

SURVEY OF

CURRENT BUSINESS

ANNUAL REVIEW NUMBER

FEBRUARY 1942

**UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF FOREIGN AND DOMESTIC COMMERCE**

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SURVEY OF CURRENT BUSINESS



FEBRUARY 1942

AN ECONOMIC REVIEW OF 1941

	Page
Foreword.....	2
Introduction.....	3
Advance in armament expenditures.....	3
The war program at the end of 1941.....	4
Record capital formation.....	6
The changing pattern of output and consumption.....	8
The national income.....	11
Commodity price movements.....	12
Production:	
Industrial production.....	18
Agricultural production and income.....	27
Consumption.....	30
Retail distribution.....	31
Consumer credit.....	32
Wholesale distribution.....	33
Inventories.....	33
Construction.....	34
Public utilities.....	38
Electric power.....	38
Railroads.....	39
Shipping.....	41
Motor and air transportation.....	43
Communications.....	44
Employment and working conditions.....	44
International trade and finance.....	47
Merchandise trade.....	47
Gold and capital movements.....	51
Finance.....	54
Federal financial operations.....	54
Banking developments.....	60
Appendix:	
Selected business indicators for specified years and percentage changes.....	63
Statistical data	
Monthly business statistics.....	S-1
General index.....	Inside back cover

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Foreword

NINETEEN hundred and forty-one is unique in American business annals. Upon its record are inscribed the events of the initial year of transition from the free American economy of the thirties to an economy totally mobilized for war. But such is the speed with which change occurs today that 1941 now seems almost as strange and far removed from the present as do the relatively minor crises of the late nineteenth century.

Two sharply different themes dominate the 1941 symphony: The high, piercing tones of business-as-usual and the rumbling bass crescendo of war preparations. A record output of goods and services for civilian consumption was produced, while simultaneously new arms plants were erected, first slowly, then in faster tempo. As the Government built stock piles of strategic and critical materials, businessmen and consumers sought to cover their wants against the lean years to come.

While income payments flowed in expanding volume to the Nation's producers, each considered wistfully those ways and means of averting inflation, which would apply to the prices and incomes of others, but not to his own. Hence there was much debate while action waited. Meanwhile the price level surged strongly upward. As some portions of business insisted that their industrial plants could not possibly be converted to war output, others undertook conversion under incentives applied by public control of the scarce materials so essential to war.

The outbreak of hostilities at the year-end served to arrest this division within the economy. Then imperative necessity welded all business to the common task of a maximum war effort. Sacrifice, which all sought to postpone, and in so doing only increased, now confronts every group within the community. Each individual is called upon to bear his share in

lower living standards or abandoned privilege or harder work.

The experience of 1941 has afforded instruction of great significance for both a wartime and a peacetime economy. Not only has the nature of the many-sided task of the immediate future been clarified, but valuable guides have been developed and techniques perfected. At the same time, light has been thrown on the darkness surrounding some of the most confusing social and economic problems of the past decade. The ability of the Nation to harness its resources to a great productive effort is being demonstrated. Unemployment need not be a rock upon which the State must founder. We now know that in normal times this economy can operate within the confines of its traditional institutions at an efficiency assuring an increasing livelihood for all.

These and other lessons are to be gleaned from the review presented in the following pages. Therein the multiple economic developments of the past year are set forth in analytical detail, with an eye to the changes that are to be expected over the near future.

The introduction, certain sections, and the editing of the whole, are the work of John D. Wilson, who is in charge of the Survey. Contributors include Gerald J. Matchett (prices), Warren Wilhelm and Millard Gallop (industrial production), Edward O. Bassett (agriculture, employment and working conditions), William C. Shelton (consumption), Frederic C. Murphy (inventories), S. Morris Livingston (construction), Albert E. Sanderson (shipping), Donald E. Church (railroads), Hal Lary and Elenor Gould (international trade and finance), and John B. Lindeman (federal finance and banking).

CARROLL L. WILSON,
Director.

An Economic Review of 1941

THE initial stage of the transition to a war economy pushed business activity to unprecedented heights in 1941. Neither strictly devoted to preparation for war, nor to increased output for consumption, the economy embraced a combination of both. In the resulting general expansion, even the most laggard of business shook free the lethargy that had encompassed it for the past decade.

The basic influence impelling business to this new peak was the growth in arms expenditures. These were more than quadrupled during the year, reaching a monthly volume of 2 billion dollars by December. But until the year end the activity they represented interfered only to a limited degree with the normal course of business. Rather, the growing purchasing power channeled into the hands of consumers through the arms program and the huge private capital outlay incident to it, was met by a vast expansion in the output of goods for consumption. For the production of finished armaments was to a very large degree centered in plants newly constructed or newly outfitted, with conversion of civilian facilities being undertaken only to a limited extent.

An advance of such general nature and of such size was possible only with the utilization of unemployed resources—labor, raw material, and finished plant. Each of these had limits—and the first to be revealed was the capacity for producing raw materials. By the fourth quarter metal supplies in particular became inadequate to support a further increase in armament production and essential capital formation without restricting the output of consumer durables. Such a restriction was then undertaken, but not to a degree so drastic as to prevent the establishment of a new record consumer durable output for the year as a whole.

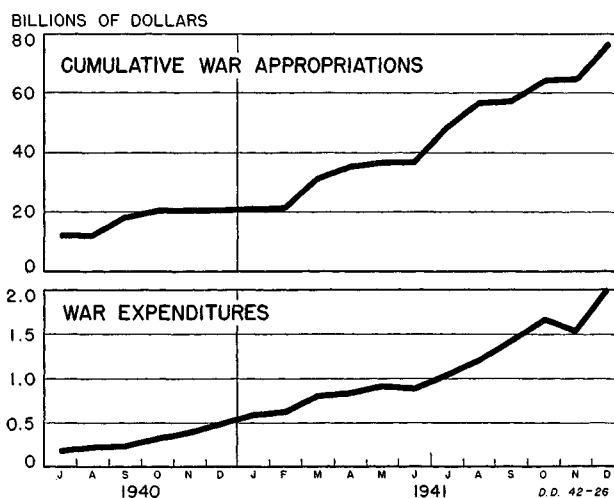
The actual outbreak of hostilities made imperative the rapid achievement of the country's maximum war potential—the utilization of all available resources and the earmarking for military use of the largest feasible proportion of output. With this end in view, the contributions of the year 1941 can, in retrospect, be examined. The great production of consumers' goods enabled the Nation to enter a hard struggle with the largest consumer stocks in its history—but this was achieved at the expense of only a limited stock of finished armaments with which to meet the very great demands of a world-wide conflict. Thus, there was created the necessity for an immediate and radical change in the character of our industrial output—the multiplication of war goods many fold and the drastic curtailment of civilian goods in order to realize the national objective.

Advance in Armament Expenditures.

Expenditures on the military program had moved up at a moderately rapid pace in 1941. The arms outlay in July 1940 had been 186 million dollars. By December of 1940 it had risen to 483 million, and a year later was at a monthly rate of 2 billion. But much of the advance took the form of increased expenditure on light supplies (particularly in the early stages of the program), and on construction and industrial equipment; only in part did it represent heavier output of finished armaments and merchant ships.

These expenditures and their indirect effects on consumer output were reflected in the expansion of the

Figure 1.—United States War Appropriations (Cumulative) and War Expenditures



NOTE.—Appropriations represent funds made available by the Congress and commitments of the Reconstruction Finance Corporation. Expenditures are checks paid by the U. S. Treasury Department and by the Reconstruction Finance Corporation.

Source: War Production Board.

national income. From an annual rate of 76 billion dollars in mid-1940, income climbed to an 82-billion-dollar pace at the beginning of 1941. By the final quarter of the year it had approached the 100-billion-dollar rate. For the year as a whole, national income stood at the all-time peak of 94.5 billion dollars, almost a fourth larger than the 77.1 billion of 1940. Though approximately one-third of the expansion in 1941 was the result of higher prices, the advance in real income (or the actual volume of goods and services produced) was the most rapid ever recorded.

Notwithstanding enlarged consumption, the proportion of employed resources devoted to military effort increased markedly throughout the year. A rough measure of the proportion is obtained from the relation of armament expenditures to the gross income (i. e., the sum of the values of all goods and services produced,

including those produced for replacement and depreciation). The 2-billion-dollar defense expenditure in the first quarter of 1941 was equivalent to approximately one-twelfth of the gross income of that period; while the 5.2-billion-dollar expenditure in the final quarter was equivalent to between roughly one-fifth and one-sixth of the larger gross income at that time.

This was not an inconsiderable gain and approached the peak share of resources which the United States diverted to military output in World War I. Nevertheless, the proportion fell far short of that employed by the country's enemies as well as by its principal Allies.

The attack on this country on December 7, 1941, caused an upward revision of all schedules in preparation for a maximum military effort. At the year end, the President stated that the country must be prepared to devote 50 percent of its income to the prosecution of war, and the budget submitted to Congress called for an arms expenditure of 56 billion dollars in fiscal year 1943.

That such an outlay is possible is a tribute to the strength of the Nation's basic resources at the time it entered into armed conflict. In general, its raw materials—agricultural and mineral—were under the most extensive development in its history. Moreover, heavy imports from other areas had provided stockpiles for military needs of the materials not sufficiently available within the hemisphere. Capital plant also was in record size, and in such condition that a large proportion of the resources ordinarily devoted to maintenance and repair (the production of which is included in gross but not in net national income) could be freed for turning out finished armaments. Finally, despite a further decline in reported unemployment to under 4 million at the end of the year, the labor supply that could be made available for the industrial front was adequate to support a further expansion of aggregate production while still permitting the requisite large increase in the armed forces.

Despite the magnitude of these basic resources, however, serious obstacles need to be overcome in order to realize the goals established by the President. In addition to the vast organizational problems involved in converting existing civilian durable goods plant to the production of finished armaments, certain raw material facilities must be further expanded (particularly metals and chemicals), the output of machinery (especially machine tools) needs to be stepped up markedly, the building of ships for transport of men and supplies abroad must be increased tremendously—to name but a few of the more formidable tasks.

The War Program at the End of 1941.

These and other problems associated with marshaling the country's resources for warfare were the concern of a complex of administrative organizations established

by the Government and charged with responsibility for directing the National effort. Never static, but developing with changing needs and understanding of the task, these organizations work closely with the Army and Navy, industry, and labor, in implementing the economic aspects of the Nation's political and military policies.

Foremost among such organizations throughout 1941 was the Office of Production Management, successor early in January 1941 to the National Defense Advisory Commission, and charged with the task of expediting the military preparedness program. This agency was reorganized on January 16, 1942, as the War Production Board, and to the head of the latter organization was delegated the wide authority believed necessary to step up the military procurement program to the rate desired.

The program which the War Production Board and its predecessors was called upon to develop was not confined to vast arms supplies for the United States. To these were added after March 11, 1941 (by passage of the Lend-Lease Act), large military requirements of those nations then opposing the Axis. From June 11, 1940, through 1941, a total of 76.5 billion dollars—more than twice the arms expenditure by the United States in World War I—had been appropriated or authorized by Congress for military purposes. More than two-thirds of this aggregate was the result of acts passed in 1941.

Table 1.—United States Government Financed War Program, by Object, as of December 31, 1941

Item	Millions of dollars	Percent of total
Total	76,473	100.0
Munitions production, total	49,854	65.2
Airplanes, parts, and accessories	13,249	17.3
Ordnance	16,593	21.7
Naval ships	9,605	12.6
Merchant ships	3,129	4.1
Other munitions and supplies	7,278	9.5
War construction, total	15,386	20.1
Industrial facilities (land, buildings, and equipment)	7,931	10.4
Posts, depots, stations	6,063	7.9
Housing	1,392	1.8
Nonmunitions, total	11,233	14.7
Stockpile	2,399	3.1
Agricultural exports (lend-lease)	1,522	2.0
Pay, subsistence, and travel	4,223	5.5
Miscellaneous nonmunitions	3,089	4.0

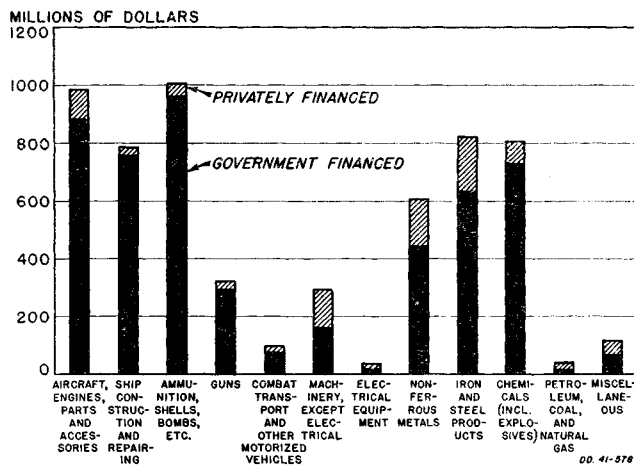
Source: War Production Board.

According to the appropriations, this tremendous sum was to be allocated in a general way among the uses set forth in table 1. Moreover, as of November 30, obligations totaling 47.4 billions had been undertaken.

Basic to the advance in arms output during 1941 and for subsequent periods was the plant construction program, for as already suggested, the conversion of existing consumer goods facilities to military use was limited prior to 1942. Even as early as 1940 facilities for producing finished armament were being expanded,

chiefly by reason of some 3 billion dollars of contracts for war material awarded by the British and French Governments to American companies. But this increase was altogether inadequate when judged by standards of modern warfare. Hence the Nation immediately faced the necessity of constructing a complex of new armament industries. Aircraft, naval construction, tanks, guns, and ammunition—all were to undergo

Figure 2.—Value of Defense Contracts for Industrial Facilities Financed With Government and Private Funds Through November 1941



NOTE.—Data for privately financed industrial facilities are through October 1941 and government through November, 1941. Subsequent data were not available in time to include them in this chart; see table 2, this page, for later data for government.

Source: War Production Board.

an expansion which was little short of staggering in its implications.¹

Moreover, it became apparent—in some cases at an early date and in others only as the program matured—that existing raw material facilities would prove inadequate. In part, these shortages were a heritage of the previous decade. For widespread unemployment and underutilization of existing plant had curbed the growth of raw material supplies that might otherwise have been expected. But an equally important factor was the changing pattern of final output.

War goods consist in great part of durable commodities containing large metal content and of materials embodying various chemicals. Moreover, the expansion of consumer demand which followed upon increased Government expenditure was the heaviest among the consumer durables, and these required materials directly in competition with armaments.

It thus became necessary to expand greatly the supplies of various metals and chemicals. This was undertaken through construction of new capacity at the various stages, as well as the stepping up of imports wherever possible.

¹ For a detailed discussion of these new defense facilities, see the article in the Survey of Current Business, November 1941, p. 10.

An idea of the magnitude of these new industries may be obtained from table 2, which presents the aggregate value of the contract awards for new war facilities near the year end. Altogether, commitments of approximately 7 billion dollars had been made. At that time the awards for capital plant in the aircraft and ammunition industries were 1 and 1.2 billion dollars respectively (the equivalent of the net asset value reported by the automobile industry at the outset of 1939), while shipbuilding plant was to cost more than 800 million. Of the raw material facilities, the chemicals and iron and steel products showed the largest prospective outlay (1.2 billion and 800 million), followed by nonferrous metals (610 million), the largest increase of the latter occurring in aluminum and magnesium. Of course, the contract awards presented in table 2 by no means give the total wartime capital outlays expected to be made in those industries. The enlarged program announced after the outbreak of war called for a further substantial increase in the investment to be made in each industrial group, as well as sizable outlays for the conversion of consumer durable goods plant to wartime output.

Table 2.—Government and Privately Financed Contracts for Industrial Facilities for War Output¹

[Thousands of dollars]

Item	Government financed (through Dec. 31, 1941)	Privately financed (through Oct. 31, 1941)	Total
Chemicals (including explosives)	1,073,689	76,603	1,150,292
Products of petroleum and coal	36,792	22,843	59,635
Iron and steel products	658,560	186,671	845,231
Nonferrous metals and products	448,667	161,320	609,987
Ammunition, shells, bombs, etc.	1,131,418	39,990	1,171,408
Guns	353,272	28,454	381,726
Aircraft	903,227	90,325	1,002,552
Ships and ship repair	814,306	27,092	841,398
Vehicles and tanks	137,065	19,670	157,635
Machinery (except electrical)	206,957	132,108	339,065
Electrical equipment	24,538	19,554	44,092
Miscellaneous manufacturing	96,056	49,342	145,398
Nonmanufacturing .....	.....	184,873	184,873
Total	5,885,447	1,047,845	6,933,292

¹ Government-financed represent definite commitments (contract awards and letters of intent) of \$25,000 or over, excluding \$378,000,000 committed for purchase of machine tools by War, Navy, and Defense Plant Corporation and excluding Reconstruction Finance Corporation loans (contracts) for pilot training program and working capital.

Source: War Production Board.

A unique and significant feature of this vast industrial expansion for military production was the method of its financing. Funds for five-sixths of the total shown in table 2 were being provided by the Government under varying conditions of ownership. In general, the Army and Navy advanced funds and held outright ownership to the finished armament facilities (excepting aircraft) and certain specialized raw material plant (chemicals for example). Private financing and ownership was more extensive with metals facilities and machinery plant. Here, too, however, the Government participated heavily.

The Defense Plant Corporation, a subsidiary of the Reconstruction Finance Corporation, had loaned 2.0 billion dollars by December 31, a large part of which represented outlay for raw material plant. Most of the public financing of aircraft facilities was also carried out through the Defense Plant Corporation. While this latter agency held title to facilities it financed, the contracts stipulated that plant management was to have an option to purchase within a certain time period at cost less depreciation.

General Plant Expansion in 1941.

The actual capital outlay on manufacturing facilities in 1941 was around 4.5 billion dollars. This investment was an all-time high, the previous peak having been the 3.2-billion-dollar outlay in 1920, a year of exceptionally high prices. Expenditure in 1918, the heaviest for World War I, was 2.5 billion, slightly more than the 2.3 billion in 1940.

While manufacturing capital outlay in 1941 was predominantly in industries connected with war output, investment in lines serving civilian needs also was sizable. Roughly one-half of the total occurred in direct war industries, with various ordnance industries (620 million dollars), aircraft (500 million), chemicals (525 million), and shipbuilding (450 million) in the vanguard. The aircraft outlay represented one of the most rapid growths of any major industry on record, as capital expenditure during 1941 alone was roughly 6 times the total investment recorded for the industry up to 1939.

Basic industries producing for both military and civilian use accounted for about one-fourth of the manufacturing capital outlay, with capital expenditures in iron and steel (520 million—the heaviest in the history of the industry), the nonferrous metals (300 million), and machinery (300 million), of particular importance.

The remaining fourth of the total outlay went into those industries which still were principally engaged in meeting civilian needs. Rising consumer income and demand after mid-1940 encouraged capital additions in many civilian lines. This capacity expansion continued until growing scarcity of materials and machinery after mid-1941 gradually rendered it impossible without priority assistance. Such aid, however, was formally denied by a ruling of the then-existing Supply, Priorities, and Allocation Board.

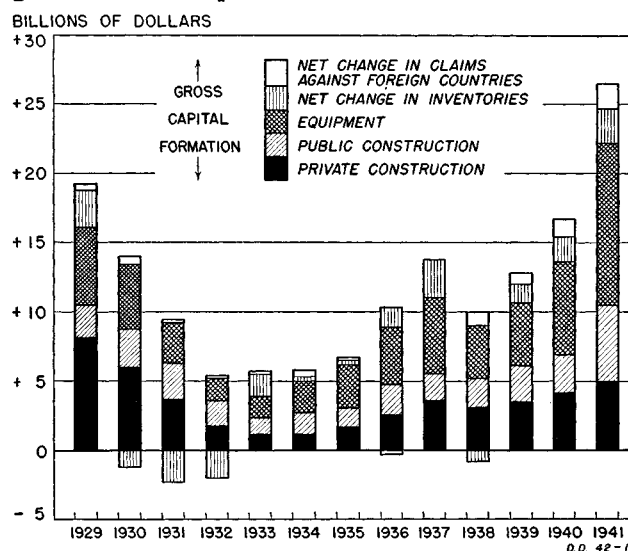
Notwithstanding these material difficulties, the food and kindred products industry made its heaviest capital outlay since the late twenties (320 million). Textiles, apparel, and related products (180 million dollars), automobiles (180 million), and pulp and paper (80

million), also made substantial outlays. The pulp and paper industry (and to some extent the food industry) was typical of certain lines that found it necessary to expand domestic plant because imports were excluded from belligerent areas.

Heavy Capital Formation in Other Lines

Though the increase in capital outlay during 1941 was most extensive in manufacturing, capital formation in all other sectors of the economy rose appreciably, and in many instances was the largest on record. All in all, gross capital formation² amounted to 27.9 billion dollars, as contrasted with 17.7 billion in 1940

Figure 3.—Gross Capital Formation in the United States



NOTE.—When negative values are shown the "Total Gross Capital Formation" consists of the positive values shown on the chart minus the negative values.

Source: U. S. Department of Commerce.

and 19.4 billion in 1929, the previous peak. Moreover, addition of a record consumer durable output valued at 10 billion (1940 output equaled 8.3 billion and in 1929 the value was 9.2 billion) carried the total of all producers' and consumers' capital produced to 37.9 billion dollars.

Construction Up Sharply.

Here again the special demands of wartime were directly responsible for a large share of the expansion. For example, new construction totaled 10.8 billion dollars, about the equivalent of that in 1929. But the major increase was in public construction, which in addition to the regular types, included the heavy armament plant building and large construction of fortifications, air bases, barracks, and other military works. Similarly, not a little of the tremendous pro-

² Gross capital formation, as it is here used, includes the production of all producers' goods, the production of durable armaments, the net increase in business inventory, and the net addition to the Nation's claims on foreign countries.

duction of equipment—11.7 billion dollars in 1941 as against 6.7 billion in 1940—consisted of such war material as aircraft, tanks, and the like. A good part of this latter material also was exported to other countries and helped swell the volume by which exports exceeded imports.

The armament program exercised a more indirect influence on housing construction and on the output of consumer durables. Labor migration increased greatly during the year as the rise of new industries made necessary some redistribution of the labor force. The new housing required by this movement was supplemented by an additional heavy demand stemming from rising consumer incomes, and the 1941 outlay on new residential construction advanced to 2.7 billion dollars, a third more than a year earlier. Other consumer durables also felt the influence of enlarged incomes, and as shown in more detail below, production in most lines was in record or near-record volumes, even though raw material shortages restricted output throughout the fourth quarter.

Large Investment in Railroads, Utilities.

Investment was again sizable even in those industries whose operations consistently failed to recover substantially during the last decade. An outstanding illustration in this respect was the railroads. After a decade of marked secular decline, the heavy industrial activity of 1941 expanded carloadings of the carriers some 16 percent over the 1940 total, with peak loading of 922,884 cars in the week ended October 18 (up 10 percent from the peak week in 1940), while passenger traffic increased almost one-fourth. Such activity improved the financial position of the roads materially. With operations already pushing toward the limit of equipment capacity, and a further increase in demand to be thrust upon them in 1942, the carriers expanded their investment outlay a third to approximately 600 million dollars for 1941 as a whole. Even this expenditure fell short of that which they sought to undertake,

for material shortages retarded the production of needed railway equipment.

Similarly, the telephone industry undertook a capital outlay of 550 millions, as compared with 400 million in 1940, while private electric-power companies made a capital expenditure of 565 million dollars. In the latter instance, new installation of generating capacity was one of the largest on record, though delivery of equipment fell behind schedule because of competing machinery demands. Here again, kilowatt-hour sales which were up 12 percent in 1941 are being further extended this year.

Heavy Inventory Accumulation.

Still another form of capital formation which increased in 1941 was the accumulation of inventories. This movement started at the outbreak of war in 1939, was interrupted only during the first half of 1940, and continued throughout the past year. For the year as a whole, the total value of all inventories increased almost one-third, or 6.1 billion dollars as valued by the reporting companies. While a considerable part of the increase is accounted for by rising prices (the whole inventory being revalued at the higher price), the additional increment of physical stocks was one of the largest of the past decade. In terms of current prices, this additional increment was valued at 2.5 billion dollars.

Especially did manufacturers' inventory increase, expanding by 3.9 billion, though stocks held by retailers and wholesalers also were enlarged considerably. Much of the advance was the normal accompaniment of a rising level of output and consumption. But forward buying also was extensive, both in anticipation of higher prices and in fear of material shortages.

The movement of incoming business reflected this forward buying in some measure. The index of manufacturers' new orders climbed to 229 (January 1939=100) in June, with buyers seeking to obtain the most

Table 3.—Gross Capital Formation, Private and Public 1929-41

[Billions of dollars]

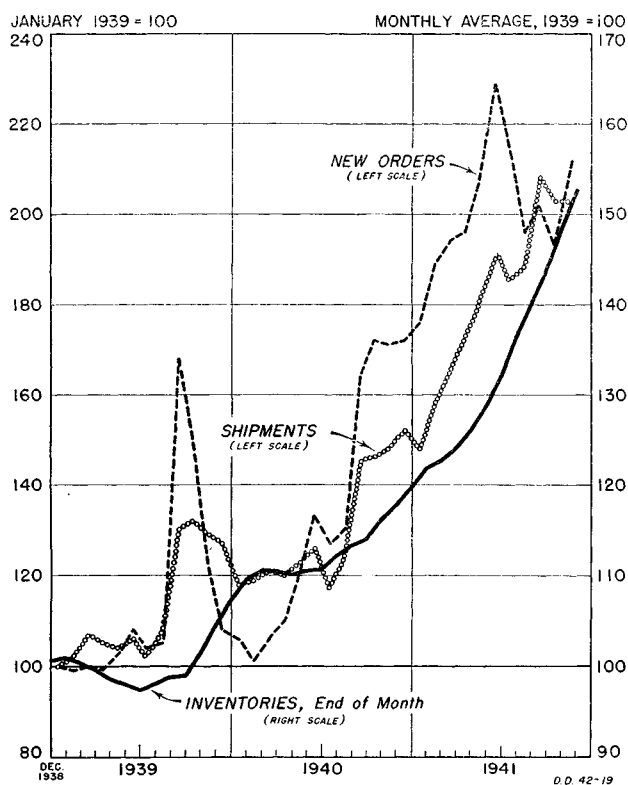
Item	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941
New construction.....	10.7	8.4	6.3	3.6	2.5	3.0	3.5	5.1	5.7	5.4	6.2	7.1	10.8
Private.....	8.3	5.6	3.8	1.8	1.3	1.6	2.0	2.9	3.7	3.3	3.7	4.4	5.2
Residential (nonfarm).....	3.6	1.8	1.5	0.6	0.4	0.6	0.9	1.4	1.7	1.8	2.0	2.3	2.7
Factory and public utility.....	2.4	2.0	1.2	0.5	0.4	0.5	0.5	0.7	1.1	0.7	0.8	1.1	1.4
Other.....	2.3	1.8	1.1	0.7	0.5	0.5	0.6	0.4	0.9	0.8	0.9	1.0	1.1
Public.....	2.4	2.8	2.5	1.8	1.2	1.4	1.5	2.2	2.0	2.1	2.5	2.7	5.6
Regular.....	2.4	2.8	2.6	1.8	1.2	1.5	1.4	2.2	2.0	2.1	2.4	2.1	2.2
War emergency.....											0.1	0.6	3.4
Equipment (including war equipment).....	5.6	4.6	2.9	1.6	1.5	2.3	3.1	4.1	5.5	3.8	4.5	7.5	12.6
Total new producers' goods (including war equipment).....	16.3	13.0	9.2	5.2	4.0	5.3	6.6	9.2	11.3	9.2	10.7	14.6	23.4
Net claims against foreign countries.....	+0.4	+0.6	+0.2	+0.1	+0.2	+0.5	+0.2	-0.2	0.0	+1.0	+0.8	+1.3	+2.0
Change in inventories.....	+2.7	-1.2	-2.3	-2.0	+1.6	+0.3	+6.3	+1.4	+2.7	-0.8	+1.3	+1.8	+2.5
Total gross capital formation.....	19.4	12.4	7.1	3.3	5.8	6.1	7.1	10.4	13.9	9.4	12.8	17.7	27.9
Consumer durables (passenger cars and household goods).....	9.2	7.0	5.3	3.3	3.4	4.4	5.5	7.0	7.7	5.8	7.0	8.3	10.0
Total, including consumer durables.....	28.6	19.4	12.4	6.6	9.2	10.5	12.6	17.4	21.6	15.2	19.8	26.0	37.9

Source: U. S. Department of Commerce.

rapid delivery possible; then as Government restrictions became more widespread, the index declined somewhat in the autumn months. Accumulation in manufacturers' hands took the form of raw materials and goods in process (as defined by the holder) exclusively, as manufacturers' finished goods inventory actually declined somewhat over the year.

Contrary to the experience in both 1937 and 1939, however, inventory accumulation in 1941 played a decidedly secondary role to other factors in inducing

Figure 4.—Indexes of Value of Manufacturers' New Orders, Shipments, and Inventories



NOTE.—The right scale (inventories) is double the left scale (new orders and shipments). The two scales were used to take into account the difference in dollar volume represented by the index numbers.

Source: U. S. Department of Commerce. Data for December 1941 were not available in time to include them in this chart.

the general expansion of employment and income. The significance of the movement last year lay chiefly in its influence on the amount and distribution of supplies. Inventories stocked in excess early in the year could be of later use as real consumption rose and capacity operations precluded much further expansion of raw material output. But continuation of speculative buying late in 1941 merely accentuated shortages and caused maldistribution of such raw materials as steel and the nonferrous metals. Priority and other inventory controls were directed increasingly toward eliminating this situation, though it still existed at the year end.

Increase in Export Trade Balance.

