : Sept. 20, 1946 : : to Oct. 26, 1946:	: ESTABLISHED : : 33-1/3% of : : Total Quota	: IMPORTS : : Sept. 20, 1946 to : Oct. 26, 1946 1/
United Kingdom....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
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Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	100,964	1,599,886	-

1/ Included in total imports, column 2.

STATUTORY DEBT LIMITATION
AS OF OCTOBER 31, 1946

November 6, 1946

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), "shall not exceed in the aggregate \$275,000,000,000 outstanding at any one time. For purposes of this section the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder shall be considered as its face amount."

The following table shows the face amount of obligations outstanding and the face amount which can still be issued under this limitation:

Total face amount that may be outstanding at any one time	\$275,000,000,000
Outstanding October 31, 1946	
Obligations issued under Second Liberty Bond Act, as amended	
Interest-bearing	
Treasury bills.....	\$ 16,987,448,000
Certificates of indebtedness....	32,477,753,000
Treasury notes.....	<u>19,354,334,600</u>
	\$ 68,819,535,600
Bonds	
Treasury.....	119,322,900,450
*Savings (current redemp.value)	49,624,316,866
Depository.....	383,370,500
Armed Forces Leave	<u>70,263,200</u>
	169,400,851,016
Special Funds	
Certificates of indebtedness..	11,580,100,000
Treasury notes.....	<u>12,435,271,000</u>
	24,015,371,000
Total interest-bearing.....	262,235,757,616
Matured, interest-ceased.....	235,535,800
Bearing no interest	
War savings stamps.....	82,988,276
Excess profits tax refund bonds.	<u>34,564,841</u>
	117,553,117
Total.....	<u>262,588,846,533</u>
Guaranteed obligations (not held by Treasury)	
Interest-bearing	
Debentures: F.H.A.	43,553,636
Demand obligations: C.C.C.	<u>333,955,586</u>
	377,509,222
Matured, interest-ceased.....	<u>8,301,175</u>
	385,810,397
Grand total outstanding.....	\$262,974,656,933
Balance face amount of obligations issuable under above authority.....	<u>12,025,343,070</u>
Reconciliation with Statement of the Public Debt - October 31, 1946	
(Daily Statement of the United States Treasury, November 1, 1946)	
Outstanding October 31, 1946	
Total gross public debt.....	263,531,856,311
Guaranteed obligations not owned by the Treasury	<u>385,810,397</u>
Total gross public debt and guaranteed obligations	263,917,666,708
Deduct - other outstanding public debt obligations	
not subject to debt limitation	<u>943,009,770</u>
	<u>262,974,656,938</u>

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AS OF OCTOBER 31, 1946

November 6, 1946

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Total.....	<u>117,553,117</u>
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Debentures: F.H.A.	43,553,636
Demand obligations: C.C.C....	<u>333,955,586</u>
	377,509,222
Matured, interest-ceased.....	<u>8,301,175</u>
	<u>385,810,397</u>
Grand total outstanding.....	262,974,656,930
Balance face amount of obligations issuable under above authority....	<u>12,025,343,070</u>
Reconciliation with Statement of the Public Debt - October 31, 1946 (Daily Statement of the United States Treasury, November 1, 1946)	
Outstanding October 31, 1946	
Total gross public debt.....	263,531,856,311
Guaranteed obligations not owned by the Treasury	<u>385,810,397</u>
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Deduct - other outstanding public debt obligations	
not subject to debt limitation	943,009,778
	<u>262,974,656,930</u>

the border immediately for use in the Veterans Emergency
Housing Program.

(The ^{regulations are} ~~decision is~~ attached.)

File of
only

The regulations instruct Collectors of Customs to suspend the liquidation of entries for a period of 45 days from the date of entry when the importer announces on entry that free entry will be claimed pursuant to the Proclamation. This will give importers an opportunity to apply to the Housing Expediter for a certification in cases not provided for in the regulation, and will hold the transaction open pending the decision of the Housing Expediter.

Importers of manufactured wood products classifiable under Section 412, such as prefabricated houses or panels for prefabricated houses, will forward copies of their Customs entries to the office of the Housing Expediter for certification.

The office of the Housing Expediter states that the great bulk of duty-free imports will be house construction lumber. The need for packing boxes is made imperative by the fact that many articles used in housing cannot be shipped uncrated and that a shortage of boxes could easily delay completion of homes.

Approximately 1,200,000,000 board feet of timber, lumber and lumber products are expected to be imported in 1946. A backlog of lumber shipments has been held up along the Canadian border by Canadian producer-exporters awaiting announcement of duty-free entrance into this country. Housing officials expect this lumber to begin moving across

The regulations issued today authorize Collectors of Customs to permit these articles to be entered for consumption or withdrawn from warehouse for consumption on or after the date of the Proclamation, and until the termination of the provisions of the Veterans Housing Act of 1946, or until the President shall declare that the emergency declared in the Proclamation has terminated, whichever shall first occur, free of the duty provided for in the Tariff Act of 1930 and the import taxes provided for in Section 3420 of the Internal Revenue Code, which import taxes are designated as "duties" by Section 3430 of the Internal Revenue Code.

The regulations also announce that the Housing Expediter may designate and certify additional items, particularly certain manufactures of wood classifiable under paragraph 412 of the Tariff Act, and authorizes Collectors of Customs to accord free entry to such additional items as are certified directly to them by the Housing Expediter in connection with specified entries.

If certain manufactures of wood classifiable under paragraph 412 are in part of copper (such as weather-stripping) they will be exempt from the import tax, or duty, on copper provided for in Section 3425 of the Internal Revenue Code.

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Thursday, November 7, 1946

Press Service
No. 5-137

Secretary Snyder today made public the regulations under which six groups of timber, lumber and lumber products may be imported free of duty, in compliance with Presidential Proclamation 2708, dated October 25, 1946.

The Proclamation provided that Housing Expediter Wilson W. Wyatt should furnish to the Secretary of the Treasury a list of articles suitable for the construction or completion of housing accommodations, to assist in alleviating "an unprecedented emergency shortage of housing, particularly for veterans of World War II and their families," for entry free of import levies.

The following list of materials, covered by the regulations, was submitted by Mr. Wyatt:

1. Sawed lumber and timber of various woods.
2. Flooring of maple (except Japanese maple), birch and beech.
3. Plywood.
4. Packing boxes (empty), and packing box shooks.
5. Red cedar shingles.
6. Sawed lumber and timber, not further manufactured than planed, and tongued and grooved.

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1. Sawed lumber and timber of various woods.
2. Flooring of maple (except Japanese maple), birch and beech.
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4. Packing boxes (empty), and packing box shocks.
5. Red cedar shingles.
6. Sawed lumber and timber, not further manufactured than planed, and tongued and grooved.

The regulations issued today authorize Collectors of Customs to permit these articles to be entered for consumption or withdrawn from warehouse for consumption on or after the date of the Proclamation, and until the termination of the provisions of the Veterans Housing Act of 1946, or until the President shall declare that the emergency declared in the Proclamation has terminated, whichever shall first occur, free of the duty provided for in the Tariff Act of 1930 and the import taxes provided for in Section 3420 of the Internal Revenue Code, which import taxes are designated as "duties" by Section 3430 of the Internal Revenue Code.

The regulations also announce that the Housing Expediter may designate and certify additional items, particularly certain manufactures of wood classifiable under paragraph 412 of the Tariff Act, and authorizes Collectors of Customs to accord free entry to such additional items as are certified directly to them by the Housing Expediter in connection with specified entries.

If certain manufactures of wood classifiable under paragraph 412 are in part of copper (such as weatherstripping), they will be exempt from the import tax, or duty, on copper provided for in Section 3425 of the Internal Revenue Code.

The regulations instruct Collectors of Customs to suspend the liquidation of entries for a period of 45 days from the date of entry when the importer announces on entry that free entry will be claimed pursuant to the Proclamation. This will give importers an opportunity to apply to the Housing Expediter for a certification in cases not provided for in the regulation, and will hold the transaction open pending the decision of the Housing Expediter.

Importers of manufactured wood products classifiable under Section 412, such as prefabricated houses or panels for prefabricated houses, will forward copies of their Customs entries to the Office of the Housing Expediter for certification.

The Office of the Housing Expediter states that the great bulk of duty-free imports will be house construction lumber. The need for packing boxes is made imperative by the fact that many articles used in housing cannot be shipped uncrated and that a shortage of boxes could easily delay completion of homes.

Approximately 1,200,000,000 board feet of timber, lumber and lumber products are expected to be imported in 1946. A backlog of lumber shipments has been held up along the Canadian border by Canadian producer-exporters awaiting announcement of duty-free entrance into this country. Housing officials expect this lumber to begin moving across the border immediately for use in the Veterans Emergency Housing Program.

(The regulations are attached)

(T. D. 51565)

EMERGENCY - FREE ENTRY OF TIMBER, LUMBER,
AND LUMBER PRODUCTS

Timber, lumber, and lumber products designated and certified by Housing Expediter to be admitted free under regulations pursuant to proclamation of the President under section 318, Tariff Act of 1930.

TREASURY DEPARTMENT
WASHINGTON, D. C.

TO COLLECTORS OF CUSTOMS AND OTHERS CONCERNED:

TITLE 19 -- CUSTOMS DUTIES

CHAPTER I -- BUREAU OF CUSTOMS

PART 53 -- FREE IMPORTATION PURSUANT TO PROCLAMATION OF THE
PRESIDENT UNDER SECTION 318, TARIFF ACT OF 1930.

Sec. 53.3 Timber, lumber, and lumber products specified by Housing Expediter admissible free of duty and import tax.--
(a) Pursuant to the authority contained in the proclamation of the President dated October 25, 1946 ^{1/} collectors of customs are hereby authorized to admit free of duty, and import taxes provided for in section 3420, Internal Revenue Code, if entered for consumption or withdrawn from warehouse for consumption on and after the date of the proclamation and until the termination of the provisions of the Veterans' Emergency Housing Act of 1946, or until the President shall have declared that the emergency declared in the proclamation has terminated, whichever shall first occur, the classes of timber, lumber, and lumber products set forth in the following list ^{2/} which have been designated and certified by the Housing Expediter as timber, lumber, or lumber products suitable for the construction and/or completion of housing accommodations:

^{1/} See page 4.

^{2/} The fact that rates of duty on articles covered by the list have been reduced pursuant to trade agreements is immaterial for the purposes of this regulation.

1. Sawed lumber and timber, not specially provided for; all the foregoing, if of fir, spruce, pine, hemlock, or larch, classifiable under paragraph 401, Tariff Act of 1930, and section 3424, Internal Revenue Code.

2. Maple (except Japanese maple), birch and beech: Flooring, classifiable under paragraph 402, Tariff Act of 1930.

3. Plywood, classifiable under paragraph 405, Tariff Act of 1930.

4. Packing boxes (empty), and packing box shooks, of wood, not specially provided for, classifiable under paragraph 407, Tariff Act of 1930.

5. Red cedar shingles, such as are provided for in paragraph 1760, Tariff Act of 1930, and subject to duty under the Act of July 1, 1940 (19 U.S.C. 1332a).

6. Sawed lumber and timber, not further manufactured than planed, and tongued and grooved, all the foregoing not specially provided for, classifiable under paragraph 1803, Tariff Act of 1930, and section 3424, Internal Revenue Code.

(b) The Housing Expediter may designate and certify under the proclamation other articles or classes of articles, such as millwork as defined in Civilian Production Administration Order L-359, paragraph 5, of October 18, 1946, prefabricated and ready-cut houses, portable houses, prefabricated panels for houses, and panelized parts, all the foregoing in chief value of wood. In such an event, the Housing Expediter will forward his certificate to the Secretary of the Treasury and the list in paragraph (a) will be amended, or he will forward a certificate covering each entry directly to the collector of customs. Collectors of customs are hereby authorized to grant entry free of duty, and import taxes provided for in section 3420, Internal Revenue Code, to articles covered by such certificates when the articles are entered for consumption or withdrawn from warehouse for consumption during the period prescribed in paragraph (a).

(c) The usual procedure provided for in the Customs Regulations of 1943 (19CFR, Cum. Supp., Chapter I), as amended, shall be followed in connection with entries covering articles within the scope of the proclamation, except that the liquidation

of such entries covering articles not included in the list in paragraph (a) of this section shall be suspended for a period of 45 days after the date of filing if they bear a notation in substantially the following language: "Suspend liquidations; certification under Proclamation No. 2708 applied for." When a certificate of the Housing Expediter designating the merchandise in accordance with the proclamation is not received within the 45-day period, the entry shall be liquidated in the usual course of business, except that the collector may grant extensions of the period for such further periods and under such circumstances as he may deem appropriate, and that a certificate received after the 45-day period but before the liquidation of an entry shall be accepted as the basis for free entry under the authorization contained in paragraph (b) of this section.

(d) The import tax prescribed in sections 3420 and 3425, Internal Revenue Code, for articles dutiable under the Tariff Act of 1930, containing 4 percent or more of copper by weight, but which are not in chief value of copper, is not applicable to articles in chief value of wood which are certified pursuant to these regulations.

(c) As time is an important factor in efforts to cope with the housing emergency, publication of notice and public procedure, as provided for in the Administrative Procedure Act (Public Law No. 404, 79th Congress), are found to be impracticable. (Sec. 318, 46 Stat. 696; 19 U.S.C. 1318. Proc. 2708, Oct. 25, 1946;

F. R.)

O. Max Gardner
Acting Secretary of the Treasury

PROCLAMATION 2708

1/ EMERGENCY DUE TO HOUSING SHORTAGE--FREE IMPORTATION
OF TIMBER, LUMBER, AND LUMBER PRODUCTS

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS the long-term housing shortage and the war have combined to create an unprecedented emergency shortage of housing, particularly for veterans of World War II and their families; and

WHEREAS section 1 of the Veterans' Emergency Housing Act of 1946 recognizes the aforesaid unprecedented emergency; and

WHEREAS it is imperative that immediate action be taken on a temporary basis to increase the available supplies of timber, lumber, and lumber products for housing purposes:

NOW, THEREFORE, I, HARRY S. TRUMAN, President of the United States of America, under and by virtue of the authority vested in me by the Constitution and laws of the United States, and in particular by section 318 of the Tariff Act of 1930 (46 Stat. 590, 696), do hereby declare an emergency to exist, and do hereby authorize the Secretary of the Treasury to permit, until the termination of the provisions of the Veterans' Emergency Housing Act of 1946, or until the President shall have declared that the emergency declared herein has terminated, whichever shall first occur, under such regulations and subject to such conditions as the Secretary may deem necessary, the importation free of duty of any articles which the Housing Expediter designates and certifies as timber, lumber, or lumber products suitable for the construction or completion of housing accommodations.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington this 25th day of October
in the year of our
Lord nineteen hundred
and forty-six, and of
(SEAL) the Independence of
the United States of
America the one hundred
and seventy-first

HARRY S. TRUMAN

By the President:

DEAN ACHESON

Acting Secretary of State

I have a firm belief that the same system of free enterprise that made our own country strong and prosperous holds the greatest promise to the world for prosperity and peace.

but submerge immediate self-interests and concentrate on long-range advantages.

If we can match the elements of material stamina that exist in our country with an equal moral stamina, there need be no interruption of our era of progress. Then, our American system of democracy and free enterprise will carry us forward to new heights of prosperity at home, and to new heights of opportunity in the community of nations.

of our people represent a tremendous purchasing power. There is the demand for consumer goods, a vast, unsatisfied demand at home and throughout the world. There is the great potential expansion of our facilities for providing products and services for our own country and for export.

As I have said before, I do not believe there is reason for a depression psychology. Most of our so-called obstacles to continuing economic well-being will disappear if we will

from our concern for a stable world economy. A continuing prosperity in these United States in the long run will contribute more decidedly to world health than all the steps we have taken thus far.

There are many elements of strength in our present situation that hold forth a promise of continued full production and wide distribution of goods, and of an expanding trade for a long period ahead. Current record earnings and the accumulated savings

as those involving labor and management, annoying ones, such as our temporary shortages of this or that.

But along with our amazingly rapid reconversion to peace, in the swelling tide of production, in the record level of employment, and in the greatest material prosperity we or any other nation has ever achieved, we must find time to consider our international responsibilities.

Actually we cannot separate our concern for a stable economy at home

have to combat is the temptation to concentrate our attention, and our energies, on our own domestic affairs, to the exclusion of international responsibilities. It is true that we can meet those responsibilities only if we remain strong and healthy at home. But we must not entirely lose sight of the rest of the world in our preoccupation with political and economic complications here.

No one would deny that we do have problems at home -- serious ones, such

influence for world betterment be dissipated.

Impatience for getting on with the job has contributed much to our material progress as a nation. But we should never have any illusions about the extent of time and effort necessary to cure the ills of a war-wrecked universe. We must display forbearance, we must strive for sympathy and understanding with our neighbors. Above all, we must not become discouraged.

Another danger we American people

Our contributions to these international cooperative enterprises for world recovery and progress constitute a beginning, rather than the fulfillment of our aims.

We must guard against that quality of impatience in our American character which might impel us into a "what's the use" psychology. We must not drift into a new isolationism of frustration under which this richest and most powerful nation will } let its potential for world leadership be curbed or its

Obviously the United States must be the major source of such private capital for several years, since virtually all creditor nations have been devastated by war. This prospect offers a challenge to the ability of our capital to function intelligently and flexibly. Unless it avoids the mistakes of the past we will have wasted not only our resources, but a critical opportunity and responsibility. We must remember that unproductive capital impoverishes both the lender and the borrower.

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Once the institutions we have helped to create, and our direct advances and relief expenditures have given new life to the productive capacity of the world, and have created fair practices under which its maximum development can be achieved -- then we will have the ideal foundation for the free operation of enterprise and capital.

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We have simply taken the basic steps necessary to permit the orderly development of world economy. The life blood of its full development will

and discriminating trade practices, both of which are ruinous to economic stability and world prosperity.

Such methods restrict rather than expand the benefits of productivity.

They breed distrust and discontent that undermine our whole process of international cooperation and threaten the peace.

No one is inclined to believe that the dollars made available to

the results of our actions now.

The International Monetary Fund provides one of our principal hopes of promoting common standards of fair practice in the commercial relations of nations.

We have attached the greatest importance to the program of building a sound basis for world trade, since it is the only alternative to uncontrolled currency restrictions

areas, and the more enduring function of stimulating the flow of international capital for development purposes.

Through my personal acquaintance with the Governors, the President, and the Executive Staff of the Bank, I have become fully confident that its operations will be sound and will produce the maximum of benefits. This is most important, for the trend of private investment in the future, much larger in scope, will necessarily inheri

Meeting of the Boards of Governors of the International Bank for Reconstruction and Development and of the International Monetary Fund.

Each of these institutions has distinct functions, but both have the common objective of a balanced world economy.

The International Bank will assume the immediate function of supplying capital for the reconstruction of war-devastated

restoration of our world patient, but should afford real protection against recurring disaster. Certainly in such a summary we should mention the permanent United Nations organization which we hope will be the medium for carrying out these same goals in the political realm.

The United States has been in the forefront of the effort at building a stable economic world. And we must continue to exert that leadership.

It was recently my pleasure to preside, as Chairman, at the Annual

and Development.

Positive steps are necessary to enable the world to gain its maximum development through a free exchange of trade, and the International Monetary Fund is now preparing to facilitate that development. The trade provisions of the Anglo-American Financial Agreement, and other efforts in the same field, such as the International Trade Organization, will contribute further to the expanding flow of commerce.

These cooperative efforts should not only assist immeasurably in the

foreign trade.

Initial steps toward foreign rehabilitation were taken by the United States through the extension of credits, directly as in the case of that voted by the Congress to Great Britain; and to other nations through the medium of the Export-Import Bank.

And now, ready to take over the longer range financing of reconstruction, ready because of the serious study given before the end of hostilities, is the International Bank for Reconstruction

New life had to be injected into world productive capacity, both industrial and agricultural, that had been crippled through destruction and deterioration. Transportation and shipping facilities had to be restored, and the enormous damage to all types of public and private property had to be repaired. The adoption of such a course was absolutely necessary for the protection of our own economy. America must maintain her merchant marine and she must unfalteringly support her

accomplishment that witnessed not one, but all the United Nations assuming each a share of the responsibilities for revival and reconstruction.

We were faced with the necessity of taking immediate, concrete steps to aid a world sick from devastation, hunger and exhaustion. We can be proud of our contribution, greater than that of any other nation, to this obligation.

than that which details how the great and small nations, in the midst of a war for survival, had the wisdom to plan cooperatively for the difficult days to follow the armistice.

The people of the United States can be proud that our nation took the lead in this program, and that they themselves, and a Congress rising above political divisions, gave effect to it.

Nor would I overlook the moral

the policies of this nation in the international political field. These policies, ably pursued by Secretary Byrnes and our other representatives in the United Nations, are above party or faction. They have received, and will continue to receive, the full support of the American people.

Today, I should like to deal primarily with the problems of economic stability.

I am convinced that you cannot be stable on the one hand and static on the other. The history of this critical era will contain no brighter chapter

prestige, and the material force of this nation into the cooperative effort toward world security.

For the prosperity of our own industry and labor, we must bend every effort toward a prosperous world, one in which the interchange of goods and services will benefit all.

In our search for peace and security we must deal with both political and economic stability. President Truman has set forth clearly

Just as a whole city may be engulfed in an epidemic from disease bred in some blighted slums, so the whole world can be engulfed by the germ of strife bred in the environs of a morally or economically blighted people. We have seen it happen before, and we have not been able to save ourselves from its consequences.

For the sake of world peace, and that means for our own sake, we must continue to throw the power and the

cause for gratification. Real progress toward writing the peace treaties has been made. Despite the conflicts of interest and of temperament, and of political philosophies, the nations are endeavoring with all sincerity to attain a practical understanding among peoples.

Our own country has a vital stake in the creation of a sound and stable economy throughout the world.

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The winning of a military victory over our enemies was but a milepost along the road to a world of peace and security, and we are fully determined to persist in our course until the final goal is realized.

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An Address by the Secretary of the Treasury
Prepared for Delivery at a Meeting Before the
Foreign Policy Association in Philadelphia on
November 9, 1946

It is a pleasure to have this opportunity to discuss with you some of the problems that confront this nation in our efforts toward world recovery, prosperity, and lasting peace.

The American people, and the world, have cause to be grateful to organizations such as yours -- dedicated to increased international

TREASURY DEPARTMENT

Washington

FOR RELEASE 12:30 P.M., E.S.T.,
Saturday, November 9, 1946

Press Service
No. S-138

(The following address by Secretary Snyder before a luncheon of the Foreign Policy Association, Benjamin Franklin Hotel, Philadelphia, Pennsylvania, is scheduled for delivery at 12:30 P.M., E. S. T., Saturday, November 9, 1946, and is for release at that time.)

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The people of the United States can be proud that our nation took the lead in this program, and that they themselves, and a Congress rising above political divisions, gave effect to it.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Saturday, November 9, 1946.

Press Service

S-139

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated November 14, 1946, and to mature February 13, 1947, which were offered on November 5, 1946, were opened at the Federal Reserve Banks on November 8.

The details of this issue are as follows:

Total applied for - \$1,755,891,000
 Total accepted - 1,313,712,000 (includes \$21,768,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.905/ Equivalent rate of discount approx. 0.376% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
 Low - 99.905 " " " " " " 0.376% " "

(73 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 6,845,000	\$ 5,198,000
New York	1,351,333,000	1,002,088,000
Philadelphia	21,943,000	17,623,000
Cleveland	7,885,000	6,454,000
Richmond	11,380,000	10,975,000
Atlanta	10,870,000	8,224,000
Chicago	285,685,000	212,380,000
St. Louis	23,040,000	17,262,000
Minneapolis	1,620,000	1,620,000
Kansas City	7,915,000	6,754,000
Dallas	3,415,000	3,145,000
San Francisco	23,960,000	21,989,000
TOTAL	\$1,755,891,000	\$1,313,712,000

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TOTAL	\$1,755,891,000	\$1,313,712,000

Comparison of principal items of assets and liabilities of national banks - continued
(In thousands of dollars)

	Sept. 30, 1946	June 29, 1946	Dec. 31, 1945	Increase or decrease since June 29, 1946		Increase or decrease since Dec. 31, 1945	
				Amount	Percent	Amount	Percent
LIABILITIES							
Deposits of individuals, partnerships and corporations:							
Demand.....	\$44,320,244	\$42,560,021	\$40,970,935	\$1,760,223	4.14	\$3,349,309	8.17
Time.....	17,718,574	17,173,998	15,960,051	544,576	3.17	1,758,523	11.02
Postal savings deposits.....	2,787	2,892	2,979	-105	-3.63	-192	-6.45
Deposits of U. S. Government:							
War loan and Series E bond accts.	4,791,103	7,431,239	13,841,894	-2,640,136	-35.53	-9,050,791	-65.39
Other U. S. Gov't deposits.....	282,523	262,175	318,280	20,348	7.76	-35,757	-11.23
Deposits of States and political subdivisions.....	3,939,025	4,006,759	3,487,711	-67,734	-1.69	451,314	12.94
Deposits of banks.....	7,712,905	7,816,787	9,230,786	-103,882	-1.33	-1,517,881	-16.44
Other deposits (certified and cashiers' checks, etc.).....	1,102,473	1,240,887	1,430,311	-138,414	-11.15	-327,838	-22.92
Total deposits.....	79,869,634	80,494,758	85,242,947	-625,124	-.78	-5,373,313	-6.30
Bills payable, rediscounts & other liabilities for borrowed money..	45,227	24,441	77,969	20,786	85.05	-32,742	-41.99
Other liabilities.....	611,622	600,278	559,103	11,344	1.89	52,519	9.39
Total liabilities, excluding capital accounts.....	80,526,483	81,119,477	85,880,019	-592,994	-.73	-5,353,536	-6.23
CAPITAL ACCOUNTS							
Capital stock:							
Preferred stock.....	44,612	47,424	70,394	-2,812	-5.93	-25,782	-36.63
Common stock.....	1,703,976	1,636,065	1,588,445	67,911	4.15	115,531	7.27
Total.....	1,748,588	1,683,489	1,658,839	65,099	3.87	89,749	5.41
Surplus.....	2,176,630	2,100,222	2,011,403	76,408	3.64	165,227	8.21
Undivided profits.....	883,238	788,759	688,986	94,479	11.98	194,252	28.19
Reserves.....	322,872	301,107	296,509	21,765	7.23	26,363	8.89
Total surplus, profits and reserves.....	3,382,740	3,190,088	2,996,898	192,652	6.04	385,842	12.87
Total capital accounts.....	5,131,328	4,873,577	4,655,737	257,751	5.29	475,591	10.22
Total liabilities and capital accounts.....	85,657,811	85,993,054	90,535,756	-335,243	-.39	-4,877,945	-5.39
Ratio of loans to total deposits	19.78%	18.01%	16.36%				

NOTE: Minus sign denotes decrease.

Statement showing comparison of principal items of assets and liabilities of active national banks
as of Sept. 30, 1946, June 29, 1946, and December 31, 1945

(In thousands of dollars)

	: Sept. 30,	: June 29,	: Dec. 31,	: Increase or decrease		: Increase or decrease	
	: 1946	: 1946	: 1945	: since June 29, 1946		: since Dec. 31, 1945	
				: Amount	: Percent	: Amount	: Percent
Number of banks.....	5,014	5,018	5,023	-4	-.08	-9	-.18
ASSETS							
Loans on real estate.....	\$15,801,498	(\$2,747,984	\$2,206,472	\$1,303,057	8.99	\$1,853,456	13.29
Other loans, including overdrafts....		11,750,457	11,741,570				
Total loans.....	15,801,498	14,498,441	13,948,042	1,303,057	8.99	1,853,456	13.29
U. S. Government securities:							
Direct obligations.....	45,315,509	47,465,475	51,459,960	-2,157,367	-4.54	-6,152,197	-11.95
Obligations fully guaranteed.....		7,401	7,746				
Total U. S. securities.....	45,315,509	47,472,876	51,467,706	-2,157,367	-4.54	-6,152,197	-11.95
Obligations of States and political subdivisions.....	2,670,103	2,454,265	2,341,725	215,838	8.79	328,378	14.02
Other bonds, notes and debentures.....	1,971,204	1,945,946	1,656,865	25,258	1.30	314,339	18.97
Corporate stocks, including stocks of Federal Reserve Banks.....	153,448	143,654	145,313	9,794	6.82	8,135	5.60
Total securities.....	50,110,264	52,016,741	55,611,609	-1,906,477	-3.67	-5,501,345	-9.89
Total loans and securities.....	65,911,762	66,515,182	69,559,651	-603,420	-.91	-3,647,889	-5.24
Currency and coin.....	957,986	805,575	1,008,644	152,411	18.92	-50,658	-5.02
Reserve with Federal Reserve Banks....	10,496,652	10,458,494	10,451,020	38,158	.36	45,632	.44
Balances with other banks.....	7,455,805	7,397,782	8,719,125	58,023	.78	-1,263,320	-14.49
Total cash, balances with other banks, including reserve balances and cash items in process of collection.....	18,910,443	18,661,851	20,178,789	248,592	1.33	-1,268,346	-6.29
Other assets.....	835,606	816,021	797,316	19,585	2.40	38,290	4.80
Total assets.....	85,657,811	85,993,054	90,535,756	-335,243	-.39	-4,877,945	-5.39

of \$1,853,000,000, or more than 13 percent, since December last year.

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

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

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

The percentage of loans and discounts to total deposits on September 30, 1946 was 19.78 percent, in comparison with 18.01 percent on June 29, 1946, and 16.36 percent on December 31, 1945.

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TREASURY DEPARTMENT
Comptroller of the Currency
Washington

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FOR RELEASE, MORNING NEWSPAPER

Friday, November 15, 1946

Press Service
No. J-140

The total assets of national banks on September 30 of this year amounted to \$85,658,000,000, it was announced today by Comptroller of the Currency Preston Delano. The returns from the call covered the 5,014 active banks in the United States and possessions. The assets were \$335,000,000 less than the amount reported by the 5,018 active national banks on June 29, 1946, the date of the previous call, and were \$4,878,000,000 less than the amount reported by the 5,023 active banks as of December 31, 1945.

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

Loans and discounts were \$15,801,000,000 on September 30, which was an increase of \$1,303,000,000, or 9 percent, since June, and an increase

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 15, 1946

Press Service
No. S-140

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

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

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

The percentage of loans and discounts to total deposits on September 30, 1946 was 19.78 percent, in comparison with 18.01 percent on June 29, 1946, and 16.36 percent on December 31, 1945.

Statement showing comparison of principal items of assets and liabilities of active national banks
as of Sept. 30, 1946, June 29, 1946, and December 31, 1945

(In thousands of dollars)

	: Sept. 30, : 1946	: June 29, : 1946	: Dec. 31, : 1945	: Increase or decrease : since June 29, 1946 : Amount	: Increase or decrease : since Dec. 31, 1945 : Percent	: Amount	: Percent
Number of banks	5,014	5,018	5,023	-4	-.08	-9	-.18
ASSETS							
Loans on real estate.....)	\$15,801,498	(\$2,747,984	\$2,206,472)	\$1,303,057	8.99	\$1,853,456	13.29
Other loans, including overdrafts.)		(11,750,457	11,741,570)				
Total loans.....	15,801,498	14,498,441	13,948,042	1,303,057	8.99	1,853,456	13.29
U. S. Government securities:							
Direct obligations.....)	45,315,509	(47,465,475	51,459,960)	-2,157,367	-4.54	-6,152,197	-11.95
Obligations fully guaranteed.)		(7,401	7,746)				
Total U. S. securities.....	45,315,509	47,472,876	51,467,706	-2,157,367	-4.54	-6,152,197	-11.95
Obligations of States and political subdivisions.....	2,670,103	2,454,265	2,341,725	215,838	8.79	328,378	14.02
Other bonds, notes and debentures..	1,971,204	1,945,946	1,656,865	25,258	1.30	314,339	18.97
Corporate stocks, including stocks of Federal Reserve Banks.....	153,448	143,654	145,313	9,794	6.82	8,135	5.60
Total securities.....	50,110,264	52,016,741	55,611,609	-1,906,477	-3.67	-5,501,345	-9.89
Total loans and securities..	65,911,762	66,515,182	69,559,651	-603,420	-.91	-3,647,889	-5.24
Currency and coin.....	957,986	805,575	1,008,644	152,411	18.92	-50,658	-5.02
Reserve with Federal Reserve Banks.	10,496,652	10,458,494	10,451,020	38,158	.36	45,632	.44
Balances with other banks.....	7,455,805	7,397,782	8,719,125	58,023	.78	-1,263,320	-14.49
Total cash, balances with other banks, including reserve balances and cash items in process of collection.....	18,910,443	18,661,851	20,178,789	248,592	1.33	-1,268,346	-6.29
Other assets.....	835,606	816,021	797,316	19,585	2.40	38,290	4.80
Total assets.....	85,657,811	85,993,054	90,535,756	-335,243	-.39	-4,877,945	-5.39

Comparison of principal items of assets and liabilities of national banks - continued
(In thousands of dollars)

	:	:	:	: Increase or decrease		: Increase or decrease	
				: Sept. 30,	: June 29,	: Dec. 31,	: since June 29, 1946
	: 1946	: 1946	: 1945	: Amount	: Percent	: Amount	: Percent
LIABILITIES							
Deposits of individuals, partnerships and corporations:							
Demand.....	\$44,320,244	\$42,560,021	\$40,970,935	\$1,760,223	4.14	\$3,349,309	8.17
Time.....	17,718,574	17,173,998	15,960,051	544,576	3.17	1,758,523	11.02
Postal savings deposits.....	2,787	2,892	2,979	-105	-3.63	-192	-6.45
Deposits of U. S. Government:							
War loan and Series E bond accts.	4,791,103	7,431,239	13,841,894	-2,640,136	-35.53	-9,050,791	-65.39
Other U. S. Gov't deposits.....	282,523	262,175	318,280	20,348	7.76	-35,757	-11.23
Deposits of States and political subdivisions.....	3,939,025	4,006,759	3,487,711	-67,734	-1.69	451,314	12.94
Deposits of banks.....	7,712,905	7,816,787	9,230,786	-103,882	-1.33	-1,517,881	-16.44
Other deposits (certified and cashiers' checks, etc.).....	1,102,473	1,240,887	1,430,311	-138,414	-11.15	-327,838	-22.92
Total deposits.....	79,869,634	80,494,758	85,242,947	-625,124	-.78	-5,373,313	-6.30
Bills payable, rediscounts & other liabilities for borrowed money..	45,227	24,441	77,969	20,786	85.05	-32,742	-41.99
Other liabilities.....	611,622	600,278	559,103	11,344	1.89	52,519	9.39
Total liabilities, excluding capital accounts.....	80,526,483	81,119,477	85,880,019	-592,994	-.73	-5,353,536	-6.23
CAPITAL ACCOUNTS							
Capital stock:							
Preferred stock.....	44,612	47,424	70,394	-2,812	-5.93	-25,782	-36.63
Common stock.....	1,703,976	1,636,065	1,588,445	67,911	4.15	115,531	7.27
Total.....	1,748,588	1,683,489	1,658,839	65,099	3.87	89,749	5.41
Surplus.....	2,176,630	2,100,222	2,011,403	76,408	3.64	165,227	8.21
Undivided profits.....	883,238	788,759	688,986	94,479	11.98	194,252	28.19
Reserves.....	322,872	301,107	296,509	21,765	7.23	26,363	8.89
Total surplus, profits and reserves.....	3,382,740	3,190,088	2,996,898	192,652	6.04	385,842	12.87
Total capital accounts.....	5,131,328	4,873,577	4,655,737	257,751	5.29	475,591	10.22
Total liabilities and capital accounts.....	85,657,811	85,993,054	90,535,756	-335,243	-.39	-4,877,945	-5.39
Ratio of loans to total deposits	19.78%	18.01%	16.36%				

NOTE: Minus sign denotes decrease.

COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	Established : TOTAL QUOTA	TOTAL IMPORTS : Sept. 20, 1946, to Nov. 2, 1946	ESTABLISHED : 33-1/3% of Total Quota	IMPORTS : Sept. 20, 1946, to Nov. 2, 1946.
United Kingdom.....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	69,627	-	-
Netherlands.....	68,240	-	22,747	-
Switzerland.....	44,388	-	14,796	-
Belgium.....	38,559	-	12,853	-
Japan.....	341,535	-	-	-
China.....	17,322	-	-	-
Egypt.....	8,135	-	-	-
Cuba.....	6,544	-	-	-
Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	100,964	1,599,886	

1/ Included in total imports, column 2.

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The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to **November 2, 1946.**

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: Sept. 20, 1946, to Nov. 2, 1946	Imports Sept. 20, 1946, to Nov. 2, 1946	Established: Sept. 20, 1946, to Nov. 9, 1946	Imports Sept. 20, 1946, to Nov. 9, 1946
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	20,218,404	-
Peru.....	247,952	160,617	4,229,932	-
British India.....	2,003,483	814,330	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
Brazil.....	618,723	618,723	-	-
Union of Soviet Socialist Republics...	475,124	-	31,900	-
Argentina.....	5,203	5,104	-	-
Haiti.....	237	-	-	-
Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa.....	2,240	-	-	-
Netherlands East Indies.	71,388	-	-	-
Barbados.....	-	-	-	-
Other British West Indies 1/.....	21,321	-	501	-
Nigeria.....	5,377	-	-	-
Other British West Africa 2/.....	16,004	-	-	-
Other French Africa. 3/..	689	-	-	-
Algeria and Tunisia.....	-	-	-	-
	14,516,882	10,482,033	45,656,420	24,480,737

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
 2/ Other than Gold Coast and Nigeria.
 3/ Other than Algeria, Tunisia, and Madagascar.
 4/ Figures as of November 9, 1946, for long staple cotton.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Tuesday, November 12, 1946.

Press Release
No. S-141

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to November 2, 1946.

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

(In Pounds)

	: Staple length less : than 1-1/8"	: Staple length 1-1/8" or more : but less than 1-11/16"	
	: Imports Sept. : Established: 20, 1946, to	: Established : Imports Sept. : Quota : 20, 1946, to	
	: Quota : Nov. 2, 1946	: 45,656,420 : Nov. 9, 1946	4/
Egypt and the Anglo-			
Egyptian Sudan.....	783,816	-	20,218,404
Peru.....	247,952	160,617	4,229,932
British India.....	2,003,483	814,330	-
China.....	1,370,791	-	-
Mexico.....	8,883,259	8,883,259	-
Brazil.....	618,723	618,723	-
Union of Soviet			
Socialist Republics...	475,124	-	31,900
Argentina.....	5,203	5,104	-
Haiti.....	237	-	-
Ecuador.....	9,333	-	-
Honduras.....	752	-	-
Paraguay.....	871	-	-
Colombia.....	124	-	-
Iraq.....	195	-	-
British East Africa.....	2,240	-	-
Netherlands East Indies.	71,388	-	-
Barbados.....	-	-	-
Other British West			
Indies 1/.....	21,321	-	501
Nigeria.....	5,377	-	-
Other British West			
Africa 2/.....	16,004	-	-
Other French Africa 3/..	689	-	-
Algeria and Tunisia.....	-	-	-
	14,516,882	10,482,033	45,656,420
			24,480,737

- 1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
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COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	: Established : TOTAL QUOTA	: TOTAL IMPORTS : Sept. 20, 1946, : to Nov. 2, 1946	: ESTABLISHED : 33-1/3% of : Total Quota	: IMPORTS : Sept. 20, 1946, : to Nov. 2, 1946	1/
United Kingdom.....	4,323,457	-	1,441,152	-	-
Canada.....	239,690	31,337	-	-	-
France.....	227,420	-	75,807	-	-
British India.....	69,627	69,627	-	-	-
Netherlands.....	68,240	-	22,747	-	-
Switzerland.....	44,388	-	14,796	-	-
Belgium.....	38,559	-	12,853	-	-
Japan.....	341,535	-	-	-	-
China.....	17,322	-	-	-	-
Egypt.....	8,135	-	-	-	-
Cuba.....	6,544	-	-	-	-
Germany.....	76,329	-	25,443	-	-
Italy.....	21,263	-	7,088	-	-
TOTALS	5,482,509	100,964	1,599,886	-	-

1/ Included in total imports, column 2.

FOR IMMEDIATE RELEASE

November 14, 1946

Thursday

Press Service
No. 5-142

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to November 2, 1946, inclusive as follows:

Commodity	Established Quota : Period and Country:	Quantity	Unit : of : Quantity	Imports as : of Nov. 2, : 1946
Whole Milk, fresh or sour	Calendar year	3,000,000	Gallon	8,821
Cream, fresh or sour	Calendar year	1,500,000	Gallon	2,220
Fish, fresh or frozen filleted, etc., cod haddock, hake, pollock, cusk, and rosefish	Calendar year	20,380,724	Pound	Quota Filled
White or Irish potatoes: certified seed	12 months from Sept. 15, 1946	90,000,000	Pound	8,385,915
other		60,000,000	Pound	1,447,032
Cuban filler tobacco unstemmed or stemmed (Other than cigarette leaf tobacco) and scrap tobacco	Calendar year	22,000,000	Pound (unstemmed equivalent)	Quota Filled
Red cedar shingles	Calendar year	1,396,423	Square	1,253,224
Molasses and sugar sirups containing soluble non-sugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	468,159
Silver or black foxes, furs, and articles: Foxes valued under \$250 each and whole furs and skins	May-Nov. 1946 All countries	67,012	Number	27,128
Tails	12 months from Dec. 1, 1945	5,000	Piece	---
Paws, heads or other separated parts	"	500	Pound	490
Piece plates	"	550	Pound	---
Articles, other than piece plates	"	500	Unit	133

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
 Thursday, November 14, 1946

Press Service
 No. S-142

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Commodity	Established Quota	Unit	Imports as
	Period and Country: Quantity	of	of Nov. 2, 1946
Whole Milk, fresh or sour	Calendar year 3,000,000	Gallon	8,821
Cream, fresh or sour	Calendar year 1,500,000	Gallon	2,220
Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year 20,380,724	Pound	Quota Filled
White or Irish potatoes: certified seed	12 months from Sept. 15, 1946 90,000,000	Pound	8,385,915
other	60,000,000	Pound	1,447,032
Cuban filler tobacco unstemmed or stemmed (Other than cigarette leaf tobacco) and scrap tobacco	Calendar year 22,000,000	Pound (unstemmed equivalent)	Quota Filled
Red cedar shingles	Calendar year 1,396,423	Square	1,253,224
Molasses and sugar sirups containing soluble non-sugar solids equal to more than 6% of total soluble solids	Calendar year 1,500,000	Gallon	468,159
Silver or black foxes, furs, and articles: Foxes valued under \$250 each and whole furs and skins	May-Nov. 1946 All countries 67,012	Number	27,128
Tails	12 months from Dec. 1, 1945 5,000	Piece	---
Paws, heads or other separated parts	" 500	Pound	490
Piece plates	" 550	Pound	---
Articles, other than piece plates	" 500	Unit	133

FOR IMMEDIATE RELEASE,

November 12, 1946

Press Service
No. 5-143

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, for the 12 months commencing May 29, 1946, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1946, to November 2, 1946	Established Quota	Imports May 29, 1946, to Nov. 2, 1946
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	239	3,815,000	635,433
China	-	-	24,000	240
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	1,000
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>239</u>	<u>4,000,000</u>	<u>636,673</u>

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Thursday, November 14, 1946

Press Service
No. S-143

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, for the 12 months commencing May 29, 1946, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1946, to November 2, 1946	Established Quota	Imports May 29, 1946 to November 2, 1946
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	239	3,815,000	635,433
China	-	-	24,000	240
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	1,000
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>239</u>	<u>4,000,000</u>	<u>636,673</u>

5-144

November 7, 1946

TO MR. BARTELT:

The following market transactions were made during the month of October, 1946, in direct and guaranteed securities of the Government for Treasury investment and other accounts:

Sales	\$122,954,250
Purchases	<u>none</u>
Net sales	<u>\$122,954,250</u>

(Signed) R. W. Maxwell,

Commissioner of Accounts

CC to: Mr. Heffelfinger
Mr. Shaeffer
Miss Sanford

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Friday, November 15, 1946

Press Service
No. S-144

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

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S-145

FOR IMMEDIATE RELEASE:

Tuesday, 19,
Wed., November 20, 1946

Quyler
The Secretary announced today that the Procurement Division will be known as the "Bureau of Federal Supply" effective January 1, 1947.

He said the change in designation is being made to depict more accurately the scope of Procurement's supply activities, which are nation-wide, and which involve buying, except military items, for nearly every agency of government. Designation of the new name does not affect policies and does not involve any expansion in personnel.

Since 1910, with the establishment of the General Supply Committee, the Treasury has been increasingly responsible for purchase activities. By 1930 a Federal warehouse had been built to centrally locate stock issue items for government agencies in Washington. And when the Procurement Division took over the warehouse in 1933 it consolidated all purchasing functions into a central unit.

However, changes in nomenclature have since created the impression that the Division buys solely for the Treasury, which is not the case. As the government's sole permanent peacetime agency devoted exclusively to purchasing, the Division buys items ranging from office supplies to industrial machinery, and arranges schedule contracts for the use of all agencies.

During the war it acted as a purchasing agent for Lend-Lease and executed almost 93,000 contracts amounting to six billion dollars. It is also the purchasing agent on other large-scale buying programs as they arise, such as the current task of purchasing strategic materials for the national stockpile. In addition to the actual buying job, peacetime functions include the conduct of a traffic service for the movement of government goods, a system of national warehouses to supply field units with commonly used items; a standards activity establishing uniform specifications and nomenclature of the thousands of things the government buys.

Mr. Quayler said
~~The Secretary also announced~~ that the title of Clifton E. Mack, Director of Procurement, would be changed to "Director, Bureau of Federal Supply".

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Tuesday, November 19, 1946.

Press Service
No. S-145

Secretary Snyder announced today that the Procurement Division will be known as the "Bureau of Federal Supply" effective January 1, 1947.

He said the change in designation is being made to depict more accurately the scope of Procurement's supply activities, which are nation-wide, and which involve buying, except military items, for nearly every agency of government. Designation of the new name does not affect policies and does not involve any expansion in personnel.

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Mr. Snyder said that the title of Clifton E. Mack, Director of Procurement, would be changed to "Director, Bureau of Federal Supply".

ALPHA

- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on November 21, 1946

~~(7)~~
The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

ALPHA

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 15, 1946

(1)

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated November 21, 1946, and will mature February 20, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, November 18, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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~~Mr. Cole~~
~~1709~~

5-146

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 15, 1946

Press Service
No. S-146

The Secretary of the Treasury, by this public notice, invites tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated November 21, 1946, and will mature February 20, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

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Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on November 21, 1946.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal Tax Acts nor or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117(a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

DIVISION OF PUBLIC RELATIONS

Assignment sheet. Title 1 1/2 % Notes Dec 15, & 7/8 % Cuts Dec 1,

Release date 11/18/46 Press Service No. S-147

	Bldg. dist.	Mailing list	No. copies to be sent
(✓) Special messenger		65	65
G (✓) General		60	60
TAC () Trade Agreement Commodities	22	158	
CFQ () Coffee quotas	22	136	
CQ () Cotton quotas	22	135	200
WQ () Wheat quotas	22	115	
BUL () Treasury monthly Bulletin	---	1,367	6.
F () Finance	167	540	
NM () Net Market transactions	142	207	
T () Taxes	167	600	
DLI () Debt limitation	151	325	
SF () Stabilization fund	174	551	
B () Weekly bill offering	150	178	
B&B (✓) Bills & Bonds other than weekly	156	275	325
FE () Financial Editors	---	469	
NE () News Editors		1,575	
() Speech list	186	---	
PUBLIC RELATIONS, Room 4416	---	---	200
Press room			25
OWI			
Building distribution			135
			1010

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Monday, November 18, 1946.

Press Service
No. S-147

Secretary of the Treasury Snyder today announced that the 1-1/2 percent Treasury Notes of Series B-1946, in the amount of \$3,260,777,000, which will mature on December 15, 1946, will be redeemed in cash.

At the same time, the Secretary announced the offering, through the Federal Reserve Banks, of 7/8 percent Treasury Certificates of Indebtedness of Series L-1947, open on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness of Series K-1946, in the amount of \$3,768,201,000, which will mature on December 1, 1946. Cash subscriptions will not be received.

The certificates now offered will be dated December 1, 1946, and will bear interest from that date at the rate of seven-eighths of one percent per annum, payable with the principal at maturity on December 1, 1947. They will be issued in bearer form only, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the certificates now offered shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted. The full provisions relating to taxability are set forth in the official circular released today.

Subscriptions will be received at the Federal Reserve Banks and Branches, and at the Treasury Department, Washington, and should be accompanied by a like face amount of the maturing certificates. Subject to the usual reservations, all subscriptions will be allotted in full.

The subscription books will close at the close of business Wednesday, November 20, except for the receipt of subscriptions from holders of \$25,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter class at the close of business Thursday, November 21.

Subscriptions addressed to a Federal Reserve Bank or Branch or to the Treasury Department, and placed in the mail before midnight of the respective closing days, will be considered as having been entered before the close of the subscription books.

The text of the official circular follows:

UNITED STATES OF AMERICA

7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES L-1947

Dated and bearing interest from December 1, 1946

Due December 1, 1947

1946
Department Circular No. 797

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, November 18, 1946.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States, for certificates of indebtedness of the United States, designated 7/8 percent Treasury Certificates of Indebtedness of Series L-1947, in exchange for Treasury Certificates of Indebtedness of Series K-1946, maturing December 1, 1946.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated December 1, 1946, and will bear interest from that date at the rate of 7/8 percent per annum, payable with the principal at maturity on December 1, 1947. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all Federal taxes, now or hereafter imposed. The certificates shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer certificates will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before December 2, 1946, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series K-1946, maturing December 1, 1946, which will be accepted at par, and should accompany the subscription.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

John W. Snyder,
Secretary of the Treasury.

TREASURY DEPARTMENT

Washington

FOR RELEASE 10:00 PM., EST.,
Wednesday, November 20, 1946.

Press Service
No. S-148

(The following address by Secretary Snyder before the Economic Club of New York, at the Hotel Astor, New York City, is scheduled for delivery at 10:00 PM, EST, on Wednesday, November 20, 1946, and is for release at that time.)

It is a pleasure to meet here with the Economic Club of New York, and to have the privilege of talking with so many of the business, industrial, and professional leaders of this great community.

Mr. Riehle tells me that this meeting marks the beginning of the fortieth year of the Economic Club. I want to congratulate you on having achieved this milestone of service in the cause of further enlightenment of public opinion.

We all have a community of interest in our efforts to insure a healthy domestic economy, to maintain a sound Government financial program, to insure stability of our currency, and to stimulate expansion of our world trade.

Upon a successful solution of the problems before us today depends, to such an important extent, the fashion in which we build our "America of Tomorrow".

During recent months, the attention of the American people has been centered on politics. But the outcome of the recent election, has not changed the necessity for a bi-partisan approach to our basic problems.

Whatever happens in elections, the administration of public affairs cannot be halted for a day, for a month, or for a year. It is vital that the operations of Government proceed on a sensible and ^{efficient} economic basis, with full co-operation between the various elements.

The difficulties we will encounter in the solving of troublesome issues remain the same. And the solution to these questions cannot be found by any one man, or by any one group of men.

President Truman has pledged the best efforts of his administration toward such cooperation, and the response to his plea for unity of effort has been most gratifying.

"Facts are facts." Whatever has taken place politically, the bright aspects of our national material progress are still bright.

^{many} The problems ~~that~~ remain to be solved, ~~are still with us~~, and I would not belittle their importance and significance. But I would remind you that it is against the background of an America flourishing as it has never flourished before in its history that we must solve these problems.

It is of extreme importance that the Legislative and the Executive branches work out a program of cooperation to assure our present state of full production, full employment, and high national income; to maintain our standard of living, and our continued prosperity.

Let me repeat the one fact of which we must not lose sight. This country is now experiencing the greatest period of prosperity in its history.

It is important that we focus our attention on this fact - because it is the key to the formulation of our fiscal program.

Consideration must be given our present prosperity when we come to determine the level of taxes which may be maintained at this time without imposing undue restraints upon enterprise. The amount of our revenues will, in turn, determine the surplus that can be applied to the reduction of our public debt.

On the fiscal side of the picture, one of the most important problems is the maintaining of the integrity of our currency. It is vital to us domestically, and it is extremely important to us in the foreign field. ~~We must keep ourselves in a position so that we can at all times meet our obligations.~~

When I took office as Secretary of the Treasury, I stated that it is the responsibility of the Government to reduce its expenditures in every possible way, and to achieve a balanced budget. I would add that it is imperative that we reduce our debt burden now, while we are experiencing great prosperity. We must approach this issue with the same courage that we have other important problems of the past.

Aside from its relation to our fiscal policies, there are other urgent reasons why we should keep firmly in mind the fact of our present economic well-being. We need to guard against the developing depression psychology, in this country, which might, if unrestrained, see us literally talk ourselves into at least a temporary period of hard times.

I believe you will agree that a man perfectly well might find himself in a hospital in short order if his friends should start collectively feeling his pulse at frequent intervals, running apprehensive hands over his brow, and telling him again and again, how wretched he looked. He would be a strong minded man indeed if he didn't get sick under such treatment.

I do not see how a fair appraisal of "America Today" can justify any feeling that a material recession in "America Tomorrow" is inevitable.

We now have the highest level of employment ever experienced in peacetime in the history of this country. We have the huge accumulation of personal savings; the unprecedented demand for goods and services. ~~These~~ **I**ndices of material production, carloadings, electric power, and the like, bear eloquent testimony to our progress since the cessation of hostilities.

Freight carloadings late in October rose to the highest level since October 1930, when the average per-car capacity was much smaller than it is now.

Industrial production has risen to a peacetime high. The Federal Reserve Board's adjusted index of production for September stands at 177 percent of the 1935-39 average.

Steel ingot production in November has risen above 91 percent of capacity - a new post-war high.

Electric power output in the first week of this month rose to the highest level on record, although the seasonal peak has not yet been reached.

Textile production in September equalled the peacetime peak reached earlier this year, with output at 165 percent of the 1935-39 average.

More and more durable consumer goods are reaching the market in quantities exceeding those of before the war - in September, shipments of washing machines, vacuum cleaners, electric ranges, radios and gas ranges were from 20 to 50 percent above prewar levels.

Private building construction is at the highest level since the '20's. The output of many building materials reached new postwar highs in September; some reached all-time highs.

The production of lumber products in September was 135 percent of the 1935-39 average.

Civilian employment has increased four million since the end of the war, and was approximately fifty-seven million four hundred thousand in October.

And yet there exists the greatest demand for every product of the manufacturer and the farmer. Our present production, despite its record volume, still in insufficient to meet that demand.

I am not trying to paint an over-optimistic picture. As scarce items begin to reappear in volume, there will be less of a rush to purchase than appears today. But even with liberal allowance for this factor, I feel that we can be assured of continued prosperous business for some years to come - if we have continued cooperation in all fields - Government, management, capital, labor and agriculture.

And in addition there is the foreign demand for our products, the greatest ever, a demand which we have not even begun to meet. Reestablishment of world shipping, with our own Merchant Marine playing an important role, will provide a vast outlet for our farms and factories.

With our full support and leadership, the nations have set out to create a favorable atmosphere for expanding world trade. The mechanisms set up to expedite world reconstruction and development are now functioning, and from these cooperative endeavors we shall be in a position to profit greatly in both a material and a moral sense.

It is not necessary to detail the causes and manifestations of the depression of the '30's in refuting any similarity between present conditions and the economic trends of the '20's.

But, fully as important as the vastly improved economic and financial situation of this year 1946, as compared with 1929, is this significant factor. Out of the new social consciousness of the American people have been created safeguards and supports that have basically strengthened the foundations of our economy.

I am confident that these social gains made in recent years, will go a long way in preventing any future recession from reaching such proportions as the last economic breakdown.

To cite one example, I am sure that there is no one here tonight who would be willing to give up the safeguards provided for the savings of our people by the Federal Deposit Insurance legislation.

The near collapse of our banking system was one of the most serious developments of the depression of the '30's. By contrast, our banks ~~were never~~ ^{were} in a ~~sound~~ ^{very} position, ~~than~~ ^{than} they are today. We can count among our very real assets the confidence of the people in our banking structure.

Economists agree that the marked decline in farm incomes was one of the major causes of the last depression. Today, farm income is not only at record levels, but preventive measures have been provided to check any downward trend that might develop.

Not only is employment now at a peacetime peak, but through the provisions of the Social Security legislation, we have Federally-sponsored state unemployment insurance. With this protection there is no danger of a sudden, and far reaching curtailment of individual income.

I am sure that none of us would want to abandon the Social Security program.

Another cause for economic assurance is found in the operations of the Securities and Exchange Commission. Through its protective services, investors in securities are more certain of the soundness of their investments today.

There have, perhaps, been excesses of speculation in some areas; but, due to safeguards established, the over expansion of credit in this field during inflationary times has been held to a minimum.

surroundings, and get an objective view of America, we would see a really powerful and magnificently prosperous country, the like of which has never been seen in the world.

Let us combine all of our advantages into a driving force to insure a rich and prosperous "AMERICA OF TOMORROW."

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rising tide of production can assure adequate supplies of all goods at fair prices.

But, as a people, we have cause for gratification that we have emerged from the war years with renewed faith in the fundamental principle of a free enterprise system. It is under such a system, I believe, that the individual has the greatest opportunity for prosperity and common service.

I am certain that if we could detach ourselves from our immediate

I would not discount those problems that are still to be met in our transition from war to peace.

Foremost among them is the fact that we still are faced with a great number of shortages in materials, and certain production limitations which, in the face of excess demands, cause inflationary trends to persist.

It is still essential that consumer, distributor, and producer alike exercise restraint until the

In the realm of unsatisfied production demand, the present shortage of housing looms large. It will take years to fill this demand. This housing shortage, moreover, is matched by a large volume of private funds ready to be used in the building program. We have provided machinery, such as Federal Housing Administration and the Home Loan Bank System, to bring builders and lenders together.

The liquid assets of individuals are now about \$190,^{000,000,000} ~~billion~~ -- an all time high. This compares with less than \$70,^{000,000,000} ~~billion~~ at the end of 1941. These assets are more widely distributed than ever before, which is another important factor in our economic well-being.

The net working capital of American corporations nearly doubled during the war years, and was estimated at \$54,^{000,000,000} ~~billion~~ at the end of June -- a record high.

Another cause for economic assurance is found in the operations of the Securities and Exchange Commission. Through its protective services, investors in securities are more certain of the soundness of their investments today.

There have, perhaps, been excesses of speculation in some areas; but, due to safeguards established, the over expansion of credit in this field during inflationary times has been held to a minimum.

levels, but preventive measures have been provided to check any downward trend that might develop.

Not only is employment now at a peacetime peak, but through the provisions of the Social Security legislation, we have Federally-sponsored state unemployment insurance. With this protection there is no danger of a sudden, and far reaching curtailment of individual income.

I am sure that none of us would want to abandon the Social Security program.

The near collapse of our banking system was one of the most serious developments of the depression of the '30's. By contrast, our banks were never in a sounder position than they are today. We can count among our very real assets the confidence of the people in our banking structure.

Economists agree that the marked decline in farm incomes was one of the major causes of the last depression. Today, farm income is not only at record

I am confident that these social gains made in recent years, will go a long way in preventing any future recession from reaching such proportions as the last economic breakdown.

To cite one example, I am sure that there is no one here tonight who would be willing to give up the safeguards provided for the savings of our people by the Federal Deposit Insurance legislation.

depression of the '30's in refuting any similarity between present conditions and the economic trends of the '20's.

But, fully as important as the vastly improved economic and financial situation of this year 1946, as compared with 1929, is this significant factor. Out of the new social consciousness of the American people have been created safeguards and supports that have basically strengthened the foundations of our economy.

With our full support and leadership, the nations have set out to create a favorable atmosphere for expanding world trade. The mechanisms set up to expedite world reconstruction and development are now functioning, and from these cooperative endeavors we shall be in a position to profit greatly in both a material and a moral sense.

It is not necessary to detail the causes and manifestations of the

have continued cooperation in all fields -- Government, management, capital, labor and agriculture.

And in addition there is the foreign demand for our products, the greatest ever, a demand which we have not even begun to meet.

Reestablishment of world shipping, with our own Merchant Marine playing an important role, will provide a vast outlet for our farms and factories.

manufacturer and the farmer. Our present production, despite its record volume, still is insufficient to meet that demand.

I am not trying to paint an over-optimistic picture. As scarce items begin to reappear in volume, there will be less of a rush to purchase than appears today. But even with liberal allowance for this factor, I feel that we can be assured of continued prosperous business for some years to come -- if we

120's
~~Twenties~~. The output of many building materials reached new postwar highs in September; some reached all-time highs.

The production of lumber products in September was 135 percent of the 1935-39 average.

Civilian employment has increased four million since the end of the war, and was approximately fifty-seven million four hundred thousand in October.

And yet there exists the greatest demand for every product of the

earlier this year, with output at 165 percent of the 1935-39 average.

More and more durable consumer goods are reaching the market in quantities exceeding those of before the war -- in September, shipments of washing machines, vacuum cleaners, electric ranges, radios and gas ranges were from 20 to 50 percent above prewar levels.

Private building construction is at the highest level since the

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Steel ingot production in November has risen above 91 percent of capacity -- a new post-war high.

Electric power output in the first week of this month rose to the highest level on record, although the seasonal peak has not yet been reached.

Textile production in September equalled the peacetime peak reached

indices of material production, carloadings, electric power, and the like, bear eloquent testimony to our progress since the cessation of hostilities.

Freight carloadings late in October rose to the highest level since October 1930, when the average per-car capacity was much smaller than it is now.

Industrial production has risen to a peacetime high. The Federal

didn't get sick under such treatment.

I do not see how a fair appraisal of "AMERICA TODAY" can justify any feeling that a material recession in "AMERICA TOMORROW" is inevitable.

We now have the highest level of employment ever experienced in peacetime in the history of this country. We have the huge accumulation of personal savings; the unprecedented demand for goods and services. Those

at least a temporary period of "hard times".

I believe you will agree that a man perfectly well might find himself in a hospital in short order if his friends should start collectively feeling his pulse at frequent intervals, running apprehensive hands over his brow, and telling him again and again, how wretched he looked. He would be a strong minded man indeed if he

We must approach this issue with the same courage that we have other important problems of the past.

Aside from its relation to our fiscal policies, there are other urgent reasons why we should keep firmly in mind the fact of our present economic well-being. We need to guard against the developing "depression psychology", in this country, which might, if unrestrained, see us literally talk ourselves into

the foreign field. We must keep ourselves in a position so that we can at all times meet our obligations.

When I took office as Secretary of the Treasury, I stated that it is the responsibility of the Government to reduce its expenditures in every possible way, and to achieve a balanced budget. I would add that it is imperative that we reduce our debt burden now, while we are experiencing great prosperity.

determine the level of taxes which may be maintained at this time without imposing undue restraints upon enterprise. The amount of our revenues will, in turn, determine the surplus that can be applied to the reduction of our public debt.

On the fiscal side of the picture, one of the most important problems is the maintaining of the integrity of our currency. It is vital to us domestically, and it is extremely important to us in

and our continued prosperity.

Let me repeat the one fact of which we must not lose sight. This country is now experiencing the greatest period of prosperity in its history.

It is important that we focus our attention on this fact -- because it is the key to the formulation of our fiscal program.

Consideration must be given our present prosperity when we come to

remind you that it is against the background of an America flourishing as it has never flourished before in its history that we must solve these problems.

It is of extreme importance that the Legislative and the Executive branches work out a program of cooperation to assure our present state of full production, full employment, and high national income; to maintain our standard of living.

toward such cooperation, and the response to his plea for unity of effort has been most gratifying.

~~Gentlemen~~ "facts are facts."

Whatever has taken place politically, the bright aspects of our national material progress are still bright.

The problems that remain to be solved are still with us, and I would not belittle their importance and significance. But I would

month, or for a year. It is vital that the operations of Government proceed on a sensible and economic basis, with full cooperation between the various elements.

The difficulties we will encounter in the solving of troublesome issues remain the same. And the solution to these questions cannot be found by any one man, or by any one group of men.

President Truman has pledged the best efforts of his administration

to such an important extent, the fashion in which we build our "AMERICA OF TOMORROW."

During recent months, the attention of the American people has been centered on politics. But the outcome of the recent election, has ~~not~~ changed the necessity for a bi-partisan approach to our basic problems.

Whatever happens in elections, the administration of public affairs cannot be halted for a day, for a

achieved this milepost of service in the cause of further enlightenment of public opinion.

We all have a community of interest in our efforts to insure a healthy domestic economy, to maintain a sound Government financial program, to insure stability of our currency, and to stimulate expansion of our World trade.

Upon a successful solution of the problems before us today depends,

An Address by the Secretary of the Treasury
Prepared for Delivery at a Meeting of
the Economic Club of New York on
November 20, 1946

5-148

It is a pleasure to meet here
with the Economic Club of New York,
and to have the privilege of talking
with so many of the business,
industrial, and professional leaders
of this Great community.

Mr. Riehle tells me that this
meeting marks the beginning of the
fortieth year of the Economic Club.
I want to congratulate you on having

TREASURY DEPARTMENT

Washington

FOR RELEASE 10:00 PM., EST.,
Wednesday, November 20, 1946.

Press Service
No. S-148

(The following address by Secretary Snyder before the Economic Club of New York, at the Hotel Astor, New York City, is scheduled for delivery at 10:00 PM, EST, on Wednesday, November 20, 1946, and is for release at that time.)

It is a pleasure to meet here with the Economic Club of New York, and to have the privilege of talking with so many of the business, industrial, and professional leaders of this great community.

Mr. Riehle tells me that this meeting marks the beginning of the fortieth year of the Economic Club. I want to congratulate you on having achieved this milestone of service in the cause of further enlightenment of public opinion.

We all have a community of interest in our efforts to insure a healthy domestic economy, to maintain a sound Government financial program, to insure stability of our currency, and to stimulate expansion of our world trade.

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During recent months, the attention of the American people has been centered on politics. But the outcome of the recent election has not changed the necessity for a bi-partisan approach to our basic problems.

Whatever happens in elections, the administration of public affairs cannot be halted for a day, for a month, or for a year. It is vital that the operations of Government proceed on a sensible and efficient basis, with full cooperation between the various elements.

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President Truman has pledged the best efforts of his administration toward such cooperation, and the response to his plea for unity of effort has been most gratifying.

"Facts are facts." Whatever has taken place politically, the bright aspects of our national material progress are still bright.

Many problems remain to be solved, and I would not belittle their importance and significance. But I would remind you that it is against the background of an America flourishing as it has never flourished before in its history that we must solve these problems.

It is of extreme importance that the Legislative and the Executive branches work out a program of cooperation to assure our present state of full production, full employment, and high national income; to maintain our standard of living, and our continued prosperity.

Let me repeat the one fact of which we must not lose sight. This country is now experiencing the greatest period of prosperity in its history.

It is important that we focus our attention on this fact - because it is the key to the formulation of our fiscal program.

Consideration must be given our present prosperity when we come to determine the level of taxes which may be maintained at this time without imposing undue restraints upon enterprise. The amount of our revenues will, in turn, determine the surplus that can be applied to the reduction of our public debt.

On the fiscal side of the picture, one of the most important problems is the maintaining of the integrity of our currency. It is vital to us domestically, and it is extremely important to us in the foreign field.

When I took office as Secretary of the Treasury, I stated that it is the responsibility of the Government to reduce its expenditures in every possible way, and to achieve a balanced budget. I would add that it is imperative that we reduce our debt burden now, while we are experiencing great prosperity. We must approach this issue with the same courage that we have other important problems of the past.

Aside from its relation to our fiscal policies, there are other urgent reasons why we should keep firmly in mind the fact of our present economic well-being. We need to guard against the developing depression psychology, in this country, which might, if unrestrained, see us literally talk ourselves into at least a temporary period of hard times.

I believe you will agree that a man perfectly well might find himself in a hospital in short order if his friends should start collectively feeling his pulse at frequent intervals, running apprehensive hands over his brow, and telling him again and again how wretched he looked. He would be a strong minded man indeed if he didn't get sick under such treatment.

I do not see how a fair appraisal of "America Today" can justify any feeling that a material recession in "America Tomorrow" is inevitable.