An increase in the net claim against foreign countries also helped to swell the total of gross capital

formation. Net claims were estimated to have been about 2.0 billion dollars last year, 0.7 billion higher than in 1940. As in previous years, by far the largest credit item of the Nation's balance of payments was in merchandise trade. This moved from approximately 1.4 billion dollars in 1940 to 1.8 billion in 1941.

To an increasing extent the flow of trade became an instrument of national policy. Under these conditions, both exports and imports rose within the year to the highest level since the latter twenties, but the advance in exports was the more substantial. On March 11, enactment of the first Lend-Lease Act removed the financial fetters threatening to retard shipment of armaments, raw materials, foods, and other necessary commodities to the British Empire. Exports to this area thereafter increased steadily. Movement of goods to Latin America also expanded. That region became more and more dependent on the United States for commodities formerly supplied by areas cut off by the spread of war, and this Nation made it a matter of stated policy that Latin American countries should receive materials and finished goods in a volume necessary for the smooth functioning of their economies.

In December 1940 exports totaled 315 million dollars. But by December 1941 they had advanced to 635 million and were growing rapidly. The 12-month aggregate reached 5.0 billion dollars, 28 percent above the like period in 1940.

Likewise, imports for consumption rose from 238 million in December 1940 to a peak of 281 million in May. The September volume was 265 million. Growing raw material needs in keeping with rising production, as well as stockpiling of many strategic materials before the outbreak of war, provided the impetus for this advance. Even so, the 12 months' total of 3.2 billion dollars (28 percent above a year earlier) fell short of what it would have reached had not a shortage of shipping facilities provided a serious limiting factor.

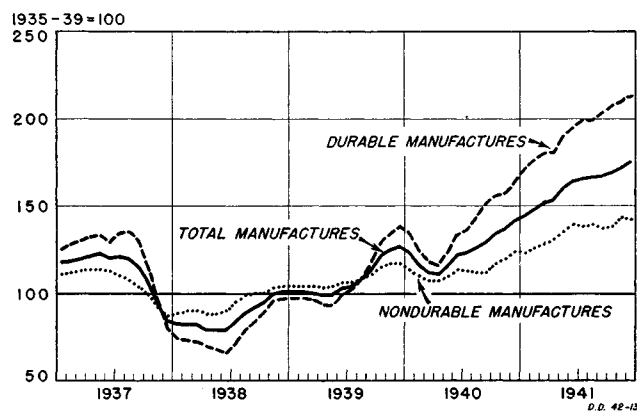
The Changing Pattern of Output and Consumption

The foregoing review of gross capital formation gives some understanding of the extraordinary stimulus to business activity provided by arms expenditure. The movement of production within the year reflected even more widely the direct effects of this stimulus as well as the indirect influence it exercised through expanding consumer income and demand. On the other hand, in sharp contrast to any other period since World War I, the influence of demand on industrial output became generally of decreasing importance, particularly after the middle of the year. Supply considerations more and more were the factors limiting the advance in production, as capacity operations were reached in key raw material lines and imports could not be further expanded.

Within the year 1941, the Federal Reserve's adjusted index of industrial production rose from 139 to 168—a record advance of more than one-fifth. As compared with the second quarter of 1940, output at the conclusion of 1941 was about half again as large. The above discussion of capital formation has suggested the rapidity of the expansion in durable goods output. The latter was augmented further by a very heavy demand for consumer durables, so that the production of durable goods as a whole rose more than a third; whereas, the production of nondurables rose at about half that rate, or one-sixth.

As shown in the more detailed discussion of production below, very significant changes took place in the pattern of output during the year. Until July, production advanced freely as slack capacity in raw material,

Figure 5.—Indexes of Production of Manufactures, Adjusted for Seasonal Variations



Source: Board of Governors of the Federal Reserve System.

machinery, and civilian consumer goods lines was taken up; new arms plants began activity, and imports of essential raw materials increased. After July, however, the pace of the industrial advance was retarded. Metal supplies could then be expanded but slowly, further increases hinging in the main on additions to capacity. Textile activity rose to the highest levels then practicable, with wool supplies limited, silk shut off, and cotton consumption almost twice the average of the last decade. Reports from other industries read similarly—either operations at plant capacity or growing inability to obtain necessary raw materials.

The Growth of Priorities.

Meanwhile, the steady expansion of arms output which followed completion of new facilities throughout the second half of 1941 further intensified many raw material shortages. Particularly in the metals was this true, since the record production of consumer durables and large capital formation (much of it directly for defense) used these materials in competition with arms manufacture.

To assure a rational distribution of any scarce mate-

rials, a priorities program had been inaugurated in the autumn of 1940. Under the administration of the Office of Production Management (as a result of legislation to that effect), the system of priorities evolved during the year from a simple procedure with limited ends, to a complicated mechanism by means of which not a small proportion of the Nation's basic resources was allocated between a variety of competing demands. This mechanism changed constantly as shortages became more extensive and administrative experience clarified the nature of the task.

At the outset, priorities certificates were issued to producers of finished arms who sought immediate delivery of necessary materials or machinery. The different types of arms themselves were even at an early date in competition with one another for such scarce items as machine tools, aluminum, and magnesium. Some order of precedence was required, and this was achieved by the granting of preference ratings to the various arms. At the same time, materials or equipment that became scarce were placed under priority control by issuance of orders regulating their distribution. Thus, priority regulations early required producers of the material or equipment in question to accept all orders for which preference certificates had been issued and to fill such orders before delivery was made on unrated orders.

As scarcities became more widespread, the materials and equipment placed under priority status expanded, the number of commodities given preference ratings increased, and the detail in which priorities governed the distribution of scarce materials was enhanced. Not only finished arms were given preference ratings, but capital equipment necessary for the efficient functioning of an armament economy was also granted such a rating—freight cars, trucks, canning machinery, steel containers, health supplies, essential housing, were examples.

Manufacturers of commodities receiving a preference rating originally obtained such a rating for each scarce material or piece of equipment placed under priority status. However, as the number of scarce materials increased, blanket ratings were issued to producers enabling them to apply for any quantity of the scarce materials they deemed necessary to their operations. Where only part of a manufacturer's activity was devoted to producing goods for which he had been granted a blanket rating, the rating applied to that fraction.

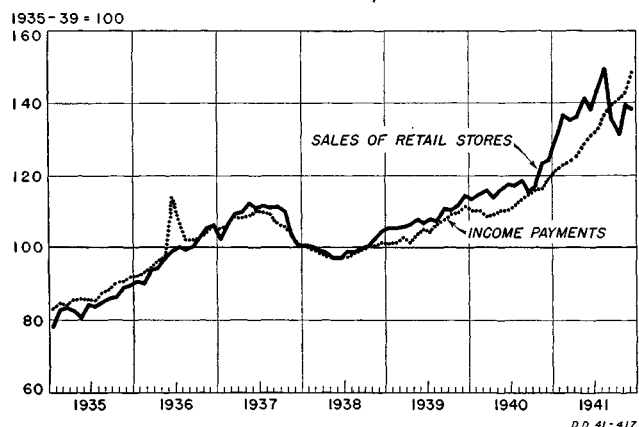
In the case of a few commodities—aluminum, certain machine tools, serve as examples—preference ratings were issued to cover the entire supply; hence, for practical purposes the material was completely allocated. But in most cases, a sizable fraction of the supply was left free to be distributed by its producers as they saw fit. Under such circumstances inventory accumulation was difficult to prevent and an equitable

distribution of materials between competing civilian industries was not realized.

This difficulty was partially overcome by two developments: in some cases the output of certain finished consumer goods was specifically limited by priority order; in other instances, the order placing a raw material under priority status provided for curtailed shipments of the material to specified civilian users.

Thus, manufacturers of electrical appliances, automobiles, silk goods, civilian woolen goods, and a number of other commodities were ordered to limit their production to a fraction of their output in a selected base period. Over the course of the second half of 1941 this fraction was steadily decreased, until in a number of cases output for civilian use was on the way to being completely eliminated.

Figure 6.—Indexes of Sales of Retail Stores and Income Payments, Adjusted for Seasonal Variations



Source: U. S. Department of Commerce.

The orders placing such materials as copper, zinc, tin, lead, and rubber, under priority control limited shipments to manufacturers of specified civilian goods to a fraction of the volume they had received in a stated base period. Output of many civilian goods was automatically cut (and in some cases eliminated) by this procedure.

The priorities mechanism at the year end was still undergoing considerable revision. The proportion of the total supply of important materials for which preference ratings were granted was not always known. The use of "blanket ratings" made such knowledge impossible to obtain without a more detailed forecast of the volume of output and its raw material components. Moreover, that portion of scarce raw materials available for free distribution was not used in the most rational manner.

Gradually, however, the priorities system was working toward a complete allocation of important material supplies, not only among military uses, but also among all essential civilian needs. Such an allocation was especially necessary in respect to the metals,

for the enlarged arms program announced by the President at the start of the new year clearly would require most available metal supplies either for arms production or for essential capital formation.

Record Consumption Despite Cut at Year End.

Notwithstanding severe restrictions on the output of consumer durables toward the year end, consumption on both an absolute and a per capita basis was the highest in the Nation's history during 1941. Increased purchasing power placed in consumer hands by arms spending and heavy private capital formation led to consumer expenditures for all goods and services of approximately 74 billion dollars, whereas in 1940 the total had been about 65 billion. Some of this advance merely represented higher prices, of course. The gain in real consumption was estimated to have been nearly 10 percent. As compared with 1929, real income in 1941 had expanded almost 20 percent, and per capita income was up 11.

It has already been pointed out that the largest consumption gains occurred among consumer durables, the demand for which fluctuates most widely with changes in the level of income. Buying of most nondurables also rose in 1941, though in smaller degree, as shown in the more detailed discussion of consumption below.

For the year as a whole, the volume of consumption was in line with that which, on the basis of past relationships, should be expected, given the large income at the command of consumers. However, the movement of sales within the year deviated quite widely from the usual seasonal pattern, as consumers at certain stages undertook forward buying, then relaxed their purchasing. Thus, after a fairly normal movement throughout the first half year, a combination of the elimination of silk imports, a growing appreciation of the extent of raw material shortages, and anticipation of price advances due to Federal excise taxes and other reasons, led to extraordinarily heavy buying in the third quarter. The pick-up in sales during the fourth quarter was then smaller than usually occurs. Again in January of this year, the announced curtailment of wool for civilian use, as well as a host of other limitation orders, unleashed a flood of consumer buying for inventory which carried sales to record peaks for that month.

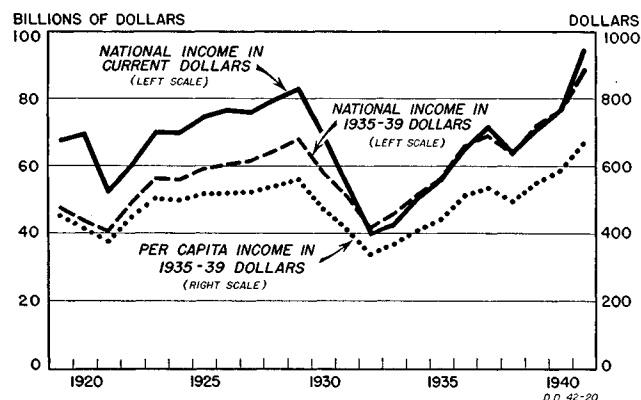
At the year end, the pattern of consumption was being altered drastically, and it was evident that the volume of goods available for purchase by consumers during 1942 would be decidedly reduced. Expenditure on all consumer durables, other than housing, in 1941 was around 10 billion dollars. With the exception of furniture and certain other selected household items—a small proportion of the total—these commodities will be produced in much smaller volume for civilian use during 1942. Fourth-quarter 1941 sales of electrical appliances and automobiles already were declining, though in part this reflected forward buying by con-

sumers in earlier months. Buying of most nondurables (with the exception of silk) continued to be heavy. With the announcement of the restriction on woolen output for civilian use and the issuing of a host of additional orders limiting production in many other civilian lines, purchasing at the first of the current year again rose to an unusual volume. Stocks were ample to meet this consumer inventory demand, but it was clear that consumption of nondurables also must decline in coming months.

The National Income

The developments set forth above are summarized most comprehensively in the movement of the national income. In 1941, the national income rose to 94.5 billion dollars (preliminary estimate) from 77 billion in 1940.

Figure 7.—National Income in Current and 1935-39 Dollars and Per Capita Income in 1935-39 Dollars



Source: U. S. Department of Commerce.

As earlier suggested, about a third of the advance was the result of higher prices; in terms of 1940 prices the income for 1941 was 89 billion dollars.

On any basis the 1941 income was a record. It exceeded the previous peak of 83.4 billion dollars in 1929. In real terms, 1940 had been the previous high. However, in contrast to 1929 (for the sake of a longer term comparison at relatively high levels of activity) the aggregate real income in 1941 had risen almost one-third, while the per capita real income had advanced 20 percent.

The discussion of output has suggested that the largest gains among the various industrial components of the national income were to be expected in construction and in manufacturing. Income originating in these sectors of the economy rose 48 and 37 percent, respectively. Income originating in agriculture expanded 40 percent, but as explained below, a much larger proportion of this advance was the result of higher prices rather than increased output. Other industrial groups shared the increase, with income from mining up almost a fourth and that from transport rising a fifth. Smaller gains were evident for the utilities, finance, and service, as should be expected. On the other hand, the

war emergency brought an unusual expansion (16 percent) in the income originating in government. During 1941 this component contributed one-eighth of the total national income, only less than the 29 percent contributed by manufacturing and the 14 percent contributed by trade.

Table 4.—National Income by Industrial Division, 1940 and 1941

[Billions of dollars]

Industrial Division	1940	1941	Percentage increase 1941 over 1940
Total national income.....	77.1	94.5	22.6
Agriculture.....	5.3	7.4	39.6
Mining.....	1.7	2.0	17.6
Manufacturing.....	20.1	27.6	37.3
Contract construction.....	2.5	3.7	48.0
Transportation.....	5.4	6.4	18.5
Power and gas.....	1.5	1.6	6.7
Communications.....	1.0	1.1	10.0
Trade.....	11.6	13.2	13.8
Finance.....	6.8	7.4	8.8
Government.....	10.2	11.8	15.7
Service.....	7.4	8.0	7.3
Miscellaneous.....	3.6	4.4	22.2

Source: U. S. Department of Commerce.

Profits, Farm Income Up Sharply.

The income flowing to each of the functional groups cooperating in its production also increased in 1942. Corporate profits, according to tentative estimates, rose markedly with the rise in the production volume.

The profits gain was particularly impressive inasmuch as corporate taxes had been raised sharply by the Revenue Acts of 1940 and 1941. Thus, in calendar year 1941, corporation income and excess profit tax collections had doubled (as compared with 1940) to a total of 2.6 billion dollars. In fiscal year 1942, receipt of 4 billion was expected by the Treasury.

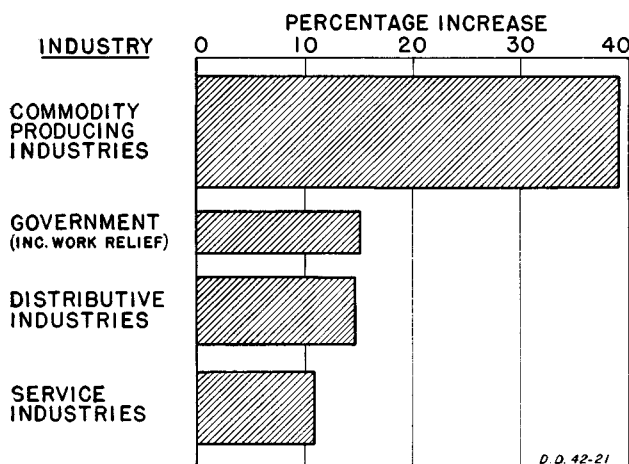
Wage rates were also increased during the final three quarters of the year, almost three-fifths of the workers in manufacturing having received an advance which averaged 8.5 percent. Coupled with more widespread employment and longer working hours this meant a sharp rise in employees' income which, in the aggregate, was offset only in part by the rise in the cost of living.

From the record of the year, it was apparent that industry as a whole operated much more efficiently (when measured in terms of unit costs) at a high level of output. Many costs change but little in the aggregate as output expands; hence, the unit cost of production declines. At the same time, of course, many prices rose. These factors, along with other economics of large scale production and larger sales volumes, resulted in the exceptional profit volume of 1941.

One aspect of interest in connection with the increased earnings was the failure of the security markets to react from their depressed state. Notwithstanding the record profits and dividend payments as heavy as had occurred since 1937, the average price of shares listed on the New York Stock Exchange was 15 percent lower in December 1941 than a year earlier, and when compared with 1937 and 1929, the year showed a

decline of about one-third and two-thirds, respectively. In the eyes of traders and investors, the uncertainties in regard to long-run business prospects more than offset the current high earnings. That considerable

Figure 8.—Percentage Increase, 1941 from 1940, in National Income by Major Sources



NOTE.—The width of each bar represents the percent that each major source is of the total income for 1940.

Source: U. S. Department of Commerce.

agreement existed in this regard was evident from the volume of shares traded—the smallest since the last war.

Table 5.—National Income by Distributive Shares, 1940 and 1941

[Billions of dollars]			
Item	1940	1941	Percentage increase 1941 over 1940
Total national income	77.1	94.5	22.6
Total compensation of employees	52.6	64.7	23.0
Salaries and wages	48.9	61.1	24.9
Total supplements to salaries and wages	3.7	3.6	-2.7
Work-relief wages ¹	1.6	1.2	-25.0
Social Security contributions of employers ²	1.3	1.6	23.1
Other labor income ³ .....	.7	.8	14.3
Net income of incorporated business	5.6	7.3	30.4
Dividends to stockholders, net	4.3	4.6	7.0
Business savings	1.3	2.6	100.0
Net income of unincorporated business ⁴	11.5	14.6	27.0
Agriculture	4.4	6.2	40.9
Other	7.1	8.4	18.3
Interest (net)	5.2	5.3	1.9
Net rents and royalties	2.2	2.5	13.6

¹ Includes pay rolls and maintenance of Civilian Conservation Corps enrollees and pay rolls of employees on Federal Works Program projects.

² Includes, also, contributions to Railroad Retirement and Unemployment Compensation funds.

³ Pension payments under private plans and under systems for Government employees, compensation for industrial injuries, etc.

⁴ Includes remuneration to owners for the labor and capital they contribute.

Source: U. S. Department of Commerce.

Farmers were the group actually receiving the largest income gain—an advance of two-fifths over 1940. Here again, an income that had lagged since the latter twenties topped the 1929 volume by more than a tenth. The farmer benefited especially from a government program designed to raise agricultural prices, though

his aggregate output was also up slightly (see the discussion on agriculture).

On an absolute basis, of course, the bulk of the income gain was received by employees. Aggregate salaries and wages expanded a fourth as a result of the combined influence of increased employment, higher wage rates, and longer hours. Roughly two-thirds of the higher income was paid out in the form of compensation to employees; so the proportion of the total income represented by that component remained unchanged in 1941. On the other hand, the increase in such long-term contractual incomes as interest payments and net rents and royalties was of course much smaller than with other types of income (2 percent and 14 percent, respectively); so the proportion of the total income represented by these groups declined.

Commodity Prices

The advance of Government spending and its direct and indirect effects on production and consumption exerted a profound influence on the structure of commodity prices during 1941. As shown in the foregoing review, arms expenditures produced a very general expansion of business activity. All lines moved ahead, for though the Government increased taxes very markedly, it financed more than a fifth of its total expenditures through expansion of bank credit. Moreover, the sizeable volume of private capital formation also resulted in a heavy expenditure of investment funds made available through the banking system or from accumulated balances.

The limits of this general expansion were discussed above. Suffice it to say here that in very many instances operations rose to plant capacity, and output could not be further expanded, though demand continued to increase. In other cases—particularly with imports—transport proved to be a bottleneck, and in others, scarce skilled labor was the limiting factor. The net result of these influences was an extraordinary pressure on prices. At the same time, a number of special circumstances also were operating to increase the price level. The most important of these was the Government's program in respect to farm output and prices, while still another factor was the general advance in wage rates.

Under all of these pressures, the slight price increase in the latter part of 1940 gave way in 1941 to the most general and substantial advance since the period immediately following World War I. Wholesale prices rose 17 percent from December 1940 to December 1941, while the cost of living moved up one-tenth.

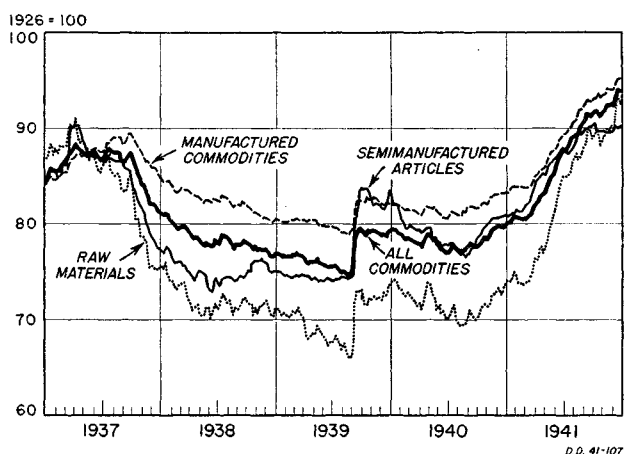
At the year end prices gave every evidence of continuing their advance, though the Government sought to counter the movement by strengthening materially its intervention. Widespread ceilings were being placed on commodity prices; where possible, plant capacity

was being expanded; scarce raw materials and consumer goods were being directly rationed; and consumer purchasing power was to be cut by means of increased taxation.

Price Movement Prior to 1941.

The recent price changes need to be viewed in the light of the movement prior to 1941. At the outbreak of war in 1939 the price indexes had recovered about one-half of the decline of the post-1929 deflation. On the average, prices stood approximately one-fifth under the 1929 level. Most of the rise subsequent to 1933 had accompanied the business upswing which terminated in the latter part of 1937. From 1937 through 1940 price changes had not been considerable, with the exception of a brief but intensive market reaction to the outbreak of war in September 1939. At that

Figure 9.—Indexes of Weekly Wholesale Prices



Source: U. S. Department of Labor.

time a flurry of speculative inventory buying pushed the over-all price indexes up, but the basic underlying demand was not present to support the level of industrial activity then prevailing, and prices fell along with reduced output.

The subsequent decline was not large but continued until mid-August of 1940, even though output began again to advance after April of that year. In the half year from August 1940 through February 1941, wholesale prices rose 4 percent and the cost of living changed not at all. Indeed, as contrasted with a year earlier, wholesale prices in February 1941 were up 2 percent, the cost of living 1 percent, while industrial production had increased by the very large amount of one-fifth.

This price behavior was a unique performance, particularly when contrasted with other periods of much smaller industrial expansion during the thirties. It was possible for several reasons. Chief among these was the huge slack in the raw material and industrial plant of the Nation. A general advance in output could occur without encroaching on capacity limits save in few instances. Hence, as wage rates remained stable, unit costs declined with the expansion of production.

Moreover, the Government sought and successfully obtained the cooperation of large raw material producers—especially the producers of metals—in stabilizing the prices of their key commodities.

However, even in this relatively quiet period certain exceptions were apparent. Farm and related food prices, and the prices of certain building materials were the principal cases. Farm prices advanced 7 percent between August 1940 and February 1941, and prices of building materials rose 6 percent. The latter movement was caused by the extraordinary demand from military construction (especially Army camps) impinging on raw-material supplies whose output could not be stepped up immediately.

The rise in farm prices was not unusual. These prices fluctuate more widely with changes in the level of income than do those of most industrial commodities. Relative to the latter, farm prices were low in mid-1940, and their upward movement represented a partial correction of this disparity.

General Price Advance Begins in Early 1941.

The specialized character of the price rise in the latter part of 1940 gave way to a more general advance early in 1941. From mid-February through August, both wholesale and retail quotations rose steadily, surpassing the high points of 1937. Though the pace of the increase was retarded somewhat in the autumn months, it proceeded with renewed momentum at the end of the year. By that time wholesale prices had climbed 16 percent, while the cost of living had moved up one-tenth.

The advance was as broad as it was persistent. Every major group of commodities in the Bureau of Labor Statistics' index of wholesale prices contributed in some degree to the rise. Farm products again registered the largest increase, with an average advance of 37 percent. Likewise, foods and textiles, both closely related to farm products, rose 23 and 21 percent, respectively. On the other hand, the metals and metal products, fuel and lighting materials, chemicals and allied products, and building materials, especially cement, all recorded a much smaller rise.

In general the indexes representing the components of the Bureau of Labor Statistics' over-all index of wholesale prices tended to draw closer together. (See Fig. 9.) Such a development pointed to a relationship between the various price groups similar to that which existed in the base year, 1926, as well as for a short time during the middle of 1937. This tendency of prices to "cluster" toward the end of 1941 was due largely to the rapidity in the advance of agricultural prices which had previously been unusually low relative to other prices when compared with earlier periods of high activity. Parity as officially defined was attained in September, and thereafter agricultural prices fluctuated slightly under it.

At the beginning of 1941, the prices of farm products were 11 percent and food prices nearly 9 percent below the average price level, while the prices of fruits and vegetables were 26 percent below. By the end of December, however, deviations from the average were very small. The prices of farm products were 1 percent above and food prices only 3 percent below the average price level. The prices of fruits and vegetables rose in a smaller degree, however, being 21 percent below the average. While the prices of all commodities other than farm products were 2 percent, and the prices of manufactured products were 3 percent, above the average level at the beginning of the year, by the close of the year those prices were approximately equal to the average. Partly as a result of the advance in farm quotations, raw material prices, which were 8 percent under the average at the start of the year, ended the year only 1 percent below.

The fact that the relationship existing between various price groups at the end of 1941 was similar to that in certain selected past years was not in itself significant. Nevertheless, the relative extent of the advance in the various groups indicated the complexity of the forces underlying the upward movement.

Higher Living Costs.

The advance in wholesale prices was reflected in the increased cost of living, though here again all major components contributed to the rise. Both the cost of food and of housefurnishings advanced 16 percent, while clothing prices rose 13 percent. Even the slow-moving rent, fuel, and electricity items jumped 3 and 4 percent in the course of the year. Living costs climbed most rapidly in the larger cities, but the general nature

of the upward movement was evident from the fact that small towns in nondefense areas likewise reported higher costs.

Farm Program, Shipping Shortage Raise Raw Material Prices.

As suggested above the reasons for the radical change in the price outlook are complex. Underlying the whole movement, of course, was the tremendous upsurge of demand in all markets, generated in the first instance by the huge Treasury outlays for military purposes, but strongly supported by heavy consumer expenditures and private capital outlay for inventory and plant. No longer was the slack in raw material and industrial plant sufficient to absorb such a demand, and the resulting shortages, extending to all sectors of the economy, made it possible for prices to advance.

Subsidiary to this broad underlying cause were other factors which also were of considerable importance. Chief among these were the Government's farm program, directed at elevating agricultural prices, the growing shortage of shipping, and the marked increase in wage rates after the first quarter of the year.

The farm program calls for special comment here, though it is more fully discussed in the section on agriculture. In April the Government announced that it would seek to increase the output of a number of commodities needed for export abroad by means of raising their prices. This policy was to be implemented through direct purchases in regular commodity markets. In ensuing weeks, the prices of pork, lard, eggs, certain canned vegetables and fruits, manufactured dairy products—to name some of the more important—all increased materially. (See table 7 for illustrations.)

Table 6.—Wholesale and Other Price Indexes for Selected Periods

Item	Apr. 1937	Aug. 1939	Jan. 1940	Aug. 1940	Jan. 1941	Dec. 1941	Percent change			Item	Apr. 1937	Aug. 1939	Jan. 1940	Aug. 1940	Jan. 1941	Dec. 1941	Percent change		
							Aug. 1939-Aug. 1940	Aug. 1940-Jan. 1941	Jan. 1941-Dec. 1941								Aug. 1939-Aug. 1940	Aug. 1940-Jan. 1941	Jan. 1941-Dec. 1941
WHOLESALE PRICE INDEXES							WHOLESALE PRICE INDEXES—Continued												
Combined index, all commodities	88.0	75.0	79.4	77.4	80.8	93.6	+3.2	+4.4	+15.8	All commodities other than farm prod. and food—Con.									
Economic classes:										Textile products	79.5	67.8	77.9	72.3	75.2	91.8	+6.6	+4.0	+22.1
Raw materials	88.7	66.5	73.8	69.8	74.6	92.3	+5.0	+6.9	+23.7	Cotton goods	95.1	65.5	75.4	68.6	75.8	107.5	+4.7	+10.5	+41.8
Semimanufactured articles	89.5	74.5	81.7	77.0	81.3	90.1	+3.4	+5.6	+10.8	Rayon	33.6	28.5	29.5	29.5	30.3		+3.5	0	+2.7
Manufactured products	87.4	79.1	81.7	81.0	83.5	94.6	+2.4	+3.1	+13.3	Silk	34.4	44.3	61.8	43.0	42.5	(?)	-2.9	-1.2	
Farm products	92.2	61.0	69.1	65.6	71.6	94.7	+7.5	+9.1	+32.3	Woolens and worsteds	93.5	75.5	90.4	83.7	89.2	102.7	+10.9	+6.6	+15.1
Grains	119.2	51.5	73.5	59.3	67.6	91.0	+15.1	+14.0	+34.6	Metals and metal products	96.5	93.2	95.8	94.9	97.7	103.3	+1.8	+3.0	+5.7
Livestock and poultry	93.6	66.0	67.2	71.5	83.0	97.4	+8.3	+16.1	+17.3	Iron and steel	99.6	95.1	96.3	94.8	95.7	97.0	-3	+9	+1.4
All commodities other than farm products	86.9	77.9	81.5	79.9	82.7	93.3	+2.6	+3.5	+12.8	Nonferrous metals	97.0	74.6	82.6	79.1	83.6	84.8	+6.0	+5.7	+1.4
Foods	85.5	67.2	71.7	70.1	73.7	90.5	+4.3	+5.1	+22.8	House-furnishing goods	89.0	85.6	87.9	88.5	89.0	101.1	+3.4	+6	+13.6
Dairy products	78.5	67.9	81.9	74.3	80.2	95.5	+9.4	+7.9	+19.1	Miscellaneous	81.1	73.3	77.7	76.7	77.1	87.6	+4.6	+5	+13.6
Meats	94.9	73.7	69.9	76.1	83.2	95.3	+3.3	+9.3	+14.5	OTHER INDEXES									
All commodities other than farm products and food	86.5	80.1	83.9	82.0	84.3	93.7	+2.4	+2.8	+11.2	Cost of living. (1935-39=100)	102.1	98.6	99.5	100.0	100.8	110.5	+1.4	+8	+9.6
Building materials	96.7	89.6	93.4	93.3	99.6	107.8	+4.1	+6.8	+8.2	Retail foods. (1935-39=100)	105.1	93.5	94.8	96.3	97.8	113.1	+3.0	+1.6	+15.6
Chemicals and drugs	85.0	74.2	77.7	76.7	78.6	91.3	+3.4	+2.5	+16.2	Retail prices of department store articles:									
Fuel and lighting materials	76.8	72.6	72.7	71.1	72.1	78.4	-2.1	+1.4	+8.7	(Dec. 31, 1930=100)	95.2	89.5	92.3	92.9	94.2	108.3	+3.8	+1.4	+15.0
Hides and leather products	106.3	92.7	103.6	96.9	102.4	114.8	+4.5	+5.7	+12.1	Prices received by farmers (Aug. 1909-July 1914=100)	130	88	99	96	104	143	+9.1	+8.3	+37.5
Hides and skins	121.4	77.2	102.6	77.1	99.1	115.9	-1	+28.5	+17.0										

¹ Based on 784 series in 1937, 813 in 1939, 863 in January and August 1940, and 889 in 1941.

² No quotation.

Sources: Wholesale and retail food prices and cost of living, U. S. Department of Labor; retail prices of department store articles, Fairchild Publications; prices received by farmers, U. S. Department of Agriculture.

In the case of certain commodities, such as the dairy products, the Government announced a minimum price of 85 percent of parity. Though this level was substantially above the majority of such quotations as they existed in the early part of the year, many prices soon moved ahead of it.

Prices of basic agricultural staples like cotton, wheat, tobacco, and corn, some of which were in excess supply, also rose as a result of Government action. In these cases, the Government loan rate (which places a floor on prices) was advanced to 85 percent of parity; whereas, previously it had been 56 percent for cotton and wheat and 75 percent for corn and tobacco. Prices of these commodities climbed above the loan rate, however. Speculative activity produced part of the increase, for action on the legislation to control prices strongly suggested that loan rates would be advanced still further.

Import prices constituted another group that moved up rapidly in the early weeks of the year for somewhat special reasons. Increased industrial output required a much heavier import of raw materials. But as

Table 7.—Wholesale Prices of Selected Commodities

Item	1941				Percent change	
	Jan. 7	Aug. 19	Oct. 14	Dec. 30	Aug. 19 from Jan. 7	Dec. 30 from Jan. 7
Coffee, Santos, No. 4, New York						
cents per lb.	7.5	13.4	13.1	13.4	+78.7	+78.7
Potatoes, white Chicago	1.25	1.68	1.55	2.20	+34.4	+76.0
dol. per cwt.	10.12	15.88	16.75	17.48	+56.9	+72.7
Cotton, 10-market average						
cents per lb.	1.16	1.83	1.85	1.88	+57.8	+62.1
Hogs, light butchers, Chicago	7.35	11.55	10.78	11.33	+57.1	+54.1
dol. per doz.	21½	26½	30½	33	+23.3	+53.5
Eggs, fresh firsts, Chicago						
cents per doz.	89	119	125	129	+33.7	+44.9
Blankets, cotton, 70x80, 2½ lbs to pair						
cents per pair	8.697	11.373	12.377	12.377	+30.8	+42.3
dol. per doz.						
Shirts, men's work, blue chambray	60	75	81	85	+25.0	+41.7
cents per shirt						
Wheat, No. 2, hard, Kansas City	86.0	107.1	112.6	121.5	+24.5	+41.3
cents per bu.						
Flour, Standard patents, Minneapolis	4.75	5.80	5.78	6.25	+22.1	+31.6
dol. per bbl.						
Corn, No. 3, yellow, Chicago	65.1	73.8	66.4	79.1	+13.4	+21.5
cents per bu.						
Sugar, 96° delivered, duty paid	2.9	3.7	3.5	3.5	+27.6	+20.7
cents per lb.						
Hides, heavy native steers, Chicago	13	15	15½	15½	+15.4	+19.2
cents per lb.						
Suits, men's blue serge, 15 oz., 4 piece	19.00	21.20	22.25	22.25	+11.6	+17.1
dol. per suit						
Paper, mill, book	6.30	7.30	7.30	7.30	+15.9	+15.9
dol. per 100 lb.						
Electric refrigerators, 4 to 7 cu. ft.	84.93	89.41	93.38	95.34	+5.3	+12.3
dol. per unit	77.07	83.13	83.13	83.13	+7.9	+7.9
Stoves, coal	4.39	4.66	4.69	4.70	+6.2	+7.1
dol. per ton	904.25	921.31	964.93	964.93	+1.9	+6.7
Bituminous coal, mine run	26.92	28.29	28.29	28.29	+5.1	+5.1
dol. per unit						
Trucks, small, ¼ to ¾ ton	4.25	4.35	4.35	4.40	+2.4	+3.5
dol. per unit	1.10	1.08	1.10	1.14	-1.8	+3.6
Rugs, Axminster, 9x12						
dol. per rug						
Shoes, men's black calf, oxford						
dol. per pair						
Wool, territory, fine, Boston						
dol. per lb.	12	12	12	12	0.0	0.0
Copper, electrolytic, New York	12.95	11.88	11.38	12.83	-8.3	-0.9
cents per lb.	20.75	18.75	18.75	18.75	-9.6	-9.6
Cattle, steers, Chicago						
dol. per cwt.						
Steel scrap, Chicago						
dol. per gross ton						

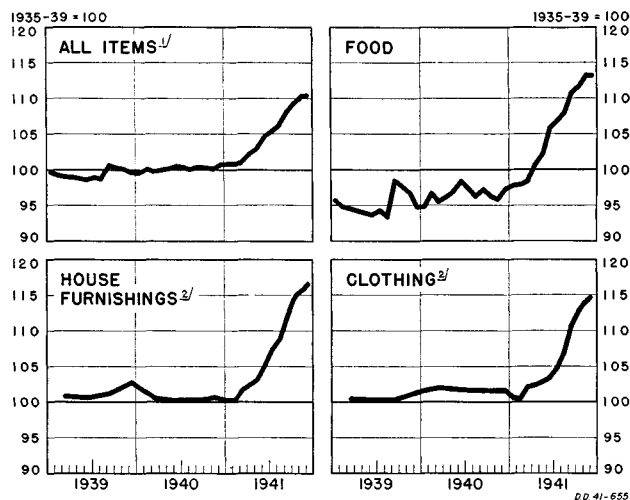
Source: U. S. Department of Labor.

explained in detail in the shipping section, the facilities for moving goods from abroad into this country grew tight after the first quarter. Moreover, since this development could be anticipated, speculative activity in the principal commodity markets pushed prices

ahead rapidly. The import component of the Bureau of Labor Statistics' index of 28 basic commodities stood at 122 at the outset of February; 2 months later it reached 144 and by August it had climbed to 160. Direct control of the principal commodities by the Government largely arrested the movement thereafter.

On the other hand, certain very important raw materials—in particular the metals—moved very little

Figure 10.—Indexes of Cost of Goods Purchased by Wage Earners and Lower-Salaried Workers for Large Cities in the United States



¹ Includes some items not shown separately in this chart.
² Data through September 1940 are for the last month of each quarter and monthly thereafter.

Source: U. S. Department of Labor.

in price during 1941, at least insofar as published quotations reveal such price shifts. Steel ingots and copper changed not at all (save for the price of a small quantity of copper mined as marginal output), while zinc and lead quotations were marked up only after the beginning of the current year. Aluminum and magnesium prices declined, as costs were lowered with increased output. Bituminous coal prices rose 8 percent, partly as a result of higher wages throughout the industry.

Of course, realized prices charged by some metals producers probably were higher in 1941 as discounts and customer differentials were modified or abolished. Nevertheless, the efforts of the Office of Price Administration created a radically different price situation in respect to these basic materials than had existed in other periods of rising industrial activity.

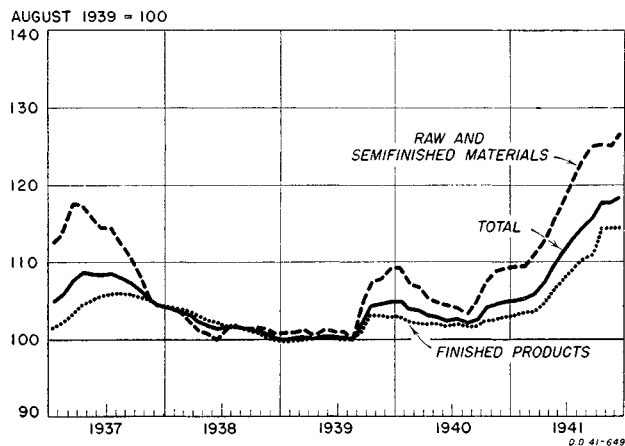
Despite the comparative stability of metals prices, however, the raw materials component of the Bureau of Labor Statistics' wholesale price index rose 24 percent within 1941, chiefly reflecting increased agricultural and import prices. Other cost changes supplemented this advance. Approximately three-fifths of the labor engaged in manufacturing received a wage increase within the course of the year which averaged 8 percent. In many cases these higher wages were more than compensated by reduced unit costs stemming from economies incident to an enlarged output. Neverthe-

less, they were sometimes passed on—if not entirely, at least in part—in the form of higher prices.

In retail markets, moreover, heavy Federal excise taxes on a number of commodities, particularly consumer durables, were also passed on as additions to prices.

The results of these various influences are depicted in tables 6 and 7. The former reveals the price movement for various broad commodity groups, while the latter gives the detail for selected goods. An appreciation of the variety of commodities affected and the wide range of the price advance is to be ob-

Figure 11.—Indexes of Wholesale Prices of Industrial Commodities



Source: Computed by the Board of Governors of the Federal Reserve System from the U. S. Department of Labor data; all foods and feeds, both raw and processed, are omitted.

tained not only from these tables, but also from the accompanying charts.

The Growth of Governmental Price Control.

The Government sought in some measure to manage and control the advance in prices from its inception, a policy quite different from that in World War I.

Thus, as early as May 29, 1940, the President by Executive order appointed a Price Stabilization Commissioner. Though the powers of the commissioner were very limited, it was his duty to attempt to prevent any price advance for strategic commodities, especially those affected by the war program and vital to it. Activity at first was concentrated on the metals, and the prices of these were stabilized for the most part through informal agreements with producers.

However, as shortages appeared in a number of other lines, with a consequent threat of rising prices, a simple procedure of this character was not always possible. Particularly where dealers were numerous, informal action proved to be unavailing. There then was adopted a practice of issuing formal price schedules, placing a stated ceiling on the commodity prices in question.

The first of these schedules, issued February 17, 1941, covered the prices of second-hand machine tools.

This initial schedule was followed in March and April by others listing maximum prices for aluminum scrap and zinc scrap, the prices of which had moved above those of the virgin metal itself.

The sanctions available to the Price Commissioner were vague and rested for the most part on the power of public opinion. As the price advance had become more generalized by April, the President sought to increase governmental control through creation of the Office of Price Administration and Civilian Supply. This organization expanded rapidly, but functioned along lines very similar to those developed by its predecessor. While the power to enforce price ceilings theoretically was strengthened materially, in actual practice the added sanctions (such as that of withholding raw materials from a producer) were impossible to administer in detail. For this reason, the Price Commissioner continued to rely principally on voluntary cooperation from producers.

Again, the general procedure was, if possible, to freeze the price of a commodity through obtaining agreement from the firms within an industry not to mark up quotations beyond levels prevailing on a specified date. In some cases, acceptance of the agreement involved rescinding a price advance which already had occurred. Where this first step was not successful or feasible, a formal price schedule was issued. Such price schedules sought to take into account costs, profits, the organization of the market, and all other data relevant to the determination of a fair price. Twelve such schedules were issued through July; during August, 13 were added; and by the year end the total had reached 64. Many of these schedules merely formalized what had been informal agreements.

A wide range of commodities were covered by price schedules at the end of the year. However, for the most part these fell in a relatively few principal groups, as follows:

Type of commodity	Number of schedules
Metals and metal products.....	14
Textiles and textile raw materials.....	13
Chemicals.....	8
Lumber, lumber products, and building materials.....	7
Imported foods.....	5
Paperboard, scrap paper, and rags.....	3
Hides and leather.....	2
Fats and oils.....	2
Total.....	1 54

¹ The remaining 10 schedules include: second-hand machine tools, 2 for coal which were revoked, Pennsylvania grade crude oil, coke, flashlights, reclaimed rubber, cigarettes, new tires and tubes, and domestic cooking and heating stoves.

Most of the schedules applied to raw materials (including used or scrap materials), machinery, and other capital goods essential to the war effort. Only 7 out of the total of 64 were concerned with consumers goods, and of these the only maximum retail prices

established were those for flashlights, and rubber tires and tubes.

Actually a much larger segment of the economy had been subjected to price control by the close of the year than the number of schedules might imply. The 62 schedules which were in effect by the end of the year covered approximately 19 percent of the value of all commodities in terms of wholesale prices. In addition to formal price schedules, the Office of Price Administration had negotiated 81 voluntary price agreements, and had issued 108 freeze letters and fair price lists. These informal price regulations (not always effective) covered 30 percent of the wholesale value of commodities.

In the main, the schedules were designed to restrain prices from rising above levels which already had been attained. For comparatively few cases were prices set at a level very much lower than that existing at the time the schedule was issued. The schedules were subject to amendment, and where this occurred it often took the form of an upward revision. Moreover, those schedules applying to cotton yarn and textiles which used cotton established a ceiling price that varied directly with changes in the spot quotations for the raw material. Of course, the price of cotton, like those of most other agricultural commodities, was not subject to restraint. Rather, as pointed out above, the Government sought to raise farm prices.

The Price Control Act of 1942.

The Government achieved only a limited success in implementing its control of prices, even in those areas in which it concentrated. To attain widespread compliance with the limited authority under which it operated was especially difficult. For this reason, the Executive sought wider price-control powers from the Legislature. Though a bill to this end was introduced into Congress late in July 1941, it only became law, after extensive debate, late in January of this year.

The Emergency Price Control Act of 1942, made legally enforceable through civil or criminal court action, authorizes the Price Administrator to establish ceiling prices for any commodity and ceiling rents for housing accommodations within defense areas. Agricultural commodities are afforded special treatment in that minimum prices are designated below which no ceiling price may be established, and in that no action may be taken by the Administrator without prior approval of the Secretary of Agriculture. For determining the minimum ceiling price of agricultural commodities, the highest of four alternative prices may be adopted: a price equal to 110 percent of parity; the average price from July 1, 1919, to June 30, 1929; the price on October 1, 1941; or the price on December 15, 1941.

In addition to issuing formal price schedules the Administrator may enter into voluntary agreements

with representatives of industry. He may issue orders regulating or prohibiting speculation and hoarding in connection with any commodity. To prevent price control from interfering with production, the Administrator is empowered to establish differential prices for the benefit of high cost producers and to buy or sell commodities provided that ceiling prices are not violated. Only agricultural commodities acquired under provisions of this Act may not be sold at less than ceiling prices.

For simplicity and effectiveness of administration, a license may be required as a condition for selling a commodity. If the Administrator has evidence of the continued violation of any order, regulation, or price schedule which he may have issued, he may apply to a court for the suspension of the license. Thus, not only may a violator of the Act be prosecuted through civil or criminal proceedings, but he may also be prevented from selling the commodity for a limited period of time.

There is a check imposed upon the power of the Administrator and his decisions are not necessarily final. An Emergency Court of Appeals is created to review complaints which individuals may raise regarding the administration of the Act. If this court decides orders or price schedules are arbitrary or unfair, it is given the power to set them aside.

Despite the powers given the Administrator, it is clear that the Act can at most slow the rate at which the general price level is rising. Prices which the Administrator does not control may rise without limit. Most agricultural commodities have not yet reached the minimum ceiling prices, and the ceilings will automatically increase as the things which farmers buy rise in price. The cost of living will undoubtedly continue to rise, as stocks of goods on hand are exhausted, until it has caught up with wholesale prices; for the Administrator is directed to consider costs in establishing ceiling prices.

In addition to these factors, moreover, the underlying pressure on prices contributed by a steadily expanding monetary demand shows no indication of being relaxed throughout the coming year. Arms outlay is to be increased at a rapid pace; and while taxation is to be stepped up somewhat, the President's Budget Message suggested that the addition to the debt in fiscal year 1943 would be in the neighborhood of 35 billion dollars.

Ordinarily, a debt increment of this size would produce some inflation. The use of price ceilings, combined with extensive rationing of raw materials and finished goods to both producers and consumers, will do much to mitigate the monetary pressure, however. For in many cases consumers will find themselves forced to increase their savings through inability to obtain commodities they wish.

Industrial Production

Industrial production in 1941 was larger than in any previous year of the Nation's history. The Federal Reserve index began the year at 139 and rose to 168 by December, with an average for the year of 156, a fourth more than in 1940 (the previous peak) and 42 percent above the 1929 level. Expansion was maintained at a rapid rate for the first 3 quarters of the year, but despite an ever-growing demand, shortages of key raw materials curtailed the pace of the advance very markedly in the final months.

As suggested above, industrial developments at the first of the year were influenced both by the armament program of the Government and by the high level of consumer income it generated. After midyear, however, the former influence emerged dominant, and at the start of 1942 American industry was on the road to full enlistment in the world's armed struggle.

Such a process required vast changes in the pattern and flow of production. These were begun in 1940 and continued in 1941. The greatest shift, however, is to be undertaken during the current year. In the 18 months following the fall of France, the capacity for producing arms as well as arms output itself was increased very greatly. At the same time, ground was being prepared slowly for the titanic objectives of 1942 and 1943.

However, additions to arms capacity during 1941 were almost exclusively in the form of new plant rather than the conversion of existing facilities. This plant—an outlay of 2 billion dollars for armament facilities, 1 billion on supporting raw material and machinery capacity, plus close to another billion for civilian consumer lines—formed a prominent part of the record capital formation carried out within the year.

The arms output, with its resultant large volume of capital formation, was instrumental in carrying consumer purchasing power to peak levels. Increased demand on the part of individuals was directed in particular toward the consumer durables, with the result that output of these was extraordinarily heavy, even in relation to the income flow, during the first 3 quarters of the year. It was in the final months that the raw-material shortages forced output of these items to be curtailed; by the start of 1942 the new military program pointed to the impending elimination of virtually all such production through stoppage of materials for such use and the conversion of whole industries to war production.

Such a development will not reverse the trend toward a larger proportion of output in the form of durable goods, for which the complex requirements of a modern fighting machine create an insatiable demand. In 1929, the index of durable-goods production (1935-39=100) stood 42 percent above the nondurable index. In 1937,

the peak year of the thirties, the margin of excess had been cut to 15 percent; but in 1941, the durable-goods index was almost half again as high as that of the nondurables. The separation of the two will be further increased during the current year.

The production of nondurables was one-fifth larger in 1941 than a year earlier—a very considerable expansion for this type of output. The high consumer income was mainly responsible for the advance, though purchases of nondurables for military and business use were also increased.

The War Industries

The most dramatic advance in output during the year appeared in certain industries engaged directly in turning out finished arms. In the first stages of the armament program, emphasis was on planes and ships as the most urgently needed types of war material, and it was in these arms categories that heaviest volume production was achieved by the year end.

Output of planes averaged more than 1,500 monthly (using only 9-month figures) compared with the 500 units per month average in the preceding year. In September, the last month in which data on deliveries were public, output had risen to 1,914 planes, compared to 1,016 in January. It should be remembered that in the latter part of the year production included proportionately more heavy combat planes and fewer trainers.

Deliveries of ships also rose markedly, though not so much as in the case of aircraft. The number of naval ships completed during the year is not published, but deliveries of merchant tonnage, aggregating 749,000 gross tons, were less than twice the 1940 completion of 445,000 gross tons. However, the Federal Reserve index of shipbuilding production (1935-39=100) advanced to 736 in December 1941 from 263 a year earlier, a somewhat larger increase than that in aircraft (635 to 1,438 in the same period). Because of the relatively long production period which prevents shipbuilding production effort from being immediately reflected in deliveries of finished ships, the index is a better measure of the expansion of activity. In addition, shipyards had a heavy volume of repair and conversion work.

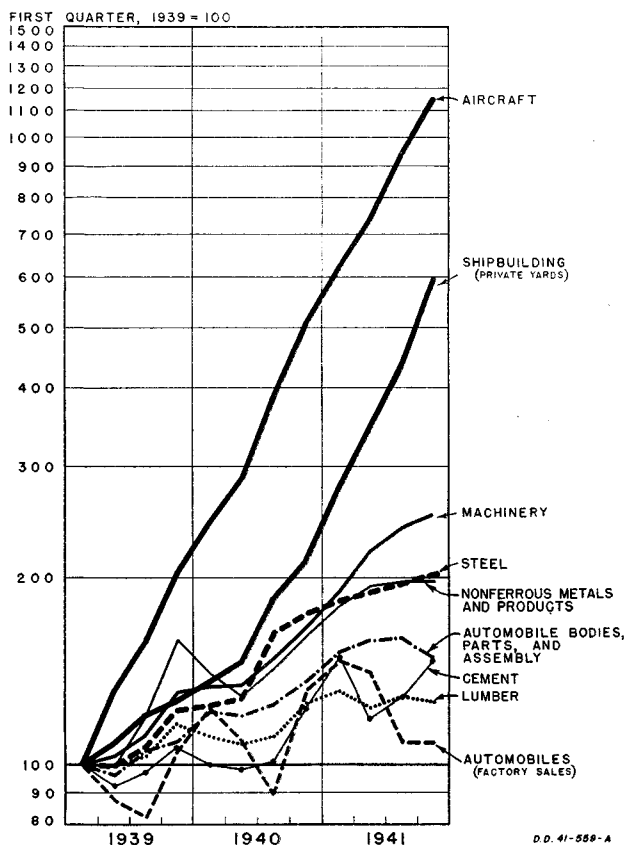
In both of these basic war industries, plant was in the process of being multiplied manyfold. At the end of November, contracts totaling 985 million dollars had been let for new aircraft facilities, and 800 million for shipbuilding with actual capital outlays during the year about half these amounts. Moreover, the new armament program announced at the outset of 1942 provided for a further large expansion of facilities. Previous to this, appropriations for planes and ships had totaled 13 billion dollars and 12 billion, respectively.

New aircraft capacity was of two main types. First, established frame and engine builders added to their

facilities, doubling manufacturing floor space within the industry during the year. Second, the automobile industry entered the business on a large scale.

In 1940, the automobile industry had accepted contracts for a considerable engine-manufacturing program, and the liquid-cooled Allison was already in quantity production by the General Motors firm. In 1941, plans for participation by automobile manufacturers were stepped up considerably, especially with respect to the airframes. Two noteworthy examples are the construction of the Ford bomber and parts plant, the largest in the world, and of four large bomber assembly plants

Figure 12.—Indexes of Output of Selected Durable-Goods Manufacturing Industries, Adjusted for Seasonal Variations



Source: Indexes computed with first quarter, 1939 as base from data published by the Board of Governors of the Federal Reserve System. The December figure for Cement, included in the fourth quarter of 1941, was estimated by the U. S. Department of Commerce.

in the mid-West (not entirely completed at the year end) to be operated by well-known plane manufacturers, and supplied with sub-assemblies, parts, and engines in large part by automobile companies. The automobile companies generally built new plants for this purpose (most of which were not yet in complete operation at year end), using their management and engineering personnel, but not converting existing machinery.

In developing shipbuilding capacity, on the other hand, the Maritime Commission followed an announced

policy of utilizing chiefly managements which were experienced in ship construction. Contracts were spread to as many yards as possible, in contrast to such centralized projects as the Hog Island yard of the last war. At year end there were 40 private yards with 275 ways capable of building large oceangoing vessels, compared with 18 yards and 70 ways 12 months earlier. Expansion of Navy yards was also rapid, but a large part of the fighting ships were to be built as heretofore on private ways.

The heavy volume of output, compared with past years, called for new and more rapid production methods; both industries had normally operated on a semi-custom basis. Various modifications of the assembly line were adopted. In aircraft manufacture, automatic machinery and extensive jiggling became the rule, while in shipbuilding riveting was replaced by welding in many operations. These and many other developments added up to what was almost a technical revolution. Output, for example, was greatly speeded. In the case of shipbuilding, time elapsed between keel laying and delivery was in some cases as little as one-half that required in World War I.

Following the attack of Germany upon Russia, the arms program was sharply modified to include larger amounts of heavy land equipment, infantry arms, and ammunition. Appropriations for these items aggregated 16.5 billion dollars at year end, or approximately one-fifth of the total program at that time.

Since American industry originally had but small facilities for production of this type (Government arsenals being the chief providers), very large expenditures for new plant were necessary. Approximately 2 billion dollars of contracts for new facilities had been placed by the end of November (see tables 1 and 2), and actual capital outlays of nearly half this amount were made during the year.

For the most part, managements were called in from related industries to operate the new facilities. Production of primarily metal goods was given to the durable-goods industries, especially railroad equipment and automobile companies, while chemical firms took charge of explosives manufacture. Except in the case of certain vehicles and tanks, the new facilities were built with Government funds, primarily, and remained in Government ownership.

Industrial Equipment.

As pointed out above, creation of the new complex of war industries required unprecedented amounts of machinery and related equipment, total expenditures for which (including replacements) are estimated to have been close to half again as large as the 1940 total of 5.6 billion dollars. Activity in the various industries comprising the machinery group showed a sharp

increase, the index averaging 209 in 1941, a 55-percent advance over 1940's 135.³

The nature of modern war weapons—primarily close-tolerance metal manufactures—placed an especially heavy burden on the producers of machine tools. The depression had severely disrupted this industry, which now faced the additional problem that the types of tools needed by war industries were in many cases not those it had been accustomed to making in large numbers. An increase in production of about 78 percent, from 280 million to 452 million, had been achieved from 1939 to 1940, and in 1941 a further increase of 68 percent brought annual output close to about 775 million dollars. A part of the increase was obtained by extensive subcontracting. However, requirements for tools were of such huge proportions that tool manufacture was undoubtedly the one bottleneck most seriously restricting arms output and expansion of arms capacity during 1941. In coming months the disparity between new tools output and requirements will remain great even though the War Production Board aims at a 2-billion-dollar output of new tools in 1942. Hence further additions to arms capacity must come in considerable part from conversion of existing manufacturing facilities to war production.

Another important machinery industry, the manufacture of farm equipment, had a record year. The industry was granted a favorable priority status for raw materials, and in the last 3 quarters of the year output was at an unprecedented level, roughly 65 million dollars per month, bringing the 12 months' average to 62 million, compared with the previous record of 50.6 million in 1929. In December, the first month of output under a new allocation order that would hold 1942 output to an average of somewhat less than 40 million dollars per month, production fell to 63 million.

Output of railroad cars, another major type of equipment, was hampered during much of 1941 by shortage of materials, especially steel plates. Although requirements were critical, and order backlogs were large (90,000 cars in August), production was only 65,317 cars (not including output of private car shops), about one-third more than in 1940 but far short of needs. Approximately 993 locomotives were built, compared with 646 in 1940, with output tending towards Diesel and Diesel-electric units.

³ It should be remembered that some direct war manufacture is included in the index. Production of aircraft engines is classified as a machinery industry, and the steady rise in productive activity by such nonwar groups as typewriters, textile machinery, and electrical appliances (also in the index) suggests that a part of their production was on war contracts, since after the midyear it became difficult to obtain materials for nonessential manufacture. Machinery industries are among the most readily convertible to war production.

Raw Materials

One of the most significant developments of the year was the change in the pattern of raw material requirements. The tremendous upsurge of durable goods production for both civilian and military use placed upon metals industries an extraordinary demand. This demand they were unable to fulfill completely, with the result that priority control over existing metal supplies was undertaken in varying degree throughout 1941.

Chemicals were still another type of raw material which faced an enormous expansion of demand, both military and civilian. Supply of other materials that were largely imports, like rubber and silk, reflected the influence of shipping conditions and the effects of war. Processing of a number of such materials had to be curtailed drastically by the end of the year.

Steel Capacity Proves Inadequate.

Production of ingot steel aggregated 82.9 million tons, 16 million tons, or 24 percent more than in 1940, and 34 percent above the 1929 volume. Near-capacity output throughout the year was necessary to achieve this total, average plant utilization being 97.4 percent. In 1940, by contrast, a reduced demand in the early months had caused production to run below 80 percent of capacity for 4 months.

Demands for steel far exceeded the rate of output after midyear as a result of the combined requirements for consumer durables, capital goods, the increasing volume of war output, and some expansion of inventories. This led to the placing of steel under priority status in August, with control over the allocation of the metal increasing as the year progressed. Limitations on production of many consumer durables and other goods stemmed from the steel shortage, which became the single factor most seriously limiting the advance in total national output.

Approximately 4 million tons were added to basic steel capacity, bringing the total to 88 million tons at year end. Moreover, 2 million tons of additional capacity were under construction, and a further large increase was expected to be undertaken.