We now have the highest level of employment ever experienced in peacetime in the history of this country. We have the huge accumulation of personal savings; the unprecedented demand for goods and services. Indices of material production, carloadings, electric power, and the like, bear eloquent testimony to our progress since the cessation of hostilities.

Freight carloadings late in October rose to the highest level since October 1930, when the average per-car capacity was much smaller than it is now.

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Civilian employment has increased four million since the end of the war, and was approximately fifty-seven million four hundred thousand in October.

And yet there exists the greatest demand for every product of the manufacturer and the farmer. Our present production, despite its record volume, still is insufficient to meet that demand.

I am not trying to paint an over-optimistic picture. As scarce items begin to reappear in volume, there will be less of a rush to purchase than appears today. But even with liberal allowance for this factor, I feel that we can be assured of continued prosperous business for some years to come - if we have continued cooperation in all fields - Government, management, capital, labor and agriculture.

And in addition there is the foreign demand for our products, the greatest ever, a demand which we have not even begun to meet. Reestablishment of world shipping, with our own Merchant Marine playing an important role, will provide a vast outlet for our farms and factories.

With our full support and leadership, the nations have set out to create a favorable atmosphere for expanding world trade. The mechanisms set up to expedite world reconstruction and development are now functioning, and from these cooperative endeavors we shall be in a position to profit greatly in both a material and a moral sense.

It is not necessary to detail the causes and manifestations of the depression of the '30's in refuting any similarity between present conditions and the economic trends of the '20's.

But, fully as important as the vastly improved economic and financial situation of this year 1946, as compared with 1929, is this significant factor. Out of the new social consciousness of the American people have been created safeguards and supports that have basically strengthened the foundations of our economy.

I am confident that these social gains made in recent years will go a long way in preventing any future recession from reaching such proportions as the last economic breakdown.

To cite one example, I am sure that there is no one here tonight who would be willing to give up the safeguards provided for the savings of our people by the Federal Deposit Insurance legislation.

The near collapse of our banking system was one of the most serious developments of the depression of the '30's. By contrast, our banks are today in a very sound position. We can count among our very real assets the confidence of the people in our banking structure.

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The net working capital of American corporations nearly doubled during the war years, and was estimated at \$54,000,000,000 at the end of June - a record high.

In the realm of unsatisfied production demand, the present shortage of housing looms large. It will take years to fill this demand. This housing shortage, moreover, is matched by a large volume of private funds ready to be used in the building program. We have provided machinery, such as Federal Housing Administration and the Home Loan Bank System, to bring builders and lenders together.

I would not discount those problems that are still to be met in our transition from war to peace. Foremost among them is the fact that we still are faced with a great number of shortages in materials, and certain production limitations which, in the face of excess demands, cause inflationary trends to persist.

It is still essential that consumer, distributor, and producer alike exercise restraint until the rising tide of production can assure adequate supplies of all goods at fair prices.

But, as a people, we have cause for gratification that we have emerged from the war years with renewed faith in the fundamental principle of a free enterprise system. It is under such a system, I believe, that the individual has the greatest opportunity for prosperity and common service.

I am certain that if we could detach ourselves from our immediate surroundings, and get an objective view of America, we would see a really powerful and magnificently prosperous country, the like of which has never been seen in the world.

Let us combine all of our advantages into a driving force to insure a rich and prosperous "America of Tomorrow".

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 19, 1946.

Press Service

179

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated November 21, 1946, and to mature February 20, 1947, which were offered on November 15, 1946, were opened at the Federal Reserve Banks on November 18.

The details of this issue are as follows:

Total applied for - \$1,826,794,000
Total accepted - 1,313,661,000 (includes \$33,810,000 entered on a fixed-price basis at 99.905 and accepted in full)
Average price - 99.905 1/2 Equivalent rate of discount approx. 0.376% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
Low - 99.905 " " " " " " 0.376% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 6,140,000	\$ 4,700,000
New York	1,363,049,000	971,249,000
Philadelphia	20,990,000	17,570,000
Cleveland	11,120,000	9,560,000
Richmond	9,335,000	8,812,000
Atlanta	2,130,000	2,130,000
Chicago	290,785,000	205,180,000
St. Louis	15,590,000	12,230,000
Minneapolis	10,195,000	7,795,000
Kansas City	19,010,000	16,355,000
Dallas	7,925,000	7,055,000
San Francisco	70,525,000	51,025,000
TOTAL	\$1,826,794,000	\$1,313,661,000

Emm

TREASURY DEPARTMENT

Washington

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Tuesday, November 19, 1946.

Press Service
 No. S-149

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Kansas City	19,010,000	16,355,000
Dallas	7,925,000	7,055,000
San Francisco	70,525,000	51,025,000
TOTAL	\$1,826,794,000	\$1,313,661,000

especially to cooperate in the campaign --
which we are conducting between November 11
Armistice Day, and December 7, Pearl
Harbor Day -- to get every individual to
"Protect his Future" and buy an extra
bond. It is a worthy cause. It is
deserving of your personal effort. It is
one of the ways in which you can cooperate
to build up a prosperous and stable America

approached in this spirit, I know that it is a powerful force for improving labor-management relations, and can justify itself on this score alone as an item in your expense budget.

I ask you, therefore, to cooperate with the Treasury Department in building up the sale of Savings Bonds to individuals during the months ahead. I ask you especially

Above all, I ask that you approach
the plan in a broad cooperative spirit.
We want the payroll savings plan to
constitute a bond of common interest
between employer and employee -- a
relationship in which they can participate
as man to man, rather than as boss and
workman. When the payroll plan is

approached

attention of your new employees, you must reach your old employees also. You are doing them, too, a favor when you call their attention to the advantages of joining or of increasing their allotments if they are already on it -- thus increasing their reserves in the form of Series E savings bonds.

Above

But they don't; and, generally they don't sign up for new deductions until they are asked. It is sometimes as easy as that -- merely asking your new workers to do themselves a favor.

In addition to maintaining the mechanical facilities of the payroll savings plan and calling these to the attention

the plan at the company where he formerly worked. And, of course, he does not automatically get on the plan at his new plant. Once employees are off, they tend to stay off until they are asked to rejoin. Of course, when they are off, they could purchase an equivalent amount of bonds at banks or at post offices.

But

But passive maintenance of the facilities of the plan is not enough -- it is only the first step.

A great many of the employees who were on the payroll plan before VJ-Day have dropped out because they have changed jobs. Every time a worker changes his job, he is dropped automatically from the

So, I ask you earnestly to maintain the facilities of the payroll savings plan in your own firms, and to use your influence with your fellow employers to the fullest possible extent to see that the plan is available to every worker in the country who wants to participate in it.

But

dropping the mechanics of the plan. This is an appallingly nearsighted economy. A dollar spent in maintaining the payroll plan will pay off, in terms of better public relations and better employee-management relations, as well as any dollar in your entire personnel or public relations budgets.

So,

Why is this so?

In the first place, only the employer can see that his employees have the facilities of the plan at their disposal. Many employees throughout the country have left this savings plan because their employer tried to save a few dollars on his personnel budget by

dropping

pressure of any kind be put on any of
your employees in order to induce them
to join the plan.

Management, nevertheless, has a
very responsible role in promoting the
Plan. Whether your employees are
participating in this plan is largely
up to you.

Why

The payroll savings plan does this,
as no other plan for buying savings
bonds does. That is why the payroll
plan gets results.

The payroll savings plan is, of
course, entirely voluntary. It is not
the wish of the Treasury Department that
pressure

The payroll plan applies the principle of "first come, first served" to saving money. In order to get the dollars, a savings plan must get there first before the consumption dollars have had their inning. This means, in practice, at the time that the payroll envelope is being made up.

The

program means the payroll savings plan.

It is the only plan which really works.

A savings plan which depends on the

investment of money left over after

consumption expenditures have been met,

is licked before it starts.

The

every \$3 put in, if they are held to maturity, which is ten years after issue date.

There are plenty of reasons, then, for the savings bond program, whether from the social point of view or from the point of view of the individual worker. And, as far as the industrial worker is concerned, the savings bond program

a reserve is in a better position than
the man who has not.

And there is no better form in
which to accumulate a reserve than in
Series E savings bonds. These bonds are
backed by the United States Government;
they are payable on demand 60 days after
issue date; and they pay back \$4 for

every

be family opportunity -- opportunity to educate children, or to buy a home or a farm. It may be individual opportunity -- opportunity to go into business for one's self, or for further education or travel.

But whether the day be rainy or sunny, whether it brings misfortune or opportunity, the man who has accumulated

hand to mouth can never know. He gets more out of life. He can take today as it comes, rather than spend it worrying about tomorrow.

But not all saving is done for a rainy day; much saving ultimately proves to have been done for a "sunny day."

Saving does more than provide security; it opens the door of opportunity. It may
be

that the commonest reason given for saving is "to provide for a rainy day."

This is a good reason. It is the common man's way of reducing to a single phrase the multitude of uncertainties inseparable from human life. The man who has saved up a reserve for a rainy day has a sense of security which the man who lives from

hand

yourselves. But your workers do not have to make the sacrifices necessary to buy savings bonds for the benefit of the country as a whole. There is plenty in it for themselves. They are doing themselves a favor when they increase their "take-home savings."

They have plenty of reason to save.

Every survey which we have made shows

that

consumers' goods markets. Second, it permits the retirement of a dollar of bank-held debt. These are worth-while objectives. They are worth striving for.

I have just described the major social and economic objectives of the savings bond program -- its advantages to our whole society. They are advantages which your workers can understand as well as yourselves.

Saving up purchasing power --

deferring it from the present to the

future -- is, therefore, one of the major

objectives of the savings bond program.

Every dollar put into savings bonds at

the present time helps to strike a blow

at inflation. It does this in two ways:

First, it withholds a dollar from the

consumers'

During this period, we must keep up our savings and buy only what we need. The dollars which we save now will stand us and the whole economy in good stead at some later time when every additional dollar spent will mean, not higher prices, as it would today, but more production and more jobs.

war plants are now producing peacetime goods. The cash receipts of the United States Government exceed its cash expenditures.

But the process of restoring balance in the economy is a slow one. We must have patience. There is a huge backlog of demand to be met, and the pipelines of industry are far from full.

During

abandon it at this late stage in the game, we may regret it for years. But if we continue to exercise restraint, there is every prospect that we will win the battle.

We have beaten the primary causes of inflation. We have won the war. The soldiers and sailors who fought so well are back at their civilian jobs. The war

Combating inflation may seem like
whipping a dead dog. But it doesn't
seem that way to your workmen's wives,
or even to your own, when they buy the
family groceries. When you look at it
their way, inflation seems still to have
a lot of life.

The truth is that the fight against
inflation is not yet over. If we
abandon

equals -- and, perhaps, transcends --

the long-run objective in present

economic significance. This immediate

objective is that of helping in the

fight against inflation.



The objective of combating inflation

may have a hollow ring to some of you.

You may be thinking of the stock market

and of the corn market.

We want, therefore, to maintain and, if possible, to enlarge the present broad base of the ownership of the public debt. This is the major long-run objective of the savings bond program and of the payroll savings plan. But, in the short run -- during the year ahead -- there is an additional objective of the plan. This immediate objective equals

greater sense of economic security and
an enhanced feeling of personal dignity.
It adds an important new tie to the many
ties which help to bind them to the
community, and to make them feel that
its welfare is their welfare. It causes
them to take an increased interest in
national issues. It gives them a direct
stake in the finances of the United States

We

During the war, the great majority of the people became Government bondholders.

A very large proportion of the people who bought bonds during the war still hold them. Many of them are still purchasing more.

We want to keep it that way. It is good for them and it is good for the country. It gives to the people a greater

sale of savings bonds to small investors

There are two major social objectives:

a long-term one and a short-term one.

The long-term objective is to

maintain and, if possible, to increase

the present widespread distribution of

the public debt.

Before the war, the public debt

stood on a relatively narrow base.

During

additional dollar of debt held by banks.

It is clear, therefore, that the objectives of the savings bond program are not fiscal. They are not based on the needs of the Treasury. They are based on considerations concerning the welfare of the whole economy.

What are these considerations? What are our real objectives in pushing the

the Treasury has been possible because the expenditures of the Federal Government have declined rapidly while receipts have been maintained near their wartime peak.

Almost all of the decrease in the debt has come from holdings of the banks. Every dollar that we raise by sales of savings bonds in excess of redemptions can be used in the same way -- that is, to retire an

additional

without raising any new money from the sale of savings bonds or marketable obligations. Most of you know that we have reduced the public debt by about 18 billion dollars in the last eight months, and Secretary Snyder announced last week a further reduction of 3-1/4 billion dollars to take place in December. This reduction through the use of surplus cash in the

I shall describe the objectives of the savings bond program to you presently. But, first, I want to make a negative statement -- I want to describe an objective which it does not have.

We are not selling savings bonds to finance a deficit. The United States Government will take in substantially more cash than it will pay out this year without

Treasury -- what it is intended to accomplish; how it fits into the general picture of economic developments; and how you can help to put it over.

The natural starting point for such a discussion is the need for the program: What are its objectives? What is it intended to accomplish?

such as yourselves all over the country
in order to enlist your cooperation --
the cooperation of management -- in a
renewed drive to increase the number of
participants and the amount of deductions
in the payroll savings plan.

I want to talk to you about
this program as we see it in the

the payroll savings plan has continued to be an important force in the economy for over a year now since VJ-Day. But we think that it is possible to make this record even better by an enhanced effort on the part of both employers and employees.

It is for this reason that we are holding a series of meetings with men
such

time can equal the need of actual war;
nor can any appeal made in peacetime be
as effective as the one which you made
during the war when many of your employ-
ees had sons, husbands, or fathers on
the actual fighting fronts.

It is due, in large part, to your
cooperation and to that of other business
executives throughout the country that

the

bond per month. This gives a monthly total of about \$135,000,000.

A substantial decline in the number of participants in the payroll savings plan was, of course, to be expected after the end of the war. No need in peacetime

can be the most effective.

During the war, business and industrial firms throughout the country cooperated wholeheartedly in promoting participation in the payroll savings plan. At the present time, about 7-1/2 million people are purchasing bonds in this fashion at the rate of one \$25.00

bond

The savings bond program has been,
and continues to be, the keystone of
the Treasury's efforts to reach small
savers. The payroll savings plan is
the heart of that program, and it is in
firms like those represented here to-
night that the payroll savings plan
can

in the Union which ever asked to have its
E bond quota raised.

It was in recognition of the out-
standing record which he made as Executive
Director of the Iowa War Finance Committee
among other things that Mr. Vernon L. Clark
was chosen as the present National Director
of Sales for savings bonds.

The

the drives conducted on a State basis --
that is, from the Third War Loan through
the Victory Loan -- Iowa rated among the
first six States in the proportion of its
E bond quota which it achieved. Its
minimum achievement in any War Loan was
112 percent of its E bond quota. In order
to point up what an achievement this was,
I should add that Iowa was the only State
in

the role of that program in today's
economy.

At the outset, I want to thank all
of you who have participated in the savings
bond program, both during the war and
since VJ-Day, for contributing so greatly
to its success.

Iowa had a distinguished E bond record
during the War Loan drives. In each of
the

It is a real pleasure to talk to
you here in Des Moines about the savings
bond program of the Treasury Department.

As you know, the Federal Reserve Banks are
sponsoring a series of meetings such as
this in the principal cities of the
country, for the purpose of discussing

the

5-150

Address by
Honorable Edward H. Foley, Jr.
Assistant Secretary of the Treasury,
at a Savings Bond Rally
before the
Federal Reserve Industrial Dinner Meeting
at the
Hotel Fort Des Moines, Des Moines, Iowa,
Wednesday, November 20, 1946, 7:00 P.M. CST.

PRESENT-DAY OBJECTIVES OF THE
PAYROLL SAVINGS PLAN.

FOR IMMEDIATE RELEASE
November 19, 1946.

D-15-1

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to **November 9, 1946.** (See footnote 4)

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: 20, 1946, to Nov. 9, 1946	Imports Sept. 20, 1946, to Nov. 9, 1946	Established: 20, 1946, to Nov. 16, 1946	Imports Sept. 20, 1946, to Nov. 16, 1946
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	27,270,993	-
Peru.....	247,952	160,617	5,571,344	-
British India.....	2,003,483	814,330	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
Brazil.....	618,723	618,723	-	-
Union of Soviet Socialist Republics...	475,124	-	31,900	-
Argentina.....	5,203	5,104	-	-
Haiti.....	237	-	-	-
Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa.....	2,240	-	-	-
Netherlands East Indies.....	71,388	-	-	-
Barbados.....	-	-	-	-
Other British West Indies 1/.....	21,321	-	501	-
Nigeria.....	5,377	-	-	-
Other British West Africa 2/.....	16,004	-	-	-
Other French Africa. 3/..	689	-	-	-
Algeria and Tunisia.....	-	-	-	-
	14,516,882	10,482,033	45,656,420	32,874,738

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
 2/ Other than Gold Coast and Nigeria.
 3/ Other than Algeria, Tunisia, and Madagascar.
 4/ Long staple cotton import figures shown through November 16, 1946.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Tuesday, November 19, 1946

Press Service
No. S-151

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to November 9, 1946. (See footnote 4)

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British India.....	2,003,483	814,330	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
Brazil.....	618,723	618,723	-	-
Union of Soviet Socialist Republics...	475,124	-	31,900	-
Argentina.....	5,203	5,104	-	-
Haiti.....	237	-	-	-
Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa.....	2,240	-	-	-
Netherlands East Indies..	71,388	-	-	-
Barbados.....	-	-	-	-
Other British West Indies 1/.....	21,321	-	501	-
Nigeria.....	5,377	-	-	-
Other British West Africa 2/.....	16,004	-	-	-
Other French Africa 3/...	689	-	-	-
Algeria and Tunisia.....	-	-	-	-
	14,516,382	10,482,033	45,656,420	32,874,738

- 1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
- 2/ Other than Gold Coast and Nigeria.
- 3/ Other than Algeria, Tunisia, and Madagascar.
- 4/ Long staple cotton import figures shown through November 16, 1946.

COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	: ESTABLISHED : TOTAL IMPORTS	: ESTABLISHED : IMPORTS
	: TOTAL QUOTA : Sept. 20, 1946	: 33-1/3% of : Sept. 20, 1946,
	: to Nov. 9, 1946	: Total Quota : to Nov. 9, 1946 ^{1/}
United Kingdom.....	4,323,457	1,441,152
Canada.....	239,690	31,337
France.....	227,420	75,807
British India.....	69,627	69,627
Netherlands.....	68,240	22,747
Switzerland.....	44,388	14,796
Belgium.....	38,559	12,853
Japan.....	341,535	-
China.....	17,322	-
Egypt.....	8,135	-
Cuba.....	6,544	-
Germany.....	76,329	25,443
Italy.....	21,263	7,088
TOTALS	5,482,509	1,599,886

^{1/} Included in total imports, column 2.

of progress in this country, the way
which will continue to maintain in the
United States the highest standard of
living in the world.

--oOo--

In conclusion, I should like to add my word of commendation to Secretary Snyder's message which I have read to you -- both for the wartime job you did in purchasing and selling Government securities and for the peacetime job you are doing in your mortgage lending activities. Yours is the true American way -- the way that has led to over 300 years of

not quite over. The economy must make its final adjustment to the end of direct price control. Production, although far ahead of most forecasts, has still further to go in order to catch up with demand. Your institutions can do much to promote the thrift which is still necessary to take us over the hump into lasting peacetime prosperity.

maintaining full production. It

contributes to the confidence of

the public in the credit of the

United States and in the enduring

stability of the currency. We

must not impair this confidence."

The fiscal policy of the United States

Government has contributed greatly to the

fight against inflation. This fight is

not

No top score

D. net score

The stability of the bond
market since the end of the war
has eased the financial problems
of reconversion, both for the
Government and for business firms.

The stability of the Government
bond market results in a degree
of business confidence which is of
tremendous value in achieving and
maintaining

might contribute to inflation.

The immediate effect of higher

interest rates might very well

be to increase, rather than to

decrease, the volume of currency

and deposits. This is because

the typical investor's reaction to

the higher rates might be 'wait

and see', rather than 'run and invest'.

ago:

indirect

"It is my view that, for

the present, no anti-inflationary

purpose would be served by in-

creasing interest rates. This is

because it would interfere with

the stability of the Government

bond market and would introduce

uncertainties, which themselves

might

I should like now to turn briefly to the subject of interest rates. Secretary Snyder has stated on a number of occasions that, in his view, no anti-inflationary purpose would be served at the present time by increasing interest rates. I wholeheartedly share this view. I should like, therefore, to repeat some remarks which he made on this subject about two months ago:

the December pay-off. The proportion of the marketable debt due within one year is now about 30 percent. This is no larger than is necessary to provide a reasonable amount of flexibility -- both to investors in the arrangement of their portfolios, and to the Treasury and the Federal Reserve System in the exercise of their debt management and monetary functions.

past 9 months fell in this category --

the remainder were prewar issues which

had reached their maturity or first call

dates.

The total amount of marketable debt

due within one year has declined by about

^{000,000,000}
\$ 13, ~~billion dollars~~ since the end of

February, and will decline by about an

additional ^{000,000,000} \$ 3, ~~billion dollars~~ as a result of

the

its wartime securities to meet the needs of these various investor classes; and the result was a substantial volume of short-term debt, held in large part by the banking system. Now that it has been possible to pay off some of the debt, it is in the main these short-term, wartime issues which are being repaid. More than 80 percent of the issues repaid in the past

financing. The distribution of the debt by maturity classes is primarily determined by the ownership of the debt. Commercial banks and nonfinancial corporations largely require short-term issues. In contrast, insurance companies, savings banks, individuals, and other longer-term investors need longer-term securities.

Accordingly, the Treasury tailored

its

Nearly all of the debt retirement has come from the holdings of the banking system. This is a direct result of the Treasury's wartime policy of tailoring its securities, as much as possible, to the needs of the various investor classes.

There has been a great deal of discussion of the extent to which the Treasury depended on short-term issues in its war financing

repayment of ^{2,500,000,000} \$ ~~3 1/4 billion~~ dollars to

take place in December. The cash balance

of the Treasury has been drawn down in

making these repayments, and will be further

drawn down by the repayment to take place

in December. This use of the Treasury's

cash funds has been possible because Federal

expenditures have declined rapidly, while

tax receipts have been well-maintained.

Nearly

fiscal year 1948 it is not enough that the Budget be in balance; there must be a surplus which can be applied to debt retirement.

The public debt has already been reduced by ^{500,000,000} \$18, ~~billion~~ dollars since the end of February through the repayment in part of maturing issues; and Secretary Snyder announced last week a further

repayment

fiscal year are still direct war expendi-

tures -- for example, the ^{\$ 500,000,000} ~~2-1/2 billion~~

~~dollars~~ of terminal leave pay. Such

expenditures will soon be liquidated.

Other expenditures will be cut.

Some time ago, President Truman asked the heads of the executive agencies to re-examine their projected budgets for the coming fiscal year, stating that for the

fiscal

During these 15 months, the Government has made great strides in reducing its expenditures.

The ^{100,000,000} ~~# 100 billion-dollar~~ budget is now a ^{40,000,000} ~~# 40 billion-dollar~~ budget; and is balanced on a cash basis. This is a goal achieved -- and before schedule -- but it is not an ultimate goal. It must be kept in mind that some of the expenditures this

fiscal

stable peacetime economy. We have achieved a level of employment -- more than 57 million employed outside the Armed Forces -- which, according to any previous standard, amounts to "full employment."

Less than 2 million persons are unemployed -- including people between jobs and people who are looking, not for just any job, but for the "right" job.

During

radio sets, for example -- have, in recent months, been 25 to 50 percent above pre-war levels.

Private building construction is at the highest level since the ¹⁹~~Twenties~~^{'20's}. Many building materials reached new postwar highs of output in September; some reached all-time highs.

We have come a long way toward a

stable

shortages, however, exist primarily not because of a lag in production, but because of the tremendous size of the demand which accumulated during four war-time years.

In some fields production is way ahead of anything we have ever known. Shipments of many durable goods -- washing machines, electric ranges, vacuum cleaners, radio

Industrial production is at a record peacetime level -- the Federal Reserve Board's index of industrial production stood at 177 in September -- a peacetime high. Electric power output early this month reached a new all-time high.

The production of basic materials is now close to capacity. We still have shortages of many consumers' goods. These

It is just 15 months since we saw
the successful termination of the war.

It is just 15 months since we started the
gigantic task of converting our war pro-
duction machinery to the output of
civilian goods.

What have we accomplished in those
15 months? Far more than almost anyone
believed possible.

Industrial

continued sale of savings issues.

While I cannot break new ground on any of these matters, perhaps it may not be over repetitious to turn over some of this same ground. But, before I do this, I should like to say something about the over-all progress which this country has made since VJ-Day.

It

What I am able to say perhaps is familiar to many of you. The customary midyear Budget revision was made early in August -- so the budget figures are no longer ~~news~~. Debt retirement has been progressing in an orderly pattern since the end of February. There have been no new borrowing techniques -- in fact, no new borrowing at all, except through the

continued

savings and loan associations that they should not support inflated property valuations; the country is looking to you to maintain this principle.

Since you invited a Treasury official to speak to you, undoubtedly you want to hear something about the Government's current fiscal program. I am not going to disappoint you.

What

you for financing, you have, in many instances, thought out the plans for local developments and inspired good builders to undertake them.

This is the sort of initiative upon which America has been built and has prospered. While I am on the subject I want to add just a word of caution. It is one of the first principles of sound

~~dollars~~' worth -- and only 30 percent of
the total.

What is perhaps more significant,
however, is that you have not merely stood
ready to make loans on construction
sponsored by others, but you have also
gone out and encouraged new housing
developments. Instead of waiting for the
builders to start promotion, and come to
you

wheel and pushing hard.

During 1945, savings and loan associations made 36 percent of all recorded non-farm mortgages of \$20,000 or less --

^{000,000,000}
\$2, ~~billion dollars~~' worth; during the first

nine months of 1946, you made 34 percent

of all such mortgages -- ^{600,000,000} \$2, ~~6 billion~~

~~dollars~~' worth. In 1939, your share of

these mortgages was just over ^{000,000,000} \$1, ~~billion~~

dollars'

to continue these purchases. The Government no longer needs your newly acquired funds; your normal function -- mortgage lending -- can again absorb all the funds you can acquire.

Secretary Snyder in his message commended your cooperation in forwarding the home construction program. You are putting your shoulders squarely to the

wheel

end of the Victory Loan last December, the Government security holdings of savings and loan associations amounted to ^{400,000,000} \$2, ~~4~~ billion dollars and comprised 28 percent of total assets.

Your wisdom and patriotism in purchasing these securities is paying off in the present soundness of your institutions. I am not, of course, urging you to

comprised only 2 percent of total assets.

This was entirely proper, since the

principal function of your associations

is mortgage lending. During the war,

however, when the normal outlets for your

investment funds were largely cut off,

you patriotically -- and wisely -- invested

almost the whole of your accumulating

assets in Government securities. At the

end

assets of all savings and loan associations

increased by ^{750,000,000} \$2, ~~3/4~~ billion dollars --

almost 50 percent -- during the four war

years. No insured savings and loan

association has been placed in liquidation

since 1941.

At the end of 1941, Government

security holdings of savings and loan

associations were very small -- they

comprised

home financing facilities in many localities which lack these services in other forms.

Your record in recent years is one of which you may well be proud. The increase in accounts in savings and loan associations during the war was tremendous, as these institutions shared in the general growth of individuals' liquid assets. Total assets

round in the inflation battle. Now that the OPA has relinquished all of its direct controls, except those on rent and on two food products, the issue is directly in our hands as individuals.

Savings and loan associations comprise an integral part of the over-all savings structure of the country. You serve a unique function in providing thrift and home

the savings of the four war years
will be dissipated in higher
prices, and we will not have any
additional goods to show for them."

This is the message Secretary Snyder
asked me to bring to you. I agree, as I
know all of you do, with Secretary Snyder's
statement that thrift is essential at
this time, if we are to win the final
round

already strong inflationary pressures. We should not, in fact, spend all that we earn. Until such time as the production of consumers' goods has caught up with the pent-up demand for these goods which accumulated during the four years of war, we must exercise restraint in our spending. Otherwise, the

percent from the ^{000,000,000} \$100, ~~billion-~~

~~dollar~~ wartime peak. It has bal-

anced its budget on a cash basis.

If we are to conserve the savings

which have accumulated because of

our past thrift, we must all of us

balance our own personal and family

budgets. We cannot spend more

than we earn without adding to the

already

material well-being of the individual and of the family. Your business is devoted to that principle. But I do want to say that I feel it is especially important at this time for all of us both to preach and to practice thrift. Your Federal Government has reduced its expenditures 60 percent

I am sure you realize the importance of making these loans on a basis that will be fair to borrowers and creditors alike.

I want to conclude this message with a word about thrift.

I do not need to tell this group that thrift is essential at any time to the advancement and

material

building construction, and particularly of residential housing for the benefit of veterans, is of paramount importance from the standpoint of the Administration.

I have been pleased, therefore, to note your cooperation in forwarding this program and in making loans under the G.I. Bill of Rights.

small firms. The record speaks
for itself -- you have given the
Treasury Department splendid
support.

Now that the war is over
your mortgage lending activities
can play a vital part in achieving
a stable peacetime economy. As
you all know, the stimulation of
building

securities -- your net purchases

totaled more than ^{250,000,000} ~~2 1/4~~ billion

dollars. In addition, you sold a

large volume of Government securi-

ties directly to the public, urging

your customers -- and others -- to

purchase them. You actively

supported the payroll savings plan

and handled the accounts of many

small

the war was completed. I want,
therefore, to take this opportunity,
on behalf of the Treasury Department,
to thank all of you who contributed
so much to the success of this
undertaking. During the war years,
the savings and loan associations
invested 85 percent of the net
increase in their assets in Government
securities

- 2 -

The Treasury Department has a real concern in your activities and you have an equal interest in ours. Secretary Snyder has asked me to convey to you a personal greeting and read to you the following message:

"This is your first annual meeting since the task of financing
the

5-15-2

The Role of Savings and Loan
Associations in the Post War Economy

It was with real pleasure that I received and accepted the invitation to be here with you in Milwaukee today at your Fifty-fourth Annual Convention. I have known many of you for quite a long time and I have always found my contacts with you both stimulating and interesting

The

5-15-2

Address by
Honorable Edward H. Foley, Jr.
Assistant Secretary of the Treasury
before the
Fifty-fourth Annual Convention of the
United States Savings and Loan League
at the
Hotel Schroeder, Milwaukee, Wisconsin,
Thursday, November 21, 1946, 11:15 A.M. CST

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TREASURY DEPARTMENT

Washington

FOR RELEASE 11:15 AM, CST,
Thursday, November 21, 1946

Press Service
No. S- 152

(The following address by Edward H. Foley, Jr., Assistant Secretary of the Treasury, ~~made~~ before the Fifty-fourth Annual Convention of the United States Savings and Loan League at the Hotel Schroeder, Milwaukee, Wisconsin, is scheduled for delivery at 11:15 AM, CST, Thursday, November 21, 1946, and is for release at that time.)

[Handwritten signature]

TREASURY DEPARTMENT

Washington

FOR RELEASE 11:15 AM, CST,
Thursday, November 21, 1946

Press Service
No. S-152

(The following address by Edward H. Foley, Jr., Assistant Secretary of the Treasury, before the Fifty-fourth Annual Convention of the United States Savings and Loan League at the Hotel Schroeder, Milwaukee, Wisconsin, is scheduled for delivery at 11:15 AM, CST, Thursday, November 21, 1946, and is for release at that time.)

THE ROLE OF SAVINGS AND LOAN
ASSOCIATIONS IN THE POST WAR ECONOMY

It was with real pleasure that I received and accepted the invitation to be here with you in Milwaukee today at your Fifty-fourth Annual Convention. I have known many of you for quite a long time and I have always found my contacts with you both stimulating and interesting.

The Treasury Department has a real concern in your activities and you have an equal interest in ours. Secretary Snyder has asked me to convey to you a personal greeting and read to you the following message:

"This is your first annual meeting since the task of financing the war was completed. I want, therefore, to take this opportunity, on behalf of the Treasury Department, to thank all of you who contributed so much to the success of this undertaking. During the war years, the savings and loan associations invested 85 percent of the net increase in their assets in Government securities -- your net purchases totaled more than \$2,250,000,000. In addition, you sold a large volume of Government securities directly to the public, urging your customers -- and others -- to purchase them. You actively supported the payroll savings plan and handled the accounts of many small firms. The record speaks for itself -- you have given the Treasury Department splendid support.

Now that the war is over your mortgage lending activities can play a vital part in achieving a stable peacetime economy. As you all know, the

stimulation of building construction, and particularly of residential housing for the benefit of veterans, is of paramount importance from the standpoint of the Administration. I have been pleased, therefore, to note your cooperation in forwarding this program and in making loans under the G.I. Bill of Rights. I am sure you realize the importance of making these loans on a basis that will be fair to borrowers and creditors alike.

I want to conclude this message with a word about thrift. I do not need to tell this group that thrift is essential at any time to the advancement and material well-being of the individual and of the family. Your business is devoted to that principle. But I do want to say that I feel it is especially important at this time for all of us both to preach and to practice thrift. Your Federal Government has reduced its expenditures 60 percent from the \$100,000,000,000 wartime peak. It has balanced its budget on a cash basis. If we are to conserve the savings which have accumulated because of our past thrift, we must all of us balance our own personal and family budgets. We cannot spend more than we earn without adding to the already strong inflationary pressures. We should not, in fact, spend all that we earn. Until such time as the production of consumers' goods has caught up with the pent-up demand for these goods which accumulated during the four years of war, we must exercise restraint in our spending. Otherwise, the savings of the four war years will be dissipated in higher prices, and we will not have any additional goods to show for them."

This is the message Secretary Snyder asked me to bring to you. I agree, as I know all of you do, with Secretary Snyder's statement that thrift is essential at this time, if we are to win the final round in the inflation battle. Now that the OPA has relinquished all of its direct controls, except those on rent and on two food products, the issue is directly in our hands as individuals.

Savings and loan associations comprise an integral part of the over-all savings structure of the country. You serve a unique function in providing thrift and home financing facilities in many localities which lack these services in other forms.