While a larger basic steel industry would clearly be useful over the war period, supply of steel for essential military and capital goods production was not limited solely by over-all capacity of steel furnaces. For example, war industry requirements for high-specification steels (notably alloy bars and armor plate) placed a very heavy burden on electric furnaces and expansion of this type of capacity was especially necessary during the year, the total being increased by more than one-half from 2.6 million tons to roughly 4 million tons. Capacity for rolling the heavy plates used in

ships and railroad cars also was strained, and had to be enlarged by building new mills and by some conversion of wide strip mills.

Table 8.—Indexes of Industrial Production, adjusted for seasonal variation, 1940 and 1941

[1935-39=100]

Industry	1940, annual	1941, annual ¹	Per cent increase	Dec. 1940	Dec. 1941	Per cent increase
Industrial production, total.....	123	156	26.8	139	168	20.9
Manufactures, total.....	124	161	29.8	142	175	23.2
Durable manufactures, total.....	138	193	39.9	164	215	31.1
Iron and steel.....	147	186	26.5	174	196	12.6
Machinery.....	135	209	54.8	164	239	45.7
Aircraft.....	419	² 978	133.4	635	³ 1,340	111.0
Automobile bodies, parts, and assembly.....	116	140	20.7	125	120	-4.0
Railroad cars.....	141	² 222	57.4	172	³ 263	52.9
Shipbuilding.....	190	² 443	133.2	263	³ 639	143.0
Nonferrous metals.....	137	184	34.3	162	191	17.9
Lumber and products.....	116	134	15.5	132	138	4.5
Stone, clay, and glass products.....	121	152	25.6	140	166	18.6
Nondurable manufactures, total.....	113	135	19.5	124	142	14.5
Cotton consumption.....	120	158	31.7	142	155	9.2
Wool textiles.....	106	160	50.9	145	176	21.4
Rayon deliveries.....	138	166	20.3	156	178	14.1
Leather products.....	97	121	24.7	109	127	16.5
Manufactured dairy products.....	114	129	13.2	125	140	12.0
Meat packing.....	125	129	3.2	134	142	6.0
Other manufactured foods.....	113	129	14.2	120	141	17.5
Paper and pulp.....	122	145	18.9	131	162	23.7
Petroleum refining.....	113	124	9.7	116	135	16.4
Chemicals.....	114	139	21.9	121	153	26.4
Rubber products.....	123	⁴ 151	22.8	144	⁵ 134	-7.0
Minerals, total.....	117	125	6.8	118	130	10.2
Bituminous coal.....	114	126	10.5	115	124	7.8
Anthracite coal.....	101	106	5.0	108	88	-18.5
Crude petroleum.....	116	120	3.4	114	131	14.9

¹ 1941 data are in many cases preliminary.

² Average for 11 months.

³ November 1941; December figure not available.

⁴ Average for 10 months.

⁵ October 1941, the latest figure available.

Source: Board of Governors of the Federal Reserve System.

However, more important than difficulties of this sort was a shortage of essential steel-making materials. Scrap metal and pig iron, used in roughly equal proportions in charging the open-hearth furnace, can be substituted for one another to some extent, but continuous heavy operation of the mills had caused both to be in short supply. Because of the long period required for construction of blast furnaces, in which pig is made, expansion of this capacity lagged seriously behind the growth in steel ingot facilities, total additions to blast furnaces aggregating only 1.8 million tons during the year. Similarly, the rise in scrap consumption from 3.5 million tons per month in 1940 to 4.6 million tons per month in 1941's last quarter outdistanced the rate at which industry and scrap collectors made the metal available. At year end scrap-collection campaigns were under way, with special attention to auto junkers, farms, and railroads.

Nonferrous Metals.

Armament production makes especially heavy demands on the nonferrous metals. To such needs in 1941 were added the exceptionally large requirements from consumer durable industries, from the utilities, and from other capital goods lines, including construction. The net result of these demands as they im-

pinged on available supplies was a series of acute shortages.

Munitions and electrical installations in fighting equipment required an increasing share of available copper, the most important nonferrous metal with respect to tonnage. Large additional amounts were needed for essential industrial power purposes. Civilian consumer use of the metal increased to midyear, but was then severely restricted by priority action. Widespread inventory accumulation made copper supplies additionally tight.

On the supply side, the year's most important development was a radical reversal of our foreign trade in the metal. In contrast to prewar years when net exports of copper were frequently large, 1941 found exports nearly eliminated and imports contributing heavily to total supply. The Metals Reserve Company entered into contract with Latin American producers for delivery within the year of refined metal and ore equivalent in the aggregate to 475,000 tons of copper. Actual imports in the first 9 months, including those resulting from this contract, totaled 495,300 tons, and the rate was to be increased in the final quarter.

Some expansion in domestic output was also attained. The limiting factor here was mine production and collection of scrap. Refinery capacity was fully adequate. Output of refined metal from domestic refineries using scrap and domestic ores aggregated 1,061,000 tons during the year, roughly the same as the 1,034,000 tons in 1940. But behind the apparent failure to expand production was an actual increase of considerable proportions. In 1941, an addition—in the neighborhood of 150,000 tons—was made to melting of scrap copper by ingot makers, which take most of the secondary metal not processed by refineries. Thus, even allowing for an increase in scrap collection, refineries must have processed considerably more ore.

Maximum activity in domestic copper mines was sought. In November, Phelps Dodge's new Morenci mine was opened, after 5 years of development work, adding 75,000 tons to annual capacity. Additional economic ore sources exist, both here and abroad, but time is required for their development. That price might not be a limiting factor on submarginal output, arrangements were concluded at the turn of the year for the purchase by the Government, at 17 cents, of all output in excess of a quota, which was based on cost factors and 1941 output. This policy was in contrast to the 23½-cent bulk-line price set for all copper output in the last war.

Consumption of aluminum and magnesium also increased greatly as the result of the military program, demand in this case being heavily concentrated in aircraft and incendiary-bomb manufacture. Output of light metals had been growing steadily over the previous decade, as the result of decreasing prices and suc-

cessful introduction into many new types of manufacture, but amounts involved were on a much smaller scale than were now required. Aircraft production of early 1941 was enough to absorb nearly the entire available supply. In February and March both metals went under mandatory priorities, among the first to have their distribution so controlled.

Some expansion of capacity had been started by the industry itself during 1940, in anticipation of the aircraft program's requirements, but the amount was clearly inadequate and a broad expansion under Government sponsorship was launched. By the end of December 1941, contracts totaling more than 600 million dollars had been let for new nonferrous metals facilities, primarily aluminum and magnesium.

As a result of the expansion effort, aluminum production rose from 412 million pounds in 1940 to over 800 million pounds in 1941, and facilities were under construction vastly to increase output in 1942. An even sharper percentage increase in magnesium supply was attained, production rising from 12 million pounds in 1940 to 33 million pounds in 1941, with a much larger increase expected for 1942. Aluminum supply was also to be augmented greatly in 1942 by imports of refined metal from Canada.

Consumption of lead and zinc also increased. Direct war uses for the former are not considerable—battery plates, bullets, and shrapnel balls being the most important items. However, zinc was consumed in large quantities as a component of cartridge brass. But for both metals, essential industrial and civilian products absorbed the largest supplies, especially as these metals came to be substituted for more scarce materials, such as copper, aluminum, magnesium, and even steel.

Apparent new supply of lead available for domestic consumption advanced 19 percent over 1940 levels to about 1,107,000 tons, while slab zinc consumption of 750,000 tons was an 11.5-percent increase. Imports were the major factor in increasing lead supply, as domestic refining of primary lead advanced only 8 percent to 590,000 tons.

Zinc moving into domestic consumption from foreign sources also recorded significant gains. But the major part of increased zinc supply came from domestic refineries, which produced 864,000 tons of slab compared with 1940's 706,100 tons. Expansion of refining capacity enabled the industry to attain production at an annual rate of 926,000 tons by year end.

The most important raw material affected by the hostilities in the Pacific is rubber. More than 97 percent of the Nation's crude rubber supply normally comes from areas now overrun by the Japanese or which are the immediate objective of enemy thrusts.

Consumption of crude rubber in 1941 reached a record high of close to 800,000 long tons (on the basis of 9 months' data) compared with 648,500 tons in 1940. Some 250,000 tons of reclaimed rubber was also used in the past year, almost a third more than in 1940. The automobile industry normally requires the largest proportion—almost three-fourths—of crude rubber. Hence, the restriction necessitated by the outbreak of war bore most heavily on it.

Stocks of crude rubber increased from 309,000 long tons at the beginning of the year to 455,000 tons in October, the latest month for which statistics were made public, and a further inflow was received in the next several months. Most of the increase occurred in emergency reserve stocks accumulated by the Government.

Reclaimed rubber can take the place of crude to a limited extent, though it cannot be used for all purposes. Output is now at an annual rate in excess of 300,000 long tons. Estimates of available scrap indicate that an annual output of 500,000 tons can be maintained for about 3 years. This will require a substantial increase in reclaimed plant capacity. At present, production of crude rubber in the Western Hemisphere, both from trees and the guayule shrub, is quite limited and cannot be quickly expanded. The only large immediate source of new rubber is from synthesis. Output of synthetic rubber in 1941 was about 12,000 tons. A 400,000-ton expansion program has been announced, half of which may be in production early in 1943.

Large military requirements for rubber and limited stocks impelled immediate action to conserve supplies. A few days after the Japanese attack, sales of new tires were prohibited and rigid restrictions placed on handling and processing other rubber products. A rationing system restricting sale of new tires and tubes to users performing specified essential functions has been in effect since January 5. A drastic control program effective February 1, curtailed the use of crude rubber in essential civilian products and banned its use in nonessential products.

Chemicals.

The past year was the most active year in the history of the chemicals industry. Major civilian uses of chemicals are ordinarily in manufacture of fertilizer, pulp and paper, glass, petroleum products, paints and varnishes, iron and steel, and textiles. Without exception these industries were operating at record levels during the year, and the long-term trend towards greater use of chemicals and chemical products was in evidence. Of equal importance to chemical demand was the military program, which called for immense tonnages of explosives.

During the year aggregate production of basic and subsidiary chemical products (including drugs, fertilizer, paints and varnishes, rayon, soap, cottonseed, and explosives products) advanced more than a fourth, as measured by the Federal Reserve's index. Within the group, the increase was much larger for many important products. For example, output of sulphuric acid rose to an estimated 6.5 million tons, compared with the previous record, in 1940, of 5.4 million tons. Chlorine production was 13 percent heavier than in 1940, and the gain in soda ash roughly 10 percent. Despite the expansion, year end saw many chemicals in as severe shortage as the metals, and such industries as paper and pulp, textiles, and metallurgy were forced to modify important processes.

A vast complex of raw material and finished explosive facilities were being constructed during the year in the interior of the country. Their total contract value as of the end of December aggregated above 1,150 million dollars. By the end of 1941, production was in heavy volume, and throughout the current year material requirements of the explosives program will strongly influence the chemical industry.

Coal and Petroleum.

Coal mining activity, linked closely like all fuel production to the general level of production, was greater than in 1940. Despite the April and October work stoppages, aggregate output of bituminous (502,860,000 tons) and of anthracite (54,339,000 tons) were 11 percent, and 6 percent, respectively, above the previous year. But the downward secular trend in coal consumption, due to greater use of oil and hydroelectric power in industry and of oil in homes, was at work. Thus, 1941 bituminous consumption had been exceeded in 1929, although over-all activity was of course not so high in that year, while 1941 anthracite output was even less than in the recent semidepression years 1934 and 1936.

Despite the general cessation of coal shipments during the stoppages, and some difficulty in obtaining sufficient cars to make up the losses in other periods, the year end found large stocks of industrial coal in hands of dealers and users.

Petroleum output, which has shown an upward trend movement in recent years, also was influenced by the year's heavy industrial activity, though to a smaller extent than most other lines. Estimated output of 1,404 million barrels of crude and 670 million barrels of refined gasoline were 4 percent and 12 percent over the previous year. Drilling and wildcatting were slightly above the high levels of 1940, with discoveries of new reserves expected to be correspondingly advanced. The rise in domestic demand from 1,327 million barrels to 1,468 million barrels, which occurred in the face of a brief East Coast transportation shortage during the

summer, influenced drilling activity. Net export of petroleum declined from 47 million to 14 million barrels.

Of considerable importance also was the program for increasing output of 100-octane aviation gasoline. Refiners of this product were asked to install new equipment for expansion of output from 40,000 barrels to 150,000 barrels daily.

Pulp and Paper.

The 1941 production of paper and pulp exceeded 1940 output (itself a record) by nearly one-fifth, the most important gains being among paperboard and wrapping paper producers who were called upon to supply packaging materials for 1941's record manufacturing output. Some other products also advanced significantly; printing paper output was 17 percent greater than in 1940. But newsprint production continued at 1940 levels.

In the board and wrapping sector a distinctly military demand was being developed, as these materials were coming to be used in lieu of the last war's primarily wooden containers for the smaller sizes of ammunition, and for other military items. Wrappings and board were produced in sufficient volume during 1941, with output gains of 25 and 15 percent, respectively, over 1940.

Although trouble with chemicals supply and maintenance of equipment was encountered, the ultimate ceiling on paper production in the latter part of the year proved to be the supply of chemical pulp and wastepaper. Pulp output was at record levels, but less than adequate to meet all demands.

The chemical pulp industry had started 1941 with operations already at capacity levels as a result of the strong trend towards greater consumption of pulp, plus the loss in 1940 of Scandinavian and Finnish pulp sources, which normally furnished up to one-fifth of all chemical pulp consumed by this country.

A part of the year's increase in production was obtained by relatively small additions to capacity in both new and old mills. But more important was the more intensive use of existing capacity. Sulphate production aggregated 4,400,000 tons, exceeding 1940 output by 18 percent and that of 1939 by 49 percent. Sulphite production of 2,900,000 tons stood 12 and 49 percent above the production of the 2 earlier years. Production of ground-wood pulp, which was in relatively adequate supply, was up only 5 percent from 1940 and totaled 1,850,000 tons.

In addition to paper- and board-mill demand for pulp, a considerable and increasing quantity of the more highly refined types was taken for explosives, plastics, and rayon manufacture. Demands from these industries will continue to advance, and with increasing rapidity.

To the generally tight situation in chemical pulps.

some relief exists in greater use of ground-wood pulp and wastepaper. Although supplies of available waste were barely adequate in the latter part of the year, the potential supply is very large. The country habitually burns more than half of its wastepaper, and the War Production Board's collection campaign, successfully underway at year end, was consequently expected to recover large tonnages.

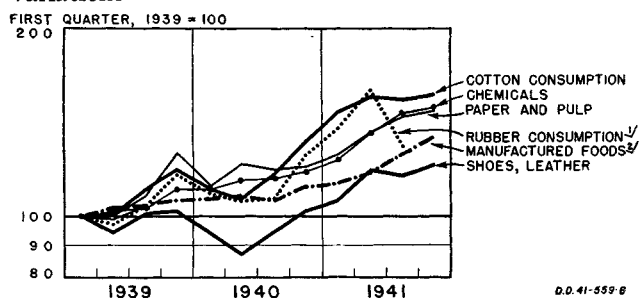
Consumers' Nondurables

Textiles

The output of consumer nondurables also reflected the impact of a record demand in 1941, though to a lesser extent than was the case for the durables. Nevertheless, even in these lines material shortages and strained production ceilings replaced the familiar overcapacity story of other years.

For example, the year 1941—one in which textile consumption reached record highs—ended with shortages actual or impending in each of the major textiles. The year's phenomenal expansion of activity brought

Figure 13.—Indexes of Output in Selected Nondurable-Goods Manufacturing Industries, Adjusted for Seasonal Variations



¹ Data for the fourth quarter of 1941 are not available for publication.
² Does not include data for wheat flour, cane sugar meltings, manufactured dairy products, and meat packing.
 Source: Indexes computed with first quarter, 1939 as base from data published by the Board of Governors of the Federal Reserve System. The December figure for Paper and Pulp, included in the fourth quarter of 1941, was estimated by the U. S. Department of Commerce.

the following percentage increases over 1940 consumption: wool, 69 percent; cotton, 31 percent; rayon yarn, 16 percent.

Raw cotton is the only fiber of which there are ample domestic supplies. To a carry-over of domestic staple of 12 million running bales, the 1941 cotton crop added about 11 million bales. The total domestic supply of about 23 million running bales for the 1941-42 season is more than double the record 1941 calendar-year consumption of 10.6 million bales.

Cotton mills in 1941 produced an estimated 11.5 billion square yards of cloth, up 20 percent from 1940. The expansion in output was obtained without any increase in spinning capacity. Cotton-spinning spindles in place on December 31, 1941, were 24.1 million, slightly less than at the end of 1940. Although the industry at the end of the year was operating at only about 60 percent of its absolute capacity (i. e., a 24-hour day and a 7-day week), only a small percentage increase

appeared possible because of labor shortages and inadequate machinery for essential operations. A widespread unbalance of equipment existed, with spinning equipment at full time straining to feed part-time loom operations.

Scarcities developed during 1941 in both cotton yarns and fabrics. Stringency in yarn supplies was concentrated in the combed yarns where war orders have been more important than in the carded yarns. Tightness in grey goods supply was evident in the latter part of the year. Scarce fabrics included both fine and coarse yarn constructions.

Cotton fabrics chiefly affected by 1941 defense requirements have been ducks, sheetings, osnaburgs, drills, twills, and denims. According to the Textile Economics Bureau, the Government's defense purchases of cotton textiles during 1941 amounted to about 15 percent of the output of the industry. The outlook at year's end was for a reduction of cotton textiles available for civilian consumption and a shift from the production of civilian to war fabrics. Direct allocation of specific constructions of cotton goods was introduced in the early weeks of the new year.

Heavy Wool Imports.

A significant feature of the 1941 wool textile situation was our greatly increased dependence on foreign sources for raw apparel wool. In the 10-year period, 1930-39, nearly 90 percent of United States apparel wool consumption was supplied by domestic production; in 1940, about 76 percent; in 1941, less than one-half. Imports during the first 9 months totaled 491 million pounds (final quarter figures are not available for publication). Statistics of imports for consumption indicate that South America has become our chief foreign source for both apparel wool and carpet wool. In 1940 and the first 9 months of 1941, about one-half of imports for consumption of apparel wool finer than 40's was from South America. This compares with an average proportion of one-fourth from South America in the years 1930-39. From this same area came two-thirds of the Nation's imports of carpet wool in the first 9 months of 1941. Domestic production of carpet wool is negligible.

United States wool production in 1941 was at a new high of 464 million pounds (grease basis), compared with an average annual production of 435 million pounds in the years 1931-40.

Although machine capacity was generally adequate to meet 1941 wool requirements, the situation in worsted spinning and wool combing was extremely tight. Military demand for wool was heaviest in the worsted cloths. The fighting services in 1941 accounted for an estimated one-third of the country's apparel scoured wool consumption of 516 million pounds (consumption had been 310 million pounds in 1940). Increased mili-

tary needs for wool in 1942 and our heavy dependence on imported supplies make it inevitable that civilian wool consumption be curtailed.

In January 1942, the Office of Production Management instituted a wool conservation program which restricted the use of new wool in the manufacture of materials during the first quarter of 1942 to 80 percent of the rate prevailing during the first half of 1941. As military requirements will be met in full, the entire effect of the restriction is on production for civilian use. More drastic curtailment may be expected as our armed forces expand and the extent of our participation in the conflict increases.

In 1941, consumption of apparel-class wool increased 66 percent to 516 million pounds. At this rate of consumption, stocks of apparel wool at the end of the year were equivalent to about 4 months' supply. In addition, substantial strategic reserves were held by Defense Supplies Corporation.

First branch of the textile industry to feel the pinch of war was the silk trade. Following the freezing of Japanese assets, an order of the Office of Production Management, effective August 2, stopped all raw silk processing by nondefense industries. Deliveries of silk to mills during the first 11 months of 1941 were 197,711 bales (including some 11,000 bales which were returned to the warehouses by the mills after August 1941), a drop of about one-third from the same period of 1940 and down two-thirds from the 11 months' total of the peak year 1929. Stocks at the end of 1941 were 55,486 bales. Hardest hit by the restrictions on use of silk was the hosiery industry, which in 1940 accounted for 90 percent of raw silk consumption. Notwithstanding these restrictions, hosiery manufacturers enjoyed a record year. Hosiery production in 1941 amounted to 150 million dozen pairs, over one-tenth more than in 1940.

Until 1940, silk was essentially the only fiber used by hosiery producers for the leg content of women's full-fashioned hosiery. Nylon, which entered this field in mid-1940, accounted for about one-fifth of the 1941 hosiery production. Nylon yarn capacity was approximately doubled in 1941 and a further expansion is projected for 1942. The hosiery industry cannot, however, count exclusively on nylon, the output of which is being increasingly devoted to military uses.

The burden of filling the void created by the restrictions on silk processing has rested largely on the rayon industry. Increased allocation of rayon to former users of raw silk intensified an already existing rayon stringency. Capacity operation of rayon plants was unable to satisfy the huge demand stemming from expanded consumer purchasing power and the silk substitution program even though rayon filament yarn

production of 451 million pounds stood 16 percent above the 1940 output.

Rayon capacity increased in about the same proportion. Imports of rayon yarn, as in other recent years, were very small, while stocks in the hands of yarn producers were negligible throughout the year. Unlike the situation in cotton and wool, very little of the demand for rayon yarn was of military origin. However, greatly increased war demands in 1942 are expected to restrict civilian rayon supplies.

Production of rayon staple fiber continued its rapid upward trend movement. Output of this fiber in 1941 was 122 million pounds compared with 81 million in 1940 and 165 thousand in 1928. Imports of the fiber dropped to about 12 million pounds, down one-third from 1940. Military demand for this fiber has also been small thus far.

Shoes.

Record shoe production in 1941 was over 490 million pairs, up one-fifth from 1940. Purchases for the armed forces amounted to only about 3 percent of total shoe production (roughly a tenth of the output of men's and boys' shoes). War inroads will be much larger in 1942. Each soldier requires during his first year a minimum of 10 pairs of shoes, including pairs in use, on hand in camps and depots, on order, and in process of being ordered. Hence, there will be fewer shoes for civilians in 1942, but no severe shortage. Stocks of shoes in the hands of retailers and consumers are large. However, the raw material outlook is not completely reassuring. Of United States cattle hide consumption in 1941, 70 percent was supplied by domestic production. The remainder came largely from Latin America and its continuance rests in the main on the shipping situation. In addition a number of tanning agents are in large measure imported. Some supplies have been cut off by war; others are becoming increasingly difficult to obtain.

Manufactured Foods

Production of manufactured foods, under the stimulus of enlarged consumer purchasing power and of the lend-lease program, was considerably above the 1940 volume. For a number of reasons set forth in the discussion of agriculture, foodstuffs sent to Britain were largely processed foods. The Federal Reserve index of manufactured food production increased from 114 in 1940 to 128 in 1941. Flour output and meat slaughter (except hogs) increased somewhat, while sugar meltings, output of dairy products, and production of other manufactured foods registered substantial gains.

War needs reflected in greatly enlarged farm production goals point to further large increases in manufactured food output. Notable exception is a likely reduction in sugar meltings because of obstacles to our

securing normal sugarcane imports.⁴ Output of tobacco products increased 10 percent over 1940 and production of alcoholic beverages was up about 15 percent. In 1942, a large proportion of the latter industry's distilling capacity will be devoted to making ethyl alcohol for use in explosives and plastics.

Record Output of Consumer Durables

Notwithstanding increased production for capital formation and military use, the output of consumer goods was in record volume during 1941. As suggested above, the largest gains appeared in the consumer durables, toward which an especially heavy demand was directed as a result of growing consumer purchasing power. However, it was such commodities that were in most direct competition with essential military and capital needs for materials, equipment, and skilled manpower. Hence, as the armament program expanded in the latter part of the year, the consumer durables were the first to experience priority restrictions.

These restrictions were neither applied quickly enough nor extensively enough to prevent a record output of many durables. Some 3.6 million domestic electrical refrigerators, 2.1 million domestic vacuum cleaners, and 2.3 million domestic washing machines and ironers passed down 1941 production lines. The Federal Reserve's index of furniture production jumped from an average of 117 in 1940 to 145 in 1941, 10 points above 1929 the previous record year. The 1941 automobile production of 4,838,561 units topped 1940 by 8 percent, was exceeded only by record 1929 production (sales were slightly higher in 1941, however). Of the 1941 output, 3,744,300 were passenger cars and 1,094,261 were trucks, the latter an all-time high.

The effect of this civilian production on the performance of these industries in contributing to war output is well illustrated by the experience of the automobile industry. For these large producers, war production in 1941 was a side line, occurring largely in new plants under construction throughout much of the year. Altogether, the industry had close to 5 billion dollars in arms contracts at the outbreak of war in December. Deliveries during the year were but a small fraction of this and were certainly much less than the wholesale value of 3.7 billion dollars for passenger cars and trucks produced in the same period.

The automotive industry in 1941 took approximately 9 million tons of finished steel, about 16 percent of the Nation's finished steel consumption. As the defense effort intensified and as the steel shortage became apparent, a curtailment program for automobile production developed. This program called for a cut in passenger car production, based on the same period in the preceding year, of 26.5 percent during August through

November. Deeper cuts in later months were to bring the 1942 model year 50 percent under that of 1941. Reductions for December and January were finally set at 60 percent and 51 percent, respectively. A comparable curtailment program for light trucks was designed to effect a 30-percent reduction for the model year. But at the beginning of 1942, in keeping with the all-out war production program, an order effective February 1 called for cessation of production of all passenger cars and light trucks.

Previous orders freezing automobile stocks created a reserve from which military and essential civilian demands could be satisfied. To form a reserve of parts for future needs before stopping production, producers were permitted to make during the first half of 1942 up to 150 percent of the number of replacement parts sold by them in the entire calendar year 1941. Civilian automobile output in 1942 will consist of medium and heavy trucks, and passenger carriers. Limitation orders applying to these items either do not exist or they are not severe.

From August on, an increasing number of other durable consumer goods producers were ordered to curtail operations. These included such lines as refrigerators, washers and ironers, vacuum cleaners, ranges, automatic phonographs, weighing, gaming and other amusement machines, and a long list of less important commodities.

Limitation orders for such lines varied widely in the degree to which they curtailed output. Thus, domestic mechanical refrigerator manufacturers were forced to cut production about two-fifths in the last 5 months of 1941; whereas, the large producers of vacuum cleaners reduced output by only 10 percent during the final quarter of the year (small producers were not forced to decrease their production at that time). In every instance, however, the degree of curtailment was stepped up very drastically at the beginning of this year.

The Outlook for Production

At the start of the new year, it is apparent that a drastic change in the pattern of output is to occur through the duration of the war. Production of war materials is to expand manifold. These are mostly durables—with the exception of chemicals—and output of the raw materials required for such commodities will be stepped up as new capacity can be constructed.

Similar raw materials are needed for the heavy capital formation required well into 1943. Building of new plant, of military works, and of a considerable volume of essential housing, will bring a heavy drain on many of the same materials that are used in the production of finished armaments. Moreover, the machinery industries must operate at a record pace to fill the staggering plant, utility, and direct military requirements. Some relief to both raw material and equipment pro-

⁴ See the discussion in the Survey of Current Business, January 1942, p. 9.

ducers will be afforded by a decline in maintenance and repair work, for as much of this will be deferred throughout the whole economy as is possible.

At the same time, the production of automobiles, electrical appliances, and most other consumer durable goods—even including furniture—will of necessity have to be either virtually eliminated or seriously curtailed. Neither the materials, the machinery, nor the necessary manpower can eventually be made available for such output.

Production of nondurables in all likelihood will be lower in the aggregate than during 1941. Wool supplies will be reduced, and this will possibly be the case with leather. Cotton and rayon output can be stepped up only to a limited extent, and silk goods production will largely be extinct. Pulp and paper output may decline slightly in the aggregate, and wide changes will occur in the relative importance of the various types and grades. On the other hand, chemical production is to expand very markedly, while the output of manufactured foods should also be increased.

Insofar as the total of all industrial output is concerned, the net result of these various changes will be a further advance. Supply considerations are the only limiting factor. At present, raw material shortages and inadequate plant capacity for finished armaments retard the production advance as a whole. But the ultimate limit to output is furnished by the labor force. This—as shown in the discussion on labor—can support a further increase in aggregate production while supporting a large expansion of the armed forces.

Agriculture

Agriculture was not excepted from the dominance of the war over the economic life of the Nation during 1941. The rise in civilian consumption created as a result of arms expenditures exerted a heavy influence on farm output, prices, and income, as domestic demand for food products and agricultural raw materials advanced sharply. But of growing significance throughout the year was another development: The agricultural needs of those nations who were to become principal allies of the United States were met to an increasing degree by this country.

Indeed, under the lend-lease program, food shipments within the course of the year became one of the largest export categories. As the agricultural requirements of the United Kingdom and other allied nations were somewhat specialized, the structure of agricultural output of necessity had to be altered, with a heavier emphasis on meats, eggs, dairy products, and certain canned vegetables and fruits. Production goals for 1942 emphasized these commodities more heavily than such staple crops as wheat, cotton, and tobacco.

As part of the effort to increase output where needed, the Government sought to raise agricultural prices.

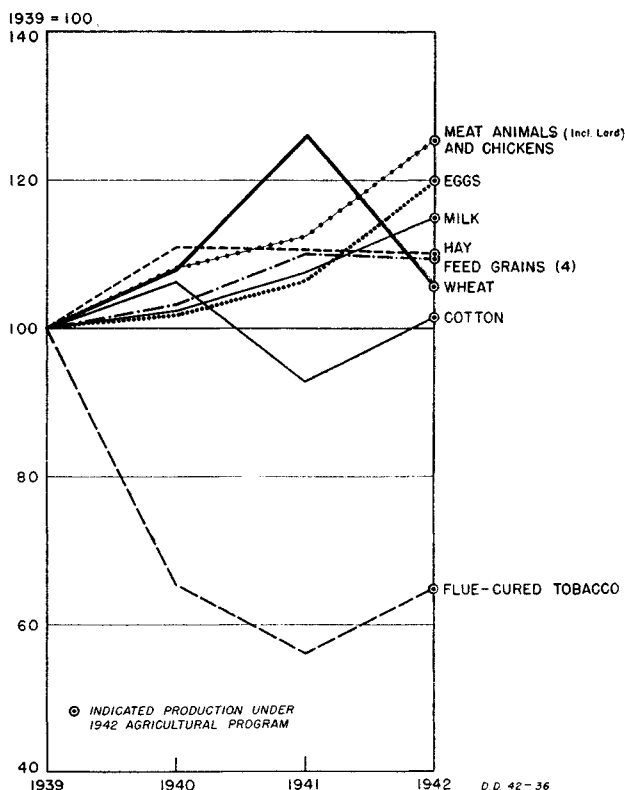
In this it was successfully aided by expanding purchasing power in the hands of consumers, and farm prices advanced materially in the final three quarters of the year.

A net result of these various developments was a very substantial gain in farm income. For the year as a whole, agricultural cash income (including Government payments) rose to 11.6 billion dollars, the highest in the last 21 years.

Agricultural Output at Record Levels.

To meet the expanded needs—both domestic and foreign—agricultural output was the largest in the

Figure 14.—Indexes of Production of Selected Farm Products



Source: Indexes computed with 1939 as base from data published by the U. S. Department of Agriculture.

Nation's history. Cereals, livestock, fruits, and vegetables—all were produced in heavier volume, and the index of aggregate production rose more than 3 percent over 1940 to a peak of 113 (1935-1939=100).

One of the principal gains occurred in the augmented output of livestock and livestock products. Domestic demand for these advances to a relatively greater extent during periods of rising income. Altogether, production of such commodities rose approximately 4 percent in 1941. Partly in answer to large foreign needs, both dairy and poultry products experienced the largest production advance they ever recorded. Output of each responded promptly to price-increasing Government purchases made in heavy volume in the second half of the year for lend-lease

account. Meat output, on the other hand, was retarded by the 8 percent reduction in slaughter supplies of hogs, the result of the curtailed 1940 fall pig crop, and of delayed marketing in order to achieve heavier feeding of the 1941 spring pig crop. Nonetheless, production of meats rose moderately over 1940 to a new record volume. Milk, chicken and egg production also increased to new high levels in response to higher prices produced by Government purchasing.

The aggregate of crop production advanced to a somewhat smaller degree—about 3 percent—both as the result of an enlarged acreage (1 percent) and improved yields (up 1.3 percent for 18 major field crops and 10 fruits). The most notable expansion was in wheat acreage, while a reduction in acreage was carried into effect under restriction programs in the case of cotton and tobacco acreage. An outstanding improvement occurred in wheat yields continuing the trend of past years. The average yield of corn was also higher despite drought conditions in certain areas, reflecting the drought-resistant qualities of hybrid corn, planted last year on nearly two-thirds of the commercial area corn acreage. The out-turn of fruits was up, but the yield of vegetables for market declined, as did also the acreage yield of cotton and tobacco.

The Farm Program for 1942

The farm program for 1942 which in some of its aspects, was inaugurated as early as the spring of 1941, looks toward altering the structure of agricultural output to meet changes in export needs produced by the war.

Altogether, exports of leading agricultural products to the various Allied countries are expected to be at least 1.5 billion dollars in 1942. Such an export would be the largest since World War I and, despite increased farm output, would represent about one-tenth of total farm production.

As suggested above, the dominant export needs today, as in World War I, are in such foods as meats, dairy products, eggs, and canned fruits and vegetables. Great Britain found it necessary to curtail domestic output of livestock products in order to reduce the shipping space allotted to the imports of feeds and to utilize more efficiently existing acreage by the production of wheat, potatoes, and fresh vegetables. Moreover, heavy imports of meats, dairy and poultry products from the Continent are no longer available to the English. Nor is it possible for them to maintain as large agricultural imports from Argentina, Australia, and New Zealand, because of the scarcity of shipping facilities.

For these reasons, the United States has been requested to supply about one-fourth of Great Britain's requirements for animal protein foods. In addition, of course, both the food and agricultural raw material needs of other Allied countries are considerable.

The same foods that are being exported are those for which the advance in consumer purchasing power has increased domestic demand the most substantially. In an effort to meet all of these needs, it is hoped that the 1942 output of beef and veal can be expanded at least 5 percent, egg and milk production can be advanced about 13 and 7 percent, respectively, and the output of certain vegetables for canning (tomatoes are an example) can be stepped up very markedly.

Table 9.—American Agriculture in Two Wars

[1910-14=100]

Commodity group	1917	1918	1919	1940	1941
Farm population and employment:					
Farm population.....	100	99	96	93	93
Productive workers (average employment).....	98	94	92	87	85
Family workers.....	97	93	91	87	85
Hired workers.....	101	98	96	85	85
Farm output per farm worker.....	105	116	119	151	160
Farm plant:					
Acreage harvested:					
17 principal crops.....	106	110	110	97	98
Corn.....	110	102	98	86	86
Wheat.....	93	121	146	105	111
Cotton.....	95	103	97	70	66
Milk cows on farms January 1.....	108	110	110	130	133
Agricultural production:¹					
Grains.....	104	110	114	² 108	³ 121
Fruits and nuts.....	89	96	99	² 165	³ 179
Vegetables, except truck crops.....	118	107	97	² 124	³ 125
Truck crops.....	117	135	126	² 326	³ 326
Cotton and cottonseed.....	81	86	81	² 90	³ 78
Total crops ⁴	99	104	103	² 121	³ 123
Meat animals.....	108	121	118	² 129	³ 131
Dairy products.....	108	106	111	² 157	³ 166
Poultry products.....	97	100	107	² 139	³ 150
Total livestock and livestock products ⁵	106	113	114	² 139	³ 145
Total (crops and livestock and livestock products).....	103	109	109	² 132	³ 136
Consumption per capita:					
All foods.....	98	95	96	102	103
Cereals.....	96	86	84	67	67
Fruits and vegetables.....	97	97	97	110	110
Meats.....	94	98	95	97	96
Dairy products and eggs.....	101	101	102	123	127
Sugar.....	99	95	111	124	131
Agricultural income:					
Cash receipts from marketings.....	181	227	246	141	185
All crops.....	189	233	256	118	156
Feed crops.....	180	247	202	95	97
Food grains.....	212	303	312	89	138
Fruits and vegetables.....	181	186	212	179	224
Cotton and cottonseed.....	193	215	275	79	132
Tobacco.....	223	318	463	222	255
Oil-bearing crops.....	157	213	204	296	498
Livestock and livestock products.....	173	220	236	164	214
Cattle and calves.....	183	225	213	153	194
Hogs.....	192	275	282	121	192
Dairy products.....	155	183	233	158	208
Poultry and eggs.....	164	199	242	243	296
Net income produced by agriculture.....	191	220	227	126	² 173

¹ Volume of agricultural production for sale and for consumption in farm home.

² Preliminary.

³ Tentative estimate.

⁴ Includes tobacco, sugar crops, hay, peanuts, soybeans, cowpeas, hops, and legume and grass seeds in addition to crops shown separately.

⁵ Includes wool and mohair.

Source: U. S. Department of Agriculture.

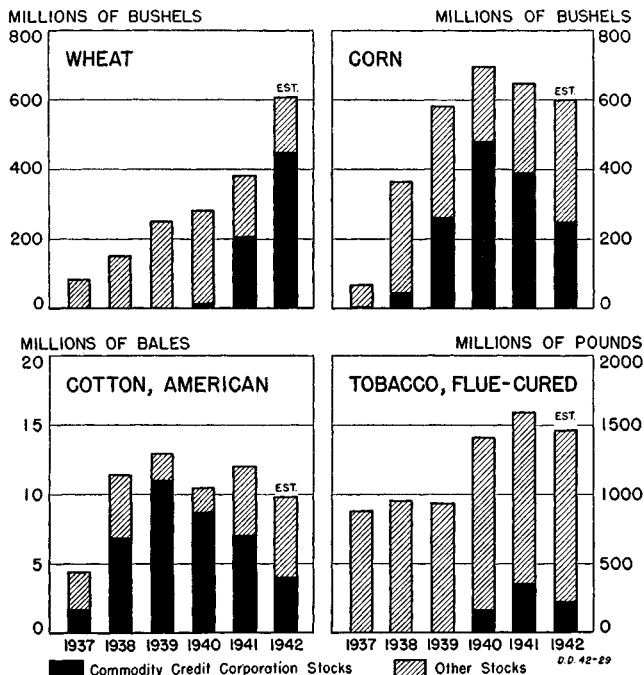
In some contrast to the expansion of output outlined above are the production plans for such basic staples as cotton, wheat, and flue-cured tobacco. The loss of foreign markets on the Continent and in the Far East has been offset in part by either increased export to other areas or heavier domestic consumption. The advance in the latter has been particularly large in the case of cotton.

Production of tobacco was severely curtailed in 1940 and 1941. (See figure 14.) This year, output

will be increased, but only moderately. Cotton output also was curbed in 1941 (11.0 million bales as compared with 12.6 million bales in 1940). For 1942, it is planned that cotton production should be increased to nearly 12 million bales. The principal crop reduction is planned for wheat, the 1941 yield of which was especially heavy. Though production of wheat may be cut about one-eighth to the minimum acreage allotment authorized by the existing agricultural adjustment legislation, the crop anticipated still would be in excess of estimated domestic consumption.

As is evident from figure 15, stocks of all three of these staples held by the Government were further

Figure 15.—Commodity Credit Corporation Stocks (Owned or Pledged Under Direct and Guaranteed Loans) and Other Domestic Stocks of Wheat, Corn, American Cotton, and Flue-Cured Tobacco



NOTE.—Stocks of Wheat and Tobacco on July 1; Corn on October 1; Cotton on August 1.
Source: U. S. Department of Agriculture.

increased during 1941. At present, the Commodity Credit Corporation is limited by law to the sale of 1.5 million bales of cotton annually, at least two-thirds of which is already committed for lend-lease export. A restriction of this character on the sale of wheat does not exist.

All in all, the United States is in a much stronger position today for meeting the enhanced agricultural requirements than it was at the time of the last war. That this is the case can be seen clearly from the data set forth in table 9, which summarizes the Nation's agricultural resources, production, and consumption, as well as the income of the farmer himself, at the time of World War I and today.

Table 10.—Purchases of Surplus Marketing Administration and Federal Surplus Commodities Corporation During Calendar Years 1940 and 1941

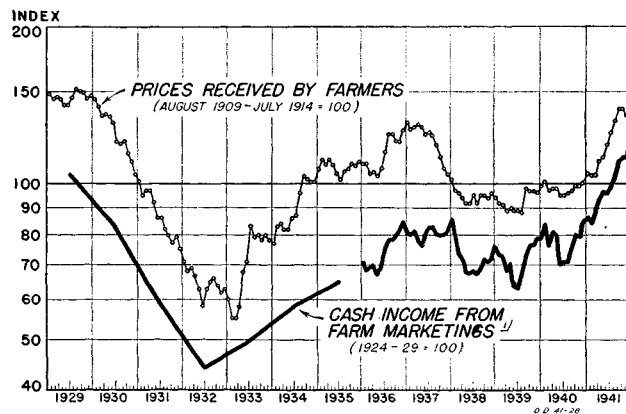
Commodity group	Quantity		Cost	
	1940	1941	1940	1941
	(Million of pounds)		(Millions of dollars)	
All foods.....	3, 103. 1	5, 076. 7	88. 2	481. 2
Meats.....	247. 0	812. 6	21. 1	157. 0
Canned pork.....		230. 0		74. 8
Pork cuts and lard.....	247. 0	574. 8	21. 1	79. 4
Dairy products.....	90. 1	1, 011. 2	7. 7	107. 7
Butter.....	11. 9	6. 7	3. 2	2. 0
Poultry products.....	104. 3	195. 9	12. 4	87. 1
Eggs.....	104. 2	189. 8	12. 3	80. 1
Vegetables.....	511. 9	721. 8	5. 5	25. 2
Canned vegetables.....		209. 5		11. 2
Dry beans.....	61. 1	279. 8	1. 8	10. 6
Fruit.....	818. 5	1, 266. 2	17. 0	45. 3
Canned fruits.....	10. 6	210. 0	. 6	13. 5
Fresh apples.....	351. 2	459. 4	5. 6	9. 1
Dried prunes and raisins.....	181. 4	366. 1	5. 9	14. 5
Grain and grain products.....	1, 326. 3	568. 7	24. 1	16. 3
Canned fish.....	2. 8	198. 6	. 1	23. 1
Canned pork and beans.....		213. 9		8. 9
Other foods.....	2. 2	87. 8	. 3	10. 6
Nonfoodstuffs.....	191. 5	199. 1	25. 8	17. 2
Total.....	3, 294. 6	5, 275. 8	114. 0	498. 4

Source: U. S. Department of Agriculture.

Farm Program Raises Prices.

The Government attempted to bring about the above changes in agricultural production through active control of many farm prices. In the case of a number of commodities, including hogs, evaporated milk, cheese, chickens and eggs, and a number of vegetables, the Surplus Marketing Administration actively entered

Figure 16.—Indexes of Prices Received by Farmers and Cash Income from Farm Marketings



¹ Data do not include governmental payments. Indexes are plotted annually through 1935 and monthly thereafter. The monthly indexes are adjusted for seasonal variations and are not available prior to 1936.

Source: U. S. Department of Agriculture.

the market and purchased the product at higher prices for lend-lease export. The Government guaranteed that the prices to be received by farmers for these commodities would not fall below 85 percent of parity through June 30, 1943. Of course, the parity itself varies directly with changes in the price of commodities used by farmers, as well as with changes in the interest and taxes they pay.

In the case of basic crops on the other hand, prices were raised in conjunction with crop control programs, irrespective of whether output needed to be curtailed as with wheat, or increased moderately, as in the instance of cotton and tobacco. These price advances were effected by Congressional legislation raising 1941 loan rates. The loan rates for wheat, corn, cotton, tobacco, and rice were placed at 85 percent of parity—an advance ranging from 15 to 50 percent over the loan rates which had prevailed in 1940.

Table 11.—Indexes of Prices Received by Farmers
[Aug. 1909—July 1914=100]

Group	1939	1940	1941	Dec. 15, 1940	Dec. 15, 1941
All farm products.....	93	98	122	101	143
Grain.....	72	85	96	81	112
Cotton and cottonseed.....	73	81	113	79	138
Fruit.....	77	79	92	75	98
Truck crops.....	105	114	145	93	156
Meat animals.....	110	108	146	111	160
Dairy products.....	104	113	131	128	148
Chickens and eggs.....	94	96	122	122	153
Miscellaneous.....	95	103	114	102	154

Source: U. S. Department of Agriculture.

The degree to which agricultural prices reacted to the stimuli was suggested in the discussion of commodity prices above. Prices of many commodities rose to parity or above as the combined domestic and foreign demand proved exceptionally heavy. Moreover, speculative activity in the principal markets contributed greatly to the price advance, as it appeared that price control legislation would permit ceilings to be imposed upon individual farm commodities only at high levels. Thus, cotton and cottonseed rose 75 percent, grains more than 50 percent, and meat animals 45 percent. The average of all prices received by farmers stood 42 percent higher on December 15, 1941, than a year earlier. However, many farm commodities were still materially below minimum price-ceiling levels as provided in the Emergency Price Control Act of 1942.

Table 12.—Prices Received by Farmers and Indicated Minimum Ceilings for Selected Farm Products

Commodity	Unit	Prices received by farmers (United States average)			Indicated minimum ceiling
		Dec. 15, 1940	Dec. 15, 1941	Jan. 15, 1942 ¹	
Wheat.....	Cents per bu.....	71.5	102.2	106.1	142.0
Corn.....	Cents per bu.....	54.5	66.9	72.7	103.1
Cotton.....	Cents per lb.....	9.33	16.23	16.93	21.5
Potatoes.....	Cents per bu.....	54.9	82.7	97.6	124.1
Chickens (live).....	Cents per lb.....	13.0	15.8	17.0	21.1
Eggs.....	Cents per doz.....	26.8	34.1	31.3	34.1
Hogs.....	Dol. per 100 lbs.....	5.59	10.21	10.55	11.59
Beef cattle.....	Dol. per 100 lbs.....	7.84	9.38	9.77	9.38

¹ "No maximum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices, as determined and published by the Secretary of Agriculture: (1) 110 per centum of the parity price of such commodity, adjusted by the Secretary of Agriculture for grade, location and seasonal differentials, or, in case a comparable price has been determined for such commodity under subsection (b), 110 per centum of such comparable price, adjusted in the same manner, in lieu of 110 per centum of the parity price so adjusted; (2) the market price prevailing for such commodity on Oct. 1, 1941; (3) the market price prevailing for such commodity on Dec. 15, 1941; or (4) the average price for such commodity during the period July 1, 1919, to June 30, 1929."—Emergency Price Control Act of 1942, sec. 3, subsec. (a).

Source: U. S. Department of Agriculture

Farm Income Highest Since 1920.

As a result of the increased output and higher prices, farm income in 1941 was the largest in the last 21 years. Cash income rose about 2.5 billion dollars, or more than one-fourth above the 1940 volume, to a total of 11.6 billion. In 1920, agricultural income was 12.6 billion.

The advance occurred by way of increased income from farm marketings. This expanded from 8.4 billion dollars in 1940 to 11 billions last year. Benefit payments made to the farmer by the Government decreased slightly to 600 million.

The rise in farm income was offset in part by an advance in the price of commodities purchased by the farmer. On the average these prices increased about 6.5 percent; hence in terms of purchasing power, cash farm income may be said to have risen in the neighborhood of 20 percent.

Consumption

Though the United States devoted an increasing share of the national product to preparation for war during 1941, consumption of goods and services by civilians rose markedly to an all-time peak. Consumers were in possession of greatly augmented purchasing power as a result of increased employment created directly or indirectly by public expenditure for armament. Wage rates, dividend payments, and other incomes also advanced, and added considerably to funds available for consumption.

Moreover, the existence of unemployed labor, the policy of constructing new finished armament facilities rather than converting existing plant devoted to producing civilian goods, and the fact that raw material use was relatively uncurbed during the first two-thirds of the year, all combined to make possible a record output of consumption goods. Only in the final quarter of the year was the output of consumers goods seriously threatened by raw material shortages. But even then, sizable inventories of the commodities eventually to be in short supply made possible the maintenance of sales.

With the outbreak of war, the increased supplies of goods for consumers coexistent with a growing quantity of armaments came to an end. The immediate stepping up of the arms program, the conversion of civilian plant, the curtailment of supplies from the Far East, and the spreading shortage of many raw materials, made it abundantly clear that consumption would be fettered to an increasing degree for the duration of the war.

For 1941 as a whole, consumer expenditures for goods and services rose to 74 billion dollars. The previous year they had been 65 billions. After adjusting for the rise in retail prices, it appeared that real consumption had risen nearly 10 percent. When compared with

1929, consumption for 1941 had advanced one-fifth while on a per capita basis it had increased in the neighborhood of one-eighth.

Thus, the Nation entered a war period extraordinarily well prepared for the restrictions on consumption that will be required. Stocks of durable goods in the hands of consumers were the highest in history, with an unusually large proportion of them produced in the last few years and hence in very good shape. Moreover, production of nondurables, including foods and other agricultural products, was also at a record high.

Retail Distribution

Sales of retail stores mirrored the course of the consumption advance, both in its entirety and in the varying movements of the different commodities. Retail purchases rose to an estimated total of 53.6 billion dollars, more than one-sixth above the 45.7 billion dollar volume of the previous year. However, allowance for higher prices cut the gain in real terms to approximately one-tenth.

The aggregate of sales within the year was what might have been expected, on the basis of past relationships, with the level of income that existed. However, the pattern during the year differed quite markedly from the movement that usually occurs as a result of seasonal influences.

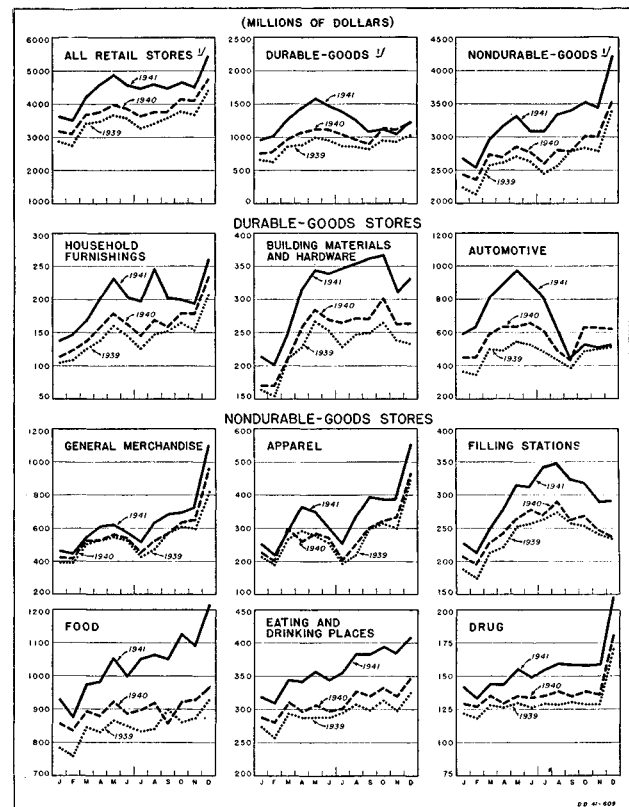
Retail purchasing was in line with income payments for the most part during the first six months. But in the third quarter, a combination of events set off a wave of consumer buying that expanded sales to an unusual degree. Of chief importance in this regard were the cessation of silk imports from Japan, a growing awareness of raw material shortages among the metals, and an anticipation of rising retail prices because of new Federal taxes and previous mark-ups at the wholesale level.

Following the unusual third quarter sales, purchasing in the fourth quarter, including the Christmas season, fell short of expectations based on consumer income. But again at the start of the current year, 1942, the issuance of a number of orders limiting civilian production in many lines unleashed another buying wave of even more generalized nature. Hence except where purchasing was restricted by Government order, sales during January did not experience the after-holiday let-down to anywhere near the usual extent.

Though output of many civilian durables had been limited in the final quarter of 1941, supplies were ample for the most part to fill demand. The extraordinary production in the previous 9 months had made possible an expansion of wholesale and retail stocks, and these were drawn upon, even through the first part of this year. At the same time, however, in those cases where supplies were shortest, rationing was undertaken in an effort to realize an efficient distribution among con-

sumers. Thus, as pointed out in the introductory section, by the start of 1942 it had become apparent that the pattern of consumption for the duration of the war would be altered drastically and that the aggregate of goods available for purchase would be seriously curtailed. Nevertheless, the country is in a relatively good position to meet the essential requirements of the civilian population even under the high stress of a full war effort. But many of the items in its high living standard will have to be sacrificed for the time being.

Figure 17.—Value of Sales of Retail Stores by Kind of Business



¹ Includes data for "Other Retail Stores" group not shown separately in this chart. Source: U. S. Department of Commerce.

Sharp Expansion in Sales of Durables.

Consumer demand for durable goods reacts most strongly to changes in the level of income and employment. Hence, sales of such items as automobiles and their supplies, household furnishings and appliances, and building materials and hardware, all advanced very sharply in 1941. Purchases of these commodities increased on the average from 20 to 25 percent, when measured in terms of value. Gains also were extensive in real terms; sales of new passenger cars, for example, increased to 3,800,000 units, the second best year in the history of the industry and approximately one-tenth above the previous year.

Retail buying of nondurables also increased considerably during 1941, the value of sales rising 16 percent on the average. Among stores specializing in these

commodities, apparel shops experienced the most heavily expanded business, with the value of sales advancing one-fifth. Even food stores, whose business usually fluctuates to a smaller extent than does that of most other shops, experienced an unusual rise in sales of more than one-seventh, though a good part of this increase represented higher prices. Likewise eating and drinking establishments reported large sales increases, extending a steady growth of recent years. The sales volume of this group moved ahead 16 percent in 1941.

Table 13.—Sales of Retail Stores, by Kind of Business

Stores, by kind of business	Sales (millions of dollars) ¹					Percentage increase 1941 over 1940
	1929	1933	1939	1940	1941	
All retail stores.....	48,459	24,517	42,039	45,694	53,613	17.3
Durable goods stores.....	14,180	4,844	10,376	12,157	14,882	22.4
Nondurable goods stores.....	34,279	19,673	31,663	33,537	38,730	15.5
Food.....	10,967	6,776	10,165	10,764	12,411	15.3
Eating and drinking.....	2,125	1,430	3,520	3,721	4,319	16.1
Apparel.....	4,241	1,930	3,259	3,413	4,089	19.8
Filling stations.....	1,787	1,532	2,823	2,982	3,500	17.4
Building materials and hardware.....	3,846	1,343	2,735	2,987	3,722	24.6
Household furnishings.....	2,755	959	1,733	1,934	2,387	23.4
Automotive.....	7,043	2,367	5,546	6,819	8,226	20.6
Drug.....	1,690	1,066	1,562	1,650	1,864	13.0
General merchandise.....	9,015	4,982	6,475	6,791	7,616	12.1
Other.....	4,990	2,132	4,221	4,633	5,479	18.3
All retail stores in 1935-39 dollars.....	41,032	28,262	42,667	45,749	50,182	9.7
All retail stores, per capita, in 1935-39 dollars.....	338	225	326	347	377	8.6

¹ Per capita sales in dollars.

Source: U. S. Department of Commerce.

Buying from general-merchandise stores rose to a somewhat smaller extent, with sales up about one-eighth on the average. However, within this group purchases from mail-order houses, responding in part to greatly augmented farm income, jumped nearly 30 percent as compared with 1940. Department-store sales increased 17 percent.

Consumer Credit Supports Retail Trade

As in past years, consumer purchasing was augmented by abundant credit supplies available on liberal terms. Approximately one-seventh of retail sales were made either on an installment account basis or by means of cash obtained through installment loans.

The movement of consumer credit followed closely the changing volume of consumer durable sales. Thus extremely heavy buying during the first 8 months of 1941 was a major factor in the growth of total consumer installment credit to a record peak of 6.1 billion dollars outstanding at the end of August. Subsequent to August, however, sales of durables lagged and these total outstandings declined by the end of the year to approximately 5.6 billions. Moreover, the likelihood of a drastic reduction of consumer durable goods output pointed to a very marked decline in the volume of installment credit. Consumers will continue to make repayments on the debts built up during the past several

years. However, they will find it impossible to buy many commodities, particularly durable goods, which normally involve the use of credit, and a sharp contraction of retail consumer installment debt will result.

The volume of retail installment sales increased more than one-sixth in 1941 to a record total of 6.9 billion dollars. This figure does not include a further estimated 1 to 1.5 billion dollars which was made available for purchase of consumer durables through cash loans made by banks and other credit agencies. Thus total consumer purchases on some form of installment credit in 1941 were in the neighborhood of 8 billion dollars.

Roughly nine-tenths of retailers' installment sales represented such consumer durable goods as automobiles, refrigerators, ranges, and a variety of household equipment and hard merchandise. The remaining tenth chiefly included apparel and other soft goods, and jewelry. As in other years, by far the largest volume of sales on time was made by automobile dealers, including both new and used cars. Indeed, more than half of total retail installment sales (approximately 3.9 billions) represented time payment sales of automobiles, an amount nearly 20 percent in excess of 1940. Installment credit advanced by general merchandise stores and furniture stores also gained about 20 percent to a combined total of 1.6 billion dollars in 1941. A somewhat smaller rise was reported by household appliance and radio stores.

Federal Reserve Board Places Curbs on Consumer Credit.

One event of some significance in limiting retail sales of durables during the final quarter of 1941 was the tightening of consumer credit terms under regulations promulgated by the Federal Reserve Board. By Executive order in August, the Board was directed to regulate the issuance of consumer credit as an aid in curtailing the demand for commodities which embodied raw material needed in the output of armament and in the construction of capital facilities required by the armament program.

To this end, regulations governing the issuance of installment credit for 24 metal-using commodities were placed in effect on September 1. In general, these regulations increased down payments and shortened payment periods. In but few instances, however, did the new terms differ drastically from those already prevailing over large sections of the trades concerned.

Though the new credit regulations may have played some part in cutting installment credit during the final quarter of 1941, they probably exerted only minor influence. Of more importance were the various factors set forth above which led to consumer stocking during the late summer months, but curtailed consumer demand in some segments of the retail markets at year end. Mainly because of reduced production of consumer durable goods, a further drastic decline in installment credit outstanding is expected throughout 1942.

Wholesale Distribution

Wholesalers experienced a general expansion of business in 1941. Both the high rate of business expenditures and the increase in retail sales were instrumental in elevating the aggregate of wholesale trade to 80 billion dollars. This value, of course, is the sum of all intermediate transactions, the same commodity often passing through the hands of several dealers. The 1941 total represented the largest volume in trade annals and was an increase of 18 billions or 29 percent over 1940. Here again, however, higher prices were responsible for a good part of the advance—possibly as much as two-fifths.

The most important wholesale group are the service and limited-function dealers. These more closely represent what are generally termed wholesale merchants and jobbers, and they account for about 40 percent of the total wholesale trade. The remaining trade is handled for the most part by manufacturers' sales branches and offices, petroleum bulk stations and terminals, agents and brokers, and assemblers.