Your record in recent years is one of which you may well be proud. The increase in accounts in savings and loan associations during the war was tremendous, as these institutions shared in the general growth of individuals' liquid assets. Total assets of all savings and loan associations increased by \$2,750,000,000 -- almost 50 percent -- during the four war years. No insured savings and loan association has been placed in liquidation since 1941.

At the end of 1941, Government security holdings of savings and loan associations were very small -- they comprised only 2 percent of total assets. This was entirely proper, since the principal function of your associations is mortgage lending. During the war, however, when the normal outlets for your investment funds were largely cut off, you patriotically -- and wisely -- invested almost the whole of your accumulating assets in Government securities. At the end of the Victory Loan last December, the Government security holdings of savings and loan associations, amounted to \$2,400,000,000 and comprised 28 percent of total assets.

Your wisdom and patriotism in purchasing these securities is paying off in the present soundness of your institutions. I am not, of course, urging you to continue these purchases. The Government no longer needs your newly acquired funds; your normal function -- mortgage lending -- can again absorb all the funds you can acquire.

Secretary Snyder in his message commended your cooperation in forwarding the home construction program. You are putting your shoulders squarely to the wheel and pushing hard.

During 1945, savings and loan associations made 36 percent of all recorded non-farm mortgages of \$20,000 or less -- \$2,000,000,000 worth; during the first nine months of 1946, you made 34 percent of all such mortgages -- \$2,600,000,000 worth. In 1939, your share of these mortgages was just over \$1,000,000,000 worth -- and only 30 percent of the total.

What is perhaps more significant, however, is that you have not merely stood ready to make loans on construction sponsored by others, but you have also gone out and encouraged new housing developments. Instead of waiting for the builders to start promotion, and come to you for financing, you have, in many instances, thought out the plans for local developments and inspired good builders to undertake them.

This is the sort of initiative upon which America has been built and has prospered. While I am on the subject I want to add just a word of caution. It is one of the first principles

of sound savings and loan associations that they should not support inflated property valuations; the country is looking to you to maintain this principle.

Since you invited a Treasury official to speak to you, undoubtedly you want to hear something about the Government's current fiscal program. I am not going to disappoint you.

What I am able to say perhaps is familiar to many of you. The customary midyear Budget revision was made early in August -- so the budget figures are no longer news. Debt retirement has been progressing in an orderly pattern since the end-of February. There have been no new borrowing techniques -- in fact, no new borrowing at all, except through the continued sale of savings issues.

While I cannot break new ground on any of these matters, perhaps it may not be over repetitious to turn over some of this same ground. But, before I do this, I should like to say something about the over-all progress which this country has made since VJ-Day.

It is just 15 months since we saw the successful termination of the war. It is just 15 months since we started the gigantic task of converting our war production machinery to the output of civilian goods.

What have we accomplished in those 15 months? Far more than almost anyone believed possible.

Industrial production is at a record peacetime level -- the Federal Reserve Board's index of industrial production stood at 177 in September -- a peacetime high. Electric power output early this month reached a new all-time high.

The production of basic materials is now close to capacity. We still have shortages of many consumers' goods. These shortages, however, exist primarily not because of a lag in production, but because of the tremendous size of the demand which accumulated during four wartime years.

In some fields production is way ahead of anything we have ever known. Shipments of many durable goods -- washing machines, electric ranges, vacuum cleaners, radio sets, for example -- have, in recent months, been 25 to 50 percent above pre-war levels.

Private building construction is at the highest level since the '20's. Many building materials reached new postwar highs of output in September; some reached all-time highs.

We have come a long way toward a stable peacetime economy. We have achieved a level of employment -- more than 57 million employed outside the Armed Forces -- which, according to any previous standard, amounts to full employment.

Less than 2 million persons are unemployed -- including people between jobs and people who are looking, not for just any job, but for the right job.

During these 15 months, the Government has made great strides in reducing its expenditures.

The \$100,000,000,000 budget is now a \$40,000,000,000 budget; and is balanced on a cash basis. This is a goal achieved -- and before schedule -- but it is not an ultimate goal. It must be kept in mind that some of the expenditures this fiscal year are still direct war expenditures -- for example, the \$2,500,000,000 of terminal leave pay. Such expenditures will soon be liquidated. Other expenditures will be cut.

Some time ago, President Truman asked the heads of the executive agencies to re-examine their projected budgets for the coming fiscal year, stating that for the fiscal year 1948 it is not enough that the Budget be in balance; there must be a surplus which can be applied to debt retirement.

The public debt has already been reduced by \$18,000,000,000 since the end of February through the repayment in part of maturing issues; and Secretary Snyder announced last week a further repayment of \$3,250,000,000 to take place in December. The cash balance of the Treasury has been drawn down in making these repayments, and will be further drawn down by the repayment to take place in December. This use of the Treasury's cash funds has been possible because Federal expenditures have declined rapidly, while tax receipts have been well-maintained.

Nearly all of the debt retirement has come from the holdings of the banking system. This is a direct result of the Treasury's wartime policy of tailoring its securities, as much as possible, to the needs of the various investor classes.

There has been a great deal of discussion of the extent to which the Treasury depended on short-term issues in its war financing. The distribution of the debt by maturity classes is primarily determined by the ownership of the debt. Commercial banks and nonfinancial corporations largely require short-term issues. In contrast, insurance companies, savings banks, individuals, and other longer-term investors need longer-term securities.

Accordingly, the Treasury tailored its wartime securities to meet the needs of these various investor classes; and the result was a substantial volume of short-term debt, held in large part by the banking system. Now that it has been possible to pay off some of the debt, it is in the main these short-term, wartime issues which are being repaid. More than 80 percent of the issues repaid in the past 9 months fell in this category -- the remainder were prewar issues which had reached their maturity or first call dates.

The total amount of marketable debt due within one year has declined by about \$13,000,000,000 since the end of February, and will decline by about an additional \$3,000,000,000 as a result of the December pay-off. The proportion of the marketable debt due within one year is now about 30 percent. This is no larger than is necessary to provide a reasonable amount of flexibility -- both to investors in the arrangement of their portfolios, and to the Treasury and the Federal Reserve System in the exercise of their debt management and monetary functions.

I should like now to turn briefly to the subject of interest rates. Secretary Snyder has stated on a number of occasions that, in his view, no anti-inflationary purpose would be served at the present time by increasing interest rates. I whole-heartedly share this view. I should like, therefore, to repeat some remarks which he made on this subject about two months ago:

"It is my view that, for the present, no anti-inflationary purpose would be served by increasing interest rates. This is because it would interfere with the stability of the Government bond market and would introduce uncertainties, which themselves might contribute to inflation. The immediate effect of higher interest rates might very well be to increase, rather than to decrease, the volume of currency and deposits. This is because the typical investor's reaction to the higher rates might be 'wait and see', rather than 'run and invest'.

The stability of the bond market since the end of the war has eased the financial problems of reconversion, both for the Government and for business firms. The stability of the Government bond market results in a degree of business confidence which is of tremendous value in achieving and maintaining full production. It contributes to the confidence of the public in the credit of the United States and in the enduring stability of the currency. We must not impair this confidence."

The fiscal policy of the United States Government has contributed greatly to the fight against inflation. This fight is not quite over. The economy must make its final adjustment to the end of direct price control. Production, although far ahead of most forecasts, has still further to go in order to catch up with demand. Your institutions can do much to promote the thrift which is still necessary to take us over the hump into lasting peacetime prosperity.

In conclusion, I should like to add my word of commendation to Secretary Snyder's message which I have read to you -- both for the wartime job you did in purchasing and selling Government securities and for the peacetime job you are doing in your mortgage lending activities. Yours is the true American way -- the way that has led to over 300 years of progress in this country, the way which will continue to maintain in the United States the highest standard of living in the world.

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ALPHA

- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on November 29, 1946.

(7)
The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

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S-153

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 22, 1946
(1)

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 90-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated November 29, 1946, and will mature February 27, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, November 25, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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FOR IMMEDIATE RELEASE
NOVEMBER 25, 1946

Monday

5-1574

The Bureau of Customs announced today that entries for consumption and withdrawals from warehouse for consumption of cotton having a staple of $1\text{-}1/8$ inches or more but less than $1\text{-}11/16$ inches totaled 43,446,654 pounds for the period from September 20 to November 22, 1946, inclusive.

The quota for the year beginning September 20, 1946 is 45,656,420 pounds.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Monday, November 25, 1946

Press Service
No. S-154

The Bureau of Customs announced today that entries for consumption and withdrawals from warehouse for consumption of cotton having a staple of 1-1/8 inches or more but less than 1-11/16 inches totaled 43,446,654 pounds for the period from September 20 to November 22, 1946, inclusive.

The quota for the year beginning September 20, 1946, is 45,656,420 pounds.

oOo

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal Tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117(a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 22, 1946.

Press Service
No. S-153

The Secretary of the Treasury, by this public notice, invites tenders for \$1,300,000,000, or thereabouts, of 90-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated November 29, 1946, and will mature February 27, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, November 25, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on November 29, 1946.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 26, 1946.

Press Service

5-155

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 90-day Treasury bills to be dated November 29, 1946, and to mature February 27, 1947, which were offered on November 22, 1946, were opened at the Federal Reserve Banks on November 25.

The details of this issue are as follows:

Total applied for - \$1,798,985,000
 Total accepted - 1,311,964,000 (includes \$26,080,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.906/ Equivalent rate of discount approx. 0.376% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount 0.372% per annum
 Low - 99.906 " " " " 0.376% " "

(72 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 25,840,000	\$ 19,932,000
New York	1,378,715,000	1,009,191,000
Philadelphia	24,046,000	9,986,000
Cleveland	13,185,000	11,561,000
Richmond	4,365,000	3,861,000
Atlanta	1,450,000	1,450,000
Chicago	248,630,000	180,390,000
St. Louis	16,580,000	12,668,000
Minneapolis	2,715,000	2,575,000
Kansas City	8,120,000	4,120,000
Dallas	5,670,000	4,320,000
San Francisco	69,669,000	51,910,000
TOTAL	\$1,798,985,000	\$1,311,964,000

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 26, 1946

Press Service
 No. S-155

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 90-day Treasury bills to be dated November 29, 1946, and to mature February 27, 1947, which were offered on November 22, 1946, were opened at the Federal Reserve Banks on November 25.

The details of this issue are as follows:

Total applied for - \$1,798,985,000
 Total accepted - 1,311,964,000 (includes \$26,080,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.906 $\frac{1}{2}$ Equivalent rate of discount approx. 0.376% per annum

Range of accepted competitive bids:

High - 99.907 Equiv. rate of discount approx. 0.372% per annum
 Low - 99.906 " " " " " " 0.376% " "

(72 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	\$ 25,840,000	\$ 19,932,000
New York	1,378,715,000	1,009,191,000
Philadelphia	24,046,000	9,986,000
Cleveland	13,185,000	11,561,000
Richmond	4,365,000	3,861,000
Atlanta	1,450,000	1,450,000
Chicago	248,630,000	180,390,000
St. Louis	16,580,000	12,668,000
Minneapolis	2,715,000	2,575,000
Kansas City	8,120,000	4,120,000
Dallas	5,670,000	4,320,000
San Francisco	69,669,000	51,910,000
TOTAL	\$1,798,985,000	\$1,311,964,000

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- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on December 5, 1946.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 29, 1946
(1)

5-15-6

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 5, 1946, and will mature March 6, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, December 2, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

[Handwritten signature]

TREASURY DEPARTMENT

Washington

Sample

Sunday

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 26, 1946

Press Service
 No. S-155 157

28

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 90-day Treasury bills to be dated November 29, 1946, and to mature February 27, 1947, which were offered on November 22, 1946, were opened at the Federal Reserve Banks on November 25.

The details of this issue are as follows:

Total applied for - \$1,798,985,000
 Total accepted - 1,311,964,000 (includes \$26,080,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.906 $\frac{7}{8}$ Equivalent rate of discount approx. 0.376% per annum

Range of accepted competitive bids:

High - 99.907 Equiv. rate of discount approx. 0.372% per annum
 Low - 99.906 " " " " " " 0.376% " "

(72 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 25,840,000	\$ 19,932,000
New York	1,378,715,000	1,009,191,000
Philadelphia	24,046,000	9,986,000
Cleveland	13,185,000	11,561,000
Richmond	4,365,000	3,861,000
Atlanta	1,450,000	1,450,000
Chicago	248,630,000	180,390,000
St. Louis	16,580,000	12,668,000
Minneapolis	2,715,000	2,575,000
Kansas City	8,120,000	4,120,000
Dallas	5,670,000	4,320,000
San Francisco	69,669,000	51,910,000
TOTAL	\$1,798,985,000	\$1,311,964,000

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 29, 1946.

Press Service
No. S-156

The Secretary of the Treasury, by this public notice, invites tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 5, 1946, and will mature March 6, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, December 2, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on December 5, 1946.

Seven officers or stockholders of the company were placed under oath, and after they had persistently denied participating in over-ceiling transactions, perjury charges were brought against them.

These charges still are pending.

However, the incident had an immediate effect in breaking down resistance the investigation had previously encountered in the poultry raising area, and numerous disclosures to agents indicated that black market prices were almost the rule, rather than the exception during the years 1943-45.

In practically all cases, the over-ceiling payments were not reported for income tax purposes. As the inquiry has gained momentum, an increasingly large number of taxpayers ^{have} ~~has~~ admitted deficiencies, and signed agreements to pay additional taxes and civil fraud penalties.

Previous investigations into tax aspects of poultry black markets in other states have resulted in recovery by the Government of many thousands of dollars in additional taxes and penalties. Particularly successful drives have been staged in Texas, California, and in several states along the Atlantic seaboard.

~~Proposed press release~~

Thursday ~~Oct~~ ^{Nov} November 28, 1946

5-157

Treasury agents, by effective use of the perjury provisions of the criminal code, have broken wide open a widespread tax evasion racket growing out of the poultry black market in the New York City area, Secretary Snyder revealed today.

Already some 1200 Connecticut farmers and a number of shippers and processors have been brought within the scope of the investigation, and the number is growing daily as many taxpayers are making complete disclosures of their dealings, and naming the persons they dealt with.

Mr. Snyder said that additional taxes and fraud penalties already have totaled \$350,000, and it is expected that the total recovery to the Government will reach \$3,000,000.

The investigation started several months ago when agents of the Bureau of Internal Revenue determined that large quantities of Connecticut poultry were being sold in the New York market at prices far in excess of the then prevailing OPA ceilings. The agents started with one of the largest dealers who acted as a middleman between raisers and retailers.

When books of the concern were found to show that all transactions were within ceilings, the investigation was broadened to include persons selling to and buying from the firm.

Revenue agents were able to obtain from a number of raisers affidavits which ^{apparently} incriminated the company under investigation in overceiling transactions.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, November 28, 1946

Press Service
No. S-157

Treasury agents, by effective use of the perjury provisions of the criminal code, have broken wide open a widespread tax evasion racket growing out of the poultry black market in the New York City area, Secretary Snyder revealed today.

Already some 1,200 Connecticut farmers and a number of shippers and processors have been brought within the scope of the investigation, and the number is growing daily as many taxpayers are making complete disclosures of their dealings, and naming the persons they dealt with.

Mr. Snyder said that additional taxes and fraud penalties already have totaled \$350,000, and it is expected that the total recovery to the Government will reach \$3,000,000.

The investigation started several months ago when agents of the Bureau of Internal Revenue determined that large quantities of Connecticut poultry were being sold in the New York market at prices far in excess of the then prevailing OPA ceilings. The agents started with one of the largest dealers who acted as a middleman between raisers and retailers.

When books of the concern were found to show that all transactions were within ceilings, the investigation was broadened to include persons selling to and buying from the firm.

Revenue agents were able to obtain from a number of raisers affidavits which apparently incriminated the company under investigation in over-ceiling transactions.

Seven officers or stockholders of the company were placed under oath, and after they had persistently denied participating in over-ceiling transactions, perjury charges were brought against them.

These charges still are pending.

However, the incident had an immediate effect in breaking down resistance the investigation had previously encountered in the poultry raising area, and numerous disclosures to agents indicated that black market prices were almost the rule, rather than the exception during the years 1943-45.

In practically all cases, the over-ceiling payments were not reported for income tax purposes. As the inquiry has gained momentum, an increasingly large number of taxpayers have admitted deficiencies, and signed agreements to pay additional taxes and civil fraud penalties.

Previous investigations into tax aspects of poultry black markets in other states have resulted in recovery by the Government of many thousands of dollars in additional taxes and penalties. Particularly successful drives have been staged in Texas, California, and in several states along the Atlantic seaboard.

TREASURY DEPARTMENT

Washington

FOR ~~IMMEDIATE~~ RELEASE *Morning Newspapers,*
~~Wednesday, November 27, 1946~~
Thursday 28

Press Service
No. S-108

Secretary Snyder will attend the inauguration of President-elect Miguel Aleman in Mexico City on December 1, it was announced today.

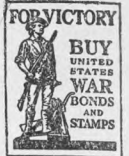
The Secretary will be a special guest of the Mexican Government.

He will leave Washington for Mexico City ~~Thursday, November 28,~~ *today, (Thursday, Nov. 28)* and will return December 8. Mrs. Snyder and Miss Drucie Snyder will accompany him.

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THE SECRETARY OF THE TREASURY
WASHINGTON



November
Twenty-sixth
1946

in Mexico City on Dec 1, 1946

The Secretary of the Treasury, John W. Snyder, will attend the inauguration of President-elect Miguel Aleman as the special guest of the Mexican government. ~~While in Mexico City, Secretary Snyder will extend to President Aleman an invitation from President Truman to visit the United States.~~

Secretary Snyder will be accompanied by Mrs. Snyder and Miss Drucie Snyder.

*Leaving tomorrow
Return on 8th*

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, November 28, 1946.

Press Service
No. S-158

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He will leave Washington for Mexico City today, (Thursday, November 28) and will return December 8. Mrs. Snyder and Miss Drucie Snyder will accompany him.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Friday, November 29, 1946.

Press Service

The Secretary of the Treasury today announced the final subscription and allotment figures with respect to the current offering of 7/8 percent Treasury Certificates of Indebtedness of Series L-1947.

Subscriptions and allotments were divided among the several Federal Reserve Districts and the Treasury as follows:

<u>Federal Reserve District</u>	<u>Total Subscriptions Received and Allotted</u>
Boston	\$ 81,908,000
New York	1,405,038,000
Philadelphia	97,984,000
Cleveland	219,533,000
Richmond	58,997,000
Atlanta	78,565,000
Chicago	649,475,000
St. Louis	78,664,000
Minneapolis	93,022,000
Kansas City	117,590,000
Dallas	77,171,000
San Francisco	302,144,000
Treasury	<u>13,297,000</u>
TOTAL	\$3,273,388,000

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Friday, November 29, 1946.

Press Service
No. S-159

The Secretary of the Treasury today announced the final subscription and allotment figures with respect to the current offering of 7/8 percent Treasury Certificates of Indebtedness of Series L 1947.

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St. Louis	78,664,000
Minneapolis	93,022,000
Kansas City	117,590,000
Dallas	77,171,000
San Francisco	302,144,000
Treasury	13,297,000

TOTAL	\$3,273,388,000

FOR IMMEDIATE RELEASE
Friday November 29, 1946

5-160
preliminary reports show

The Bureau of Customs announced today that entries for consumption and withdrawals from warehouse for consumption of cotton having a staple of 1-1/8 inches or more but less than 1-11/16 inches totaled 45,546,991 pounds for the period from September 20 to November 27, 1946, inclusive.

The quota for the year beginning September 20, 1946, is 45,656,420 pounds.

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Friday, November 29, 1946.

Press Service
No. S-160

The Bureau of Customs announced today that preliminary reports show entries for consumption and withdrawals from warehouse for consumption of cotton having a staple of 1-1/8 inches or more but less than 1-11/16 inches totaled 45,546,991 pounds for the period from September 20 to November 27, 1946, inclusive.

The quota for the year beginning September 20, 1946, is 45,656,420 pounds.

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system even though they do not pay a second tax on their dividends.

The dividends-received-credit approach, like the withholding ~~system~~ ^{approach},

would in effect count the corporate tax as a payment on stockholders'

personal tax liabilities but, unlike the withholding approach, would

not require stockholders to include ^{the tax paid by the corporation} ~~it~~ in their taxable incomes

^{would it} nor give refunds for overpayments. ^{As a} ~~The result~~ ^{the dividends-received-credit approach} would be a ~~relatively~~

greater benefit ^{to} ~~for~~ high-bracket than ^{to} ~~for~~ low-bracket stockholders. give?

The dividend-exclusion approach would have a similar effect. Illus-

trative figures show how this would come about.

income The report ^{contains} is ~~illustrated~~ with charts showing ^{the combined corporate} ~~how the different~~ and individual ~~taxes on distributed~~ profits ^{under the different} approaches ~~would work~~. It also includes estimates of ~~their~~ revenue effects ~~and several appendix statistical tables~~.

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corporate income. The study considers the possibility of recognizing the capital ^{raising} problems of small corporations by treating a limited amount of profits as if distributed even though they may be retained.

The withholding approach would consider part or all of the corporate tax a withholding tax. When stockholders received dividends they would be taxed on the cash received plus the withholding tax allocable to their dividends, but would get a tax credit for the withholding tax and in cases of overwithholding they would be given refunds from the Treasury. This system, which is used in Great Britain, would be similar to the present withholding system for salaries and wages. The Treasury study discusses a number of possible refinements and administrative and technical problems of the withholding approach.

Two other approaches--the dividends-received credit and the dividend-exclusion approaches--could reduce taxes on distributed corporate profits but, as compared with the approaches already mentioned, could not so exactly equalize taxation of distributed profits and other kinds of income. The dividends-received-credit approach would exempt

dividends from part of the individual income tax, ^{it is usually suggested} ~~probably the first~~ ^{that dividends should not be subject to the first bracket rate} bracket. The dividend-exclusion approach would exclude part of

dividends received from taxable incomes of stockholders. Both of these approaches would be administratively simple. Both would differ from the other approaches in giving no relief to stockholders not subject to individual income tax, who may be overtaxed under the present

at prices and yields that reflected the market's expectation that the corporate tax would continue. In such cases, present stockholders may largely escape the effect of the tax, and if so its unexpected repeal or reduction would give them windfall gains.

Elimination of the corporate tax without any other change is hardly ever suggested as a remedy for double taxation, the report states, because such a move would open the way for stockholders to postpone or avoid taxes on their shares of undistributed profits. One proposal, however, calls for elimination of the corporate tax and taxation of stockholders like partners on their full share of corporate profits, whether dividends are paid or not. The Treasury study points out that this approach ^{probably} would not be administratively feasible for big corporations with complicated capital structures and large numbers of stockholders.

In addition to the partnership approach, both the dividends-paid-credit approach and the withholding approach could reduce ^{OR} ~~or~~ eliminate the present so-called double taxation of distributed profits, but would keep a tax on retained corporate profits to minimize individual tax postponement or avoidance.

The dividends-paid-credit approach would continue a corporate tax but would grant corporations a tax credit when they paid dividends, or would exclude part or all of dividends paid from taxable

the withholding approach, which would treat part or all of the corporate tax like the present withholding on salaries and wages; the dividends-received credit approach, which would exempt dividends from the first bracket of the individual income tax; and the dividend-exclusion approach, which would exclude part of dividends from stockholders' taxable incomes.

The report was prepared by Richard Goode, a member of the staff of the Treasury's Division of Tax Research. Treasury spokesmen explained that the report is a part of the Department's continuing study of postwar tax revision and emphasized that it is not concerned with any immediate legislative programs. The foreword identifies the future position of the corporation in the tax structure as "one of the major issues of postwar tax policy." Treasury spokesmen said that the report has been made public at this time because of current general interest in the problems of corporate taxation. Its purpose is to provide information and background material for further public discussion.

The Treasury study points out that the extent of existing double taxation of corporate profits is limited by several factors. *To the extent that*
~~the~~ the corporate tax is passed on in higher prices or lower wages--a moot question--there is no double taxation of stockholders. At most, the report points out, only the distributed part of profits is double taxed. Moreover, stockholders in many cases may have bought stock

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TREASURY DEPARTMENT
Washington

FOR RELEASE *Morning Newspapers*
← Friday, December 6, 1946

*Pass Lewis
No. 5-161*

The Treasury Department today released a technical staff study entitled "The Postwar Corporation Tax Structure." A foreword ~~signed~~ by Louis Shere, Acting Director of Tax Research, explains that the study of the present corporation tax and examination of proposals for fundamentally revising it "advances no policy recommendations but discusses considerations important to the formulation of such recommendations."

The 80-page report centers on the problem of the so-called double taxation of distributed corporate profits. At present corporations pay a tax on their profits, and stockholders are also taxed on dividends when distributed by the corporation. The Treasury report considers the significance of this fact and appraises arguments for and against the present corporate tax. It then considers various possible ways that have been suggested for reducing or eliminating the so-called double taxation. Among these are the partnership approach, which would eliminate the corporate tax and tax stockholders on their ~~full share~~ *proportional part* of both distributed and undistributed corporate profits; the credit-for-dividends-paid approach, which would give corporations a tax credit when they paid dividends;

TREASURY DEPARTMENT

Washington

FOR RELEASE MORNING NEWSPAPERS,
Friday, December 6, 1946.

Press Service
No. S-161

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The Treasury study points out that the extent of existing double taxation of corporate profits is limited by several factors. To the extent that the corporate tax is passed on in higher prices or lower wages--a moot question--there is no double taxation of stockholders. At most, the report points out, only the distributed part of profits is double taxed. Moreover, stockholders in many cases may have bought stock at prices and yields that reflected the market's expectation that the corporate tax would continue. In such cases, present stockholders may largely escape the effect of the tax, and if so its unexpected repeal or reduction would give them windfall gains.

Elimination of the corporate tax without any other change is hardly ever suggested as a remedy for double taxation, the report states, because such a move would open the way for stockholders to postpone or avoid taxes on their shares of undistributed profits. One proposal, however, calls for elimination of the corporate tax and taxation of stockholders like partners on their full share of corporate profits, whether dividends are paid or not. The Treasury study points out that this approach probably would not be administratively feasible for big corporations with complicated capital structures and large numbers of stockholders.

In addition to the partnership approach, both the dividends-paid-credit approach and the withholding approach could reduce or eliminate the present so-called double taxation of distributed profits, but would keep a tax on retained corporate profits to minimize individual tax postponement or avoidance.

The dividends-paid-credit approach would continue a corporate tax but would grant corporations a tax credit when they paid dividends, or would exclude part or all of dividends paid from taxable corporate income. The study considers the possibility of recognizing the capital-raising problems of small corporations by treating a limited amount of profits as if distributed even though they may be retained.

The withholding approach would consider part or all of the corporate tax a withholding tax. When stockholders received dividends they would be taxed on the cash received plus the withholding tax allocable to their dividends, but would get a tax credit for the withholding tax and in cases of overwithholding they would be given refunds from the Treasury. This system, which is used in Great Britain, would be similar to the present withholding system for salaries and wages. The Treasury study discusses a number of possible refinements and administrative and technical problems of the withholding approach.

Two other approaches--the dividends-received credit and the dividend-exclusion approaches--could reduce taxes on distributed corporate profits but, as compared with the approaches already mentioned, could not so exactly equalize taxation of distributed profits and other kinds of income. The dividends-received-credit approach would exempt dividends from part of the individual income tax; it is usually supposed that dividends should not be subject to the first-bracket rate. The dividend-exclusion approach would exclude part of dividends received from taxable incomes of stockholders. Both of these approaches would be administratively simple. Both would differ from the other approaches in giving no relief to stockholders not subject to individual income tax, who may be overtaxed under the present system even though they do not pay a second tax on their dividends. The dividends-received-credit approach, like the withholding approach would in effect count the corporate tax as a payment on stockholders' personal tax liabilities but, unlike the withholding approach, would not require stockholders to include the tax paid by the corporation in their taxable incomes nor would it give refunds for overpayments. As a result the dividends-received-credit approach would give greater benefit to high-bracket than to low-bracket stockholders. The dividend-exclusion approach would have a similar effect. Illustrative figures show how this would come about.

The report contains charts showing the combined corporate and individual income taxes on distributed profits under the different approaches. It also includes estimates of revenue effects.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 3, 1946.

Press Service
5-162

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated December 5, 1946, and to mature March 6, 1947, which were offered on November 29, 1946, were opened at the Federal Reserve Banks on December 2.

The details of this issue are as follows:

Total applied for - \$1,768,931,000
Total accepted - 1,315,534,000 (includes \$25,861,000 entered on a fixed-price basis at 99.905 and accepted in full)
Average price - 99.905/4 Equivalent rate of discount approx. 0.376% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
Low - 99.905 " " " " " " " " " " " " 0.376% " "

(73 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 21,340,000	\$ 15,778,000
New York	1,318,592,000	976,637,000
Philadelphia	24,015,000	18,035,000
Cleveland	9,025,000	6,865,000
Richmond	4,190,000	3,785,000
Atlanta	1,020,000	1,020,000
Chicago	267,690,000	196,680,000
St. Louis	7,840,000	6,787,000
Minneapolis	5,722,000	4,750,000
Kansas City	15,013,000	12,853,000
Dallas	3,520,000	3,520,000
San Francisco	90,964,000	68,824,000
TOTAL	\$1,768,931,000	\$1,315,534,000

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, December 3, 1946.

Press Service
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TOTAL	\$1,768,931,000	\$1,315,534,000

COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	Established : TOTAL QUOTA	TOTAL IMPORTS : Sept. 20, 1946, to Nov. 23, 1946	ESTABLISHED : 33-1/3% of Total Quota	IMPORTS : Sept. 20, 1946 to Nov. 23, 1946
United Kingdom.....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	69,627	-	-
Netherlands.....	68,240	-	22,747	-
Switzerland.....	44,388	-	14,796	-
Belgium.....	38,559	-	12,853	-
Japan.....	341,535	-	-	-
China.....	17,322	-	-	-
Egypt.....	8,135	-	-	-
Cuba.....	6,544	-	-	-
Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	100,964	1,599,886	

1/ Included in total imports, column 2.

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Lunday

8-163

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to **November 23, 1946.** (See footnote 4)

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: 20, 1946, to	Imports Sept. 20, 1946, to	Established: 20, 1946, to	Imports Sept. 20, 1946, to
	Quota	Nov. 23, 1946	Quota	Nov. 30, 1946 <u>4/</u>
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	36,411,673	
Peru.....	247,952	106,710	9,209,346	
British India.....	2,003,483	814,330	-	
China.....	1,370,791	-	-	
Mexico.....	8,883,259	8,883,259	-	
Brazil.....	618,723	618,723	-	
Union of Soviet Socialist Republics...	475,124	-	31,900	
Argentina.....	5,203	5,104	-	
Haiti.....	237	-	-	
Ecuador.....	9,333	-	-	
Honduras.....	752	-	-	
Paraguay.....	871	-	-	
Colombia.....	124	-	-	
Iraq.....	195	-	-	
British East Africa.....	2,240	-	-	
Netherlands East Indies.	71,388	-	-	
Barbados.....	-	-	-	
Other British West Indies 1/.....	21,321	-	501	
Nigeria.....	5,377	-	-	
Other British West Africa 2/.....	16,004	-	-	
Other French Africa. 3/..	689	-	-	
Algeria and Tunisia.....	-	-	-	
	14,516,882	10,428,126	45,656,420	45,656,420

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.

2/ Other than Gold Coast and Nigeria.

3/ Other than Algeria, Tunisia, and Madagascar.

4/ Long staple cotton import figures shown through November 30, 1946.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Tuesday, December 3, 1946

Press Service
No. S-163

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to November 23, 1946. (See footnote 4)

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(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: 20, 1946, to Nov. 23, 1946	Imports Sept. 20, 1946, to Nov. 23, 1946	Established: 20, 1946, to Nov. 30, 1946 ^{4/}	Imports Sept. 20, 1946, to Nov. 30, 1946 ^{4/}
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	36,414,673	-
Peru.....	247,952	106,710	9,209,346	-
British India.....	2,003,483	814,330	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
Brazil.....	618,723	618,723	-	-
Union of Soviet Socialist Republics...	475,124	-	31,900	-
Argentina.....	5,203	5,104	-	-
Haiti.....	237	-	-	-
Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa.....	2,240	-	-	-
Netherlands East Indies.	71,388	-	-	-
Barbados.....	-	-	-	-
Other British West Indies 1/.....	21,321	-	501	-
Nigeria.....	5,377	-	-	-
Other British West Africa 2/.....	16,004	-	-	-
Other French Africa 3/...	689	-	-	-
Algeria and Tunisia.....	-	-	-	-
	14,516,882	10,428,126	45,656,420	45,656,420

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COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	: Established : : TOTAL QUOTA :	TOTAL IMPORTS : Sept. 20, 1946, : to Nov. 23, 1946:	: ESTABLISHED : : 33-1/3% of : : Total Quota :	IMPORTS : Sept. 20, 1946, : to Nov. 23, 1946 ^{1/}
United Kingdom.....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	69,627	-	-
Netherlands.....	68,240	-	22,747	-
Switzerland.....	44,388	-	14,796	-
Belgium.....	38,559	-	12,853	-
Japan.....	341,535	-	-	-
China.....	17,322	-	-	-
Egypt.....	8,135	-	-	-
Cuba.....	6,544	-	-	-
Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	100,964	1,599,886	-

^{1/} Included in total imports, column 2.

Members of the jury which passed upon the King ~~medal~~ medal designs were Charles Seymour, curator of sculpture, National ^{Gallery} College of Art, Washington; Lee Lawrie, Easton, Md., sculptor member of the Fine Arts Commission; ^{Mint Director;} Mrs. Ross; John R. Sinnock, ^{sculptor and} engraver of the Mint; and Rear Admiral James H. Foskett, Naval Aide to the President.

The same jury will serve for the Marshall medal competition, except that Major General Harry K. Vaughan, Military Aide to the President, will serve as a member in place of Rear Admiral Foskett.

Miss Putnam's design for the King medal has an obverse portrait of Admiral King in three-quarter view, presenting a ~~three-quarter view portrait of Admiral King~~ with warships in the background and an inscription around the border. The reverse shows Neptune holding three charging steeds, one symbolizing under water craft, one surface craft, and one aircraft.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Tuesday, December 3, 1946

Press Service
No. S - 164

A woman sculptor competing with six male artists today won an award of \$1,500 for a design for a gold medal to be presented in the name of the people of the United States to Fleet Admiral Ernest Joseph King, ~~supreme~~ ^{in chief} commander of the United States ~~Nav~~ ^{Fleet and} ~~Chief of Naval Operations~~ during World War II. The medal is to be struck pursuant to an Act of Congress of March 22, 1946.