The service and limited-function dealers increased their business about 30 percent, turning over some 34.5 billion dollars of goods within the year. Much of this gain was concentrated in the first 3 quarters, as retailers purchased in steadily heavier volume during this period. Not a little of the buying by retailers represented inventory accumulation, which by autumn was almost a fifth higher than in the like period of 1940 (here again part of the increase represented higher prices).

This retail stock accumulation, in combination with less vigorous consumer buying, slowed wholesalers' sales somewhat in the final quarter, in contrast to the marked advance in the earlier part of the year.

As was the case among retailers, those wholesalers specializing in durable goods received the largest increase in business. This movement was even more evident for wholesalers, since those handling producers' goods, such as machinery, metals, hardware, plumbing and heating supplies, and electrical goods, received business ranging from 40 to 50 percent above the 1940 value. Wholesale dealers in dry goods, clothing and footwear, lumber and building materials, and furniture and housefurnishings increased their sales about one-third in value. Again, even grocery and food dealers, whose gains usually do not vary widely from year to year, reported sales receipts one-fifth higher in 1941 than in 1940; price changes, however, accounted for the major portion of the advance.

Inventories

A substantial part of 1941 output went into inventory holdings. Altogether, business inventories were expanded to record size in a broad wave of accumulation that reached its crest in the final quarter of the year.

However, in contrast to the large inventory advance that occurred in 1937 and in the closing months of 1939, last year's rise did not serve as a major factor shaping the increase in aggregate production. Rather it reflected the needs of that increase, as well as the reaction to the supply and price conditions thereby created.

Thus, a sizable part of the advance in manufacturers' stocks represented goods in process and necessary raw materials as growing output required larger inventories in these forms. At the same time, the strong demand for final products which prevailed in all markets throughout the year effectively prevented any excessive piling up of finished goods inventories in the hands of manufacturers. Finally, the continued rise in prices, as well as actual and potential shortages led to much protective buying. Of course, increased prices also

Table 14.—Estimated Value of Inventories

[Billions of dollars]

End of year	Grand total	Manufacturers			Wholesalers	Retailers
		Total ¹	Durable	Nondurable		
1938.....	18.2	10.0	4.4	5.1	3.3	4.9
1939.....	19.3	10.7	4.8	5.4	3.5	5.1
1940.....	21.2	11.9	5.8	5.6	3.7	5.5
1941 ²	27.3	15.8	7.8	7.3	4.7	6.8

¹ Includes the printing and publishing and miscellaneous industries.

² Preliminary.

Source: U. S. Department of Commerce.

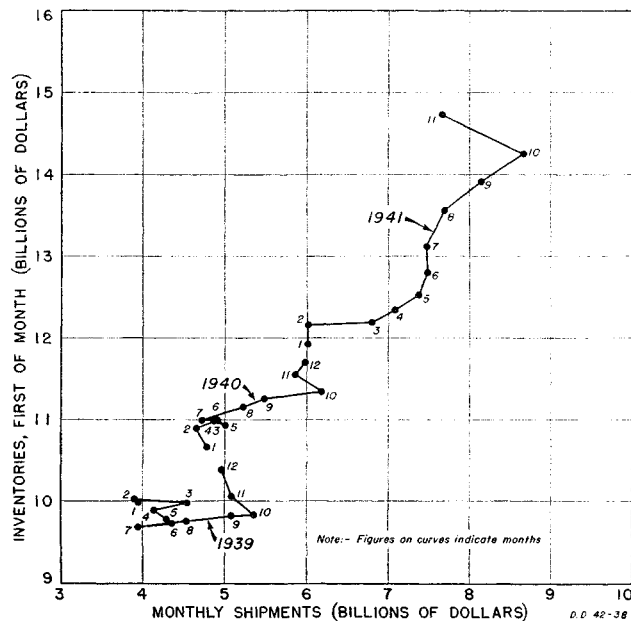
made for higher valuations as supplies were converted into inventories at progressively higher prices.

Combined inventories of manufacturers, wholesalers, and retailers amounted to 27 billion dollars at the end of December, more than 6.1 billion above their value at the end of 1940. Though over one-third of the rise can be attributed to higher prices, the increase in physical stocks was the largest yet reported. Manufacturers registered the heaviest advance of the three groups, as their holdings rose to a value of 15.8 billion dollars at the end of the year, compared with slightly less than 12 billion at its beginning. Retailers' stocks increased in value from 5.5 billion dollars to about 7 billion, while a rise of a billion in wholesale stocks lifted their aggregate value to 4.7 billion. In percentage terms, manufacturers' inventories increased 33 percent, while those of retailers and wholesalers advanced 24 and 27 percent, respectively.

An outstanding feature of the last half year was the sharp increase in the value of inventories relative to output in manufacturing industries. This development reflects the many influences retarding output gains plus those leading to protective inventory accumulation as the year progressed. Much of the available slack in manufacturing capacity, which had made possible earlier large increases in output, had been taken up by the middle of the year. As a result, the Department's index of manufacturers' shipments (Jan-

uary 1939=100) rose only 15 points after June compared with a rise of 39 points during the preceding six months. On the other hand, the rate of inventory accumulation in the last half of the year was approximately double that prevailing over the first six months. Both factors thus combined to lift the relationship of inventories to shipments to the new and higher levels shown on figure 18.

Figure 18.—Relationship between Manufacturers' Inventories and Shipments



NOTE.—December 1941 data were not available in time to include them in this chart. Source: U. S. Department of Commerce.

During the first half of 1941 a parallel growth of inventories and shipments is revealed by the figure. Expanding output called for larger stocks in this period as in previous years. By the middle of the year, however, the emphasis in over-all inventory policy had shifted from the maintenance of previously established stock-shipment patterns to protective buying on a large scale. Though further advance in production had now become dependent upon the relatively slow expansion and conversion of facilities, inventories piled up at an accelerated rate. Moreover, the scope of the movement gradually broadened until it embraced almost the entire producing economy.

Durable goods industries continued to pace the rise with record accumulations of more than 700 million dollars in the final quarter and only slightly less in the third quarter of the year. Particularly large increases were recorded for those industries engaged in producing for the war effort. Thus, the index for transportation equipment closed the year at 662 compared with 428 in June and 278 at the beginning of the year. Similarly, the index for electrical machinery reached 238 at the year end—up nearly 100 points from the previous year. The Department's index of the value of inventories

held by all durable goods industries rose from 130 to 176 during the year.

The second half year also witnessed a tremendous advance in the value of stocks held by producers of nondurables. Large increases in foods, textiles, chemicals, and other nondurables were recorded as it became apparent that shortages were spreading to areas previously affected but little and that the upward pressure on prices was becoming more intense. Altogether, the value of inventories held by producers of nondurables rose more than 800 million dollars during the final quarter of 1941. For the year as a whole the index for nondurables advanced from 111 to 144 [average month, 1939=100].

Widespread protective buying coupled with slower advances in manufacturing production have thus strengthened the over-all inventory position of manufacturers. Wide variation exists among different industries, however. For example, the iron and steel and their products group increased shipments during 1941 with little change in inventories. Other industries, unable to expand shipments, continued to increase stocks. Large advances in the shipments of war industries kept their rapidly growing inventories closely in line with previously established patterns. But in the aggregate, the level of stocks with reference to shipments is now considerably higher than in the pattern exhibited prior to June.

Retail and wholesale inventories were discussed in some detail in the January issue of the Survey. Since then, the year-end census of independent retail stores conducted by the Department of Commerce has shown that total stocks reported by more than 8,000 stores in 34 States were 21 percent higher on December 31, 1941, than they were one year ago. Increases ranged from 8 percent in drug stores to 30 percent in the furniture, household, and radio group. Dealers in commodities for which demand has been particularly heavy such as hardware stores, and lumber and building materials made much less than average additions to stocks.

Construction

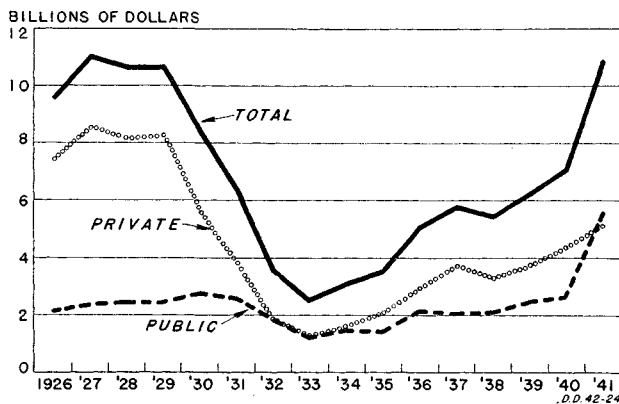
Relatively larger than the expansion of manufacturing was the advance in construction. Record capital formation created as a result of direct military requirements and the indirect stimulus of armament expenditures yielded a volume of construction in 1941 half again the size of that in 1940 and the largest for any year since 1928. Total expenditures on new construction are estimated to have been just under 11 billion dollars (see table 15 and figure 19).

A considerable part of the construction during the year, and all of the increase over 1940, was related to the war effort. The outlay on publicly-owned construction more than doubled that of the previous year, with most of the increase occurring in military facilities, war production plants, and housing in critical areas.

The total was well above any other year including those of the last war.

Through the final quarter of the year construction which did not meet war requirements suffered increasingly because of difficulty in obtaining essential materials. However, by the year end there had been little more than a seasonal decline in total construction activity. And war requirements suggested that, in spite of drastic curtailment of some types of projects because of the scarce material supplies, total expenditures on construction in 1942 would at least approach the 1941 level. Direct military construction is to be much heavier than last year, while the building of new plant should be reduced but little. In addition, con-

Figure 19.—Estimated Value of Total, Public, and Private New Construction



NOTE.—Data do not include work-relief new construction for which separate figures are not available. Data for total work-relief construction are shown in Table 15, p. 36.

Source: U. S. Department of Commerce.

siderable activity in other fields, including residential building, is deemed essential to the war effort.

Residential Construction

Increased consumer purchasing power, the extraordinary growth in the number of new families, and extensive internal migration into war production areas, all combined to create during 1941 the heaviest demand for housing since the late twenties. Outlay on new nonfarm residential construction rose to 3.2 billion dollars, 25 percent in excess of that in 1940. The peak for housing expenditures was realized in 1926 with an outlay of 4.6 billion, while the low point in recent years was the 413-million-dollar-expenditure in 1933. Altogether, work was started on 615,000 nonfarm dwelling units, 14 percent more than in 1940 and the largest number in 13 years.

As a matter of fact, the effective demand for housing was even greater than these figures indicated. The number of vacant dwellings declined markedly and for the country as a whole the vacancy ratio was reduced below what is usually considered normal. In many war production areas, of course, vacant dwelling units declined to an irreducible minimum. In addition,

conversion and rehabilitation of existing structures were undertaken to an unusual degree, while light house-keeping units, trailers, and other dwelling units not counted as new construction, appeared in large numbers within many critical areas.

The strength of the housing demand in 1941 is further emphasized when it is realized that the large gain occurred in the face of a substantial rise in costs. Building costs for a standard 6-room frame house, for example, rose 11 percent.

However, the increased level of income tended to offset the retarding influence of the cost advance, not only directly but also through various indirect effects. Thus, while the number of marriages in 1939 and 1940 was exceptionally high, favorable economic conditions and the war led to a further increase last year. Some of the war marriages of course did not create new households; nevertheless, the net increase in households probably exceeded the large number reported in each of the previous two years. Again, the increased income favored further "undoubling" where two or more families had been living as one household. No statistical measurement of this latter development exists, but evidence from many sources points to its having grown markedly last year.

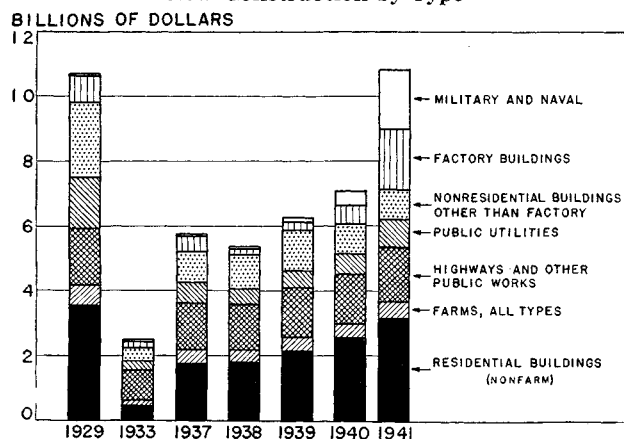
A good share of the increased residential building represented public construction. About half a billion dollars was spent on public housing in 1941, as compared with 200 million in 1940. Approximately one-third of the total represented a continuation of the slum clearance program. The balance of public building was required to meet housing shortages in critical areas of war production.

To assure an adequate program for this purpose, the President established a Coordinator of Defense Housing, whose duty it was to gauge the needs and arrange with the necessary authorities that the materials be made available and the actual construction be undertaken. For the most part the building itself was carried out by the various housing agencies under the Federal Works Administration. Altogether, 106,000 units were started and 65,000 units had been completed up to the end of 1941. One significant aspect of this program was the emphasis on demountable housing which served to encourage and develop prefabrication.

By the year end the outlook for housing during 1942 had been rendered very complex because of the growing shortage of raw materials, particularly metals. In mid-September, priority assistance for obtaining required materials was limited to those new housing units in critical areas which cost less than \$6,000. Inventories in the hands of building supply dealers were considerable, however, and construction of larger units remained in sizable volume. Building of this character cannot continue indefinitely; so most new residential construction in 1942 will of necessity have to fulfill priority specifications.

The total supply of scarce materials that would be allocated for housing purposes had not been determined at the year end. A figure of 300,000 units—200,000 privately owned and 100,000 publicly owned—

Figure 20.—Estimated Value of Public and Private New Construction by Type



NOTE.—See note on Figure 19.

Source: U. S. Department of Commerce.

had been announced by priority authorities, but no specific time limit had been included. At the start of this year, applications had been approved covering all of the public and about half of the private quota. Applications were being received at a rate which would exhaust the balance of the quota before the end of the first quarter in 1942. At that time, the urgency of additional housing in critical areas will have to be weighed against other essential needs and the total residential building which must be undertaken in 1942 can then be determined.

In this regard, the heavy residential building last year was of particular importance, for on the whole it left the American people better housed than at any other time in the last decade. Only in areas requiring an influx of new labor will residential building be extensive. In all sections, the rise in the number of households normal in more usual times will be curtailed because of war service. At the same time, restrictions on new construction should again encourage a large amount of conversion and renovation of existing structures, as well as the increased use of light housekeeping quarters, trailers, and other alternatives to new building.

Industrial Construction

One of the most significant construction developments during 1941 was the increased building of manufacturing plant. The creation of a tremendous new armament industry, combined with a sizable expenditure on plant for civilian use, carried the total outlay to 1.9 billion dollars. This was more than double the 1929 peak and perhaps 3 times the volume realized in the high year of the last war.

As stated in the introductory section of this economic review, over half of the plant construction occurred in the direct armament industries, including the tremendous expansion of aircraft capacity, a more than tripling of the Nation's shipways, and the enormous growth in plant for turning out such commodities as tanks, guns, ammunition, and explosives. As a matter of fact, new armament plant constructed in 1941 was itself more than double the entire plant investment (not including machinery, of course) of the automobile industry.

Table 15.—Construction Activity in the United States, by Function and Ownership¹

[Millions of dollars]

Item	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941
Total construction (new, work relief, and maintenance).....	13,780	11,409	8,676	5,330	4,142	5,415	5,956	8,644	9,139	9,129	9,960	10,636	14,325
Private.....	10,554	7,761	5,323	2,912	2,285	2,752	3,461	4,630	5,564	5,069	5,563	6,268	7,212
Public.....	3,226	3,648	3,353	2,418	1,857	2,663	2,495	4,014	3,575	4,060	4,397	4,368	7,113
New construction.....	10,668	8,398	6,347	3,578	2,485	3,044	3,497	5,062	5,748	5,392	6,245	7,085	10,811
Private construction.....	8,257	5,621	3,770	1,784	1,269	1,558	2,048	2,888	3,710	3,306	3,744	4,409	5,236
Residential (nonfarm) ²	3,562	1,790	1,460	638	413	591	913	1,368	1,655	1,767	2,046	2,323	2,675
Net nonresidential building.....	2,501	1,888	1,096	544	417	441	457	698	1,022	683	746	973	1,191
Commercial ³	1,187	998	582	263	135	157	196	255	369	292	294	347	388
Factory ³	830	519	214	83	188	178	160	284	503	191	229	441	611
Other nonresidential.....	568	467	356	220	104	117	113	175	179	224	247	217	242
Deduct—Nonresidential building by privately owned utilities.....	84	96	56	22	10	11	12	16	29	24	24	32	50
Farm construction ⁴	631	431	267	140	194	219	340	358	413	364	425	468	540
Public utility construction.....	1,563	1,512	947	462	245	307	338	464	620	492	527	645	830
Public construction.....	2,411	2,777	2,577	1,794	1,216	1,486	1,449	2,174	2,038	2,086	2,501	2,676	5,575
Highway.....	1,248	1,481	1,323	916	675	821	622	876	850	837	884	945	1,013
Residential.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Nonresidential building.....	642	647	591	408	191	207	260	545	467	571	783	501	1,672
Commercial ³.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Factory ³.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Other nonresidential building.....	642	647	591	408	191	188	248	530	416	536	741	17	1,286
Military and naval ⁶	19	29	40	34	36	47	37	29	37	62	119	473	1,768
All other public construction ⁷	502	620	623	436	314	410	521	662	591	581	634	555	640
Work relief (new and maintenance).....	.....	.....	.....	.....	114	578	406	1,130	775	1,202	1,032	805	613
Maintenance.....	3,112	3,011	2,329	1,752	1,543	1,793	2,053	2,452	2,616	2,535	2,683	2,746	2,901
Private.....	2,297	2,140	1,553	1,128	1,016	1,194	1,413	1,742	1,854	1,763	1,819	1,859	1,976
Public.....	815	871	776	624	527	599	640	710	762	772	864	887	925

¹ Approximately comparable data beginning with 1915 are available in "Construction Activity in the United States, 1915-1937," Domestic Commerce Series No. 99.

² Preliminary estimates of the Bureau of Labor Statistics. Further revision, dependent on incorporation of final census data, is in progress.

³ Small but indeterminate amounts of public factory and commercial construction included under private construction prior to 1934.

⁴ Estimates of the Bureau of Agricultural Economics; include indeterminate amounts of maintenance.

⁵ 1940 and 1941 public factory figures include all Army and Navy warehouses not

a part of the cantonment program. Previous to 1940 all warehouses other than those constituting integral parts of factories were classed as commercial.

⁶ Includes cantonments, aeronautic facilities, navy yards and docks, Army and Navy hospitals, etc.

⁷ Includes construction expenditures for sewage disposal, water supply, conservation and development (chiefly rivers and harbors and reclamation), and miscellaneous public service enterprises.

Source: U. S. Department of Commerce.

Again, as suggested above, the rise of the armament industries made necessary a further growth of machinery and raw material output. Chemicals, iron and steel products, aluminum, and other nonferrous metals, were the materials undergoing the largest plant expansion as a result.

The extent of new plant classified as being chiefly for use in producing civilian goods is best indicated by the fact that despite increasing raw material shortages, the building of such plant was greater than in 1940. Nevertheless, this still constituted but one-fourth of the total plant construction in 1941. The food and kindred products, textile, pulp and paper, and automobile industries undertook the heaviest construction.

By the fourth quarter of the year, raw material shortages had limited both the need for civilian plant construction and the ability to carry it through. Priority assistance in obtaining either machinery or materials was formally denied those who sought to make such investment and building of that character was on the decline.

One development of significance was the huge plant construction carried out under the auspices of the Federal Government. Approximately two-thirds of the total industrial construction in 1941, including nine-tenths of the armament plant, was on Federal account.

Since the outset of the military program in the second quarter of 1940, new industrial construction has risen continuously. The annual rate at the earlier date was less than 400 million dollars; today it is more than 2 billion. Commitments already made at the time war was declared indicated that this pace would be continued at least into the second part of 1942, even though construction of other than war production plants had been virtually eliminated. Moreover, the enlarged arms program demands a further large increase in industrial capacity.

While much of the increased arms capacity is to be achieved in part through wholesale conversion of existing civilian plants, new construction also is to play an important role, both because new building is at times more rapid and because not a small part of the required plant is for the production of commodities that cannot be made in converted facilities. All in all, the necessary new steel, aluminum, magnesium, chemical, bomber, ordnance, and similar plants tend to substantiate a forecast that outlays in 1942 will rise above, rather than fall below, the current rate.

The same conclusion is expected in the case of certain types of public utility construction. In 1941 the total of this category advanced to 830 million dollars, up considerably from the 645 million of the previous year but still far below the volumes realized in the latter twenties. Railroad and electric power construction both were much heavier as increased demand incident to the broad industrial expansion required either an

enlarged capacity or extensive improvement of that already existing. A similar development may occur in 1943. Electric power plant, for example, is scheduled to undergo a record expansion. However, part of the new construction of utilities, as with manufacturing concerns, will be offset by deferment of maintenance and repair, required as a result of short material supplies.

Public Construction.

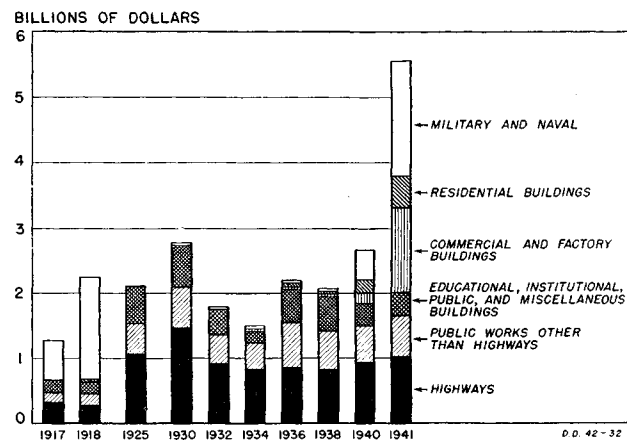
Public construction had been at an all-time peak in 1940, but it was more than doubled in 1941. Moreover, the total of 5.6 billion dollars was one and a half times the volume found necessary in 1918, the peak year of the war.

A number of developments, some of which already have been covered, were responsible for this sharp advance. The most important were the rise in factory building for public account, the very extensive military and naval construction, and the increased volume of public residential building. In addition, however, almost all other forms of public construction expanded. Outlay for new highways, for example, is estimated to have been slightly more than 1 billion dollars, 7 percent above 1940.

Heavy Military and Naval Construction.

One public construction category which assumed major proportions in 1941 was that which embraced the building of cantonments, air fields, naval bases, and other military facilities. Details on this construction

Figure 21.—Estimated Value of Public New Construction by Type



NOTE.—See note on Figure 19.

Source: U. S. Department of Commerce.

are not available for publication. However, the total outlay within the continental United States itself jumped to approximately 1.8 billion dollars in 1941, as compared with 473 million in 1940. Even before the United States became directly involved in the war, projects had been scheduled that would more than maintain expenditure at the 1941 rate through the first half of 1942. Since then, of course, the program has been stepped up very markedly.

Rise in Construction Costs.

It was earlier pointed out that the huge advance in construction last year occurred in the face of a substantial increase in costs. The imperative nature of a large proportion of the demand, as well as the increased level of income, made cost conditions a factor of secondary importance in most instances, and the increase probably had but minor influence in retarding demand. Certainly of much greater importance in this instance was the prospective shortage of raw materials in the latter part of the year.

Quoted prices for building materials, as measured by the Bureau of Labor Statistics' index, rose 9 percent during 1941. According to indices compiled by the Engineering News-Record, the advance in construction wage rates within the year was 9 percent for common labor and 4 percent for skilled labor. As a result of these and other changes, the Home Loan Bank Board index of the cost of building a standard 6-room house rose 11 percent.

The rise in actual costs was probably higher than is indicated by these and other published data. For, in addition to the increase in quoted prices for building materials, there existed less than the usual amount of price undercutting, and some premiums were even paid to get scarce items. Moreover, fewer concessions from prevailing wage rates were obtained, and more extra pay for overtime was required. Finally, the problems and uncertainties of carrying through a large volume of construction in a war dislocated economy increased the contractor's overhead and administrative expenses, and required a larger margin for contingencies. In a "sellers' market," contractors, subcontractors, and others in the industry were able to mark up their prices accordingly. As the year ended, this general upward trend in costs was continuing.

Public Utilities**Electric Power**

The tremendous growth of industrial activity led to an unusual and record year for the electric power industry. Capacity, output, number of customers, revenue—all were the largest in the history of the industry. But, notwithstanding a very substantial installation of new generating capacity, as well as the construction of much interconnecting transmission line, power output within some regions proved inadequate to meet peak demands for the first time since the last war. Moreover, at the start of the new year, it was clear that shortages would become more widespread during 1942, although peak output was scheduled again to be stepped up markedly in almost all regions.

Sharp Advance in Industrial Sales.

Sales of electricity to ultimate customers rose 18 percent to a total of 140 billion kilowatt-hours in 1941.

By far the largest expansion (28 percent, and close to three-fourths of the total increase) represented purchases by large industrial plants, chiefly a reflection of the heavy industrial output. Newly constructed plants took a somewhat larger proportion of their power requirements from public utilities than did the rest of manufacturing on the average.

Sales to commercial and residential customers also moved forward. The former were up about 10 percent, a larger expansion than that which has occurred in the recent past. On the other hand, the 8-percent advance in sales to residential consumers was smaller than the average gain in the late thirties.

This latter development was not the result of a smaller addition to the number of residential customers. These showed the largest increase for the past 13 years, partly because of the large amount of housing for defense workers. However, the gain in the number of kilowatt-hours taken per customer was less than in recent years, rising only from 952 to 986. This was the case despite the fact that sales of electric appliances (chiefly responsible for increased household use of electricity) were the heaviest on record. For example, over 3.5 million refrigerators were purchased, as contrasted with 2.7 million a year earlier, while the sale of 684,000 ranges was 70 percent above the 1940 total.

The trend toward lower rates was continued throughout last year. But in the case of residential consumption, the decline was smaller than in previous years. Both the rate reductions and the more intensive use of electricity under graduated rate schedules, brought a decline in the average cost to residential customers from 3.84 cents a kilowatt-hour in 1940 to 3.73 cents a kilowatt-hour last year.

Table 16.—Revenue per Kilowatt-Hour of Electrical Energy Sold, by Consumer Classes, 1929–41
(Cents)

Year	Residential or domestic	Farm	Commercial and industrial		Total
			Small light and power	Large light and power	
1929	6.33	2.54	4.24	1.38	2.57
1930	6.03	2.61	4.13	1.41	2.66
1931	5.78	2.70	4.17	1.47	2.75
1932	5.60	2.98	4.14	1.53	2.85
1933	5.52	2.85	4.07	1.38	2.66
1934	5.33	2.65	3.99	1.35	2.58
1935	5.01	2.86	3.82	1.30	2.46
1936	4.67	2.77	3.60	1.19	2.27
1937 ¹	4.30	2.26	3.41	1.14	2.17
1938 ¹	4.14	2.47	3.30	1.20	2.30
1939 ¹	4.00	2.42	3.19	1.12	2.16
1940 ¹	3.84	2.48	3.08	1.06	2.06
1941 ^{1,2}	3.73	2.70	2.94	1.00	1.90

¹ Revised figures to conform with Uniform System of Accounts prescribed by the Federal Power Commission.

² Based on estimated sales for all farm service; under the system of accounts in effect beginning 1937, farm service is not reported as a separate class.

³ Data for 1941 are estimates.

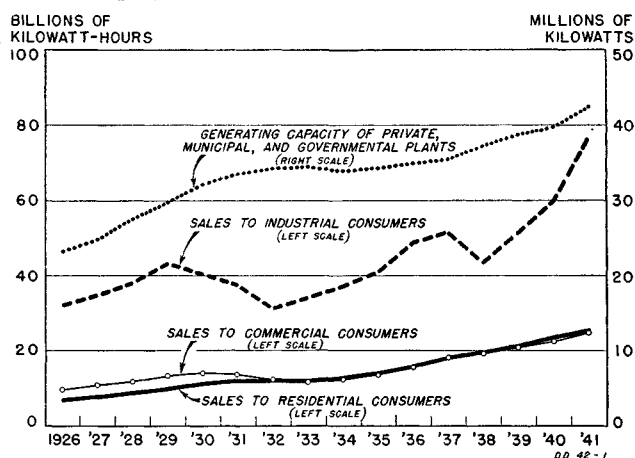
Source: Edison Electric Institute.

The magnitude of the increased demand for power varied widely from area to area, being particularly large in those regions heavily engaged in producing

commodities for military and capital use. Industries producing durable goods and chemicals require exceptionally large amounts of electric power. Moreover, in some cases, the yearly peak requirement was raised relative to that of any single month. Such important power consumers as the electrochemical and electrometallurgical industries formerly used much secondary power, curtailing activity during periods of peak demand. Today, however, they maintain a continuous operation. On the average, power facilities were used more intensively last year, the kilowatt-hours generated per kilowatt of capacity advancing from 3,538 in 1940 to roughly 3,900 in 1941.

The effect of the new arms industries on power demand is well illustrated by the experience in the Pacific Northwest and the Tennessee Valley regions

Figure 22.—Kilowatt-Hour Sales of Electricity During the Year to Ultimate Consumers and Kilowatt Generating Capacity on December 31 of Plants Contributing to the Public Supply



Source: Edison Electric Institute.

which have received large new aluminum, magnesium, and chemical plants. The peak requirements in the former section were 38 percent higher in November of last year than a year earlier. In the Tennessee Valley area, the gain was limited to 16 percent because of inability to fill all requirements. Drought conditions so lowered hydroelectric reserves in that region as to make necessary an informal rationing of available power supplies. Commercial and nonessential industrial uses were curtailed, and plans for the inauguration of power priorities throughout the entire section were formulated. However, a timely end to the drought indefinitely postponed the latter program.