Miss Brenda Putnam of New York City is the recipient of the award. Her design for the King medal was selected by a jury of five members which met this morning at the office of ~~the~~ Nellie Tayloe Ross, Director of the Mint. The Mint was commissioned by President Truman to prepare the medal.

Miss Putnam, daughter of the librarian emeritus of Congress, Herbert Putnam, is among the nation's most accomplished sculptors. She has works ^{at} the Folger Library and in Rock Creek Cemetery in Washington, prepared the design for the Cleveland Centennial commemorative half dollar issued in 1936, and has done many well known garden pieces, portrait busts and other sculptures. She is the author of "The Sculptor's Way."

Later this week, the jury of award will judge designs for a gold medal to be presented to General of the Army George Catlett Marshall, Chief of Staff of the Army during the war. The King and Marshall medals were authorized simultaneously by Congress. The award of \$1,500 to Miss Putnam for the King medal design will be duplicated to the winner of the Marshall medal competition.

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
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Press Service
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Members of the jury which passed upon the King medal designs were Charles Seymour, curator of sculpture, National Gallery of Art, Washington; Lee Lawrie, Easton, Md., sculptor member of the Fine Arts Commission; Mrs. Ross, Mint Director; John R. Sinnock, sculpture and engraver of the Mint; and Rear Admiral James H. Foskett, Naval Aide to the President.

The same jury will serve for the Marshall medal competition, except that Major General Harry K. Vaughan, Military Aide to the President, will serve as a member in place of Rear Admiral Foskett.

Miss Putnam's design for the King medal has an obverse presenting a portrait of Admiral King in three-quarter view, with warships in the background and an inscription around the border. The reverse shows Neptune holding three charging steeds, one symbolizing underwater craft, one surface craft, and one aircraft.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
November 30, 1946

Press Service
No. S-165

The unfreezing of Switzerland and Liechtenstein was announced today by Secretary Snyder. This step was made possible by the satisfactory conclusion of negotiations between the Treasury Department and the Swiss Federal Political Department concerning the investigation of the ownership of property held in the United States in the names of nationals of Switzerland and Liechtenstein for the purpose of identifying any such property in which there has been an enemy interest.

By amending General Licenses Nos. 94 and 95, to include Switzerland and Liechtenstein, the controls over current transactions with those two countries are now removed and provision is made for the release of blocked Swiss and Liechtenstein accounts under the certification procedure of General License No. 95. The Swiss Compensation Office has been designated as the certifying agent for both Swiss and Liechtenstein assets. Treasury officials called attention to the fact that the blocked accounts of financial institutions in Switzerland and Liechtenstein remain subject to the provisions of General Ruling No. 17 until they are certified under General License No. 95.

Copies of the letters exchanged between Secretary Snyder and Dr. Max Petitpierre, Chief of the Federal Political Department, are available at the Federal Reserve Banks of New York, Chicago and San Francisco.

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*J. W. S.
per ano*

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Saturday, November 30, 1946.

Press Service
No. S 165

The unfreezing of Switzerland and Liechtenstein was announced today by Secretary Snyder. This step was made possible by the satisfactory conclusion of negotiations between the Treasury Department and the Swiss Federal Political Department concerning the investigation of the ownership of property held in the United States in the names of nationals of Switzerland and Liechtenstein for the purpose of identifying any such property in which there has been an enemy interest.

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Copies of the letters exchanged between Secretary Snyder and Dr. Max Petitpierre, Chief of the Federal Political Department, are available at the Federal Reserve Banks of New York, Chicago and San Francisco.

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- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on December 12, 1946.

(7)
The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

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8-166

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 6, 1946
(1)

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 12, 1946, and will mature March 13, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, December 9, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 6, 1946

Press Service
No. S-166

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Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on December 12, 1946.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal Tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117(a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

a member of the National Institute of
Arts and Letters and of
The National Academy,

Every sculptor participating in the two contests was an eminent artist. Mrs. Fraser is well known for bold sculptural works such as a double equestrian statue of Generals Stonewall Jackson and Robert E. Lee now being placed in ^{Wynman Park,} Baltimore, ^{she created} a Flying Pegasus in Brook Green Gardens near Charleston, S.C., and the Hitt Memorial in Rock Creek Cemetery, Washington. She designed the Lindbergh medal of 1928, the Washington Bicentennial medal of 1932, and numerous commemorative coins. ~~She is a member of the National Institute of Arts and Letters.~~

The jury which made the award to Mrs. Fraser was made up of Charles Seymour, curator of sculpture, National Gallery of Art, Washington; Lee Lawrie, Easton, Md., sculptor member of the Fine Arts Commission; Mrs. Ross, Director of the Mint; John R. Sinnock, engraver of the mint; and Major General Harry K. Vaughan, Military Aide to the President.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, December 6, 1946

Press Service
No. S - 167

Gold medals authorized by Congress for General George C. Marshall and Admiral Ernest J. King, topmost commanders of the Army and Navy during World War II, will both be struck from designs created by women sculptors.

An award of \$1,500 to Laura ^{Gardin} ~~Gordon~~ Fraser ^{H.A.S.} of Westport, Conn., for the design for the Marshall medal was made today by a jury which examined -- all men except Mrs. Fraser -- the works of nine competing sculptors at the office of Nellie Tayloe Ross, Director of the Mint. A similar award was voted earlier this week to Miss Brenda Putnam of New York City for a design for the King medal, Miss Putnam winning in competition with six men.

An Act of Congress of March 22, 1946, directed that the medals be prepared, and President Truman commissioned the Mint to ^{carry out} ~~take charge~~ of the arrangements for them. The medals will be presented to the two commanders in the name of the people of the United States.

~~The Marshall medal design has an obverse bearing a miniature portrait of General Marshall in profile, with an identifying inscription.~~
The reverse

The obverse of the Marshall medal design bears a portrait of the general in profile, with an identifying inscription. Centered on the reverse is the insignia of the General Staff, with the five stars of General Marshall's rank and an inscription expressing the gratitude of the United States for victorious leadership.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 6, 1946

Press Service
No. S-167

Gold medals authorized by Congress for General George C. Marshall and Admiral Ernest J. King, topmost commanders of the Army and Navy during World War II, will both be struck from designs created by women sculptors.

An award of \$1,500 to Laura Gardin Fraser of Westport, Connecticut, for the design for the Marshall medal was made today by a jury which examined the works of nine competing sculptors - all men except Mrs. Fraser - at the office of Nellie Tayloe Ross, Director of the Mint. A similar award was voted earlier this week to Miss Brenda Putnam of New York City for a design for the King medal, Miss Putnam winning in competition with six men.

An Act of Congress of March 22, 1946, directed that the medals be prepared, and President Truman commissioned the Mint to carry out the arrangements for them. The medals will be presented to the two commanders in the name of the people of the United States. They will be struck by the Mint within the next few months.

The obverse of the Marshall medal design bears a portrait of the General in profile, with an identifying inscription. Centered on the reverse is the insignia of the General Staff, with the five stars of General Marshall's rank and an inscription expressing the gratitude of the United States for victorious leadership.

Every sculptor participating in the two contests was an eminent artist. Mrs. Fraser, a member of the National Institute of Arts and Letters, and of the National Academy, is well known for bold sculptural works such as a double equestrian statue of Generals Stonewall Jackson and Robert E. Lee now being placed in Wyman Park, Baltimore. She created a Flying Pegasus in Brook Green Gardens near Charleston, South Carolina; and the Hitt Memorial in Rock Creek Cemetery, Washington. She designed the Lindbergh medal of 1928, the Washington Bicentennial medal of 1932, and numerous commemorative coins.

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STATUTORY DEBT LIMITATION
AS OF NOVEMBER 30, 1946

Treasury Department
Fiscal Service
Washington, December 2, 1946

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), "shall not exceed in the aggregate \$275,000,000,000 outstanding at any one time. For purposes of this section the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder shall be considered as its face amount."

The following table shows the face amount of obligations outstanding and the face amount which can still be issued under this limitation:

Total face amount that may be outstanding at any one time		\$275,000,000,000
Outstanding November 30, 1946		
Obligations issued under Second Liberty Bond Act, as amended		
Interest-bearing		
Treasury bills.....	\$ 16,999,838,000	
Certificates of indebtedness....	30,474,558,000	
Treasury notes.....	19,329,243,000	\$ 66,803,639,000
Bonds		
Treasury.....	119,322,897,950	
*Savings (current redemp.value)	49,709,253,435	
Depository.....	344,957,500	
Armed Forces Leave.....	310,625,750	169,687,734,635
Special Funds		
Certificates of indebtedness..	11,752,100,000	
Treasury notes.....	12,502,136,000	24,254,236,000
Total interest-bearing.....		260,745,609,635
Matured, interest-ceased.....		230,604,700
Bearing no interest		
War savings stamps.....	81,701,213	
Excess profits tax refund bonds.	32,023,755	
Special notes of the United States:		
Internat'l Bank for Reconst.		
and Development series.....	248,285,000	362,009,968
Total.....		261,338,224,303
Guaranteed obligations (not held by Treasury)		
Interest-bearing		
Debentures: F.H.A.....	44,684,636	
Demand obligations: C.C.C.....	316,982,533	361,667,169
Matured, interest-ceased.....		8,055,525
		369,722,694
Grand total outstanding.....		\$261,707,946,997
Balance face amount of obligations issuable under above authority.....		13,292,053,003
Reconcilement with Statement of the Public Debt - November 30, 1946.		
(Daily Statement of the United States Treasury, December 2, 1946)		
Outstanding November 30, 1946		
Total gross public debt.....		262,276,678,553
Guaranteed obligations not owned (by the Treasury).....		369,722,694
Total gross public debt and guaranteed obligations.....		262,646,401,247
Deduct - other outstanding public debt obligations		
not subject to debt limitation.....		938,454,250
		261,707,946,997

\$-168

STATUTORY DEBT LIMITATION
AS OF NOVEMBER 30, 1946

December 6, 1946

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), "shall not exceed in the aggregate \$275,000,000,000 outstanding at any one time. For purposes of this section the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder shall be considered as its face amount."

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	261,707,946,997

There were many indications that opium was grown secretly in remote areas of Korea and also indications that a considerable number of licensed opium farmers diverted some of their opium crop to illicit channels. The Japanese controlled the cultivation and collection of opium through the Opium Farmers Union and the Poppy Associations. The Opium Farmers Union was actually a subsidiary of the Monopoly Bureau and officials of the Monopoly Bureau acted as officials of the Opium Farmers Union. The Opium Farmers Union had branches in each county or koon where opium was grown and these branches were called Poppy Associations. These associations licensed the farmers to grow a certain area of opium poppies, supervised the cultivation of the poppies and the harvesting of the crop and collected and paid for the raw opium. They also collected the poppy pods and poppy seed.

executed because of his connection with the Japanese Military.

About 1940 he was released from prison and exiled to Manchuria where he worked as an aid for Col. Hashimoto, doing secret work for the Japanese Army. In 1945 SAGOYA was in Seoul, Korea, working as a contractor for the Japanese Navy and Army. About September 1, 1945 SAGOYA received from Japanese Navy officers approximately 2600 kilograms of raw opium. On September 30, 1945 SAGOYA and several of his associates were arrested by U. S. Military personnel and Korean Police for illegal sale of opium. On December 10, 1945 SAGOYA and others plead guilty before the U. S. Provost Court at Seoul, Korea. He was sentenced to serve three years at hard labor and fined 50,000 yen, with the provision that he serve an additional two years if the fine was not paid. Thirty thousand (30,000) yen seized from SAGOYA at the time of his arrest was forfeited to the Government.

In the spring of 1946 measures had been taken or were being taken regarding opium control in the United States Zone in Korea:

- (a) To prohibit the manufacture, use, exportation and importation of heroin.
- (b) To prohibit the cultivation of opium and coca leaves.
- (c) To prohibit the manufacture of opium and narcotic drugs.
- (d) To prohibit the exportation of opium and narcotic drugs.
- (e) To prohibit the importation of opium and narcotic drugs except for legitimate medical and scientific purposes under proper import permit.
- (f) To transfer the supervision of the distribution of narcotic drugs for medical and scientific purposes from the Sanitation Section of the Police Bureau to the Department of Public Health.
- (g) To dissolve the Opium Farmers Union and the Poppy Associations.
- (h) To close the Monopoly Bureau Medicinal Drug Factory, Seoul, Korea.

In the spring of 1946 the enforcement of narcotic drug laws was being carried out by Korean Police. Enforcement was not too effective due to the fact that it was a newly formed police organization and due to the lack of experience of the members of the organization. However, a conscientious effort was being made to enforce all laws in the best possible manner with the personnel available.

The extent of drug addiction in Korea is unknown as the Japanese destroyed their addict records. A few drug addicts were encountered. Some of these ate opium but most of them injected hypodermically a mixture of opium alkaloids made from raw opium by a crude home refining process. It is understood that it is common for Koreans to have a small piece of opium in their homes which they eat for different ailments. Opium addiction also occurred among the licensed opium farmers. The only opium smoking noted in Korea was among the Chinese.

The following are the approximate quantities of narcotic drugs seized in the United States Zone in Korea up to May 1946, most of which were seized in the Medicinal Drug Factory and in and near Seoul:

Raw opium	28,035 kilograms
Raw and unrefined morphine	816 "
Morphine hydrochloride	104.8 "
Powdered opium, medicinal	23.5 "

All of the above drugs were stored under guard at the Medicinal Drug Factory. In addition to the above listed narcotic drugs approximately 3,650 kilograms of low grade opium and opium residue and 3.78 kilograms of heroin were seized and destroyed. We have asked the United States Army to issue seizure reports covering these seizures. I shall report briefly on two of the most important.

Prior to the surrender of the Japanese forces in Korea, high Japanese officials there released on September 6, 1945, through the Monopoly Bureau of the Government General a large order of 7,999 kilograms of opium to the Japanese Navy. After the surrender of Japan, the same high Government officials released another large order of 8,440 kilograms of opium to the Japanese Army.

Through investigation by United States authorities and Korean Civil Police, of the 7,999 kilograms of opium released to the Japanese Navy, a total of 7,270 kilograms was recovered, leaving 729 kilograms of opium unaccounted for. Of the 8,440 kilograms released to the Japanese Army, a total of 5,380 kilograms was recovered, leaving 3,060 kilograms of opium unaccounted for.

The recovered opium was stored in the Monopoly Bureau Opium Warehouse with other opium and narcotic drugs and kept under heavy guard. The diversion of the opium from both the Army and Navy shipments caused the investigations and arrest of some seventy-five Japanese and Koreans in the Seoul district.

The first case was tried in Korean Civil Court on December 3, 1945, where two Japanese each received prison terms of eighteen months, and one Korean received a prison term of four months, after conviction. The second case involved two Japanese defendants and was tried in Military Provost Court on December 10, 1945. They pleaded guilty and were sentenced for the sale and possession of opium to prison terms of three years at hard labor each and fines of 50,000 yen. In the event the fines are not paid, they will serve additional terms of two years. The remaining defendants were either fugitives or incarcerated on cases pending trial.

About 1930 SAGOYA Yoshiaki assassinated HAMMEGUCHI, Prime Minister of Japan. He was convicted of this crime and sentenced to death, but was never

of the product were exported or sold to the Japanese Army and Navy.

"Neopedinol" and "Mordyne" were considered by the Japanese as so-called "exempt preparations."

Dried poppy pods and poppy seed were also collected from the opium farmers. The poppy pods were sold without restriction to herb doctors and drug firms who used them to manufacture cough syrups and other preparations. One common cough preparation made from poppy pods was marketed under the name of "Apiozol". Poppy seeds not needed to plant the next year's crop were pressed to produce poppy seed oil, a highly flavored vegetable oil which sold at a comparatively high price.

The opium grown in the United States occupied zone in Korea (south of 38 degrees North Latitude) was generally of a poorer grade than that grown in the U. S. S. R. occupied zone in Korea (north of 38 degrees North Latitude) averaging 8 to 10 per cent morphine content as against 10 to 14 per cent morphine content for opium grown in North Korea. According to records available, the following table shows the approximate distribution of the opium crop between North and South Korea for the year of 1943:

	South Korea	North Korea	Total
Opium collected, kilograms	5,698	34,735	39,433
Area of cultivation, acres	3,817	14,725	18,542
Number of licensed farmers	29,024	50,336	79,360

The figures for 1944 were similar to those for 1943 and for the last several years North Korea has produced approximately 85 per cent of the opium crop and South Korea 15 per cent.

In 1945 the number of licensed farmers showed an increase of about 5,000 but the allotted area for opium cultivation remained about the same as in 1943 and 1944 and under normal conditions the 1945 opium crop should have been about 40,000 kilograms. However, the summer of 1945 was reported to have been excessively wet and the losses to the opium crop in South Korea due to flood and excessive rain during the collecting season was estimated as high as 40 per cent. It is not known whether or not the excessive rain affected the opium crop in North Korea. Every effort was made to collect the 1945 opium crop in South Korea in the usual manner. It is not known what was done with the opium crop in North Korea (U. S. S. R. occupied territory). This crop should have been between 20,000 and 35,000 kilograms of raw opium. I should like to ask the representative of the U. S. S. R. whether he is in a position to report on the narcotics situation in North Korea, particularly on the quantity of opium discovered or seized and its disposition.

about 4 per cent morphine in the opium residue, this residue was used as opium and sold to Formosa and Manchuria.

The figures of the Monopoly Bureau Medicinal Drug Factory on morphine differ considerably from those submitted by the Japanese Government to the Permanent Central Opium Board from 1935 to 1939. For instance, the Japanese Government reported no manufacture of morphine in Korea in 1935, 1936, 1937, and 1938 and the manufacture of only 30 kilograms in 1939. The Factory's records, however, indicate manufacture of 84 kilograms in 1935, 87 kilograms in 1938 and 141 kilograms in 1939.

The most significant figures obtained are those with regard to heroin manufacture and export. The Japanese Government's reports to the Permanent Central Opium Board showed no manufacture or exportation of heroin from 1935 through 1939. The figures obtained from the Monopoly Bureau Medicinal Drug Factory, however, reveal that 1,244 kilograms of heroin were produced in 1938 and 1327.1 kilograms of heroin were produced in 1939. In each of those two years 1200 kilograms were shipped to the Manchukuo Monopoly Bureau. No such quantities were manufactured before 1938 or after 1939—the years during which the Japanese conquest of North China took place. The normal annual heroin requirements for China prior to 1938 were 15 kilograms and the total world medicinal needs for heroin for 1938 and 1939, according to the annual statements of the Drug Supervisory Body were less than 1200 kilograms for each year. The output of this one heroin factory was more than the world medical needs for heroin, and this was only one of a number of factories producing drugs for the Japanese.

Thus the charges made by the American representative before the Opium Advisory Committee in 1937, 1938 and 1939 in Geneva are fully supported. Not only did the Japanese Government deliberately falsify its reports to an international control agency set up under a treaty to which it was a party, but the Japanese Army committed a flagrant violation of Article 10 of the 1931 Narcotics Limitation Convention in the illegal use of heroin as a weapon of warfare for the purpose of demoralization of the Chinese population in conquered areas.

The Government General of Korea from 1935 to 1945 licensed the Kyowa Drug Company of Seoul to manufacture dihydromorphine hydrochloride (dilaudid). Ten kilograms of dihydromorphine hydrochloride were produced each year from 1935 to about 1941 and five kilograms per year were produced thereafter until 1945. Reports indicated that approximately 18.6 kilograms of morphine hydrochloride were used to produce ten kilograms of dihydromorphine hydrochloride. This drug was marketed in ampoules under the trade names "Neopedinol" and "Mordyne". Approximately five kilograms of dihydromorphine hydrochloride were used for consumption in Korea and in years when ten kilograms were produced five kilograms

Lake Success, N.Y., December 1946
DEC 9 1946

STATEMENT BY MR. HARRY J. ANSLINGER, U. S. COMMISSIONER
OF NARCOTICS, TREASURY DEPARTMENT, AND THE U. S. REPRESENTATIVE
ON THE COMMISSION ON NARCOTIC DRUGS OF THE UNITED NATIONS IN
REGARD TO THE NARCOTIC SITUATION IN KOREA.

Prior to 1921 opium was grown freely and sold freely in Korea. In 1921 the Korean Government ordered farmers to cultivate opium poppies and licensed opium poppy farmers. The Government collected and analyzed the opium and sold it on contract to the Taisho Drug Company of Seoul, Korea, which used it to manufacture morphine, medicinal opium and other opium products. Distribution of these products was made by the Taisho Drug Company.

In 1929 the Taisho Drug Company illegally exported morphine to Manchuria and their contract was cancelled and the drug company closed. The Korean Government then undertook the manufacture of morphine, medicinal opium and other opium products and opened a factory in Seoul, Korea, for this purpose. In 1938 a factory for collecting and analyzing opium was opened in Northern Korea at Hamhung. In April 1943 the factory at Hamhung was moved to Seoul and consolidated with the factory in Seoul which was known as the Monopoly Bureau Medicinal Drug Factory.

The cultivation and collection of opium showed a rapid increase between 1920 and the present time as shown by the following figures taken from available records:

1920	154.35 kilograms
1930	1,399.9 "
1935	18,160.4 "
1941	50,734.8 "
1943	39,433 "

The amount of opium collected was augmented by opium confiscated by the authorities which also increased rapidly as indicated by the following figures taken from available records:

1926	139 kilograms
1935	732 "
1940	1,883 "
1944	5,296 "

The factory at Seoul manufactured morphine, heroin and medicinal opium. A small amount of codeine was manufactured in 1945. Some of the heroin manufactured was used in Korea but most of it was exported to Manchuria. All the medicinal opium manufactured (except that used for heroin) was used in Korea except 500 kilograms which were produced for the Japanese Army in 1944. All other narcotic drugs used in Korea except dihydromorphine hydrochloride were imported from Japan. A very large percentage of the opium produced in Korea was exported to Manchuria, Kwantung Leased Territory (Dairen) and Formosa. The "Ammonium Chloride Process" was used to extract morphine from opium at the Seoul factory. This process leaves

WAR CRIMES INDICTMENT OF JAPANESE

The indictment, presented to the International Military Tribunal for the Far East, charges twenty-eight high Japanese officials with certain war crimes. During the whole period covered by the indictment, successive Japanese Governments, through their military and naval commanders and civilian agents in China and other territories which they had occupied or designed to occupy, pursued a systematic policy of weakening the native inhabitants' will to resist by atrocities and cruelties, by force and threats of force, by bribery and corruption, by intrigue amongst local politicians and generals, by directly and indirectly encouraging increased production and importation of opium and other narcotics and by promoting the sale and consumption of such drugs among such people. The Japanese Government secretly provided large sums of money, which, together with profits from the government-sponsored traffic in opium and other narcotics and other trading activities in such areas, were used by agents of the Japanese Government for all the above-mentioned purposes. At the same time, the Japanese Government was actively participating in the proceedings of the League of Nations Committee on Traffic in Opium and Other Dangerous Drugs and, despite her secret activities above-mentioned, professed to the world to be cooperating fully with other member nations in the enforcement of treaties governing traffic in opium and other narcotics to which she was a party.

This participation in and sponsorship of illicit traffic in narcotics was effected through a number of Japanese governmental organizations such as the Manchurian Affairs Board, the China Affairs Board and the Southern Region Affairs Board, which were combined in 1942 to form the Greater East Asia Ministry, and numerous subsidiary organizations and trading companies in the various occupied and so-called independent (puppet) countries which were operated or supervised by senior officers or civilian appointees of the Army and the Navy.

Further, revenue from the above-mentioned traffic in opium and other narcotics was used to finance the preparation for and waging of the wars of aggression set forth in the indictment and to establish and finance the puppet governments set up by the Japanese Government in the various occupied territories.

Japanese Government at the direction of the Military Government. A comparison of true production of heroin with the quantities reported to the Board during the years 1937 and 1938 is as follows:

<u>Quantity Reported to Board</u>		<u>Actually Produced</u>	
1937	200 kilograms	1673.965	kilograms
1938	200 "	1392.469	"

October 27, 1937, the Japanese Government, through Eiichi Baba, Minister of Home Affairs, issued Directive No. 29, marked "Most Secret" directing certain drug manufacturers to produce stipulated quantities of heroin hydrochloride and morphine hydrochloride for the Manchurian Government. Quoted are articles (1) and (5) of the Directive.

"(1) To enforce the Monopoly of narcotic drugs in Manchuria, the production for the necessary amount to be supplied to the Monopoly Bureau of that said country is approved."

"(5) Extreme secrecy is to be maintained concerning these productions and storings."

In compliance with this directive between October 1937 and August 1938, 1,199.600 kilograms of heroin hydrochloride and 300 kilograms of morphine hydrochloride were produced in Japan and shipped to the Opium Monopoly Bureau, Army Arsenal, Mukden, Manchuria. The raw morphine for the production was furnished by the Formosa Government. Neither the production nor the shipments of the heroin hydrochloride or the morphine hydrochloride were reported to the Permanent Central Opium Board by the Japanese Government. This vividly demonstrates the need for inspection by an international body if treaties controlling a commodity are to be effective.

The Permanent Central Opium Board which met in London during October of this year stated:

"It is evident that the American occupying authorities have taken great interest in the control of narcotics and have taken especial care to establish a strict centralized supervision. The Board desires to express its appreciation to the military authorities responsible at Pacific Headquarters for their work..."

A directive issued October 12, 1945, prohibited the growth, planting of narcotic drug plants or seeds and the importation, exportation and manufacture. It also froze all marijuana and heroin stocks and ordered all records to be preserved and maintained.

A directive issued November 2, 1945, ordered the seizure of all heroin and its derivatives and preparations and making it unlawful for the Japanese to possess, transport or sell it.

A directive issued January 22, 1946, ordered the establishment of an effective narcotic control.

The American Armed Forces in Japan seized the following amounts of crude and finished narcotic drugs as of January 19, 1946:

Crude opium	47,838 kilograms
Medicinal opium	620 "
Morphine hydrochloride	1,235 "
Morphine sulphate	15 "
Crude morphine	871 "
Coca leaves	14,500 "
Crude cocaine	888 "
Cocaine hydrochloride	775 "

Seizure reports will be submitted.

Eight Japanese were arrested in April 1946, and later convicted of an attempt to smuggle into Japan approximately seven tons of opium which had been removed from army stocks in Manchuria.

There was no central authority for the suppression of the illicit traffic and the maximum sentence under the Home Ordinances was three months. The situation was corrected on June 19, 1946, by the enactment of narcotic legislation similar to the American narcotic law which provides for annual registration, monthly reports, sales by means of order forms or prescriptions, et cetera. The penalty was increased to five years. As of July 19, 1945, 77,311 were already registered under the provisions of the new Act. Enforcement in charge of an American official is being carried out by approximately 200 native inspectors. Courts are now meting out five-year sentences which inaugurates a new era in narcotic enforcement in Japan. Stocks have been inventoried and those held by registrants have been leveled off to a six months' supply.

The Japanese Government wilfully violated its Treaty obligations. It has been definitely established from a survey of the production records of the drug factories and interviews with officials that the Japanese Government knowingly submitted to the Permanent Central Opium Board, false and fraudulent reports, grossly understating and thereby concealing their actual production of narcotic drugs, particularly heroin.

Two sets of records were maintained by the Japanese Government, one false, which was furnished the board and another containing true production figures. One official, when questioned regarding these records stated this falsification was done "to save the face of Japan." The official was removed from office by the

The total production of cocaine hydrochloride from 1940 through 1945 was 16,851.057 kilograms or an average through 1944 of 1123.404 kilograms per year.

The Hygienic Laboratories at Tokyo and Osaka were government owned and operated. The privately owned factories were licensed annually by the Central Government. Factories were required to submit quarterly reports of raw materials processed and production therefrom. There was no limitation as to quantities of narcotic drugs they could sell and no records or reports of sales were required. There was no governmental inspection or supervision of these plants.

Jobbers and wholesalers were not licensed by the Central Government but obtained authorization annually from the Governor of each prefecture to deal in narcotic drugs. They were not required to submit reports as to their purchases, sales or inventories. This careless system accounted for large scale diversion.

Any physician or pharmacist duly licensed by the Ministry of Health and Social Affairs to engage in their respective professions were ipso facto authorized to purchase, sell or dispense narcotic drugs. No further annual registration was necessary. They were not required to maintain records of their purchases, sales or inventories.

No periodical inspection or supervision of manufacturers, wholesalers, physicians or pharmacists was carried out. There was, therefore, no organized control over distribution.

No effort was made by the manufacturers and wholesalers to safeguard their crude and finished narcotic drug stocks. These drugs were stored in unprotected rooms with glass, panelled, or thin wire screen doors, with cheap locks which could be easily forced. Crude and processed drugs were scattered throughout the laboratories and in the largest plant in Japan, women were seen preparing packages of morphine under open sheds in the yard.

This situation has been corrected by the installation of brick storage vaults, heavy steel doors and dial combination locks.

The officials of the Japanese Government and the manufacturers maintained that their production merely equaled their consumption and the narcotic drugs they produced, were only sufficient to meet their legitimate medical needs.

No authentic figures were available as to the number of addicts in Japan proper, however, it has been disclosed that the number is probably considerably greater than the reports of Japanese officials have led us to believe.

A raid on a Geisha House during the summer of 1946 disclosed that four of the seven inmates were addicted. Some addicts have been found who require ten grains morphine daily. One addicted practitioner recently arrested had been posing as a narcotic official in order to gain access to narcotic supplies and had thus robbed seventeen hospitals during a three months period.

DEC 9 1946
Lake Success, N. Y., December

STATEMENT MADE BY MR. HARRY J. ANSLINGER, U. S. COMMISSIONER OF NARCOTICS,
TREASURY DEPARTMENT AND THE UNITED STATES REPRESENTATIVE ON THE COMMISSION
ON NARCOTIC DRUGS OF THE UNITED NATIONS REGARDING JAPAN

The United States Military Government in Japan found that opium was produced in limited quantities in Japan proper, Formosa, Korea and quite extensively in Manchuria. This report deals with Japan proper. The opium produced in Japan proper was collected by a government monopoly agency, the Tokyo Hygienic Laboratory and by it distributed to the other monopoly agency at Osaka and to the five privately owned opium factories.

No complete figures of opium production are available inasmuch as these were kept at the Tokyo Hygienic Laboratory and are alleged to have been destroyed by bombings in 1945.

Figures available at the five factories indicate that, exclusive of the quantities used at the Tokyo and Osaka Monopoly Agencies, 193,447.514 kilograms were distributed between 1930 and 1945.

No information is available from which conclusions as to the probable quantities used at the Tokyo and Osaka plants can be safely drawn. Coca leaves were not produced in Japan proper although large quantities were produced in Formosa.

There were six factories in Japan proper manufacturing narcotic drugs from opium and raw morphine:

1. Tokyo Hygienic Laboratory, which produced codeine phosphate.
2. Osaka Hygienic Laboratory, which produced medicinal opium.
3. Hoshi Pharmaceutical Company Industries Limited, which produced heroin hydrochloride and morphine hydrochloride.
4. The Takeda Pharmaceutical Industries Limited, Tokyo, which produced narcopon and morphine hydrochloride.
5. Sankyo Company, Limited, Tokyo, which produced heroin hydrochloride and morphine hydrochloride.
6. The Dai Nippon Pharmaceutical Company, Limited, Osaka, which produced heroin hydrochloride and morphine hydrochloride.

There were five factories producing cocaine from coca leaves procured from South America, Okinawa and Formosa, and from crude cocaine procured from Formosa:

1. Hoshi Pharmaceutical Company, Limited, Tokyo.
2. Sankyo Company, Limited, Tokyo.
3. Koto Pharmaceutical Manufacturing Company, Shizuoka Prefecture.
4. Takeda Pharmaceutical Industries, Limited, Osaka.
5. The Shionogi Pharmaceutical Company, Limited, Osaka.

The total production of heroin hydrochloride from 1930 through 1944 was 13,798.830 kilograms, or an average of 919.922 kilograms per year.

The total production of morphine hydrochloride from 1930 through 1945 was 14,391.533 kilograms or an average of 899.471 kilograms per year.

RESOLUTION

I desire to present for the consideration of the Commission a resolution regarding the situation in Germany:

THE COMMISSION ON NARCOTIC DRUGS

To establish a narcotic control organization which will insure adequate supplies of narcotic drugs for the medicinal and scientific requirements of Germany,

To prevent illicit traffic in narcotic drugs, and

To reduce addiction,

REQUESTS the Economic and Social Council to urge the Governments of France, the United Kingdom, the Union of Soviet Socialist Republics and the United States of America to organize and establish, through their Allied Control Authority, at the earliest possible moment an effective centralized narcotics administration for all Germany.

(2) Designate an official to supervise those activities within the respective areas and to act as liaison officer with the Commission on Narcotic Drugs and with each other:

(3) Arrange for the direct and prompt exchange of information between such officials, and for the prompt transmission to the Commission on Narcotic Drugs, of pertinent information regarding illicit traffickers, seizures of contraband drugs, and potential violations, connected with traffic cross national boundaries or between the respective zones of occupation; and

(4) Report to the Commission on Narcotic Drugs and to each other (a) the identity of the officer so designated, (b) the stocks of narcotics found to be available for the civilian population and the requirements which must be met, (c) the quantities of each drug which will be required to be imported into the respective areas from outside the country or from other zones, and (d) the circumstances under which such imports will be permitted and the official titles and addresses of the persons authorized to approve them.

(a) The distribution of narcotic drugs for medical or scientific needs within the Zones.

(b) The legitimate trade in narcotics between the Zones.

It is further proposed that the Working Party make recommendations for the re-establishment and, where necessary, the expansion of facilities for the rehabilitation and cure of addicts by German Civil Agencies, and for the collection of statistics relative to the incidence of addiction in Germany.