Large Expansion of Capacity.

Peak requirements for the country as a whole occur in December. This past year they stood more than a tenth above those of December 1940. To meet such a demand, the utilities undertook one of the largest capacity expansions in their history. Altogether, 2,854,000 kilowatts of new generating capacity was installed

in 1941, only a very small part of this being for replacement. More than two-thirds of this was added by private electric utility companies, while approximately one-fourth represented new Federal plant, and the remaining small amount went into municipal utilities. At that, installations fell short of the total scheduled for the year because growing raw material shortages, as well as competition from shipbuilding and other industries, held back equipment production.

Table 17.—New Capacity Added, Capital Expenditures, and Security Issues by the Electric Power Industry, 1936-41

Year	Net addition to generating capacity (thousands of kilowatts)	Capital expenditures	Security issues ¹	
			New capital	Total
Millions of dollars				
1936.....	490.0	289.7	59.7	1,331.9
1937.....	569.9	455.5	82.0	645.7
1938.....	1,907.7	482.0	123.1	964.0
1939.....	1,275.8	430.0	16.2	996.3
1940.....	1,321.0	596.6	92.4	989.5
1941.....	2,712.0	654.1	97.1	740.8

¹ Preliminary.
² Not including common-stock rights and warrants.
³ Estimated on 10 months' operations.

Sources: Net addition to generating capacity is based on data published by the Edison Electric Institute; capital expenditures and security issues were compiled by the Electrical World.

Installations deferred until 1942 totaled some 600,000 kilowatts. There remain scheduled for installation during the current year, 3,655,000 kilowatts. Whether or not such a program can be fulfilled rests upon the allocation of raw materials and machinery producing capacity by the War Production Board.

Though the expansion in generating capacity was extremely large, it still was less than the increase in peak demand, a deficiency made up by drawing on existing reserves. In this regard, reserve requirements were decreased somewhat by construction of a large number of interconnecting transmission lines. For example, pooling arrangements in the Southeast area were effected to include utilities in 13 States from Ohio and Virginia to Florida and Louisiana. Thus, if necessary, power can be made available to the Southeast from the Middle West by displacement through a series of interconnections.

Railroads

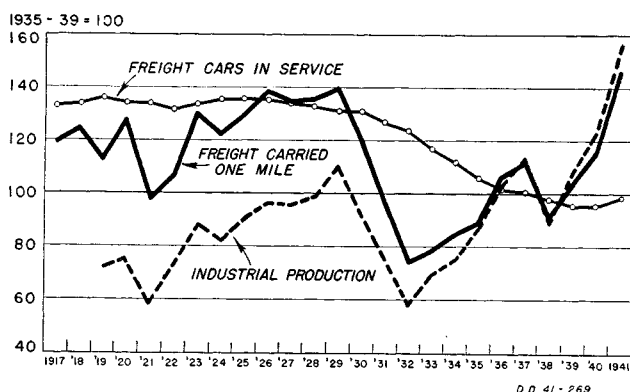
The railroads—a major industry whose operations consistently failed to recover substantially during the past decade—were called upon to move a volume of freight and passengers in 1941 that in many instances strained their existing equipment capacity. Indeed, at the peak period of freight traffic, the carriers achieved a record operating performance. One result of this heavy increase of business was a decided improvement in the carrier's financial position, net operating income approaching the level of 1929. At the year end, the railroads, like many other industries, found their

position transformed from one of insufficient demand to one requiring an expansion of existing facilities in order that traffic volumes expected in 1942 might be adequately handled. At the same time, however, the carrier's ability to obtain such equipment was severely limited by the great need for materials and labor on the part of the war production industries. It thus appeared necessary for the roads to achieve the most complete cooperation and coordination during this year in an effort to realize their utmost efficiency of operation.

Traffic and Earnings.

Carloads of railroad freight last year rose 16 percent over 1940, the total for the year reaching 42.3 million

Figure 23.—Indexes of Freight Carried One Mile, Freight Cars in Service, and Industrial Production.



Sources: Indexes of railroad statistics calculated from basic data for Class I Steam Railways, excluding switching and terminal companies, published by the Interstate Commerce Commission; index of Industrial Production, Board of Governors of the Federal Reserve System.

cars. Traffic attained peak proportions by the middle of June, and from that time to the end of October, omitting 2 holiday weeks in the intervening period, averaged 901,000 cars weekly. The volume in the highest week of the year (October 12-18) amounted to 923,000 cars, compared with 838,000 in 1940 and 856,000 in 1939.

The influence of the armament program was especially evident in the expansion of miscellaneous (manufactures), ore, coke, and forest product loadings. These rose 24 percent over 1940, in keeping with a 27-percent advance in industrial output and an increase of about one-fourth in construction. The groups showing smaller gains included agricultural products (up 6 percent), less-than-carload merchandise (up 5 percent—a substantial increase, however, for this sluggish group), and coal (up 11 percent).

The 16-percent rise in carloadings understated the expansion of freight traffic, however, for ton-miles of revenue freight increased by one-fourth, as the war program required that larger volumes of durable products be transported over longer distances. As a matter of fact, the ton-mileage for the year was the largest on record, as an abnormally high proportion of total traffic moved by main line between large centers of production.

Table 18.—Operating Revenues and Income, Fixed Charges, and Net Income, Class I Steam Railways (Excluding Switching and Terminal Companies), 1929-41

[Millions of dollars]

Year	Gross operating revenues	Operating ratio	Net railway operating income	Fixed charges	Net income
1929	6,279.5	71.76	1,251.7	680.4	896.8
1930	5,281.2	74.43	868.9	671.0	523.9
1931	4,188.3	76.97	525.6	660.2	134.8
1932	3,126.8	76.87	326.3	654.1	^d 139.2
1933	3,095.4	72.66	474.3	665.7	^d 5.9
1934	3,271.6	74.64	462.7	653.1	^d 16.9
1935	3,451.9	75.11	499.8	648.9	7.5
1936	4,052.7	72.33	667.3	653.3	164.6
1937	4,166.1	74.87	590.2	629.0	98.1
1938	3,565.5	76.35	372.9	614.4	^d 123.5
1939	3,995.0	73.05	588.8	607.7	93.2
1940	4,296.6	71.90	682.1	608.6	188.9
1941	^p 5,346.7	^p 68.53	^r 999.5	¹ 620.0	¹ 500.5

^p Preliminary.

^d Deficit.

¹ Estimated.

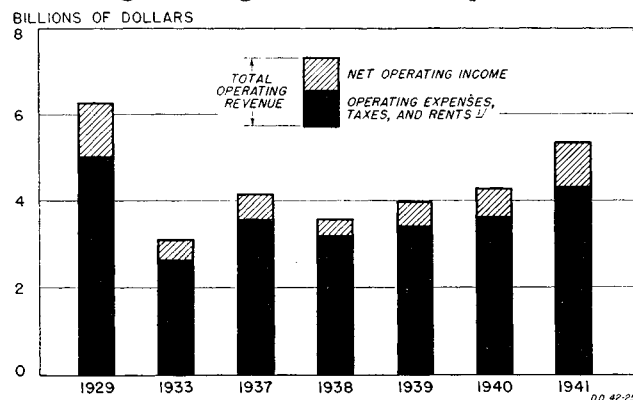
Sources: Interstate Commerce Commission and Association of American Railroads.

Freight revenues increased 25 percent, or about 911 million dollars. The 1941 figure has been exceeded in only 6 other years (between 1923 and 1929) in railroad history. It was about 380 million dollars under 1929. Revenue per carload advanced to 105 dollars, compared with 97 dollars in 1940, and 91 in 1929.

Although less important from a revenue standpoint, passenger traffic also rose sharply (22 percent) from 23.8 billion passenger-miles in 1940 to approximately 29 billions in 1941, only slightly below 1929. Much of the 1941 traffic gain consisted of troop movement and travel by armed personnel on leave. The increase for the year in passenger revenues approximated 100 million dollars.

Characteristically for the railroads which have a large proportion of costs that remain relatively stable as operations increase or decrease, costs advanced less

Figure 24.—Financial Operations of Class I Railways, excluding Switching and Terminal Companies¹



¹ Rentals represent the consolidated net balance of equipment and joint-facility rentals.

Source: Interstate Commerce Commission.

than revenues, as shown in table 18. Aggregate operating revenues rose by nearly one-quarter (1,050 million dollars), but operating expenses absorbed only somewhat more than half of this gain (570 million dollars), as the operating ratio declined to the lowest level since 1916. Net railway operating income, after the increase

of 155 million dollars in tax accruals, rose 317 million to 1 billion, the best figure since 1929. The railroads' net income, allowing for fixed charges and the receipt of other income, was about 500 million dollars, approaching that of 1930.

Late in the year, wage rates paid railroad workers were advanced by an amount which has been estimated to approximate 332 million dollars annually at the 1941 employment levels. To offset this and other anticipated cost increases, the railroads petitioned the Interstate Commerce Commission to raise most passenger and freight rates an average of 10 percent, or about 500 million dollars on the basis of revenues received in 1941.

Equipment Supply Increased.

In order to cope with heavier traffic demands, the railroads have added to their supplies of freight cars during the past two years, as shown in table 19. Serviceable freight cars (railroad-owned) available last October 1, as reported by the Association of American Railroads, numbered 1,602,600, in comparison with 1,510,500, 12 months previous, and 1,449,000 on October 1, 1939. By the first of the current year, the serviceable supply approximated 1,631,800. During 1941, the railroads reported 80,500 freight cars put in service, about 15,000 more than in 1940 and the

Table 19.—Equipment Expenditures and Freight Equipment, Class I Steam Railways (Excluding Switching and Terminal Companies), 1929-41

Year	Equipment expenditures (millions of dollars)		Freight equipment		
	Maintenance	Ordered from manufacturers ¹	Steam locomotives in service Dec. 31	Cars in service Dec. 31	New cars installed
1929.....	1,202.9	397.1	33,605	2,306,804	84,894
1930.....	1,019.3	146.5	32,900	2,305,741	76,909
1931.....	817.0	28.9	32,063	2,229,845	12,662
1932.....	618.9	2.6	31,197	2,172,414	2,968
1933.....	598.7	5.9	29,935	2,061,331	1,879
1934.....	637.9	66.9	28,520	1,963,672	24,103
1935.....	681.9	35.7	27,462	1,859,945	8,903
1936.....	783.0	222.6	26,695	1,781,217	43,941
1937.....	826.7	173.3	26,517	1,766,512	75,058
1938.....	676.5	74.0	25,956	1,721,998	18,517
1939.....	765.9	188.8	25,058	1,671,712	24,528
1940.....	819.0	251.1	24,466	1,675,080	65,545
1941.....	992.5	423.9	24,230	1,726,000	80,502

¹ Estimated by Railway Age.

² Estimated.

Sources: Interstate Commerce Commission, Association of American Railroads, and Railway Age.

largest number installed on Class I lines in any year since 1929. Intensive efforts to repair and rehabilitate unserviceable units, moreover, brought the "bad order" figure down to 4 percent at the year end, probably near the minimum except as additional "bad order" cars may be scrapped.

Despite successful efforts to facilitate the handling of the mounting traffic load, the surplus of serviceable freight cars not engaged at the time in carloading

operations, declined to the unprecedented level of about 41,000 during the carloading peak last September and October. Recognizing the urgent need for more freight equipment, the railroads placed orders totaling 74,900 at the year end for new cars to be delivered, if possible before next October.

A similar tight situation prevails in the case of motive power. Although 161 steam locomotives and 472 of other types were put in service during 1941, the reserve supply stored in operating condition fell to low levels during peak traffic periods. In the closing months of the year, for example, it was 5 percent or less of serviceable units in the case of steam freight locomotives. At the end of December, the railroads had orders outstanding for 546 additional, including 258 steam locomotives.

The problem of railroad equipment production this year will continue to be material shortages. However, priorities are being granted railroad equipment shops assuring materials for the building of a total of 36,000 new freight cars in the months, February through April, together with supplies needed in that period for locomotives ordered and under construction.

Shipping

The year 1941 was one of intense activity for American shipping. The unprecedented need for raw materials created as a result of record industrial output and the stockpiling program, required the employment in import trade of a much larger tonnage volume than had been used in recent years. At the same time, exports to the British Empire and Egypt—in some cases not matched by an equivalent import—also employed an extremely large tonnage.

Much of the shipping to the United Kingdom had to be handled by British and Allied bottoms, for until its revision in November, the Neutrality Act barred American tonnage from combat zones. This trade, along with other war needs, made it necessary for British bottoms to continue to withdraw from their normal berths in the Pacific, thus creating a further shift in the disposition of American shipping by increasing its load throughout that whole far-flung area.

Indeed, because of interrelationship of British and American shipping requirements, it is impossible to consider the problems of the one merchant fleet as being entirely separate from those of the other. Thus, the losses from enemy action suffered by English shipping in 1940 and 1941 were generally reflected in the requirements made upon American tonnage.

Within the year, the above factors created a need for shipping that could not be completely and readily satisfied by American and foreign trade. Hence, after the first quarter with shipping facilities increasingly scarce, Government intervention was required to assure the most efficient and desirable use of the available tonnage.

To this end, Congress passed the Ship Warrants Act in July. This provided that American or foreign ships which served approved trade routes, carried vital cargoes, and charged reasonable freight rates, would be issued warrants granting preference in loading, discharging, lightering or storing of cargo, procurement of bunker oil and coal, towing, dry-docking and repairs. The Maritime Commission, in administering this act, was thus able to give effect to shipping priorities as needed.

Active Merchant Marine Little Changed in Size.

The United States Merchant Marine available to meet its share of the pressing demands outlined above totaled approximately 6,700,000 gross tons toward the end of 1941, about the equivalent size of that at the outset of war in 1939. This was the case despite a decline in the laid-up tonnage from 1,450,000 gross tons in September 1939 to 139,000 tons in September 1941; and the completion of construction of 1,068,000 gross tons during the same period.

Table 20.—American Steam and Motor Merchant Vessels of 1,000 Gross Tons and Over, September 30, 1939 and 1941¹

Service	Sept. 30, 1939	Sept. 30, 1941	Percent change in tonnage
	Thousands of gross tons		
Foreign.....	2,248	3,385	+51
Coastwise.....	3,402	3,038	-11
Intercoastal.....	1,069	325	-70
Special service (Government).....	8	33	+368
Laid-up.....	1,451	139	-90
Total.....	8,177	6,920	-15

¹ Excluding Lake and River tonnage.
Source: U. S. Maritime Commission.

These latter changes, which ordinarily would have expanded the active merchant fleet, were offset by two developments. A very substantial number of ships were transferred to British and other foreign registers. United States ships desiring to operate in belligerent areas, for example, often transferred to the registry of Panama. At the same time, the Army and the Navy acquired a considerable number of merchant ships for their own use, particularly those built under government subsidy programs in recent years. By September, a total of 1,250,000 tons had been shifted to the armed forces.

Of course, the outbreak of war in December operated to reduce the size of the active merchant marine as the Army and Navy took over additional tonnage.

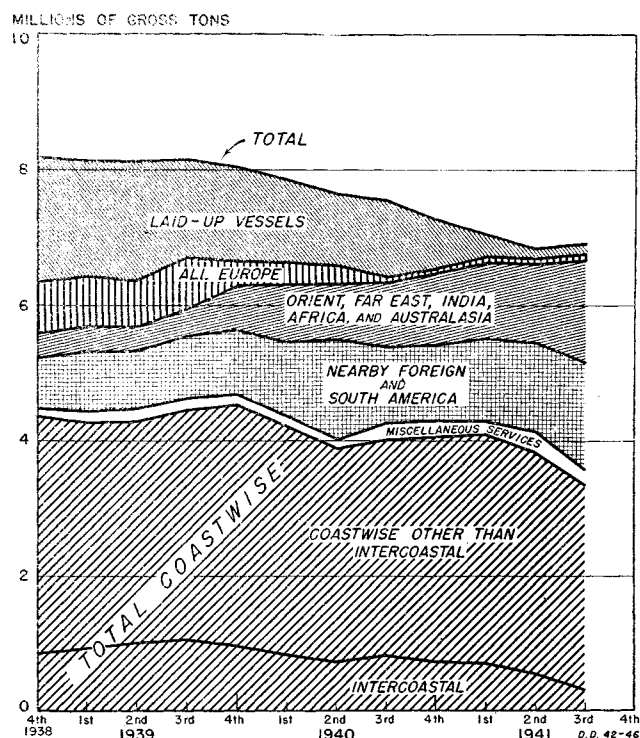
Shift in Trade Routes.

A shift in the trade routes upon which the American Merchant Marine was employed first appeared in 1940. The trends then established were largely continued throughout the first 3 quarters of 1941. But repeal of the arms embargo early in November and the outbreak of war in December undoubtedly brought some modi-

fication, though data are not publicly available to indicate the extent of the change.

In general, tonnage employed in moving goods to and from Europe (including the British Isles) had declined very markedly by the end of 1940. This trend was continued through the early part of 1941, though some ships eventually were made available to the British by this country. On the other hand, the increase in tonnage employed to South America, Africa, and the Far East, was further extended throughout last year. In part, this latter movement was

Figure 25.—American-Owned (Government and Private) Steam and Motor Merchant Vessels of 1,000 Gross Tons and Over Engaged in or Assigned to Ocean Trade



NOTE.—Data do not include lake or river tonnage or the tonnage of vessels transferred and chartered to the War and Navy Departments. Vessels operating in two or more trade services are assigned to the service in which the largest portion of operation was performed during the three-month period. "Nearby Foreign" includes Canada, Mexico, Central America, West Indies, and the north coast of South America to and including the Guianas. "Miscellaneous Services" includes around the world, foreign trading foreign (ships engaged in operations between foreign ports), special service (in custody of the U. S. Coast Guard), and Government service (loaned to the War Department).

Source: U. S. Maritime Commission.

made possible through withdrawing ships from coastwise and intercoastal routes and adding them to the foreign service. The foreign service tonnage was expanded 51 percent in the 2 years ending September 30, 1941, to a total of 3,385,000 gross tons. The heaviest decline appeared on intercoastal routes, the million tons employed in September 1939 having been cut two-thirds by September 1941. Early in 1942, intercoastal trade was eliminated altogether.

The addition of newly constructed ships also expanded the tonnage in foreign service, though not a small part of the new merchant tonnage in 1941 went to the armed forces, and some went to Great Britain.

The vast shipping program undertaken in this country is set forth in more detail in the section on industrial production. Suffice it to repeat here that the 1941 output of approximately 750,000 gross tons, while almost double that in 1940, was little more than an eighth of what the President had requested for 1942. The program as it existed in the beginning of this year called for production at an annual rate of 10 million gross tons by the final quarter. Output in the final quarter of 1941 was at an annual rate in excess of 1.1 million gross tons, but this figure is misleading as the production in new facilities was so timed as to result in a very large increase at the first of 1942.

Maximum Freight and Cargo Rates Established.

Freight and charter rates had reacted strongly to the heavier shipping demand and increased costs during 1940 and early in 1941. However, passage of the Ship Warrants Act in mid-1941 provided the Maritime Commission with the means of setting maximum charges.

This the Commission proceeded to do in the case of charter rates for both cargo vessels and tankers. The latest revision—effective as of January 20, 1942—provided for a material reduction. Whereas the maximum time charter rates previously in effect were based on \$4.50 per deadweight ton (with variations for different weights and speeds), the new scale is based on \$3.25 per deadweight ton.

Moreover, in order that freight rates might conform approximately with time charter rates, all ocean freight rates, save those recently approved by the Maritime Commission and those under the jurisdiction of the Interstate Commerce Commission, were ordered to be adjusted to the rate level existing as of September 1,

1940. However, provision was made for the addition of surcharges, where required, to cover increased operating expenses which could be shown to have occurred since that date. Some idea of a shift in freight rates may be obtained from the illustrations presented in table 21.

Motor and Air Transportation

Operations of motortruck carriers reached record volumes in 1941 in response to huge transport demands generated by war expansion. Tonnage of revenue freight transported by class I intercity carriers during the first 6 months of the year exceeded that of the comparable 1940 period by 30 percent. The strong secular growth of the trucking industry continued during this period of rapid growth in general traffic, the rise in truck tonnage comparing with an increase of less than 20 percent in railroad carloadings. The industry thus made a large contribution toward the over-all success of the Nation's transport system during the year. About equal gains were reported for intercity and local carriers. Half-year operating revenues of intercity carriers were 30 percent higher than in 1940, while those of local carriers were up 27 percent.

Class I motor carriers of passengers reported an increase of 30 percent in revenues and of 33 percent in the number of passengers carried for the first 10 months of 1941 over the corresponding period of 1940. Travel to and from Army cantonments and the internal migration attending the establishment of new defense centers is clearly reflected in the statistics by regions. The southern region, for example, registered an increase of 37 percent in operating revenues for the first half of 1941 over 1940, compared with an increase of 22 percent for the Nation as a whole. Similarly, the southwest

Table 21.—Ocean Freight Rates in United States Foreign Trade

Export shipments		Commodity	Basis	Rates (dollars)			Percent increase Dec. 1941 over Aug. 1939
Destination	Origin			August 1939	December 1940	December 1941	
Buenos Aires (Argentina)	Pacific ports	Canned goods	2,000 lb. 40 cu. ft.	18.00	20.00	25.00	38.9
Rio de Janeiro (Brazil)	Atlantic ports	Automobiles (boxed)	2,240 lb. 40 cu. ft.	9.00	12.00	12.00	33.3
Valparaiso (Chile)	do	Iron and steel (bars)	2,240 lb.	7.00	11.20	11.20	60.0
Lisbon (Spain)	do	Canned goods	100 lb.	.75	1.50	1.50	100.0
Cape Town (South Africa)	Gulf ports	Lumber and timber	Thous. ft.	12.00	40.00	45.00	275.0
Shanghai (China)	Atlantic ports	Tobacco	2,000 lb.	17.00	25.60	¹ 26.00 ² 36.00	52.9
Import shipments							
Origin	Destination						
Santos (Brazil)	Atlantic ports	Coffee	Bags (60 kilograms)	.60	.75	³ .90 ² 1.10	50.0
Buenos Aires (Argentina)	do	Linseed	Long tons	5.75	11.00	22.00	282.6
Porto de la Cruz (Venezuela)	do	Petroleum (crude)	Barrel	.13	⁴ .43	⁵ .43	230.8
Singapore (Straits Settlements)	do	Tin	20 cwt	25.00	36.00	² 45.00	80.0
Socrabaya (Netherlands East Indies)	do	Rubber	Cu. m	10.50	15.00	² 19.00	81.0
Calcutta (India)	do	Burlap	112 lb. 40 cu. ft.	⁶ 7.77	20.00	25.00	
Hong Kong (China)	Pacific ports	Tung oil	2,000 lb. 40 cu. ft.	10.00 13.00	14.00 18.00	20.00 22.00	100.0 69.2

¹ Rates as of Mar. 1, 1941.

² Rates as of Apr. 1, 1941.

³ Rates as of Feb. 1, 1941.

⁴ August 1940, 20 cents per barrel.

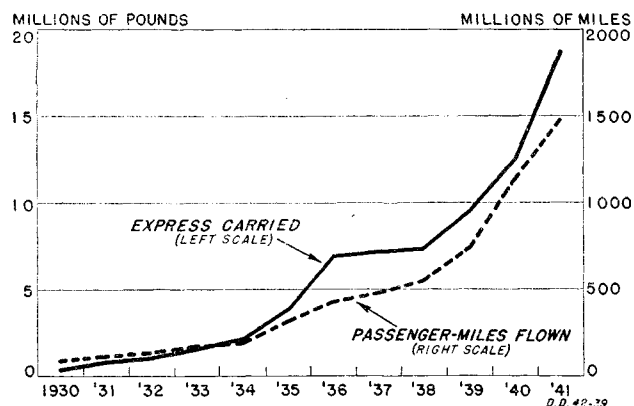
⁵ Rates for previous months varied from 46 cents to 59 cents per barrel.

⁶ Rates for September 1939.

region scored the much larger than average gain of 34 percent.

Air transportation taxed the available resources of the industry to the full during the year. Express carried exceeded the 1940 total by almost 54 percent and reached a new record volume of 2 million pounds at the seasonal peak in September. More than 4 million passengers were carried during the year as passenger-miles flown exceeded the 1940 total by almost 38 percent. Even these gains were less than those which

Figure 26.—Passenger-Miles Flown and Express Carried by Scheduled Airlines in the Continental United States



Source: All data except December (included in the annual totals for 1941), U. S. Department of Commerce, Civil Aeronautics Administration; figures for December 1941, estimated by the U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

would have been possible, however, had the airlines had sufficient equipment. The war demands on aircraft production limited the ability of private lines to obtain needed equipment very seriously.

Communications

A 1941 increase of nearly 2 million telephones over the number in use at the end of 1940 is indicated by reports filed by large carriers with the Federal Communications Commission. This increase—the largest ever recorded—brings the estimated number of telephones in service in the United States to well over 21 million. Operating revenues of 94 major carriers for the first 11 months of 1941 amounted to 1,305 million dollars, an increase of 10 percent over the comparable period last year.

Widespread improvement in general business conditions was fully reflected in operations of the telegraph industry during the year. From an approximately break-even point in 1940, the industry moved to a substantial over-all profit for the first time since 1936.

Operating revenues of the three telegraph carriers reporting to the Federal Communications Commission amounted to 123 million dollars for the first 11 months of 1941 compared with 109 million in the corresponding period of 1940. Operating income was up more than 55 percent and resulted in a net income total of 3.9 million dollars for the 11-month period compared with

a deficit of 59 thousand dollars in 1940. Duplication of services and excess facilities still prevail in the industry with only one of the two major carriers showing a profit for the year. Postal Telegraph continued at a deficit while net income for Western Union amounted to more than 6 million dollars during the period.

[Thousands of dollars]

Year	Operating revenues	Operating income	Net income
1939	116,837	5,857	4,709
1940 ¹	109,395	5,400	4,59
1941 ¹	122,882	8,436	3,856

¹ Deficit. ¹ 11 months total.

Source: Federal Communications Commission.

Employment and Working Conditions

The problem of unemployment—perhaps the most serious facing the economy for the last 11 years—was largely dissipated in 1941. Under the tremendous demand generated by the war program and the consequent rise in consumption, employment rose during the year by approximately 3 millions, causing unemployment (as measured by the Work Projects Administration) to be reduced to less than 4 million.

At the same time, the real income of the individual worker expanded despite higher living costs. Average hours worked per week were higher, while wage rates rose to an unusual degree. This latter development was accompanied by a marked increase in the number of industrial disputes.

At the year end, it was clear that the task of putting the total labor force to work was to be superseded by the problem of finding sufficient labor for the work to be done. The arms program of 1942 and 1943, plus the expansion of the armed forces, is expected to tax the labor force to the utmost. Meanwhile, an even more pressing problem is the training of workers for the large variety of skilled jobs required by an armament economy. In this regard, the experience gained in 1941 was expected to be of material benefit.

Large Increase in Manufacturing Employment.

Altogether, total employment (excluding the armed forces) rose to a level of 49.5 millions in December 1941. Wage and salary employment in civil nonagricultural establishments (see table 22) increased about 2.8 millions, to a total of 34.8 millions in December. The larger output of agricultural commodities in 1941 was achieved without appreciable increase in the number of farm workers.

Manufacturing establishments added the largest number of workers during the year, such employment increasing about 1.6 millions. Durable goods industries accounted for 1 million additional wage earners with particularly heavy gains reported in the war industries,

including machinery. However, the increase in employment reported by other lines was also sizable, as is shown in table 22.

Virtually all of the rise in employment was realized during the first 9 months, the only notable increases in the final quarter occurring in trade lines (chiefly a seasonal movement) and in the Federal civilian personnel. Indeed, when viewed in the aggregate, the movement of employment subsequent to September would appear to have been largely seasonal in character, except as construction declined less than expected on a seasonal basis. During the fourth quarter, durable goods manufacturing industries added only about 70,000 wage earners, whereas in the preceding 3 quarters an additional 940,000 workers had been placed on the pay rolls.

Table 22.—Estimated Employees of Civil Nonagricultural Establishments

Group	Number employed		Change in number employed during period		
	[Thousands]		Dec. 1940 to Sept. 1941	Sept. 1941 to Dec. 1941	Dec. 1940 to Dec. 1941
	Dec. 1940	Dec. 1941			
Employees of civil nonagricultural establishments ¹	32,018	34,797	+2,547	+232	+2,779
Manufacturing.....	11,127	12,703	+1,648	-72	+1,576
Mining.....	855	907	+51	+1	+52
Contract construction.....	1,720	1,820	+216	-116	+100
Transportation and public utilities.....	3,039	3,287	+328	-80	+248
Trade.....	7,247	7,503	-239	+495	+256
Finance, service, and miscellaneous.....	4,099	4,223	+226	-102	+124
Federal, State, and local governments ¹	3,931	4,354	+317	+106	+423

¹ Excluding persons employed on W. P. A. or N. Y. A. projects, and enrollees in C. C. C. camps.

Source: U. S. Department of Labor.

This decline in the rate of increase in employment has been explained above as resulting from shortages in key raw materials which made rapid expansion in output impossible to achieve. Nevertheless, widespread changes were occurring in the pattern of employment during this whole period. Production of finished armament and commodities necessary for the essential capital formation connected with the armament program continued to increase, while the output of a number of consumer durable goods declined markedly. These changes were, of course, reflected in the employment statistics, though the decline in employment in most instances was not in proportion to the reduction of output. For example, in the automobile industry, despite a substantial reduction in production employment was maintained at a fairly high level by means of staggering work.