This proposal was considered at a meeting held on September 11, 1946 at Berlin. The Allied Health Committee, after discussing the proposal, agreed (a) that a Working Party be set up; (b) that the terms of reference of the Working Party will be to consider and submit to the Health Committee proposals for the revision of the German Opium Law of 1929 with a view to adapting it to present circumstances as envisaged in the United States proposal and (c) that with the exception of the British member whose name will be submitted later, the composition of the Working Party will be United States of America, Mr. Giuliani, U. S. S. R., Mr. Karpov and France, Mr. Vergougnon. It was agreed that the first meeting would take place on September 23, 1946. The establishment of a Working Party is gratifying.

The establishment of a Central Agency for narcotics control in Germany under quadripartite supervision, however, would greatly promote efficiency in the control of the traffic in narcotics, thereby reducing addiction and illicit traffic. A tight control system in Germany would remove the possibility of Germany's becoming a potential source of addict infection of other countries.

The cultivation in Germany of vast areas of opium poppies from which morphine can be illicitly extracted, the rise and expansion of black markets in every type of consumer goods, the division of the country into zones and Berlin into sectors, all contribute to making impossible the fulfillment of the international drug conventions.

It is suggested that each occupying Power, pending the establishment of centralized controls,

(1) Secure the most uniform, effective and centralized controls possible within their respective areas of responsibility;

Enforcement is improving rapidly as a result of activities of the Public Health and Public Safety branches of Military Government. In Bavaria, for instance, arrests in May 1945 numbered 2 and in June 1946 they numbered 121.

On the whole the control system in Germany is unsatisfactory. In order to improve the situation the United States Delegate submitted a proposal to the Allied Health Committee for the establishment of a Narcotics Control Working Party, as follows:

1. * * * It is proposed that a Working Party be appointed to study the question of collecting certain statistics on narcotic drugs with a view to providing such statistics eventually to competent authorities designated by United Nations. Such statistics would be concerned with:

- (a) Facilities for the production of narcotic drugs in Germany.
- (b) Amounts of narcotic drugs required for medical use within Germany.
- (c) Quantities of narcotic drugs currently in the hands of legitimate dealers in Germany.
- (d) Whatever other information the Working Party may deem essential to the problem of narcotic control.

2. In the belief that such statistics can best be collected by German Civil Authorities acting under authority of the German Opium Law of 1929 and subsequent provisions, it is further proposed that this law be studied by the Working Party in order to make recommendations for:

- (a) Changes necessary to adapt said law to present circumstances.
- (b) The establishment of qualified German Civil Agencies of uniform structure throughout the Zones of Occupation to regulate trade in narcotics under the law.
- (c) The establishment of facilities for gathering and exchanging information for the suppression of illicit traffic in narcotics.
- (d) The establishment of a control office for the collection and distribution of the required information.

3. Because of existing variations among the Zones in the enforcement of the aforesaid German Opium Law, it is believed that the present distribution of narcotics is inefficient and inequitable. In those areas where drugs are needed for legitimate purposes and are not available, great hardship is caused. It is therefore further proposed that the Working Party prepare recommendations which will facilitate:

In the United States Zone inventories submitted on April 30, 1946 disclosed adequate stocks of narcotics, as follows:

Opium, raw and powdered	14,000 Kg.
Morphine base	1,200 Kg.
Morphine Hydrochloride	200 Kg.
Morphine, raw	1,600 Kg.
Tincture of opium	2,000 Kg.
Codeine	1,000 Kg.

These figures are believed to be correct within 10 percent. Supplies of other narcotics were in proportion. Control of the collection of poppy straw was undertaken by the German Land Agricultural Office and the allocations of the capsules were supervised by the Opium Offices. Surpluses, if any, were to be disposed of by sale to licensed producers in other zones. It was found that production facilities were not disrupted by the war and that the United States Zone could supply all of Germany, with synthetic narcotics. Transactions with the other occupation Zones have been permitted in order to meet demands for narcotics for medicinal purposes. During the month of July, arrangements were made to supply the City of Berlin with narcotics, of which there was an acute shortage. The first shipment was made in August in the amount of 55,000 Reichmarks to the United States Medical Depot, Berlin District. The narcotics were purchased by the Berlin Health Department which supervised sales to dealers throughout the city. Owing to differences in the interpretation of the Opium Law of 1929 and administrative difficulties arising from the division of Germany, the distribution of drugs is entirely inadequate. There are shortages in some areas and surpluses in others. Contributing factors are lack of transport and communication.

The development of the control system has been slow and difficult. Each of the three Land Opium Offices had to be staffed by inexperienced personnel and an inspection service had to be re-established. After much painstaking work on the part of the American authorities, an adequate supply of narcotics in the United States Zone is being assured and the illegal traffic and drug addiction are being kept at a minimum. Efforts are being made for close cooperation between the regulating officials and the local police in connection with the investigation of violations of the narcotic laws. Arrangements have been made to obtain police reports of all violations.

LAKE SUCCESS, N. Y., DECEMBER 1946

DEC 9 1946

STATEMENT BY MR. HARRY J. ANSLINGER, U. S. COMMISSIONER
OF NARCOTICS, TREASURY DEPARTMENT, AND U. S. REPRESENTATIVE
ON THE COMMISSION ON NARCOTIC DRUGS OF THE UNITED NATIONS
IN REGARD TO THE NARCOTIC SITUATION IN THE UNITED STATES
ZONE IN GERMANY

Narcotic control in the United States Zone in Germany was initiated in December 1945. It is exercised through Opium Offices established in each of the three Laender in the Zone. They function under the Minister President and are located in the Interior Ministry, Public Health Department. So far as possible all of the reports required by the former Opium Offices have been re-established and copies are furnished to the United States Military Government. The German law of 1929 governing the control of narcotic drugs was re-established with certain changes by Military Government regulations. The manufacture and sale of heroin has been abolished, the importation of narcotics into the Zone from outside of Germany has been prohibited and shipments from the Zone for exportation from Germany without the approval of the Chief of the Public Health Branch are prohibited. Inventories required of persons authorized to handle narcotics are being received according to the provisions of the law. Administration of the Opium Offices is entirely in the hands of the German officials, but their activities are supervised by the chief narcotic control office of Military Government. All interzonal transactions are examined by Military Government and none are made without approval of that Office. While each of the Opium Offices is a separate unit, uniformity is achieved by monthly meetings of the chiefs at which the Narcotic Control Officer is present.

Statistics on addiction are being collected and information on this subject will be kept in the files of the three Opium Offices. There are indications that large quantities of narcotics scattered by bombings and left behind by the retreating German armies are in the hands of unauthorized individuals at the present time and will eventually reach the black market. The re-establishment of the inspection system has revealed an increase in the number of addicts, particularly among professional people. There is a desire on the part of the authorities to provide institutional treatment for addicts, but there is a shortage of facilities for such treatments.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 10, 1946.

Press Service

5-169

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated December 12, 1946, and to mature March 13, 1947, which were offered on December 6, 1946, were opened at the Federal Reserve Banks on December 9.

The details of this issue are as follows:

Total applied for - \$1,817,059,000
Total accepted - 1,314,809,000 (includes \$27,594,000 entered on a fixed-price basis at 99.905 and accepted in full)
Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.908 Equivalent rate of discount approx. 0.364% per annum
Low - 99.905 " " " " " " 0.376% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 10,190,000	\$ 7,250,000
New York	1,352,270,000	960,320,000
Philadelphia	51,888,000	44,298,000
Cleveland	10,020,000	8,520,000
Richmond	10,760,000	10,310,000
Atlanta	950,000	920,000
Chicago	275,515,000	200,615,000
St. Louis	13,700,000	10,280,000
Minneapolis	2,246,000	2,246,000
Kansas City	10,891,000	9,841,000
Dallas	16,935,000	14,415,000
San Francisco	61,694,000	45,794,000
TOTAL	\$1,817,059,000	\$1,314,809,000

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, December 10, 1946

Press Service
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Dallas	16,935,000	14,415,000
San Francisco	61,694,000	45,794,000
TOTAL	\$1,817,059,000	\$1,314,809,000

in 1939; guarded Prime Minister Winston Churchill on several wartime visits, protected Queen Wilhelmina of the Netherlands during her 1942 visit, and had charge of the arrangements for the visit of Madam Chiang Kai-shek to New York in 1943.

Mr. Maloney played a prominent part in the organization of port protection and other wartime services of the Treasury and cooperating agencies and military authorities through his position as District Coordinator of Treasury Enforcement Agencies in New York and New Jersey.

Mr. Maloney served with the Ninety-Third Aerial Squadron, Army Air Force, during the first World War.

Mr. and Mrs. Maloney live at 2800 Ontario Road, Northwest.

Since May of this year, Chief Wilson has been on temporary detail to the Office of Chief Coordinator of Enforcement, serving first as Assistant to Elmer L. Irey, the Coordinator; and since Mr. Irey's recent retirement, as Acting Coordinator. Mr. Maloney has been Acting Chief of the Secret Service during this period.

The retiring Chief will be 60 years old next May. He and Mrs. Wilson live at 2910 Tennyson Street, Northwest.

Mr. Maloney, who will become Chief of the Secret Service January 1, 1947, was appointed Assistant Chief two years ago upon the retirement of the late Joseph E. Murphy. He is 50 years old, a native of Binghamton, New York; and for 12 years before his appointment in 1931 to the Secret Service, was a law enforcement officer in southern New York State.

Mr. Maloney had Secret Service posts in Detroit, Michigan, Syracuse and Buffalo, New York, and Newark, New Jersey, before being appointed, in 1938, Supervising Agent for the important New York district of the Service. There he directed investigations which smashed major counterfeiting gangs operating in the East, and carried out many other important assignments, such as arranging for protection of the President and distinguished foreign visitors.

He directed the protective detail that accompanied the King and Queen of England on their visit to the World's Fair

He also participated in the Lindbergh kidnaping case, helping to devise the strategy that resulted ultimately in the conviction of the slayer, Hauptmann.

Mr. Wilson, in September 1936, was transferred from Special Agent in Charge, Intelligence Unit, at Cleveland, Ohio, to Acting Chief of the Secret Service, and he was appointed Chief January 1, 1937.

During his tenure as Chief, numerous highly organized counterfeiting gangs were smashed, and annual losses to the public from this crime dropped from figures in excess of a million dollars to around \$30,000 in recent years.

The educational program of crime prevention initiated by Chief Wilson attracted international attention among law enforcement and welfare groups. Known as the Secret Service "Know Your Money" and "Know Your Endorser" programs, these activities have contributed substantially to the suppression of counterfeiting and forgery of Government obligations.

Chief Wilson also has been prominent in efforts to combat juvenile delinquency, heading a committee on this subject of the International ^{Association of} Chiefs of Police, of which ¹ he is a long time member, and as ~~a member of~~ ^{the representative of the} committee appointed by the Attorney General which organized a national conference on the subject in Washington recently.

Therapy Department Cooper

TREASURY DEPARTMENT

Washington

For Immediate Release,

~~CONFIDENTIAL~~
Wednesday, Dec. 11, 1946.

*Press Review
No. 5-*

Frank J. Wilson, Chief of the United States Secret Service since 1936, and for 26 years a Treasury Department law enforcement officer, will retire December 31, 1946.

Secretary Snyder, in announcing his approval of the Chief's request for retirement, said today:

"Mr. Wilson's long and distinguished career with the Department has contributed greatly to enforcement, not only of those laws within the jurisdiction of the Treasury, but to the cause of law enforcement generally."

At the same time, Secretary Snyder announced that James J. Maloney, Assistant Chief of the Service, is being appointed Chief to succeed Mr. Wilson.

Mr. Wilson, himself the son of a Buffalo, New York, police officer, began his Treasury career in 1920 when he was appointed Special Agent of the Intelligence Unit, Bureau of Internal Revenue. He had a major role in the investigation of evasion of income taxes at Chicago which resulted in the conviction of Al Capone and other major racketeers, and in many other important fraud cases.

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 11, 1946

Press Service
No. S 170

Frank J. Wilson, Chief of the United States Secret Service since 1936, and for 26 years a Treasury Department law enforcement officer, will retire December 31, 1946.

Secretary Snyder, in announcing his approval of the Chief's request for retirement, said today:

"Mr. Wilson's long and distinguished career with the Department has contributed greatly to enforcement, not only of those laws within the jurisdiction of the Treasury, but to the cause of law enforcement generally."

At the same time, Secretary Snyder announced that James J. Maloney, Assistant Chief of the Service, is being appointed Chief to succeed Mr. Wilson.

Mr. Wilson, himself the son of a Buffalo, New York, police officer, began his Treasury career in 1920 when he was appointed Special Agent of the Intelligence Unit, Bureau of Internal Revenue. He had a major role in the investigation of evasion of income taxes at Chicago which resulted in the conviction of Al Capone and other major racketeers, and in many other important fraud cases. He also participated in the Lindbergh kidnaping case, helping to devise the strategy that resulted ultimately in the conviction of the slayer, Hauptmann.

Mr. Wilson, in September 1936, was transferred from Special Agent in Charge, Intelligence Unit, at Cleveland, Ohio, to Acting Chief of the Secret Service, and he was appointed Chief January 1, 1937.

During his tenure as Chief, numerous highly organized counterfeiting gangs were smashed, and annual losses to the public from this crime dropped from figures in excess of a million dollars to around \$30,000 in recent years.

The educational program of crime prevention initiated by Chief Wilson attracted international attention among law enforcement and welfare groups. Known as the Secret Service "Know Your Money" and "Know Your Endorsement" programs, these activities have contributed substantially to the suppression of counterfeiting and forgery of Government obligations.

Chief Wilson also has been prominent in efforts to combat juvenile delinquency, heading a committee on this subject of the International Association of Chiefs of Police, of which

he is a long time member, and as the representative of the Treasury Department cooperating with the committee appointed by the Attorney General which organized a national conference on the subject in Washington recently.

Since May of this year, Chief Wilson has been on temporary detail to the Office of Chief Coordinator of Enforcement, serving first as Assistant to Elmer L. Irely, the Coordinator; and since Mr. Irely's recent retirement, as Acting Coordinator. Mr. Maloney has been Acting Chief of the Secret Service during this period.

The retiring Chief will be 60 years old next May. He and Mrs. Wilson live at 2910 Tennyson Street, Northwest.

Mr. Maloney, who will become Chief of the Secret Service January 1, 1947, was appointed Assistant Chief two years ago upon the retirement of the late Joseph E. Murphy. He is 50 years old, a native of Binghamton, New York; and for 12 years before his appointment in 1931 to the Secret Service, was a law enforcement officer in southern New York State.

Mr. Maloney had Secret Service posts in Detroit, Michigan, Syracuse and Buffalo, New York, and Newark, New Jersey, before being appointed, in 1938, Supervising Agent for the important New York district of the Service. There he directed investigations which smashed major counterfeiting gangs operating in the East, and carried out many other important assignments, such as arranging for protection of the President and distinguished foreign visitors.

He directed the protective detail that accompanied the King and Queen of England on their visit to the World's Fair in 1939; guarded Prime Minister Winston Churchill on several wartime visits, protected Queen Wilhelmina of the Netherlands during her 1942 visit, and had charge of the arrangements for the visit of Madam Chiang Kai-shek to New York in 1943.

Mr. Maloney played a prominent part in the organization of port protection and other wartime services of the Treasury and cooperating agencies and military authorities through his position as District Coordinator of Treasury Enforcement Agencies in New York and New Jersey.

Mr. Maloney served with the Ninety-Third Aerial Squadron, Army Air Force, during the first World War.

Mr. and Mrs. Maloney live at 2800 Ontario Road, Northwest.

COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	Established : TOTAL QUOTA	TOTAL IMPORTS : Sept. 20, 1946, to Nov. 30, 1946	ESTABLISHED : 33-1/3% of Total Quota	IMPORTS : Sept. 20, 1946, to Nov. 30, 1/1946
United Kingdom.....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	69,627	-	-
Netherlands.....	68,240	-	22,747	-
Switzerland.....	44,388	-	14,796	-
Belgium.....	38,559	-	12,853	-
Japan.....	341,535	-	-	-
China.....	17,322	-	-	-
Egypt.....	8,135	-	-	-
Cuba.....	6,544	-	-	-
Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	100,964	1,599,886	-

1/ Included in total imports, column 2.

5-171

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to **November 30, 1946**

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: 20, 1946, to	Imports Sept. 20, 1946, to	Established: 20, 1946, to	Imports Sept. 20, 1946, to
	Quota	Nov. 30, 1946:	Quota	Nov. 30, 1946
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	36,414,673	-
Peru.....	247,952	106,710	9,209,346	-
British India.....	2,003,483	973,010	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
Brazil.....	618,723	618,723	-	-
Union of Soviet Socialist Republics...	475,124	-	31,900	-
Argentina.....	5,203	5,104	-	-
Haiti.....	237	-	-	-
Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa.....	2,240	-	-	-
Netherlands East Indies.	71,388	-	-	-
Barbados.....	-	-	-	-
Other British West Indies 1/.....	21,321	-	501	-
Nigeria.....	5,377	-	-	-
Other British West Africa 2/.....	16,004	-	-	-
Other French Africa. 3/..	689	-	-	-
Algeria and Tunisia.....	-	-	-	-
	14,516,882	10,586,806	45,656,420	45,656,420

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
 2/ Other than Gold Coast and Nigeria.
 3/ Other than Algeria, Tunisia, and Madagascar.

THEASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 11, 1946.

Press Service
No. S-171

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to November 30, 1946.

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(In Pounds)

Country of Origin	: Staple length less than 1-1/8"		: Staple length 1-1/8" or more but less than 1-11/16"	
	: Imports Sept. 20, 1946, to Nov. 30, 1946	: Quota	: Imports Sept. 20, 1946, to Nov. 30, 1946	: Quota
Egypt and the Anglo-Egyptian Sudan	783,816	-	36,414,673	-
Peru.....	247,952	106,710	9,209,346	-
British India.....	2,003,483	973,010	-	-
China.....	1,370,791	-	-	-
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Brazil.....	618,723	618,723	-	-
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Argentina.....	5,203	5,104	-	-
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Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa.....	2,240	-	-	-
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Other French Africa 3/.....	689	-	-	-
Algeria and Tunisia.....	-	-	-	-
	14,516,882	10,586,806	45,656,420	45,656,420

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.

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3/ Other than Algeria, Tunisia, and Madagascar.

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Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	: Established : TOTAL QUOTA	: TOTAL IMPORTS : Sept. 20, 1946	: ESTABLISHED : 33-1/3% of	: IMPORTS : Sept. 20, 1946, to
	:	: to Nov. 30, 1946:	: Total Quota	: Nov. 30, 1946 1/
United Kingdom.....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	69,627	-	-
Netherlands.....	68,240	-	22,747	-
Switzerland.....	44,388	-	14,796	-
Belgium.....	38,559	-	12,853	-
Japan.....	341,535	-	-	-
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Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	100,964	1,599,886	-

1/ Included in total imports, column 2.

5-172

FOR IMMEDIATE RELEASE,
December 10, 1946

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, for the 12 months commencing May 29, 1946, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota (Bushels)	Imports (Bushels)	Established Quota (Pounds)	Imports (Pounds)
Canada	795,000	248	3,815,000	793,479
China	-	-	24,000	240
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	1,000
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Cannary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>248</u>	<u>4,000,000</u>	<u>794,719</u>

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 11, 1946

Press Service
S-172

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Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established : Quota : (Bushels)	Imports : May 29, 1946, to : Nov. 30, 1946 : (Bushels)	Established : Quota : (Pounds)	Imports : May 29, 1946, to Nov. 30, 1946 : (Pounds)
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United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	1,000
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>248</u>	<u>4,000,000</u>	<u>794,719</u>

FOR IMMEDIATE RELEASE
 December 10, 1946

5-173

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to November 30, 1946, inclusive as follows:

Commodity	Established Quota : Period and Country:	Quantity	Unit : of	Imports as : of Nov. 30 : 1946
Whole Milk, fresh or sour	Calendar year	3,000,000	Gallon	9,280
Cream, fresh or sour	Calendar year	1,500,000	Gallon	2,333
Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	20,380,724	Pound	Quota Filled
White or Irish potatoes: certified seed	12 months from Sept. 15, 1946	90,000,000	Pound	36,632,227
other		60,000,000	Pound	7,149,171
Cuban filler tobacco un- stemmed or stemmed (Other than cigarette leaf tobacco) and scrap tobacco	Calendar year	22,000,000	Pound (unstemmed equivalent)	Quota Filled
Red cedar shingles	Calendar year	1,396,423	Square	1,387,816
Molasses and sugar sirups containing soluble non- sugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	655,768
Silver or black foxes, furs, and articles: Foxes valued under \$250 each and whole furs and skins	May-Nov. 1946 All countries	67,012	Number	28,413
Tails	12 months from Dec. 1, 1945	5,000	Piece	---
Paws, heads or other separated parts	"	500	Pound	490
Piece Plates	"	550	Pound	---
Articles, other than piece plates	"	500	Unit	138

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
December 11, 1946

Press Service
S-173

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Piece Plates	"	550	Pound	—
Articles, other than piece plates	"	500	Unit	138

ALPHA

- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on December 19, 1946.

(7)
The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

ALPHA

TREASURY DEPARTMENT

Washington

5-174

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 13, 1946

(1)

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 19, 1946, and will mature March 20, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, December 16, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, December 13, 1946

Press Service
No. S-174

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Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on December 19, 1946.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117(a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

Mr. Shaeffer

S-175

December 6, 1946

TO MR. BARTELT:

The following market transactions were made during the month of November, 1946, in direct and guaranteed securities of the Government for Treasury investment and other accounts:

Sales	\$57,572,000
Purchases	<u>none</u>
Net sales	<u>\$57,572,000</u>

(Sgd) Joseph Greenberg

Joseph Greenberg
Assistant Commissioner of Accounts

CC to: Mr. Heffelfinger
Mr. Shaeffer
Miss Sanford

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Saturday, December 14, 1946

Press Service

No. S-175

During the month of November 1946, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net sales of \$57,572,000, Secretary Snyder announced today.

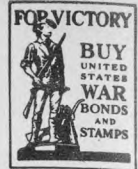
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TREASURY DEPARTMENT

PROCUREMENT DIVISION

WASHINGTON 25



OFFICE OF THE DIRECTOR

-2-

2. To the purchaser operating within strict budgetary limits, the use of an escalator clause makes exceedingly difficult, or practically impossible, the planning on his part of a purchase program which will fulfill his entire needs and yet stay within a carefully designed budget.

3. Escalator clauses are entirely unnecessary and uncalled for in cases involving commodities, the price of which shall be the "posted" or "going" price, published at the time of delivery.

Only for the sake of brevity are other equally valid reasons for the elimination of escalator clauses excluded. The return to a sound peacetime method of business operation is afflicted with many problems, of which we consider the use of escalator clauses to be one. Their elimination will speed the universally desired return to "normal" business practices to an appreciable degree.

A further step toward eliminating the need for such clauses can be taken by strict adherence to the President's letter of August 1, 1946 advocating a limitation of purchases to meet only immediate and urgent requirements.

Be it therefore resolved that:

The Advisory Committee on Procurement Policy strongly opposes the use of escalator clauses and urges their elimination in all cases possible.

600



TREASURY DEPARTMENT

PROCUREMENT DIVISION

WASHINGTON 25



OFFICE OF THE DIRECTOR

RESOLUTION

A remaining evil of contracting procedure born under the pressure of war -- and which still remains in use to an entirely unnecessary degree -- is the so-called "escalator" clause.

It may be said that this type of clause, in its various forms, contributed valuably during occasions of emergency, when production overshadowed the element of price. However, because of its definite inflationary tendencies, the time is at hand to exclude, in every case possible, the use of this device in the contracting function.

For the purposes of this resolution, and upon the collective authority of the many governmental groups having had experience with escalator clauses, they may be defined thus:

"Escalation" is a generic name for contractual devices whereby contract prices are changed in the event of certain contingencies, according to a predetermined base and predetermined method which are set forth in the contract. Among bases for escalation are changes in costs of material, changes in costs of labor, changes in published and provable price lists, changes in governmentally-fixed ceiling prices, and the like. Among methods of escalation are those based upon accounting analysis, upon automatically operating formulae, and upon negotiation.

Of the many objections by the purchaser, to escalator clauses, the following may be cited as the most extreme:

1. Escalator clauses have tended to place an undue burden upon the purchaser. They have been requested by suppliers in some cases wherein orders are filled from existing stocks and where the purchaser thus assumes more than his due share of the uncertain price responsibility in replenishing the vendor's inventories. This is a legitimate business risk which the vendor himself should assume, and is in no wise connected with the purchase at hand.

S-176

FOR IMMEDIATE RELEASE, ~~Friday~~
Friday, December 13, 1946.

~~December 13, 1946~~

A strong denunciation of the use of escalator clauses in government contracts was issued today by the Advisory Committee on Procurement Policy.

The Committee, staffed by representatives of the major purchasing agencies of government, said in a resolution made public today that escalator clauses forced the government to assume "more than its due share of the uncertain price responsibility" in many cases, and that such clauses made "exceedingly difficult or practically impossible, the planning of a purchase program which will fulfill needs and yet stay within a carefully designed budget."

The Committee is headed by Clifton E. Mack, Director of Procurement, and includes representatives of the armed services, thirty-four other Federal agencies and the D. C. Board of Commissioners.

~~80~~
The resolution follows:

9/12/77

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Friday, December 13, 1946.

Press Service
No. S-176

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TREASURY DEPARTMENT

Washington 25, D. C.

Release Date 12/17/46 AM

Press Release No.

5-177

efforts Secretary ~~of the Treasury John W.~~ Snyder disclosed today that the ^{investigative} special drive of the Bureau of Internal Revenue ~~against tax evaders~~ produced \$546,000,000 of additional assessments in the first four months of this fiscal year--a 41 percent increase over the corresponding months of last year.

"Reports from the Commissioner of Internal Revenue, Joseph D. Nunan, Jr., indicate a gratifying gain in momentum in the tax drive," the Secretary said. "While the drive has been in effect for slightly more than a year, it is important to remember that most of this time was spent in recruiting and training new investigators and agents, and in laying the groundwork for thousands of cases which are being completed each month. Unlike an ordinary police investigation, which often is concluded in a few days, a tax investigation usually requires weeks and months of painstaking audit, investigation, and interview work."

"Moreover, in evaluating the drive against evaders, it is well to remember that the Bureau of Internal Revenue necessarily and properly devotes the major portion of its energies to doing business with the honest taxpayers, who, I am proud to say, constitute the vast majority of American citizens. While the \$546,000,000 of additional assessments are gratifying, they must not be allowed to overshadow the \$11,695,000,000 overall tax collections by the Bureau during the same four months of July-October, inclusive."

Major convictions obtained against tax evaders last month included those of Jack Berman, Atlanta truck and bus operator, and Charles E. Prettyman, Jr., attorney and real estate operator of Neosho, Mo. Sentence was deferred in both cases.

Berman was convicted of evading \$20,183 of personal income taxes on amounts he withdrew from his businesses during 1938-40. Prettyman was found guilty of failing to pay \$78,894 of taxes on his income from real estate transactions.

Among several thousand pending investigations were cases involving users of counterfeit sugar ration stamps, a jewelry concern that concealed its profits by claiming fictitious purchases, a group of "boom-town" taverns near an army post, a doctor who concealed patients' fees by depositing them in the account of his office assistant, and an automobile finance company that padded its advertising deductions.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, December 17, 1946

Press Service
No. S-177

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DIVISION OF PUBLIC RELATIONS

Assignment sheet. Title 7/8% Certificates

Release date 12/18/46

Press Service No. _____

S-178

	Bldg. dist.	Mailing list	No. copies to be sent
() Special messenger		65	65
G () General		60	70
TAC () Trade Agreement Commodities	22	158	
CFQ () Coffee quotas	22	136	
CQ () Cotton quotas	22	135	
WQ () Wheat quotas	22	115	
BUL () Treasury monthly Bulletin	---	1,367	
F () Finance	167	540	
NM () Net Market transactions	142	207	
T () Taxes	167	600	
DLI () Debt limitation	151	325	
SF () Stabilization fund.	174	551	
B () Weekly bill offering.	150	178	
B&B () Bills & Bonds other than weekly	156	275	50
			295
			200
FE () Financial Editors	---	469	
NE () News Editors		1,575	
() Speech list	186	---	
PUBLIC RELATIONS, Room 4416	---	---	200
	Press room		25
	OWI		
	Building distribution		<u>141</u>

Original to Mr. Kilby

Mr. Kilby (Pls deliver AT ONCE)
Miss Rover (Please deliver) ..

1046

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, December 18, 1946.

Press Service
No. S-178

Secretary of the Treasury Snyder today announced the offering, through the Federal Reserve Banks, of 7/8 percent Treasury Certificates of Indebtedness of Series A-1948, open on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness of Series A-1947, in the amount of \$3,330,431,000, which will mature on January 1, 1947. Cash subscriptions will not be received.

The certificates now offered will be dated January 1, 1947, and will bear interest from that date at the rate of seven-eighths of one percent per annum, payable with the principal at maturity on January 1, 1948. They will be issued in bearer form only, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the certificates now offered shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted. The full provisions relating to taxability are set forth in the official circular released today.

Subscriptions will be received at the Federal Reserve Banks and Branches, and at the Treasury Department, Washington, and should be accompanied by a like face amount of the maturing certificates. Subject to the usual reservations, all subscriptions will be allotted in full.

The subscription books will close at the close of business Friday, December 20, except for the receipt of subscriptions from holders of \$25,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter class at the close of business Monday, December 23.

Subscriptions addressed to a Federal Reserve Bank or Branch or to the Treasury Department, and placed in the mail before midnight of the respective closing days, will be considered as having been entered before the close of the subscription books.

The text of the official circular follows:

UNITED STATES OF AMERICA

7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES A-1948

Dated and bearing interest from January 1, 1947

Due January 1, 1948

1946
Department Circular No. 798

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, December 18, 1946.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States, for certificates of indebtedness of the United States, designated 7/8 percent Treasury Certificates of Indebtedness of Series A-1948, in exchange for Treasury Certificates of Indebtedness of Series A-1947, maturing January 1, 1947.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated January 1, 1947, and will bear interest from that date at the rate of 7/8 percent per annum, payable with the principal at maturity on January 1, 1948. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all Federal taxes, now or hereafter imposed. The certificates shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer certificates will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may

submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before January 2, 1947, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series A-1947, maturing January 1, 1947, which will be accepted at par, and should accompany the subscription.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

JOHN W. SNYDER,
Secretary of the Treasury.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Monday, December 16, 1946

Press Service
No.

On December 14th the Treasury received the sum of \$259,479.74 from the Government of Finland, representing a payment of principal in the amount of \$93,000, and the semiannual payment of interest in the amount of \$131,652.50 under the Funding Agreement of May 1, 1923; \$13,695.06 on account of the semiannual payment on the annuity due under the postponement agreement of May 1, 1941, and \$21,132.18 on account of the semiannual payment on the annuity due under the postponement agreement of October 14, 1943.

These payments represent the entire amount due from the Government of Finland on December 15, 1946, under these agreements.

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Monday, December 16, 1947.

Press Service
No. S-179

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 17, 1946.

Press Service

S-180

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated December 19, 1946, and to mature March 20, 1947, which were offered on December 13, 1946, were opened at the Federal Reserve Banks on December 16.

The details of this issue are as follows:

Total applied for - \$1,784,036,000
Total accepted - 1,308,874,000 (includes \$26,576,000 entered on a fixed-price basis at 99.905 and accepted in full)
Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
Low - 99.905 " " " " " " 0.376% " "

(71 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 13,540,000	\$ 9,828,000
New York	1,381,565,000	1,000,795,000
Philadelphia	20,440,000	15,742,000
Cleveland	9,250,000	7,800,000
Richmond	5,281,000	4,846,000
Atlanta	11,620,000	11,591,000
Chicago	259,105,000	190,610,000
St. Louis	12,760,000	9,454,000
Minneapolis	4,065,000	3,543,000
Kansas City	14,111,000	11,936,000
Dallas	6,714,000	6,424,000
San Francisco	45,585,000	36,305,000
TOTAL	\$1,784,036,000	\$1,308,874,000

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 17, 1946

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Cleveland	9,250,000	7,800,000
Richmond	5,281,000	4,846,000
Atlanta	11,620,000	11,591,000
Chicago	259,105,000	190,610,000
St. Louis	12,760,000	9,454,000
Minneapolis	4,065,000	3,543,000
Kansas City	14,111,000	11,936,000
Dallas	6,714,000	6,424,000
San Francisco	45,585,000	36,305,000
TOTAL	\$1,784,036,000	\$1,308,874,000

Siler - draft of ~~press release~~ *press release*
Treasury Dept
Washington

12/18/46

For AMs Thursday, Dec 19

Press Service
#5-181

Secretary Snyder today announced the appointment of Philip Nichols, Jr., as Chief Counsel of the Procurement Division of the Treasury Department. Mr. Nichols succeeds the late W. G. Helfrich, who died last October.

The new appointee has been serving since last February as Counsel of the Navy Price Adjustment Board and ^{*since June as General*} ~~Counsel of the War Contracts Price Adjustment Board, ~~which~~~~
~~joined his release from military duty~~

Born in Boston August 11, 1907, Mr. Nichols attended Harvard University, which conferred the degrees of AB and LLB on him in 1929 and 1932 respectively. He practiced law in Boston for six years, and ^{*in June, 1938,*} ~~became head of the procurement~~ entered the lands division of the Department of Justice ^{*in June, 1938.*} ~~in June, 1938.~~ In 1942 he went to the WPB as counsel to various industry divisions.

From January, 1944, to February of this year he served in the Navy, with assignment to the Navy General Counsel's office. He was commissioned as lieutenant junior grade and won promotions to lieutenant and lieutenant commander.

Mr. Nichols resides at 1810 37th Street Northwest.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Thursday, December 19, 1946

Press Service
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ALPHA

- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on December 26, 1946.

(7)
The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

ALPHA

TREASURY DEPARTMENT

Washington

S-182

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 20, 1946
(1)

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 26, 1946, and will mature March 27, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, December 23, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, December 20, 1946

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Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on December 26, 1946.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal Tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117(a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

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PROPOSED PRESS RELEASE

5-183

Immediate

The work of Eugene Meyer as president of the International Bank for Reconstruction and Development, was praised in a letter signed by Secretary of the Treasury John W. Snyder and ~~Assistant Secretary of State~~ *Under Secretary of State for Economic Affairs* Will Clayton, made public today.

Snyder and Clayton, governor and alternate governor, respectively, of the bank, expressed ~~their~~ appreciation for the "capable guidance" of Meyer during the institutions formative period, and regrets over his retirement, which became effective December 18th.

The full text of the letter follows:

Under Secretary of State for Economic Affairs

C
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Y

December 18, 1946

Dear Mr. Meyer:

We have, as we have individually had occasion to tell you in conversation, greatly regretted the considerations which have impelled you to withdraw at this time from your responsibilities as President of the International Bank for Reconstruction and Development. We nonetheless understand and sympathize with those considerations.

You have, as you undertook to do when first assuming the responsibilities of the office, brought an organization to a point where it is ready and prepared to function for the accomplishment of the purposes for which the Bank was established. You have with distinction guided its Board of Governors in their formative first annual meeting. Under your leadership, in short, the Bank has reached a stage at which you can, with a minimum of immediate disruption, relinquish responsibility consistently with the purpose for which you first assumed it.

Although we understand your decision we do greatly regret it. We wish to express our appreciation for your labors and for their fruits. You can leave your office in the consciousness that you have left your mark permanently upon an institution destined to play an important role in world affairs in the years to come.

Sincerely yours,

(Signed)

JOHN W. SNYDER
Governor of the International Bank for
Reconstruction and Development

W. L. Clayton
Alternate Governor of the International Bank
for Reconstruction and Development

Honorable Eugene Meyer
President of the International Bank
for Reconstruction and Development
Washington, D. C.

OFD:NTN:ss:imc
12/18/46

12/18/46 Or ginal signed by Secretary Snyder
and returned to Mr. Clayton by messenger from
Department of State

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Friday, December 20, 1946.

Press Service
No. S-183

The work of Eugene Meyer as President of the International Bank for Reconstruction and Development was praised in a letter signed by Secretary of the Treasury John W. Snyder and Under Secretary of State for Economic Affairs Will Clayton, made public today.

Snyder and Clayton, governor and alternate governor, respectively, of the Bank, expressed appreciation for the capable guidance of Meyer during the institution's formative period, and regrets over his retirement, which became effective December 18th.

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Sincerely yours,

(Signed) John W. Snyder

John W. Snyder
Governor of the International Bank for
Reconstruction and Development

W. L. Clayton
Alternate Governor of the International Bank
for Reconstruction and Development

Honorable Eugene Meyer,
President of the International Bank
for Reconstruction and Development,
Washington, D. C.

oOo

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(Signed) John W. Snyder

John W. Snyder
Governor of the International Bank for
Reconstruction and Development

W. L. Clayton
Alternate Governor of the International Bank
for Reconstruction and Development

Honorable Eugene Meyer,
President of the International Bank
for Reconstruction and Development,
Washington, D. C.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,

Friday December 20, 1946

5-184

The Bureau of Customs announced today that it is anticipated that the quota of 22,000,000 pounds of Cuban filler tobacco, not specially provided for, other than cigarette leaf tobacco, unstemmed or stemmed, and scrap tobacco will be filled by entries for consumption and withdrawals from warehouse for consumption filed on the first day of the new quota year January 2, 1947.

In order that importers of such tobacco may have equal opportunities at all ports, facilities have been provided for the simultaneous presentation of entries or withdrawals at 12 noon, eastern standard time, 11 a.m., central standard time, 10 a.m., mountain standard time, and 9 a.m., Pacific standard time, January 2, 1947.

Entries and withdrawals for consumption of the quota class of Cuban tobacco may be accepted by customs at the quota rates of duty, providing the importer or his agent does not take delivery thereof pending determination by the Bureau of the quota status of such tobacco. If the importer does take delivery before such determination, he shall be required to deposit estimated duties at rates in effect on August 24, 1934.

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Friday, December 20, 1946

Press Service
No. S-184

The Bureau of Customs announced today that it is anticipated that the quota of 22,000,000 pounds of Cuban filler tobacco, not specially provided for, other than cigarette leaf tobacco, unstemmed or stemmed, and scrap tobacco will be filled by entries for consumption and withdrawals from warehouse for consumption filed on the first day of the new quota year January 2, 1947.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 24, 1946.

Press Service

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated December 26, 1946, and to mature March 27, 1947, which were offered on December 20, 1946, were opened at the Federal Reserve Banks on December 23.

The details of this issue are as follows:

Total applied for - \$1,841,201,000
 Total accepted - 1,316,232,000 (includes \$24,686,000 entered on a fixed-price basis at 99.905 and accepted in full)
 Average price - 99.905/4 Equivalent rate of discount approx. 0.375% per annum
 Range of accepted competitive bids:
 High - 99.907 Equivalent rate of discount approx. 0.368% per annum
 Low - 99.905 " " " " " " 0.376% " "

(69 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 9,667,000	\$ 7,187,000
New York	1,447,266,000	1,032,579,000
Philadelphia	23,840,000	17,237,000
Cleveland	12,997,000	9,277,000
Richmond	9,797,000	7,782,000
Atlanta	5,208,000	5,193,000
Chicago	251,350,000	174,160,000
St. Louis	23,650,000	16,861,000
Minneapolis	3,943,000	3,478,000
Kansas City	9,325,000	8,550,000
Dallas	4,815,000	4,505,000
San Francisco	39,343,000	29,423,000
TOTAL	\$1,841,201,000	\$1,316,232,000

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, December 24, 1946.

Press Service
 No. S-185

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000 or thereabouts, of 91-day Treasury bills to be dated December 26, 1946, and to mature March 27, 1947, which were offered on December 20, 1946, were opened at the Federal Reserve Banks on December 23.

The details of this issue are as follows:

Total applied for - \$1,841,201,000
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 Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
 Low - 99.905 " " " " " " 0.376% " "

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Kansas City	9,325,000	8,550,000
Dallas	4,815,000	4,505,000
San Francisco	39,343,000	29,423,000
TOTAL	<u>\$1,841,201,000</u>	<u>\$1,316,232,000</u>

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sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on January 2, 1947.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

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5-186

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 27, 1946

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The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated January 2, 1947, and will mature April 3, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, December 30, 1946. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 27, 1946

Press Service
No. S-186

The Secretary of the Treasury, by this public notice, invites tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated January 2, 1947, and will mature April 3, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

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Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on January 2, 1947.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal Tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117(a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

T. D. Bureau of Internal Revenue
Washington, DC

5-187

For Immediate Release,
Thursday, Dec 14

~~PRESS RELEASE~~

Joseph C. ...
Press Release

The Commissioner of Internal Revenue announced today that consideration is being given to the adoption of amendments to the regulations interpreting the Clifford and related decisions of the Supreme Court. In general, the amendments would be designed to permit greater flexibility in the administration of family trusts without adverse income tax consequences to persons creating them. The Commissioner stated that consideration is also being given to the question of making any such amendments apply to the year 1946 as well as future years.

The present regulations were issued on December 29, 1945 and contain specific rules for the application of the doctrines announced by the Supreme Court in Helvering v. Clifford, 309 U. S. 331 and related cases. The Commissioner stated that experience with the regulations during the past year indicates that, without departing from the basic principles of those decisions, it may be possible to revise certain aspects of the regulations to extend to grantors more flexibility in the protection of the beneficiaries of bona fide family trusts without running the risk of liability for income tax on the trust income.

It is expected that a decision regarding the amendments under consideration will be made in the near future. Any revisions decided upon will be published in the Federal Register with opportunity afforded to interested persons to present their views under the procedure established by the Administrative Procedure Act.

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TREASURY DEPARTMENT
Bureau of Internal Revenue
Washington

FOR IMMEDIATE RELEASE
Thursday, December 26, 1946

Press Service
No. S-187

Commissioner of Internal Revenue Joseph D. Nunan, Jr., announced today that consideration is being given to the adoption of amendments to the regulations interpreting the Clifford and related decisions of the Supreme Court. In general, the amendments would be designed to permit greater flexibility in the administration of family trusts without adverse income tax consequences to persons creating them. The Commissioner stated that consideration is also being given to the question of making any such amendments apply to the year 1946 as well as future years.

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It is expected that a decision regarding the amendments under consideration will be made in the near future. Any revisions decided upon will be published in the Federal Register with opportunity afforded to interested persons to present their views under the procedure established by the Administrative Procedure Act.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Friday, December 27, 1946.

Press Service
5-188

The Secretary of the Treasury today announced the subscription and allotment figures with respect to the current offering of 7/8 percent Treasury Certificates of Indebtedness of Series A-1948.

Subscriptions and allotments were divided among the several Federal Reserve Districts and the Treasury as follows:

<u>Federal Reserve District</u>	<u>Total Subscriptions Received and Allotted</u>
Boston	\$ 114,588,000
New York	1,752,413,000
Philadelphia	71,110,000
Cleveland	84,036,000
Richmond	43,905,000
Atlanta	86,636,000
Chicago	330,131,000
St. Louis	78,927,000
Minneapolis	56,828,000
Kansas City	116,357,000
Dallas	69,678,000
San Francisco	327,084,000
Treasury	<u>525,000</u>
TOTAL	\$3,132,248,000

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Friday, December 27, 1946

Press Service
 No. S-188

The Secretary of the Treasury today announced the subscription and allotment figures with respect to the current offering of 7/8 percent Treasury Certificates of Indebtedness of Series A-1948.

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Boston	\$ 114,588,000
New York	1,752,413,000
Philadelphia	71,140,000
Cleveland	84,036,000
Richmond	43,905,000
Atlanta	86,636,000
Chicago	330,131,000
St. Louis	78,927,000
Minneapolis	56,828,000
Kansas City	116,357,000
Dallas	69,678,000
San Francisco	327,084,000
Treasury	525,000
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TOTAL	\$3,132,248,000

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Wednesday, January 1, 1947

Press Service
No. 5-189

Secretary Snyder today announced an amendment to General License No. 53 which removes the remaining freezing control restrictions over practically all persons in China, the Netherlands East Indies, French Indo-China, Turkey, the non-European colonies and territories of the liberated countries and certain areas whose blocked assets are insignificant. The principal effect of today's action is to unblock under General License No. 53A property belonging to most residents of the countries newly included in the generally licensed trade area. At the same time numerous general licenses and public circulars which applied to various of the affected areas were revoked since the new amendment of General License No. 53 renders them obsolete. This action thus supplements that taken on December 7, 1945, through the issuance of General License No. 94 which licensed current transactions with all these areas not involving property blocked as of that date.

Treasury officials pointed out that, with the exception of certain special controls relating to securities and currency, the blocking controls in general now apply only to (a) the property of ancillary transactions with (i) persons in Germany and Japan, and (ii) persons in Spain, Sweden, Portugal, Tangier, (b) the pre-armistice assets of persons in Italy, Hungary, Rumania and Bulgaria, (c) the uncertified assets of persons in Switzerland, Liechtenstein and the liberated European countries not included in the generally licensed trade area, and (d) the property of certain German and Japanese individuals and entities wherever located which are subject to the provisions of General Ruling No. 11A.

Nelson - 2939

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Wednesday, January 1, 1947.

Press Service
No. S-189

Secretary Snyder today announced an amendment to General License No. 53 which removes the remaining freezing control restrictions over practically all persons in China, the Netherlands East Indies, French Indo-China, Turkey, the non-European colonies and territories of the liberated countries and certain areas whose blocked assets are insignificant. The principal effect of today's action is to unblock under General License No. 53A property belonging to most residents of the countries newly included in the generally licensed trade area. At the same time numerous general licenses and public circulars which applied to various of the affected areas were revoked since the new amendment of General License No. 53 renders them obsolete. This action thus supplements that taken on December 7, 1945, through the issuance of General License No. 94 which licensed current transactions with all those areas not involving property blocked as of that date.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 31, 1946.

Press Service
NO 5-190

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated January 2, and to mature April 3, 1947, which were offered on December 27, 1946, were opened at the Federal Reserve Banks on December 30.

The details of this issue are as follows:

Total applied for - \$2,892,507,000
Total accepted - 1,311,177,000 (includes \$19,040,000 entered on a fixed-price basis at 99.905 and accepted in full)
Average price - 99.905/ Equivalent rate of discount approx. 0.374% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
Low - 99.905 " " " " " " 0.376% " "

(30 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 4,745,000	\$ 1,945,000
New York	1,351,244,000	427,944,000
Philadelphia	12,965,000	5,965,000
Cleveland	8,065,000	3,165,000
Richmond	3,270,000	2,220,000
Atlanta	4,310,000	4,060,000
Chicago	1,427,458,000	832,258,000
St. Louis	2,500,000	1,520,000
Minneapolis	6,155,000	2,655,000
Kansas City	17,615,000	8,865,000
Dallas	2,530,000	1,830,000
San Francisco	51,650,000	18,750,000
TOTAL	\$2,892,507,000	\$1,311,177,000

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 31, 1946

Press Service
 No. S-190

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated January 2, and to mature April 3, 1947, which were offered on December 27, 1945, were opened at the Federal Reserve Banks on December 30.

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(30 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 4,745,000	\$ 1,945,000
New York	1,351,244,000	427,944,000
Philadelphia	12,965,000	5,965,000
Cleveland	8,065,000	3,165,000
Richmond	3,270,000	2,220,000
Atlanta	4,310,000	4,060,000
Chicago	1,427,458,000	832,258,000
St. Louis	2,500,000	1,520,000
Minneapolis	6,155,000	2,655,000
Kansas City	17,615,000	8,865,000
Dallas	2,530,000	1,830,000
San Francisco	51,650,000	18,750,000
TOTAL	\$2,892,507,000	\$1,311,177,000

NAME OF OFFICER OR EMPLOYEE	NAME OF CORPORATION	STATE
Nelson, Joseph D.	The Andrew Jergens Company	Ohio
Nichol, Frederick W.	International Business Machines Corporation	New York
Nissman, Morris	Joe Lowe Corporation	New York
Oakie, Jack	Universal Pictures Company, Inc.	New York
Oberon, Merle	Universal Pictures Company, Inc.	New York
Obici, A.	Planters Nut and Chocolate Company	Virginia
Ohrbach, Nathan M.	Ohrbach's, Inc.	New York
Olds, Irving S.	United States Steel Corporation	New York
O'Neil, W.	The General Tire & Rubber Company	Ohio
Palmer, D. R. G.	General Cable Corporation	New York
Parish, Richard L.	American Flange & Mfg. Co., Inc.	New York
Peruzzi, M.	Planters Nut and Chocolate Company	Virginia
Phillips, E. S.	Devco & Reynolds Company, Inc.	New York
Prince, Frederick Henry	Chicago Stock Yards Company	Vermont
Prutzman, Charles D.	Universal Pictures Company, Inc.	New York
Rentschler, Gordon S.	The National City Bank of New York	New York
Riordan, William O.	Stern Brothers	New York
Russell, Rosalind	Columbia Pictures Corporation	New York
Ruthenburg, Louis	Servel, Inc.	Indiana
Salinger, Alvin	The United States Shoe Corporation	Ohio
Sanders, George	Universal Pictures Company, Inc.	New York
Schneider, Abraham	Columbia Pictures Corporation	New York
Schneier, A. J.	I. Schneier & Sons, Inc.	New York
Schneier, D. S.	I. Schneier & Sons, Inc.	New York
Schneier, S. S.	I. Schneier & Sons, Inc.	New York
Scully, William A.	Universal Film Exchanges, Inc.	New York
Sears, Gradwell L.	United Artists Corporation	New York
Seideman, Joseph H.	Universal International Films, Inc.	New York
Seskis, I. J.	Schenley Distillers Corporation	New York
Simmons, John A.	Lanett Bleachery and Dye Works	Massachusetts
Skakel, George	Great Lakes Carbon Corporation	Illinois
Stern, Joseph S.	The United States Shoe Corporation	Ohio
Tobin, F. M.	Tobin Packing Co., Inc.	New York
Tone, Franchot	Universal Pictures Company, Inc.	New York
Van Upp, Virginia	Columbia Pictures Corporation	New York
Vidor, Charles	Columbia Pictures Corporation	New York
Voorhees, E. M.	United States Steel Corporation	New York
Waldburger, E. R. J.	Waldburger, Grant & Co., Inc.	New York
Wallace, Andrew B.	Forbes & Wallace, Inc.	Massachusetts
Wanger, Walter	Universal Pictures Company, Inc.	New York
Ward, J. Carlton, Jr.	Fairchild Engine and Airplane Corporation	New York
Watson, Thomas J.	International Business Machines Corporation	New York
Watts, Charles H.	Beneficial Industrial Loan Corporation	Delaware
Wilson, Kenneth	Forstmann Woolen Co.	New Jersey
Woodworth, N. A.	N. A. Woodworth Co.	Michigan
Work, Clifford	Universal Pictures Company, Inc.	New York
Zeder, Fred M.	Chrysler Corporation	Michigan

NAME OF OFFICER OR EMPLOYEE	NAME OF CORPORATION	STATE
Abbott, Bud and Lou Costello	Universal Pictures Company, Inc.	New York
Abrams, B.	Emerson Radio & Phonograph Corp.	New York
Arakelian, Eddie K.	K. Arakelian, Inc.	California
Barkley, William J.	Collins Radio Company	Iowa
Bednar, A.	Lucian Q. Moffitt, Inc.	Ohio
Beech, Walter H.	Beech Aircraft Corporation	Kansas
Belcher, F. J., Jr.	J.D. and A.B. Spreckels Company	California
Belither, S.	Shell Oil Company, Incorporated	New York
Bischoff, Samuel	Columbia Pictures Corporation	New York
Blumberg, N. J.	Universal Pictures Company, Inc.	New York
Boyer, Charles	Columbia Pictures Corporation	New York
Brady, Wm. Gage, Jr.	The National City Bank of New York	New York
Breech, Ernest R.	Bendix Aviation Corporation	Michigan
Briskin, Irving	Columbia Pictures Corporation	New York
Burgess, W. Randolph	The National City Bank of New York	New York
Carpenter, R. E.	Spicer Manufacturing Corporation	Ohio
Cheff, P. T.	Holland Furnace Company	Michigan
Clark, Rensselaer W.	Hayes Manufacturing Corporation	Michigan
Coburn, Charles	Columbia Pictures Corporation	New York
Cohen, A. B.	The United States Shoe Corporation	Ohio
Cohn, Harry	Columbia Pictures Corporation	New York
Cohn, Jack	Columbia Pictures Corporation	New York
Collins, Arthur A.	Collins Radio Company	Iowa
Coolidge, E. C.	Crowe Name Plate & Manufacturing Co.	Illinois
Cowan, J. C., Jr.	Burlington Mills Corporation	North Carolina
Cowdin, J. Cheever	Universal Pictures Company, Inc.	New York
Currie, D. A.	Erie Foundry Company	Pennsylvania
Dabney, W. C.	Devoe & Reynolds Company, Inc.	New York
Dana, C. A.	Spicer Manufacturing Corporation	Ohio
D'Olier, Franklin	The Prudential Insurance Company of America	New Jersey
Donlevy, Brian	Universal Pictures Company, Inc.	New York
Douglas, Donald W.	Douglas Aircraft Company, Inc.	California
Dunne, Irene	Columbia Pictures Corporation	New York
Durbin, Deanna	Universal Pictures Company, Inc.	New York
Emanuel, Victor	The Aviation Corporation	New York
Forstmann, Curt E.	Forstmann Woolen Co.	New Jersey
Forstmann, Julius G.	Forstmann Woolen Co.	New Jersey
Fraser, Alexander	Shell Oil Company, Incorporated	New York
Fruehauf, Harvey C.	Fruehauf Trailer Company	Michigan
Fruehauf, Roy A.	Fruehauf Trailer Company	Michigan
Garthwaite, A. A.	Lee Rubber & Tire Corporation	Pennsylvania
Geier, Ernest C.	The Duplan Corporation	New York
Gibson, Charles J.	Gibson Refrigerator Company	Michigan
Gimbel, Bernard F.	Gimbel Brothers, Inc.	New York
Hall, Al	Columbia Pictures Corporation	New York
Hayworth, Rita	Columbia Pictures Corporation	New York
Heintz, Ralph M.	Jack & Heintz, Inc.	Ohio
Hinshaw, Ezra B.	C. C. Anderson Stores Company	New York
Huber, Phil	Ex-Cell-O Corporation	Michigan
Hutchinson, B. E.	Chrysler Corporation	Michigan
Jack, Wm. R.	Jack & Heintz, Inc.	Ohio
Jack, Wm. S.	Jack & Heintz, Inc.	Ohio
Jackson, Felix	Universal Pictures Company, Inc.	New York
Jacobi, Lester E.	Schenley Distillers Corporation	New York
Jacobs, George B.	The Rollman & Sons Company	New York
Jergens, Andrew	The Andrew Jergens Company	Ohio
Jones, W. Alton	Cities Service Company	New York
Keleske, Paul	Wisconsin Screw Company	Wisconsin
Keller, K. T.	Chrysler Corporation	Michigan
Kent, Hervey	Exeter Manufacturing Co.	New Hampshire
Kiefer, Carl J.	Schenley Distillers Corporation	New York
Klopman, William	Burlington Mills Corporation	North Carolina
Korda, Zaltan	Columbia Pictures Corporation	New York
Laughton, Charles	Universal Pictures Company, Inc.	New York
Lawrenz, Otto B.	Peerless Tool & Engineering Co.	Illinois
LeBoutillier, Philip	Best & Co., Inc.	New York
Leonard, Russell H.	Pepperell Manufacturing Company	Massachusetts
Love, J. Spencer	Burlington Mills Corporation	North Carolina
Mabie, E. L.	Crowe Name Plate & Manufacturing Co.	Illinois
McAndrews, R. A.	Holland Furnace Company	Michigan
Miller, N. L.	United States Steel Corporation	New York
Montague, Abraham	Columbia Pictures Corporation	New York
Mueller, T. H.	Julius Kayser & Co.	New York
Muni, Paul	Columbia Pictures Corporation	New York

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>VIRGINIA</u>						
PLANTERS NUT AND CHOCOLATE COMPANY	9/30/45					
Obici, A.		5,000.04	217,599.96		400.00	223,000.00
Peruzzi, M.		7,500.00	88,100.00		400.00	96,000.00
<u>VERMONT</u>						
CHICAGO STOCK YARDS COMPANY	12/31/44					
Prince, Frederick Henry		100,000.00				100,000.00
<u>WISCONSIN</u>						
WISCONSIN SCREW COMPANY	11/30/45					
Keleske, Paul		90,685.16				90,685.16

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>NEW YORK</u>						
THE ROLLMAN & SONS COMPANY Jacobs, George B.	1/31/45	18,000.00		57,783.68		75,783.68
I. SCHNEIERSON & SONS, INC. Schneier, A. J.	7/31/45	37,500.00		41,895.25		79,395.25
Schneier, D. S.		37,500.00		41,895.25		79,395.25
Schneier, S. S.		54,000.00		53,570.99		107,570.99
SCHENLEY DISTILLERS CORPORATION Jacobi, Lester E.	8/31/45					75,320.00
Kiefer, Carl J.						90,100.00
Seskis, I. J.						90,300.00
SHELL OIL COMPANY, INCORPORATED Belither, S.	12/31/44	60,000.00		30,000.00		90,000.00
Fraser, Alexander		70,000.00		30,000.00		100,000.00
STERN BROTHERS Riordan, William O.	1/31/45	50,000.00		25,000.00	120.00	75,120.00
TOBIN PACKING CO., INC. Tobin, F. M.	11/30/45	65,000.00		90,000.00		155,000.00
UNITED ARTISTS CORPORATION Sears, Gradwell L.	12/31/44	130,000.00			9,537.45	139,537.45
UNITED STATES STEEL CORPORATION Miller, N. L.	12/31/44	80,000.00			5,300.00	85,300.00
Olds, Irving S.		100,000.08			6,200.00	106,200.08
Voorhees, E. M.		100,000.08			5,900.00	105,900.08
UNIVERSAL FILM EXCHANGES, INC. Scully, William A.	10/31/45	92,750.00				92,750.00
UNIVERSAL INTERNATIONAL FILMS, INC. Seidelman, Joseph H.	10/31/45	76,850.00				76,850.00
UNIVERSAL PICTURES COMPANY, INC. Abbott, Bud and Lou Costello	10/31/45	286,166.65			183,003.95	469,170.60
Blumberg, N. J.		119,250.00			115,374.04	234,624.04
Cowdin, J. Cheever		119,250.00			115,374.04	234,624.04
Donlevy, Brian		93,750.00				93,750.00
Durbin, Deanna		195,750.00			114,978.93	310,728.93
Jackson, Felix		102,375.00		12,500.00		114,875.00
Laughton, Charles		116,666.65				116,666.65
Oakie, Jack		150,000.00				150,000.00
Oberon, Merle		170,000.00				170,000.00
Prutzman, Charles D.		76,850.00			57,342.72	134,192.72
Sanders, George		82,666.66				82,666.66
Tone, Franchot		150,000.00				150,000.00
Wanger, Walter		90,000.00			211,127.82	301,127.82
Work, Clifford		106,000.00			57,342.72	163,342.72
WALDBURGER, GRANT & CO., INC. Waldburger, E. R. J.	10/31/45	22,500.00	74,585.28			97,085.28
<u>NORTH CAROLINA</u>						
BURLINGTON MILLS CORPORATION Cowan, J. C., Jr.	9/30/45	29,500.00		52,554.49		82,054.49
Klopman, William				100,000.00		100,000.00
Love, J. Spencer		46,399.98		55,000.00		101,399.98
<u>OHIO</u>						
THE ANDREW JERGENS COMPANY Jergens, Andrew	11/30/45	5,000.00		250,000.00		255,000.00
Nelson, Joseph D.		5,000.00		250,000.00		255,000.00
THE GENERAL TIRE & RUBBER COMPANY O'Neil, W.	11/30/45	10,000.00	87,000.00			97,000.00
JACK & HEINTZ, INC. Heintz, Ralph M.	10/31/45	125,000.00				125,000.00
Jack, Wm. R.		100,000.00				100,000.00
Jack, Wm. S.		125,000.00				125,000.00
LUCIAN Q. MOFFITT, INC. Bednar, A.	12/31/44	4,650.00		80,527.70		85,177.70
SPICER MANUFACTURING CORPORATION Carpenter, R. E.	8/31/45	36,000.00		63,250.00		99,250.00
Dana, C. A.		100,000.00				100,000.00
THE UNITED STATES SHOE CORPORATION Cohen, A. B.	11/30/45	50,000.00			29,397.44	79,397.44
Salinger, Alvin		50,000.00			29,397.44	79,397.44
Stern, Joseph S.		50,000.00			29,397.44	79,397.44
<u>PENNSYLVANIA</u>						
ERIE FOUNDRY COMPANY Currie, D. A.	6/30/45	34,019.16	62,046.30	49,769.72		145,835.18
LEE RUBBER & TIRE CORPORATION Garthwaite, A. A.	10/31/45	55,000.00			21,892.64	76,892.64

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>MICHIGAN</u>						
HAYES MANUFACTURING CORPORATION Clark, Rensselaer W.	9/30/45	23,750.02		82,072.11	1,740.00	107,562.13
HOLLAND FURNACE COMPANY Cheff, P. T. McAndrews, R. A.	12/31/44	30,000.00	96,881.46	63,700.00		93,700.00 96,881.46
N. A. WOODWORTH CO. Woodworth, N. A.	11/30/45					90,000.00
<u>NEW HAMPSHIRE</u>						
EXETER MANUFACTURING CO. Kent, Hervey	9/30/45	16,000.00		60,000.00		76,000.00
<u>NEW JERSEY</u>						
FORSTMANN WOOLEN CO. Forstmann, Curt E. Forstmann, Julius G. Wilson, Kenneth	11/30/45	25,000.00 15,000.00 15,000.00		146,884.96 73,442.48 73,442.48	1,200.00 900.00 1,200.00	173,084.96 89,342.48 89,642.48
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA D'Olier, Franklin	12/31/44	99,999.96				99,999.96
<u>NEW YORK</u>						
AMERICAN FLANGE & MFG. CO., INC. Parish, Richard L.	11/30/45	124,992.92				124,992.92
C.C. ANDERSON STORES COMPANY Hinshaw, Ezra B.	1/31/45	15,000.00		62,110.67		77,110.67
THE AVIATION CORPORATION Emanuel, Victor	11/30/45	90,000.00				90,000.00
BEST & CO., INC. LeBoutillier, Philip	1/31/45	50,000.00		65,000.00	650.00	115,650.00
CITIES SERVICE COMPANY Jones, W. Alton	12/31/44	150,000.00			240.00	150,240.00
COLUMBIA PICTURES CORPORATION Bischoff, Samuel Boyer, Charles Briskin, Irving Coburn, Charles Cohn, Harry Cohn Jack Dunne, Irene Hall, Al Hayworth, Rita Korda, Zaltan Montague, Abraham Muni, Paul Russell, Rosalind Schneider, Abraham Van Upp, Virginia Vidor, Charles	6/30/45	75,250.00 160,000.00 79,291.67 88,333.33 263,000.00 130,250.00 245,000.00 124,291.67 110,708.33 77,500.00 78,000.00 127,083.33 100,000.00 88,400.00 118,833.33 107,500.00			15,900.00 10,400.00	75,250.00 160,000.00 79,291.67 88,333.33 278,900.00 140,650.00 245,000.00 124,291.67 110,708.33 77,500.00 78,000.00 127,083.33 100,000.00 88,400.00 118,833.33 107,500.00
DEVCOE & RAYNOLDS COMPANY, INC. Dabney, W. C. Phillips, E. S.	11/30/45	36,000.00 49,999.92		42,330.12 51,736.81		78,330.12 101,736.73
THE DUPLAN CORPORATION Geier, Ernest C.	5/31/45	48,000.00		42,500.00		90,500.00
EMERSON RADIO & PHONOGRAPH CORP. Abrams, B.	10/31/45	50,577.53		30,434.60		81,012.13
FAIRCHILD ENGINE AND AIRPLANE CORPORATION Ward, J. Carlton, Jr.	12/31/44	123,902.26			600.00	124,502.26
GENERAL CABLE CORPORATION Palmer, D. R. G.	12/31/44	60,000.00		30,000.00		90,000.00
GIMBEL BROTHERS, INC. Gimbel, Bernard F.	1/31/45	100,000.00				100,000.00
INTERNATIONAL BUSINESS MACHINES CORPORATION Nichol, Frederick W. Watson, Thomas J.	12/31/44	100,000.00 100,000.00		16,600.00	5,331.00 325,548.94	121,931.00 425,548.94

The above compensations are not inclusive of amounts paid as directors' fees.

JOE LOWE CORPORATION Nissman, Morris	11/30/45		123,711.13			123,711.13
JULIUS KAYSER & CO. Mueller, T. H.	6/30/45	37,500.00		66,318.07		103,818.07
THE NATIONAL CITY BANK OF NEW YORK Brady, Wm. Gage., Jr. Burgess, W. Randolph Rentschler, Gordon S.	12/31/44	99,999.84 79,999.92 124,999.92			4,740.00 4,000.00 4,200.00	104,739.84 83,999.92 129,199.92
OHRBACH'S, INC. Ohrbach, Nathan M.	7/31/45	100,000.00				100,000.00

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>CALIFORNIA</u>						
K. ARAKELIAN, INC. Arakelian, Eddie K.	6/30/45		81,245.86	5,000.00		86,245.86
DOUGLAS AIRCRAFT COMPANY, INC. Douglas, Donald W.	11/30/45	116,000.00			400.00	116,400.00
J.D. AND A.B. SPRECKELS COMPANY Belcher, F. J., Jr.	12/31/44	75,000.00		18,750.00		93,750.00
<u>DELAWARE</u>						
BENEFICIAL INDUSTRIAL LOAN CORPORATION Watts, Charles H.	12/31/44	90,630.45			1,000.00	91,630.45
<u>ILLINOIS</u>						
CROWE NAME PLATE & MANUFACTURING CO. Coolidge, E. C.	12/31/44	25,000.00		65,263.42 24,708.21*		90,263.42
Mabie, E. L.		10,000.00		65,263.42 24,708.21*		75,263.42
*The bonus paid and accrued is based upon net profits for 1944. Amounts shown as accrued represent a portion of the bonus withheld, pursuant to agreement, pending final determination of profits for the year through renegotiation. Past experience indicates that these amounts will never actually be paid.						
GREAT LAKES CARBON CORPORATION Skakel, George	10/31/45	75,000.00		40,000.00		115,000.00
PEERLESS TOOL & ENGINEERING CO. Lawrenz, Otto B.	5/31/45	50,000.00		72,000.00		122,000.00
<u>INDIANA</u>						
SERVEL, INC. Ruthenburg, Louis	10/31/45	60,000.20		27,500.00	1,200.00	88,700.20
<u>IOWA</u>						
COLLINS RADIO COMPANY Barkley, William J. Collins, Arthur A.	7/31/45	99,999.84 81,999.84			150.00 275.00	100,149.84 82,274.84
<u>KANSAS</u>						
BEECH AIRCRAFT CORPORATION Beech, Walter H.	9/30/45	40,000.08			41,710.04	81,710.12
<u>MASSACHUSETTS</u>						
FORBES & WALLACE, INC. Wallace, Andrew B.	1/31/45	35,000.00	43,581.45			78,581.45
LANETT BLEACHERY AND DYE WORKS Simmons, John A.	8/31/45	25,000.00		59,634.98		84,634.98
PEPPERELL MANUFACTURING COMPANY Leonard, Russell H.	6/30/45	60,000.00		40,000.00		100,000.00
<u>MICHIGAN</u>						
BENDIX AVIATION CORPORATION Breech, Ernest R.	9/30/45	79,999.92				79,999.92*
*Exclusive of Bonus in process of allocation.						
CHRYSLER CORPORATION Hutchinson, B. E. Keller, K. T. Zeder, Fred M.	12/31/44	90,000.00 100,000.00 85,000.00			850.00 950.00 500.00	90,850.00 100,950.00 85,500.00
The amounts shown above do not include any part of the payments by Chrysler Corporation in 1944 to Executive Chrysler Management Trust.						
EX-CELL-O CORPORATION Huber, Phil	11/30/45	26,400.00		98,600.00		125,000.00
FRUEHAUF TRAILER COMPANY Fruehauf, Harvey C. Fruehauf, Roy A.	12/31/44	67,596.20 33,615.46		30,000.00 45,000.00		97,596.20 78,615.46
GIBSON REFRIGERATOR COMPANY Gibson, Charles J.	7/31/45	100,000.00		15,000.00		115,000.00

SUPPLEMENTAL #1

REPORT OF PAYMENTS OF SALARY, COMMISSION,
BONUS OR OTHER COMPENSATION PAID IN
EXCESS OF \$75,000.00 COMPILED FROM
INCOME RETURNS, SCHEDULE F-1, FILED
FOR THE CALENDAR YEAR 1944 AND FISCAL
YEARS ENDED IN 1945.



TREASURY DEPARTMENT

WASHINGTON 25

OFFICE OF
COMMISSIONER OF INTERNAL REVENUE

ADDRESS REPLY TO
COMMISSIONER OF INTERNAL REVENUE
AND REFER TO

IT:Rec:ALD

DEC 30 1946

MEMORANDUM for Mr. Charles P. Shaeffer
Director of Public Relations
Treasury Department

There is transmitted a supplemental report of payments of salary, commission, bonus or other compensation paid in excess of \$75,000.00 compiled from income tax returns, schedule F-1, filed for the calendar year 1944 and fiscal years ended in 1945.


Commissioner

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, January 8, 1947.

Press Service
No. S-191

Secretary Snyder today made public, in accordance with a provision of the Internal Revenue Code, a supplemental list of individuals receiving from corporations compensation for personal services in excess of \$75,000 for the calendar year 1944 and fiscal years ending in 1945.

The Secretary of the Treasury is required by Section 148 (f) of the Code, as amended by Section 407 of the Revenue Act of 1939, to make public the names of such individuals as were reported by employing corporations in their income tax returns. The list compiled shows the amounts paid to officers and employees by reporting corporations in the form of salary, commission, bonus or other compensation for personal services.

Section 148 (f) of the Internal Revenue Code, as amended by Section 407 of the Revenue Act of 1939, is as follows:

"Compensation of Officers and Employees: - Under regulations prescribed by the Commissioner with the approval of the Secretary, every corporation subject to taxation under this chapter shall, in its return, submit a list of the names of all officers and employees of such corporation and the respective amounts paid to them during the taxable year of the corporation by the corporation as salary, commission, bonus, or other compensation for personal services rendered, if the aggregate amount so paid to the individual is in excess of \$75,000.

"The Secretary shall compile from the returns made a list containing the names of, and the amounts paid to, each such officer and employee and the name of the paying corporation and shall make such list available to the public. It shall be unlawful for any person to sell, offer for sale, or circulate, for any consideration whatsoever, any copy or reproduction of any list, or part thereof, authorized to be made public by this Act or by any prior Act, relating to the publication of information derived from income tax returns; and any offense against the foregoing provision shall be a misdemeanor and be punished by a fine not exceeding \$1,000 or by imprisonment not exceeding one year, or both, at the discretion of the court: Provided, that nothing in this sentence shall be construed to be applicable with respect to any newspaper, or other periodical publication entitled to admission to the mails as second-class matter."

The names of the corporations and of the officers and employees who received compensation in excess of \$75,000, as reported to the Secretary by the Bureau of Internal Revenue, are as follows:

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>CALIFORNIA</u>						
K. ARAKELIAN, INC. Arakelian, Eddie K.	6/30/45		81,245.86	5,000.00		86,245.86
DOUGLAS AIRCRAFT COMPANY, INC. Douglas, Donald W.	11/30/45	116,000.00			400.00	116,400.00
J. D. AND A. B. SPRECKELS COMPANY Belcher, F. J., Jr.	12/31/44	75,000.00		18,750.00		93,750.00
<u>DELAWARE</u>						
BENEFICIAL INDUSTRIAL LOAN CORPORATION Watts, Charles H.	12/31/44	90,630.45			1,000.00	91,630.45
<u>ILLINOIS</u>						
CROWE NAME PLATE & MANUFACTURING CO. Coolidge, E. C.	12/31/44	25,000.00		65,263.42		90,263.42
Mabie, E. L.		10,000.00		24,708.21*		75,263.42
				65,263.42		75,263.42
				24,708.21*		
<p>* The bonus paid and accrued is based upon net profits for 1944. Amounts shown as accrued represent a portion of the bonus withheld, pursuant to agreement, pending final determination of profits for the year through renegotiation. Past experience indicates that these amounts will never actually be paid.</p>						
GREAT LAKES CARBON CORPORATION Skakel, George	10/31/45	75,000.00		40,000.00		115,000.00
PEERLESS TOOL & ENGINEERING CO. Lawrenz, Otto B.	5/31/45	50,000.00		72,000.00		122,000.00

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>INDIANA</u>						
SERVEL, INC. Ruthenburg, Louis	10/31/45	60,000.20		27,500.00	1,200.00	88,700.20
<u>IOWA</u>						
COLLINS RADIO COMPANY Barkley, William J. Collins, Arthur A.	7/31/45	99,999.84 81,999.84			150.00 275.00	100,149.84 82,274.84
<u>KANSAS</u>						
BEECH AIRCRAFT CORPORATION Beech, Walter H.	9/30/45	40,000.08			41,710.04	81,710.12
<u>MASSACHUSETTS</u>						
FORBES & WALLACE, INC. Wallace, Andrew B.	1/31/45	35,000.00	43,581.45			78,581.45
LANETT BLEACHERY AND DYE WORKS Simmons, John A.	8/31/45	25,000.00		59,634.98		84,634.98
PEPPERELL MANUFACTURING COMPANY Leonard, Russell H.	6/30/45	60,000.00		40,000.00		100,000.00
<u>MICHIGAN</u>						
BENDIX AVIATION CORPORATION Breech, Ernest R.	9/30/45	79,999.92				79,999.92*

*Exclusive of Bonus in process of allocation

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>MICHIGAN (Cont.)</u>						
CHRYSLER CORPORATION	12/31/44					
Hutchinson, B. E.		90,000.00			850.00	90,850.00
Keller, K. T.		100,000.00			950.00	100,950.00
Zeder, Fred M.		85,000.00			500.00	85,500.00
The amounts shown above do not include any part of the payments by Chrysler Corporation in 1944 to Executive Chrysler Management Trust.						
EX-CELL-O CORPORATION	11/30/45					
Huber, Phil		26,400.00		98,600.00		125,000.00
FRUEHAUF TRAILER COMPANY	12/31/44					
Fruehauf, Harvey C.		67,596.20		30,000.00		97,596.20
Fruehauf, Roy A.		33,615.46		45,000.00		78,615.46
GIBSON REFRIGERATOR COMPANY	7/31/45					
Gibson, Charles J.		100,000.00		15,000.00		115,000.00
HAYES MANUFACTURING CORPORATION	9/30/45					
Clark, Rensselaer W.		23,750.02		82,072.11	1,740.00	107,562.13
HOLLAND FURNACE COMPANY	12/31/44					
Cheff, P. T.		30,000.00		63,700.00		93,700.00
McAndrews, R. A.			96,881.46			96,881.46
N. A. WOODWORTH COMPANY	11/30/45					
Woodworth, N. A.						90,000.00
<u>NEW HAMPSHIRE</u>						
EXETER MANUFACTURING COMPANY	9/30/45					
Kent, Hervey		16,000.00		60,000.00		76,000.00

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>NEW JERSEY</u>						
FORSTMANN WOOLEN CO.	11/30/45					
Forstmann, Curt E.		25,000.00		146,884.96	1,200.00	173,084.96
Forstmann, Julius G.		15,000.00		73,442.48	900.00	89,342.48
Wilson, Kenneth		15,000.00		73,442.48	1,200.00	89,642.48
THE PRUDENTIAL INSURANCE CO. OF AMERICA	12/31/44					
D'Olier, Franklin		99,999.96				99,999.96
<u>NEW YORK</u>						
AMERICAN FLANGE & MFG. CO., INC.	11/30/45					
Parish, Richard L.		124,992.92				124,992.92
C. C. ANDERSON STORES COMPANY	1/31/45					
Hinshaw, Ezra B.		15,000.00		62,110.67		77,110.67
THE AVIATION CORPORATION	11/30/45					
Emanuel, Victor		90,000.00				90,000.00
BEST & CO., INC.	1/31/45					
LeBoutillier, Philip		50,000.00		65,000.00	650.00	115,650.00
CITIES SERVICE COMPANY	12/31/44					
Jones, W. Alton		150,000.00			240.00	150,240.00
COLUMBIA PICTURES CORPORATION	6/30/45					
Bischoff, Samuel		75,250.00				75,250.00
Boyer, Charles		160,000.00				160,000.00
Briskin, Irving		79,291.67				79,291.67
Coburn, Charles		88,333.33				88,333.33
Cohn, Harry		263,000.00			15,900.00	278,900.00
Cohn, Jack		130,250.00			10,400.00	140,650.00
Dunne, Irene		245,000.00				245,000.00
Hall, Al		124,291.67				124,291.67
Hayworth, Rita		110,708.33				110,708.33
Korda, Zaltan		77,500.00				77,500.00
Montague, Abraham		78,000.00				78,000.00
Muni, Paul		127,083.33				127,083.33

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>NEW YORK (Cont.)</u>						
COLUMBIA PICTURES CORPORATION (Cont.)	6/30/45					
Russell, Rosalind		100,000.00				100,000.00
Schneider, Abraham		88,400.00				88,400.00
Van Upp, Virginia		118,833.33				118,833.33
Vidor, Charles		107,500.00				107,500.00
DEVOE & RAYNOLDS COMPANY, INC.	11/30/45					
Dabney, W. C.		36,000.00		42,330.12		78,330.12
Phillips, E. S.		49,999.92		51,736.81		101,736.73
THE DUPLAN CORPORATION	5/31/45					
Geier, Ernest C.		48,000.00		42,500.00		90,500.00
EMERSON RADIO & PHONOGRAPH CORP.	10/31/45					
Abrams, B.		50,577.53		30,434.60		81,012.13
FAIRCHILD ENGINE AND AIRPLANE CORP.	12/31/44					
Ward, J. Carlton, Jr.		123,902.26			600.00	124,502.26
GENERAL CABLE CORPORATION	12/31/44					
Palmer, D. R. G.		60,000.00		30,000.00		90,000.00
GIMBEL BROTHERS, INC.	1/31/45					
Gimbel, Bernard F.		100,000.00				100,000.00
INTERNATIONAL BUSINESS MACHINES CORP.	12/31/44					
Nichol, Frederick W.		100,000.00		16,600.00	5,331.00	121,931.00
Watson, Thomas J.		100,000.00			325,548.94	425,548.94
The above compensations are not inclusive of amounts paid as directors' fees.						
JOE LOWE CORPORATION	11/30/45					
Nissman, Morris			123,711.13			123,711.13
JULIUS KAYSER & CO.	6/30/45					
Mueller, T. H.		37,500.00		66,318.07		103,818.07

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>NEW YORK (Cont.)</u>						
THE NATIONAL CITY BANK OF NEW YORK	12/31/44					
Brady, Wm. Gage, Jr.		99,999.84			4,740.00	104,739.84
Burgess, W. Randolph		79,999.92			4,000.00	83,999.92
Rentschler, Gordon S.		124,999.92			4,200.00	129,199.92
OHRBACH'S, INC.	7/31/45					
Ohrbach, Nathan M.		100,000.00				100,000.00
THE ROLLMAN & SONS COMPANY	1/31/45					
Jacobs, George B.		18,000.00		57,783.68		75,783.68
I. SCHNEIERSON & SONS, INC.	7/31/45					
Schneierson, A. J.		37,500.00		41,895.25		79,395.25
Schneierson, D. S.		37,500.00		41,895.25		79,395.25
Schneierson, S. S.		54,000.00		53,570.99		107,570.99
SCHENLEY DISTILLERS CORPORATION	8/31/45					
Jacobi, Lester E.						75,320.00
Kiefer, Carl J.						90,100.00
Seskis, I. J.						90,300.00
SHELL OIL COMPANY, INCORPORATED	12/31/44					
Belither, S.		60,000.00		30,000.00		90,000.00
Fraser, Alexander		70,000.00		30,000.00		100,000.00
STERN BROTHERS	1/31/45					
Riordan, William O.		50,000.00		25,000.00	120.00	75,120.00
TOBIN PACKING CO., INC.	11/30/45					
Tobin, F. M.		65,000.00		90,000.00		155,000.00
UNITED ARTISTS CORPORATION	12/31/44					
Sears, Gladwell L.		130,000.00			9,537.45	139,537.45
UNITED STATES STEEL CORPORATION	12/31/44					
Miller, N. L.		80,000.00			5,300.00	85,300.00
Olds, Irving S.		100,000.08			6,200.00	106,200.08
Voorhees, E. M.		100,000.08			5,900.00	105,900.08

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>NEW YORK (Cont.)</u>						
UNIVERSAL FILM EXCHANGES, INC. Scully, William A.	10/31/45	92,750.00				92,750.00
UNIVERSAL INTERNATIONAL FILMS, INC. Seidelman, Joseph H.	10/31/45	76,850.00				76,850.00
UNIVERSAL PICTURES COMPANY, INC. Abbott, Bud and Lou Costello	10/31/45	286,166.65			183,003.95	469,170.60
Blumberg, N. J.		119,250.00			115,374.04	234,624.04
Cowdin, J. Cheever		119,250.00			115,374.04	234,624.04
Donlevy, Brian		93,750.00				93,750.00
Durbin, Deanna		195,750.00			114,978.93	310,728.93
Jackson, Felix		102,375.00		12,500.00		114,875.00
Laughton, Charles		116,666.65				116,666.65
Oakie, Jack		150,000.00				150,000.00
Oberon, Merle		170,000.00				170,000.00
Prutzman, Charles D.		76,850.00			57,342.72	134,192.72
Sanders, George		82,666.66				82,666.66
Tone, Franchot		150,000.00				150,000.00
Wanger, Walter		90,000.00			211,127.82	301,127.82
Work, Clifford		106,000.00			57,342.72	163,342.72
WALDBURGER, GRANT & CO., INC. Waldburger, E. R. J.	10/31/45	22,500.00	74,585.28			97,085.28
<u>NORTH CAROLINA</u>						
BURLINGTON MILLS CORPORATION Cowan, J. C., Jr.	9/30/45	29,500.00		52,554.49		82,054.49
Klopman, William				100,000.00		100,000.00
Love, J. Spencer		46,399.98		55,000.00		101,399.98

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>OHIO</u>						
THE ANDREW JERGENS COMPANY	11/30/45					
Jergens, Andrew		5,000.00		250,000.00		255,000.00
Nelson, Joseph D.		5,000.00		250,000.00		255,000.00
THE GENERAL TIRE & RUBBER COMPANY	11/30/45					
O'Neil, W.		10,000.00	87,000.00			97,000.00
JACK & HEINTZ, INC.	10/31/45					
Heintz, Ralph M.		125,000.00				125,000.00
Jack, Wm. R.		100,000.00				100,000.00
Jack, Wm. S.		125,000.00				125,000.00
LUCIAN Q. MOFFITT, INC.	12/31/44					
Bednar, A.		4,650.00		80,527.70		85,177.70
SPICER MANUFACTURING CORPORATION	8/31/45					
Carpenter, R. E.		36,000.00		63,250.00		99,250.00
Dana, C. A.		100,000.00				100,000.00
THE UNITED STATES SHOE CORPORATION	11/30/45					
Cohen, A. B.		50,000.00			29,397.44	79,397.44
Salinger, Alvin		50,000.00			29,397.44	79,397.44
Stern, Joseph S.		50,000.00			29,397.44	79,397.44
<u>PENNSYLVANIA</u>						
ERIE FOUNDRY COMPANY	6/30/45					
Currie, D. A.		34,019.16	62,046.30	49,769.72		145,835.18
LEE RUBBER & TIRE CORPORATION	10/31/45					
Garthwaite, A. A.		55,000.00			21,892.64	76,892.64
<u>VIRGINIA</u>						
PLANTERS NUT AND CHOCOLATE COMPANY	9/30/45					
Obici, A.		5,000.04	217,599.96		400.00	223,000.00
Peruzzi, M.		7,500.00	88,100.00		400.00	96,000.00

NAME OF CORPORATION AND OFFICERS OR EMPLOYEES	CALENDAR OR FISCAL YEAR ENDED	SALARY	COMMISSION	BONUS	OTHER COMPEN- SATION	TOTAL
<u>VERMONT</u>						
CHICAGO STOCK YARDS COMPANY Prince, Frederick Henry	12/31/44 .	100,000.00				100,000.00 .
<u>WISCONSIN</u>						
WISCONSIN SCREW COMPANY Keleske, Paul	11/30/45	90,685.16				90,685.16

Two members of the White House Detail, which protects the President, have been given positions of more responsibility, Chief Maloney announced.

Howard S. Anderson becomes Assistant Supervising Agent of the Detail on which he has served since 1939 and since 1942 as Agent in Charge. A native of Baltimore, he served for five years with the Maryland State Police before joining the Secret Service as Agent in 1938. He is 33 years old.

Henry J. Nicholson, assigned to the White House Detail in 1945, becomes Aide to Supervising Agent James J. Rowley of the Detail. Born in Boston in 1905, Mr. Nicholson is a graduate of Boston College. He had law enforcement experience as a police officer at the United States Capitol, and as a principal guard at the Lorton, Virginia, Reformatory before being appointed a Secret Service Agent in 1941.

physical education and head athletic coach, Western Pennsylvania Industrial Home, at Oakdale, from 1934 to 1936; and later was Superintendent of the Institute of Practical Arts, Old Concord, Pennsylvania, and Assistant Superintendent of the Pennsylvania Training School at Morganza, all institutions for handicapped youngsters.

Mr. Walker was appointed Secret Service Agent in November, 1943, later was assigned to the White House Detail, and was promoted to Assistant Supervising Agent, May 1, 1946.

James J. Rowley was designated Supervising Agent, the White House Detail. Mr. Rowley, a native of New York, was educated at St. John's College, Brooklyn, from which he holds a law degree. He was appointed an agent on the Detail in 1939, became Assistant Supervising Agent in 1945, and has been Acting Supervising Agent since June 1, 1946. He is 38 years old.

Mr. Maloney also announced the transfer of Charles Mazey, who has been Supervising Agent for the St. Paul, Minnesota, district since 1937, to Supervising Agent for the Washington District, which includes the District of Columbia, Virginia, West Virginia, Maryland, and North Carolina. Mr. Mazey, who is 55 years old, served six years in the Navy during the period that included the First World War. He joined the Secret Service in 1920, at Indianapolis, and he served as Agent in Charge there for a number of years before going to St. Paul.

U. ^{2.} ~~W.~~ Baughman becomes Supervising Agent of the important New York District, succeeding Mr. McGrath. Mr. Baughman was born in Camden, New Jersey, May 21, 1905. He entered the Secret Service as a clerk in the Philadelphia office in 1927, was appointed Agent in 1934, and became Acting Supervising Agent for the Washington district early in 1946.

For Immediate Release
Thurs Jan 9, 1947

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S-192
Press Service
MO-8192

James J. Maloney, Chief of the United States Secret Service, today announced appointments from within the Service to several key administrative and field positions in Washington and New York.

Mr. Maloney himself today took the oath of office as Chief of the Service, succeeding Frank J. Wilson who has retired.

In most cases the men promoted today by Chief Maloney have been acting in their new positions for several months, since shortly after Mr. Maloney became Acting Chief upon the temporary assignment of Chief Wilson to the Chief Coordinator's Office.

John J. McGrath, veteran of nearly thirty years with the Service, becomes Assistant Chief. Mr. McGrath, who is 54 years old, is a native of Boston, and entered the Service there in 1917. He has had assignments as Agent in Charge, Dallas, Texas; Agent in Charge, Cleveland, Ohio; Agent in Charge of the special detail organized in New York City in 1938 to combat major counterfeiting gangs; Supervising Agent for the Washington district from September, 1942 until November, 1943; and Supervising Agent for the New York district since that time.

John H. Walker, today named Assistant to the Chief, was educated to be a teacher, and became an expert on correctional techniques, particularly as applied to juveniles. He was born in Braddock, Pennsylvania, April 8, 1913. He graduated from State Teachers College, Slippery Rock, Pennsylvania; and later majored in "Caring for Juvenile Offenders", and "Institutional Management" at Public Service Institute, Harrisburg, Pennsylvania. He served as director of health and

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Thursday, January 2, 1947

Press Service
No. S-192

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- 3 -

sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

ALPHA

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on January 9, 1947.

(7)

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be

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5-193

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, January 3, 1947

(1)

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated January 9, 1947, and will mature April 10, 1947, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, January 6, 1947. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Form

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, January 3, 1947

Press Service
No. S-193

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Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, January 6, 1947. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on January 9, 1947.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal Tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117(a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

STATUTORY DEBT LIMITATION
AS OF DECEMBER 31, 1946

Treasury Department
Fiscal Service *(17)*
Washington, January 6, 1946

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), "shall not exceed in the aggregate \$275,000,000,000 outstanding at any one time. For purposes of this section the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder shall be considered as its face amount."

The following table shows the face amount of obligations outstanding and the face amount which can still be issued under this limitation:

Total face amount that may be outstanding at any one time		\$275,000,000,000
Outstanding December 31, 1946		
Obligations issued under Second Liberty Bond Act, as amended		
Interest-bearing		
Treasury bills.....	\$ 17,033,103,000	
Certificates of indebtedness....	29,987,149,000	
Treasury notes.....	15,815,436,800	(\$ 62,835,688,800)
Bonds		
Treasury.....	119,322,897,950	
*Savings (current redemp.value)	49,776,115,562	
Depository.....	348,685,000	
Armed Forces Leave.....	601,544,225	170,049,242,737
Special Funds		
Certificates of indebtedness..	12,030,950,000	
Treasury notes.....	12,554,061,000	24,585,011,000
Total interest-bearing.....		257,469,942,537
Matured, interest-ceased.....		389,109,523
Bearing no interest		
War savings stamps.....	79,321,431	
Excess profits tax refund bonds.	28,759,008	
Special notes of the United States:		
Internat'l Bank for Reconst.		
and Development series.....	248,285,000	356,365,439
Total.....		258,215,417,499
Guaranteed obligations (not held by Treasury)		
Interest-bearing		
Debentures: F.H.A.....	45,184,036	
Demand obligations: C.C.C.....	285,558,156	330,742,192
Matured, interest-ceased.....		7,822,750
		338,564,942
Grand total outstanding.....		\$258,553,982,441
Balance face amount of obligations issuable under above authority.....		16,446,017,559

Reconcilement with Statement of the Public Debt - December 31, 1946.

(Daily Statement of the United States Treasury, January 2, 1947)

Outstanding December 31, 1946		
Total gross public debt		259,148,765,986
Guaranteed obligations not owned by the Treasury		338,564,942
Total gross public debt and guaranteed obligations		259,487,330,928
Deduct - other outstanding public debt obligations		
not subject to debt limitation		933,348,487
		258,553,982,441

S-194
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STATUTORY DEBT LIMITATION
AS OF DECEMBER 31, 1946

January 7, 1947

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 7, 1947.

Press Service
2-195

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated January 9 and to mature April 10, 1947, which were offered on January 3, 1947, were opened at the Federal Reserve Banks on January 6.

The details of this issue are as follows:

Total applied for - \$2,057,029,000
Total accepted - 1,311,578,000 (includes \$24,542,000 entered on a fixed-price basis at 99.905 and accepted in full)
Average price - 99.905/4 Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.907 Equivalent rate of discount approx. 0.368% per annum
Low - 99.905 " " " " " " 0.376% " "

(61 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 9,660,000	\$ 6,540,000
New York	1,439,569,000	909,949,000
Philadelphia	22,833,000	16,593,000
Cleveland	22,737,000	14,742,000
Richmond	6,250,000	5,665,000
Atlanta	5,375,000	5,375,000
Chicago	436,970,000	274,920,000
St. Louis	2,620,000	2,074,000
Minneapolis	6,040,000	4,090,000
Kansas City	18,880,000	13,615,000
Dallas	13,820,000	9,530,000
San Francisco	72,275,000	48,485,000
TOTAL	\$2,057,029,000	\$1,311,578,000

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 7, 1947.

Press Service
No. S-195

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Kansas City	18,880,000	13,615,000
Dallas	13,820,000	9,530,000
San Francisco	72,275,000	48,485,000
TOTAL	\$2,057,029,000	\$1,311,578,000

FOR IMMEDIATE RELEASE

January 8, 1947

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The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to December 28, 1946, inclusive as follows:

Commodity	Established quota	Unit	Imports as of Dec. 28
	Period and Country	Quantity	Quantity: 1946
Whole Milk, fresh or sour	Calendar year	3,000,000 Gallon	9,720
Cream, fresh or sour	Calendar year	1,500,000 Gallon	2,408
Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	20,380,724 Pound	Quota Filled
White or Irish potatoes: certified seed	12 months from Sept. 15, 1946	90,000,000 Pound	63,932,402
other		60,000,000 Pound	9,997,682
Cuban filler tobacco unstemmed or stemmed (Other than cigarette leaf tobacco) and scrap tobacco	Calendar year	22,000,000 Pound (unstemmed equivalent)	Quota Filled
Red cedar shingles	Calendar year	1,396,423 Square	Quota Filled
Molasses and sugar sirups containing soluble non-sugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000 Gallon	655,768
Silver or black foxes, furs, and articles: Foxes valued under \$250 each and whole furs and skins	Month of December		
	Canada	17,500 Number	365
	Other than Canada	7,500 Number	393
Tails	12 months from Dec. 1, 1946	5,000 Piece	---
Faws, heads or other separated parts	"	500 Pound	---
Piece Plates	"	550 Pound	---
Articles, other than piece plates	"	500 Unit	7

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
 Wednesday, January 8, 1947

Press Service
 No. S-196

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to December 28, 1946, inclusive as follows:

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	Period and Country: Quantity	Quantity:	1946
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White or Irish potatoes: certified seed	12 months from Sept. 15, 1946 90,000,000	Pound	63,932,402
other	60,000,000	Pound	9,997,682
Cuban filler tobacco unstemmed or stemmed (Other than cigarette leaf tobacco) and scrap tobacco	Calendar year 22,000,000	Pound (unstemmed equivalent)	Quota Filled
Red cedar shingles	Calendar year 1,396,423	Square	Quota Filled
Molasses and sugar sirups containing soluble non-sugar solids equal to more than 6% of total soluble solids	Calendar year 1,500,000	Gallon	655,768
Silver or black foxes, furs, and articles: Foxes valued under \$250 each and whole furs and skins	Month of December Canada 17,500 Other than Canada 7,500	Number	365 393
Tails	12 months from Dec. 1, 1946 5,000	Piece	---
Paws, heads or other separated parts	" 500	Pound	---
Piece Plates	" 550	Pound	---
Articles, other than piece plates	" 500	Unit	7

It was pointed out that except for the activities authorized under Public Circular No. 14, any financial, business, trade, or other commercial activity on behalf of enemy nationals who are within Germany and Japan continues to be prohibited. Outstanding Treasury general licenses do not authorize any transactions which involve business or commercial communication with Germany or Japan unless they contain a waiver of General Ruling No. 11.

A separate announcement is being made by the Post Office Department with respect to the postal facilities now open between Germany, Japan, Korea and the United States. Announcement will also be made of any changes affecting the presently authorized weight of postal communications.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS

Thursday
January 2, 1947

Press Service
No. S-197

The State and Treasury Departments today announced the issuance of Public Circular No. 34 relaxing certain wartime restrictions against business and commercial communication with Germany and Japan. This action was made possible by the decision of the Allied Control Council in Germany that postal communications limited to the ascertainment of facts and the exchange of information should be permitted between Germany and other countries. Similar action has been taken with respect to Japan by the Supreme Commander for the Allied Powers. It was stated, however, that all communications will be subject to censorship in Germany and Japan. Under the regulations in effect in Germany, correspondence with Germans relative to German external assets, even of a simple informational character, will not be passed by censorship. A similar restriction is in effect in Japan. In addition telecommunication service with Japan with similar limitations as to content of communications, has now been opened, with the provision that payment for messages be made in dollars.

Examples of communications which may freely be exchanged are reports concerning the status of property located in Germany and Japan, information with respect to trade prospects, and other messages looking toward the resumption of business relations with Germany and Japan. The transmission of documents such as birth, death, or marriage certificates, wills, legal notices, etc. is also authorized under today's action.

Existing prohibitions on transactional communications will continue in effect in Germany, Japan and the United States. These prohibitions include any communication which constitutes or contains authorizations or instructions to effect any financial, business or commercial transaction, as well as the transmission of powers of attorney, proxies, payment instructions, transfer orders, checks, drafts, bills of exchange, currency, money orders and the like.

Although inquiries with respect to possible trade relationships, such as the nature, quantity and availability of goods, are authorized by today's action, attention was directed to the fact that any trade transactions arising out of such communications must be effected through governmental agencies. Private commercial transactions will be authorized when arrangements for resumption of private trade have been made.

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TREASURY DEPARTMENT
Washington

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FOR RELEASE, MORNING NEWSPAPERS

~~Friday~~, November 15, 1946

Press Service

No. S-~~198~~ 198

Tuesday January 7, 1947.

Secretary Snyder announced today that Poland has been added to the list of countries whose blocked accounts may be released under the certification procedure of General License No. 95. This action was taken after an exchange of letters between the Polish Minister of Finance Dabrowski and Secretary Snyder similar to those written in connection with the defrosting of the countries previously named in the license. Copies of the letters are available at the Federal Reserve Bank of New York, ~~Chicago and San Francisco.~~

The Polish Government has designated the National Bank of Poland as its certifying agent.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, January 7, 1947.

Press Service
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COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length; COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	Established : TOTAL QUOTA	TOTAL IMPORTS : Sept. 20, 1946 : to Dec. 28, 1946	ESTABLISHED : 33-1/3% of : Total Quota	IMPORTS : Sept. 20, 1946, to Dec. 28, 1/ 1946
United Kingdom.....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	69,627	-	-
Netherlands.....	68,240	-	22,747	-
Switzerland.....	44,388	-	14,796	-
Belgium.....	38,559	-	12,853	-
Japan.....	341,535	-	-	-
China.....	17,322	-	-	-
Egypt.....	8,135	6,347	-	-
Cuba.....	6,544	-	-	-
Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	107,311	1,599,886	-

1/ Included in total imports, column 2.

~~SECRET~~

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1946, to December 28, 1946.

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established Quota	Imports Sept. 20, 1946, to Dec. 28, 1946	Established Quota	Imports Sept. 20, 1946, to Dec. 28, 1946
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	36,414,673	-
Peru.....	247,952	223,290	9,209,346	-
British India.....	2,003,483	973,010	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
Brazil.....	618,723	618,723	-	-
Union of Soviet Socialist Republics...	475,124	857	31,900	-
Argentina.....	5,203	5,104	-	-
Haiti.....	237	-	-	-
Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa.....	2,240	-	-	-
Netherlands East Indies.....	71,388	-	-	-
Barbados.....	-	-	-	-
Other British West Indies 1/.....	21,321	-	501	-
Nigeria.....	5,377	-	-	-
Other British West Africa 2/.....	16,004	-	-	-
Other French Africa. 3/..	689	-	-	-
Algeria and Tunisia.....	-	-	-	-
	14,516,882	10,704,243	45,656,420	45,656,420

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
 2/ Other than Gold Coast and Nigeria.
 3/ Other than Algeria, Tunisia, and Madagascar.

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
 Wednesday, January 8, 1947

Press Service
 No. S-199

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(In Pounds)

Country of Origin	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established: 20, 1946 to Dec. 28, 1946	Imports Sept. 20, 1946 to Dec. 28, 1946	Established: 20, 1946 to Dec. 28, 1946	Imports Sept. 20, 1946 to Dec. 28, 1946
Egypt and the Anglo- Egyptian Sudan.....	783,816	-	36,414,673	-
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British India.....	2,003,483	973,010	-	-
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	8,883,259	-	-
Brazil.....	618,723	618,723	-	-
Union of Soviet Socialist Republics..	475,124	857	31,900	-
Argentina.....	5,203	5,104	-	-
Haiti.....	237	-	-	-
Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	-	-	-
Iraq.....	195	-	-	-
British East Africa....	2,240	-	-	-
Netherlands East Indies	71,388	-	-	-
Barbados.....	-	-	-	-
Other British West Indies 1/.....	21,321	-	501	-
Nigeria.....	5,377	-	-	-
Other British West Africa 2/.....	16,004	-	-	-
Other French Africa 3/.	689	-	-	-
Algeria and Tunisia....	-	-	-	-
	14,516,882	10,704,243	45,656,420	45,656,420

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
 2/ Other than Gold Coast and Nigeria.
 3/ Other than Algeria, Tunisia, and Madagascar.

COTTON CARD STRIPS made from cottons having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

(In Pounds)

Country of Origin	: Established : TOTAL QUOTA	: TOTAL IMPORTS : Sept. 20, 1946 : to Dec. 28, 1946	: ESTABLISHED : 33-1/3% of : Total Quota	: IMPORTS : Sept. 20, 1946 : to Dec. 28, 1946 ^{1/}
United Kingdom.....	4,323,457	-	1,441,152	-
Canada.....	239,690	31,337	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	69,627	-	-
Netherlands.....	68,240	-	22,747	-
Switzerland.....	44,388	-	14,796	-
Belgium.....	38,559	-	12,853	-
Japan.....	341,535	-	-	-
China.....	17,322	-	-	-
Egypt.....	8,135	6,347	-	-
Cuba.....	6,544	-	-	-
Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
TOTALS	5,482,509	107,311	1,599,886	-

^{1/} Included in total imports, column 2.

FOR IMMEDIATE RELEASE,

January 3, 1947

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, for the 12 months commencing May 29, 1946, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota (Bushels)	Imports May 29, 1946, to Dec. 28, 1946 (Bushels)	Established Quota (Pounds)	Imports May 29, 1946, to Dec. 28, 1946 (Pounds)
Canada	795,000	248	3,815,000	894,352
China	-	-	24,000	728
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	400
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	1,000
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>248</u>	<u>4,000,000</u>	<u>896,480</u>

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
 Wednesday, January 8, 1947

Press Service
 No. S-200

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, for the 12 months commencing May 29, 1946, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established : Quota (Bushels)	Imports : May 29, 1946 to : Dec. 28, 1946 (Bushels)	Established : Quota (Pounds)	Imports : May 29, 1946, to Dec. 28, 1946 (Pounds)
Canada	795,000	248	3,815,000	894,352
China	-	-	24,000	728
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	400
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	1,000
Panama	-	-	1,000	-
Paraguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>248</u>	<u>4,000,000</u>	<u>896,480</u>