The extent to which employment continued to shift to war production is revealed in table 23. In the fourth quarter, a total of 5.3 million workers (including those in all stages of production) are estimated to have

been working on war output; whereas, the third-quarter average was placed at 3.8 millions.

As compared with the fourth quarter of 1940, war employment a year later had increased more than 3 times. Most of the advance was in manufacturing, where in the final quarter some 3.8 million laborers, or about three-tenths of total manufacturing employment, were engaged on war work. The largest proportion of the total labor force in any one general category devoted to the war effort was in construction. In the final months of the year 800 thousand out of a total of 1.9 millions of such workers were employed on war projects.

Table 23.—Estimated Employment in War and Civilian Production

Group	[Quarterly averages, in millions]		
	1940	1941	
	Fourth quarter	Third quarter	Fourth quarter ¹
Employees of civil nonagricultural establishments.....	31.5	34.2	34.7
War goods and services ²	1.5	3.8	5.3
Manufacturing ³	0.9	2.6	3.8
Construction.....	0.4	0.7	0.8
Other.....	0.2	0.5	0.7
Civilian goods and services.....	30.0	30.4	29.4
Manufacturing.....	10.3	10.2	9.2
Construction.....	1.3	1.2	1.1
Other.....	18.4	19.0	19.1

¹ Preliminary.

² These estimates represent the employees in all branches of industry except agriculture, and in government exclusive of the armed services, who contribute directly or indirectly to war output. Besides employment in aircraft factories, shipyards and other war plants, in war construction, and in the creation of industrial facilities utilized in war production, the estimates cover the production of raw materials (except agricultural materials), semi-finished goods, power and other supplies for war output, together with the transportation, storing and other servicing of war materials, equipment and facilities.

³ Including employees in public shipyards, arsenals, and manufacturing depots.

Source: U. S. Department of Labor.

Employment developments in the last quarter of 1941 were indicative of the vast transformation of civilian workers into war workers that will be carried forward this year in pursuance of the War Program. The diversion of products and services from civilian to military uses, as one means of effecting such transformation, will greatly increase. Civilian plants are to be converted, together with their working forces, to war output. A host of workers will be employed in war plants now being rushed to completion, and others will be built. Still more workers will be needed to increase second, third, and rotating (or relief) shifts, in order to accomplish uninterrupted operation of both new and converted war plants.

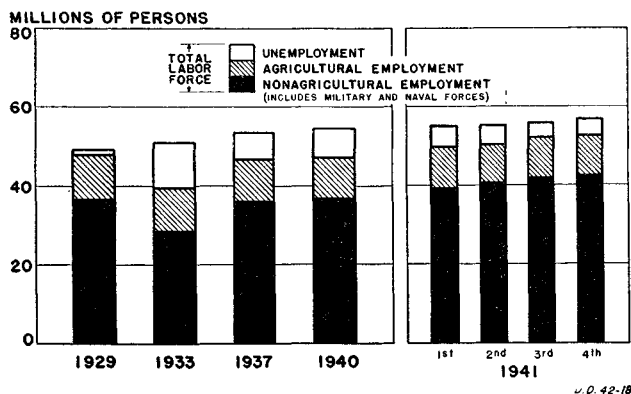
The Bureau of Labor Statistics has estimated that employment in the production of war goods and services will need to approximate 15 millions by the fourth quarter of this year. Combined war and civilian production at that time will require, it is indicated, an increase of about 1.9 million workers in manufacturing and mining over the December 1941 total of 13.9 millions. Other increases aggregating about 400,000 will also be required in construction, transportation,

public utilities, the service industries, and in government personnel. These estimates allow for the civilian curtailment necessary to divert materials and convert plants to war output.

As a partial offset to the increased employment requirements reviewed above, a reduction of more than 1,000,000 is believed probable in trade employment. A decline of 500,000 to 1 million may also occur during the year in other employment (approximating 14.7 millions—not shown in tables 22 and 23) comprising farm workers and the nonagricultural group that includes proprietors and firm members, self-employed persons, casual workers, and those in domestic service.

Notwithstanding these offsets, with the continued increase in the armed services, the combined additional demands upon the Nation's labor force this year may

Figure 27.—Estimated Nonagricultural and Agricultural Employment and Unemployment



Sources: Nonagricultural Employment, U. S. Department of Labor; Agricultural Employment, U. S. Department of Agriculture; Unemployment, U. S. Department of Commerce. The quarterly data for 1941 for Nonagricultural Employment have been adjusted for seasonal variations by the Board of Governors of the Federal Reserve System and for Agricultural Employment and Unemployment by the U. S. Department of Commerce.

approach 3.5 millions. Looking forward to 1943, as employment in war production next year advances and the armed services presumably are expanded further, another substantial increase in requirements is anticipated.

The Nation's reserves to meet these labor needs include, first, about 4 million unemployed workers. The natural increase in the population of working age, moreover, will approximate 1.1 millions annually. Under normal conditions, about 500,000 of these would not enter the labor force or would retire from it, but this proportion may be reduced by the unusual labor requirements in prospect. In addition, considerable numbers of the nonworkers shown in table 24 probably can be induced to join the labor force. Labor reserves, it will be noted, consist very largely of women. A higher proportion than at present of women, drawn both from the unemployed and from nonworker groups, evidently will need to be employed during the war period.

Table 24.—Estimated Unemployed and Nonworkers, December 1941

[In millions]

Group	Total	Male	Female
Unemployed workers.....	3.8	2.6	1.2
All nonworkers ¹	45.9	8.3	37.6
Home housework.....	30.0	.1	29.9
In school.....	9.0	4.5	4.5
Overage and unable to work.....	5.7	3.1	2.6
Other.....	1.2	.6	.6

¹ Estimated number of persons—exclusive of those in institutions—14 years of age and older in the continental United States who were not in the labor force or in the armed services. The labor force comprises both employed and unemployed workers. Source: Work Projects Administration.

Labor Training and Migration.

In order to overcome possible labor shortages in this and the ensuing year, the Nation's labor reserves must be effectively translated into qualified workers employed where they are needed most, and the task appears so tremendous as to represent virtual mobilization of labor. To provide workers for war production will mean the placement of over 6 millions during the coming year, and probably as many more in 1943. Vast numbers will require intensive training to fill war production jobs, even though war industries are granted priorities to obtain the necessary skills, as well as to shift onto civilian industries as much as possible of the burden of absorbing new and inexperienced workers.

Nor does responsibility for labor supply stop with the war industries, for the maintenance of reduced civilian output at the best levels permitted by available plant capacities and material supplies will be as essential to the war effort. Labor training is indicated, therefore, on a scale far surpassing the very creditable accomplishments of the past year, when several million workers were enrolled in training programs, most of them within industry itself. The necessary mobility of labor, besides extensive training, will also involve the movement of workers and family groups between localities in unprecedented numbers.

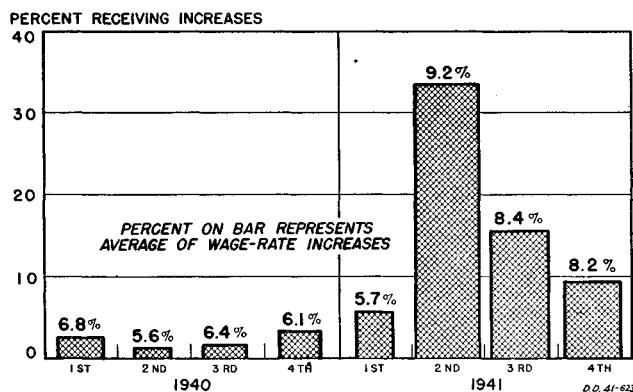
Hours and Earnings

The labor requirements of factory production increased about one-fifth over the past 12 months. Besides employing 15 percent more workers, these requirements were also met by working longer hours. The average for all factory wage earners increased about 5 percent (2 hours). Since June, the average work week appears to have been stabilized around 41 hours. Included within this average, however, overtime up to 50 hours has for many months been a feature of such durable goods industries as iron and steel forgings, foundry and machine-shop products, machine tools, engines and turbines, aircraft, and shipbuilding. Although longer work hours may frequently be necessary to carry out the War Program, extremes of overtime generally reflect the failure to

adapt production methods to the labor skills available (though this is not always possible), inadequate plant, industry, or local training programs, or reluctance to adopt multiple-shift operations—all largely dependent during the past year upon individual management initiative.

High operating rates, greatly improved business profits, and the active demand for labor, coupled with the rising cost of living, provided the basis for the large volume of industrial disputes during 1941. These were concerned chiefly with wage advances. Recognition and union security were also important issues though less so than in other recent years. Strikers' idle time more than tripled for the year as a whole, compared with 1940, but amounted in the aggregate to approximately one-third of 1 percent of the total

Figure 28.—Wage-Rate Increases in Manufacturing Industries



NOTE.—The height of each bar represents the percent of workers receiving wage-rate increases, as reported for the sample of manufacturing employees in the monthly employment and pay-roll survey of the U. S. Bureau of Labor Statistics. The width of each bar represents the average percentage increase in the wage rates of those workers receiving advances.

Source: U. S. Department of Labor.

available work time. Industrial stoppages declined sharply to low levels at the year end, however, as emphasis was placed on the avoidance of strikes and plans were adopted for a War Labor Board to determine contested issues.

Manufacturing pay rolls rose throughout the year, and by December were nearly two-fifths above the level of 12 months previous. The expansion in employment and increase in the average hours worked per employee accounted for somewhat more than half of this rise. Several factors are important in explaining the greater increase in pay rolls than in man-hours. Over two-thirds of the expansion in man-hours occurred in the durable goods industries, which normally pay above average wage rates. Overtime, also concentrated in the durable goods industries, involved, of course, the payment of premiums over straight-time rates. Many workers, moreover, were upgraded to more difficult jobs, and to correspondingly higher compensation.

Wage advances, the result of economic conditions

broadly favorable to higher pay rates, also contributed importantly to the larger labor returns. As indicated by figure 28, the increase in wage rates became general during the last 9 months of the year as about three-fifths of the workers engaged in manufacturing received an average advance of 8.8 percent. In December, railroad labor was awarded an average pay increase (made retroactive in part to September) of 13.9 percent.

Altogether, the average pay envelope in the manufacturing industries was 20 percent larger compared with the previous December, but only half of this represented a gain in real income, because of the 10-percent rise in the cost of living.

International Trade and Finance

As with other aspects of the Nation's economic life, the international trade and financial position of the United States during 1941 was determined chiefly by the country's transition to a more complete war economy.

(1) On the basis of statistics covering the first 11 months, imports increased sharply in 1941, compared with the preceding year, while the rise in exports was of still greater magnitude, leaving an excess of exports somewhat larger than in 1940. This excess was very different in significance from the familiar export surplus of pre-war years, however, and the ability of foreign countries to pay for the excess became a question of diminishing importance after the lend-lease arrangement was established.

(2) The inflow of capital from abroad into the United States, which had proceeded with only slight interruption since 1934, gave way to a capital outflow in 1941. The net movement was small compared with the massive capital transfers of other recent years, but by the end of 1941 the special type of "capital export" represented by lend-lease assistance to other countries had begun to assume substantial proportions.

(3) Imports of gold, which had been carried to ever higher records by the flow of capital to this country, declined materially in 1941.

(4) Government control of foreign trade and other transactions, initiated in 1940, was greatly intensified in 1941, as old measures were strengthened and new measures were adopted. By the time of the Japanese attack on Pearl Harbor on December 7, the machinery of economic warfare and control left little to be added.

Merchandise Trade

Continued Expansion in Foreign Trade.

United States foreign trade, dominated by war conditions, showed a further substantial increase in 1941 following that which had already occurred in 1940. Trade statistics for the last month of 1941 had not yet been released at the time of this writing, but it is

unlikely that they would materially alter the general picture provided by the figures for the first 11 months, during which exports totaled \$4,492,000,000 and imports \$3,002,000,000. Exports increased by \$789,000,000 and \$1,683,000,000 compared with the corresponding periods in 1940 and 1939, respectively, while imports rose by \$630,000,000 and \$931,000,000 on the same basis of comparison.

The upward movement in exports became particularly marked in the latter part of 1941, the monthly average rising from \$348,000,000 in the first half of the year to more than \$400,000,000 in the July-November period. During the first 6 months the rise in imports—which hitherto had reacted relatively slowly to the war—tended to keep pace with or even exceed the increase in exports. The rapid acceleration in outward shipments during the latter part of the year, however, carried the export surplus for the full 11 months to \$1,490,000,000, compared with \$1,331,000,000 and \$738,000,000 for the corresponding periods of 1940 and 1939, respectively.

Table 25.—Exports of United States Merchandise—War-Related and Other Commodities

[Value in millions of dollars]

Period	Principal war-related products ¹	Other non-agricultural commodities	Foodstuffs, agricultural	Other agricultural commodities	Total exports of United States merchandise
Year:					
1938:					
Value.....	584.6	1,681.1	416.5	411.0	3,057.2
Percent.....	17.9	55.0	13.6	13.4	100.0
1939:					
Value.....	724.2	1,744.1	296.0	359.1	3,123.3
Percent.....	23.2	55.8	9.5	11.5	100.0
1940:					
Value.....	1,501.5	1,916.1	220.9	295.7	3,934.2
Percent.....	38.2	48.7	5.6	7.5	100.0
January-September:					
1939:					
Value.....	440.8	1,297.5	216.6	201.4	2,156.2
Percent.....	20.4	60.2	10.0	9.3	100.0
1940:					
Value.....	1,099.2	1,431.9	178.1	252.4	2,961.6
Percent.....	37.1	48.3	6.0	8.5	100.0
1941:					
Value.....	1,331.7	1,532.5	251.7	120.8	3,236.8
Percent.....	41.1	47.3	7.8	3.7	100.0

¹ Includes heavy iron and steel, nonferrous metals, metalworking machinery, aircraft and parts, tanks, firearms and ammunition, and chemicals (coal tar, medicinal, industrial and explosives).

Source: U. S. Department of Commerce.

In view of the rise in world prices, the increase in the physical volume of trade in 1941 was less than that in dollar values, but comparisons on a quantity basis are rendered difficult by the changing composition of exports and imports. Strategic materials made up a larger share of imports in 1941, while military supplies and other war-related items assumed increased importance among exports. There was also a rise in the export of agricultural foodstuffs, particularly in concentrated forms possessing high nutritional value and requiring less shipping space than other forms. These trends are shown by tables 25 and 26 which, as far as 1941 is concerned, cover only the first 9 months of the year. (All of the following trade analysis for 1941 is

also necessarily based on 9 months' figures, inasmuch as later data by countries and by commodities have not been released.)

Reflecting the spread of the war and the development of United States foreign policy, the geographic distribution of foreign trade in 1941 was characterized, on the one hand, by an intensification of exchanges with friendly and Allied nations and, on the other hand, by a further reduction and, ultimately, cessation in dealings with the Axis powers and areas under their domination.

Exports to continental Europe amounted to only \$117,500,000 during the first 9 months of 1941 against \$580,500,000 for the same period of 1940, while imports from that area similarly declined from \$193,700,000 to \$105,700,000. Most of the decrease in trade with this area, however, had already occurred in the second half of 1940 after the German victories in Western Europe. In this regard the restrictive effects of the British blockade were subsequently reinforced by the development of United States export control, which had as one of its principal objectives the prevention of shipments of essential materials to Axis countries, and by the freezing of foreign-owned dollar assets, a policy first applied to the occupied countries as they fell victim to Axis aggression but extended on June 14, 1941, to Germany and Italy themselves as well as to all the rest of continental Europe.

Trade with Japan had also begun to decline in the closing months of 1940, presumably reflecting the influence of American export control measures. This decline was sharply accelerated in 1941 and on July 26, following Japanese occupation of French Indo-China, trade was brought to a complete standstill by the Executive Order freezing Japan's dollar assets. On a 9-month basis, therefore, exports to Japan were valued at only \$58,000,000 and imports from Japan at \$75,800,000, compared with \$165,200,000 and \$104,300,000, respectively, in 1940.

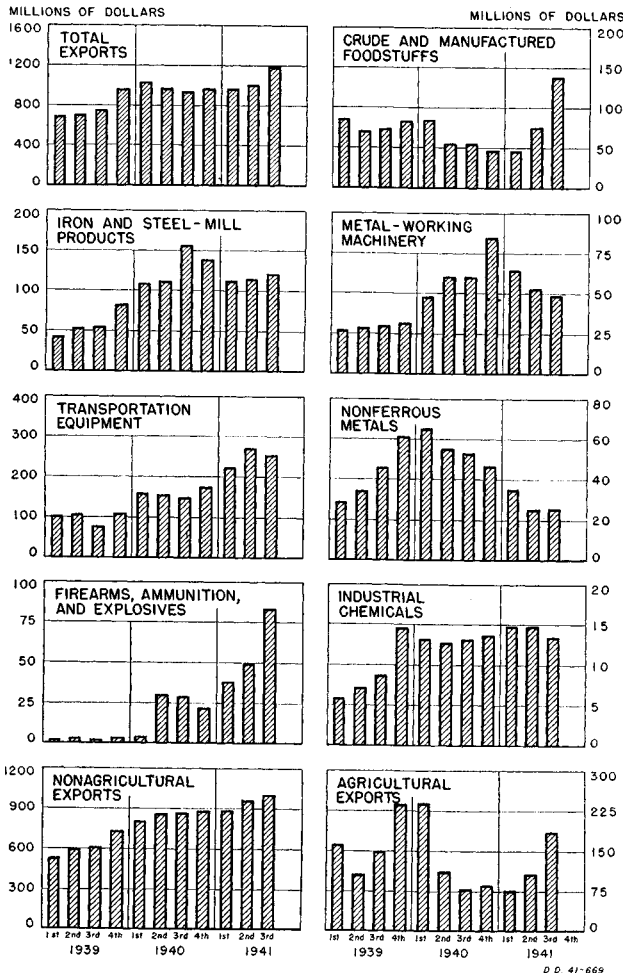
Rise in Shipments to British Countries.

By contrast, trade with virtually all major areas and countries other than continental Europe and Japan registered substantial increases in 1941. The most notable rise was in exports to the British Empire and Egypt which, for the first 9 months of the years in question, had already increased from \$919,500,000 in 1939 to \$1,486,900,000 in 1940 and rose further to \$2,227,600,000 in 1941. For the same 9-month periods, exports to the United Kingdom alone grew from \$370,500,000 in 1939 to \$698,200,000 in 1940 and to \$1,024,200,000 in 1941. Similarly, exports to Canada rose from \$335,300,000 in 1939 to \$511,000,000 in 1940 and to \$675,300,000 in 1941.

The larger shipments of military equipment and related supplies reflected in these increases also carried exports to Egypt from \$14,700,000 in the first three

quarters of 1940 to \$122,400,000 in the corresponding period of 1941, while shipments to South Africa rose from \$70,300,000 to \$124,600,000. Exports to Oceania, principally Australia and New Zealand, expanded only moderately from \$71,700,000 in 1940 to \$77,300,000 in 1941, on a 9-month basis in each case, but shipments to British areas in southern and southeastern Asia—including British India, Ceylon, Burma, Hong Kong,

Figure 29.—Value of Exports of United States Merchandise by Selected Commodity Groups



NOTE.—Data for fourth quarter of 1941 are not available for publication. The "Transportation Equipment" group includes automobiles, engines, and parts; aircraft, engines, and parts; merchant vessels; military tanks; railway cars; and other vehicles, parts and accessories.

Source: U. S. Department of Commerce.

and British Malaya—grew from \$79,500,000 to \$142,300,000. With respect to other countries in this area, exports to the Netherlands Indies and the Philippine Islands also increased substantially, but those to Thailand and French Indochina declined, particularly after the latter was occupied by the Japanese in July.

The increase in exports to the British Empire reflected chiefly deliveries on orders placed by the British out of their own dollar resources, derived largely from the sale of gold and investments in this country. The depletion of these resources, however, led to passage of the Lend-Lease Act on March 11, 1941,

under which there has been effected a growing volume of exports procured and paid for by the United States Government. Lend-lease shipments through November 1941 totaled \$595,000,000, of which the major portion was sent to the British Empire and Egypt, although shipments were also made to the other major fighting fronts or threatened areas. While lend-lease shipments were small by comparison with total exports to these areas and with lend-lease appropriations amounting to \$12,985,000,000,⁵ they have shown a marked growth from month to month and, as deliveries on old British orders are consummated and the necessary gap between appropriation and finished product under the lend-lease program is bridged, they may well be expected to constitute the major portion of the export trade in the near future.

Table 26.—Imports for Consumption, by Economic Classes

[Value in millions of dollars]

Period	Principal strategic materials ¹	Other crude materials and semi-manufactures	Food-stuffs	Finished manufactures	Total imports for consumption
Year:					
1938:					
Value	393.5	567.9	570.7	417.6	1,949.6
Percent	20.2	29.1	29.3	21.4	100.0
1939:					
Value	565.9	665.7	604.2	440.3	2,276.1
Percent	24.9	29.2	26.5	19.3	100.0
1940:					
Value	889.9	679.5	562.6	408.7	2,540.7
Percent	35.0	26.7	22.1	16.1	100.0
January-September:					
1939:					
Value	314.5	534.8	446.4	326.0	1,621.7
Percent	19.4	33.0	27.5	20.1	100.0
1940:					
Value	539.9	594.2	428.4	309.7	1,872.2
Percent	28.8	31.7	22.9	16.5	100.0
1941:					
Value	884.9	627.4	502.5	301.0	2,315.8
Percent	38.2	27.1	21.7	13.0	100.0

¹ Crude rubber, raw silk, nonferrous metals, including ores used in the manufacture of iron and steel, unmanufactured wool, and hides and skins.

Source: U. S. Department of Commerce.

Increase in Exports to Latin America Limited by Shortages.

While the value of exports to Latin America has grown substantially since the outbreak of war—rising, on a 9-month basis, from \$422,500,000 in 1939 to \$579,600,000 in 1940, and \$661,500,000 in 1941—part of the increase, particularly in recent months, has reflected a rise in price rather than in quantity. Moreover, the increase has served to replace only a part of the large volume of industrial and consumer goods previously furnished to Latin American countries by Europe. The virtually complete elimination of the latter as a source of supply—except for a reduced volume of shipments from the United Kingdom—would have resulted in a far greater increase in United States exports to its southern neighbors if this country's war production program had not levied such enormous demands on its plant capacity and material resources.

⁵ Including the initial lend-lease appropriation of \$7,000,000,000 on March 27, 1941, and the second lend-lease appropriation of \$5,985,000,000 on October 28, 1941. In addition, other appropriation measures passed during 1941 included funds totaling some \$4,500,000,000 which might be used for lend-lease purposes.

The constantly expanding scope of this program, however, has required an increasingly strict export control, the effects of which have necessarily been felt most keenly by those countries whose defense needs have appeared less immediate. An original list of commodities subject to export licensing requirements became effective July 5, 1940, and was steadily expanded thereafter. Following the Japanese attack on the United States in December 1941, the control was made applicable to the entire export trade. The restrictive effects of export control have been intensified, moreover, by the priorities granted defense production in the use of essential materials.

The threatened dislocation to the economic life of the other American republics resulting from the cutting off of European supplies has been of great concern to the United States, and special efforts have been made to meet their most essential needs. As the demands on our productive capacity multiplied, it became necessary to undertake broad surveys of total requirements—both domestic and foreign, military and civilian—of each commodity in short supply and to determine on this basis the amounts that could be allocated to meet the requirements of other countries.⁶

Trade with Latin America has also been strongly affected by the freezing of European assets, although in this case the effects relate not so much to the total volume of trade as to the conditions under which it is conducted. The freezing orders apply in principle to German, Italian, and other European nationals everywhere, including those in Latin America where they have long taken a leading part in commerce and industry. To combat the pro-Axis activities engaged in by many of these parties, the Government announced on July 17, 1941, a "Proclaimed List of Certain Blocked Nationals," consisting of some 1,800 firms or persons against whom the control measures were to be fully enforced. At the same time, in order that legitimate commerce might not suffer, the Treasury issued a general license authorizing payments for ordinary trade transactions with nationals of blocked countries whose names were not on the list.

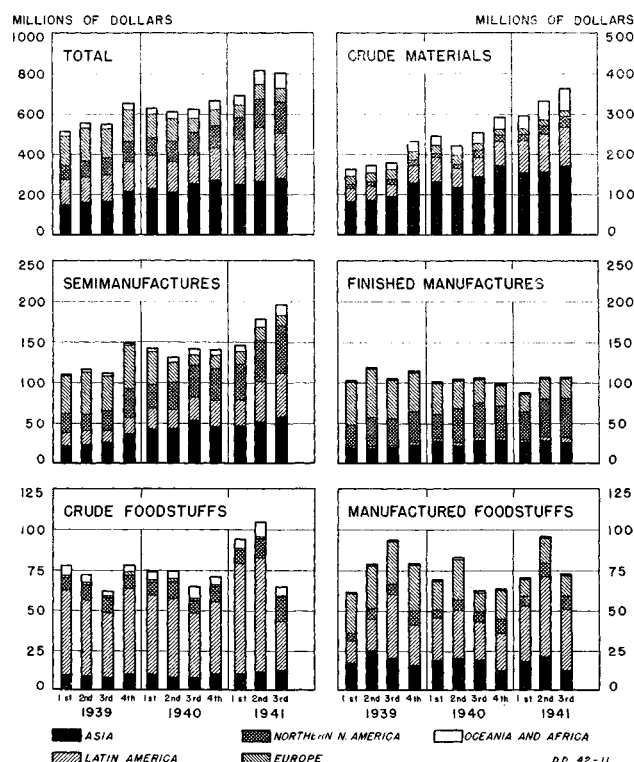
A number of supplements to the original Proclaimed List have since been issued which, while making some deletions, brought the total at the end of the year to approximately 3,961 names. Included in the total are some 720 Japanese firms and individuals, added after the Japanese attack on the United States. Prior to that time Japanese in Latin America had benefited by the general license mentioned above, despite the extension of the freezing orders to Japan on July 26.

⁶ The first allocation to the other American republics under this system was made on December 2, 1941, when it was announced that 218,600 metric tons of tin plate would be supplied to these countries during the 12 months starting December 16. On January 15, 1942, announcement was made of allocations of 26 additional commodities to be supplied to the other American republics during the first quarter of the current year.

Heavier Imports of Strategic Materials.

The increased industrial activity in the United States in combination with a program of stockpiling strategic materials, produced a marked expansion in imports during 1941. In general, those countries receiving a larger volume of shipments from the United States increased the amount of goods they sent here. The chief exception to this rule was the United Kingdom, from which imports declined from \$121,000,000 in the first three quarters of 1940 to \$101,200,000 in the same period of 1941. The latter total, however, was considerably higher than the corresponding figure for 1938 and only slightly less than that for 1939.

Figure 30.—Value of Imports Into the United States for Consumption, by Economic Classes and Continents



NOTE.—Data for fourth quarter of 1941 are not available for publication.

Source: U. S. Department of Commerce.

The most significant import advance during 1941 occurred in trade with raw-material producing countries. For the first 9 months of each year, imports from Latin America rose from \$489,500,000 in 1940 to \$767,800,000 in 1941, the balance of trade with that area thereby shifting to an excess of imports. The imports from southern and southeastern Asia in the first 9 months of 1941 were valued at \$640,000,000 compared with \$501,100,000 in the same period of 1940, and were more than double the corresponding figures for 1938 and 1939. This trade, consisting largely of rubber, tin, burlap, jute, and hemp, was seriously threatened by the spread of Japanese aggression in the South Pacific during the last few weeks of 1941.

Notable increases were also recorded in imports from Canada, which, on a 9-month basis, rose from \$301,000,000 in 1940 to \$391,300,000 in 1941. Similarly, imports from Oceania, principally from Australia, grew from \$22,100,000 to \$119,700,000 with wool accounting for most of the increase.

As in the case of exports, the Government has found it necessary to exercise an increasing degree of influence and control over the import trade as the war has progressed. The first step taken was the stockpile program, designed to increase imports and accumulate reserves of strategic and critical materials for which the United States is largely or wholly dependent on foreign sources of supply.

A very small beginning in building up stocks of essential materials had already been made under the Strategic Materials Act of June 1939, but it was not until a year later, following the collapse of France, that legislation was adopted authorizing the Reconstruction Finance Corporation to embark on a large-scale program. Through September 13, 1941, the R. F. C., acting through three subsidiaries established for the purpose, had entered into commitments totaling more than \$1,150,000,000 for foreign materials, including rubber, tin, aluminum, copper, tungsten, manganese ore, lead, chrome, antimony, zinc, cork, nitrate of soda, jute, wool, silk, and various other commodities. While actual deliveries of the various items were considerably less than the total amounts contracted for, receipts under the R. F. C. program, together with those by other Government agencies, have accounted for much of the rise in total imports. Virtually the entire import trade in strategic and critical commodities, moreover, now falls under Government control, either indirectly through contracts covering the principal sources of supply and priorities regulations in the use of the ma-

terials, or directly through orders restricting imports of specified items to Government agencies or firms acting on their orders. Rubber was the first commodity subjected to such direct control, effective June 23, 1941. Tin, silk, and hemp were similarly affected shortly thereafter, and on December 28 an additional list of 13 strategic materials was announced.

The task of moving the greatly increased volume of raw material imports has also made it necessary for the Government to assume control over ocean shipping in order to give preference to the most vital cargoes. While informal arrangements had already been in effect for some time previously, the Ship Warrants Act of July 14, 1941, gave the Maritime Commission authority to establish a formal control, implemented by the power to give precedence in the use of harbor facilities and other services to vessels and ship operators cooperating with the defense program in carrying the most urgently needed cargoes. This control may also be exercised with respect to export as well as import movements.

Gold and Capital Movements

For a number of years gold and capital movements have been increasingly determined by the existence or imminence of war and increasingly subject to the necessities of war finance. The dominance of these forces became stronger than ever in 1941, but the cumulative effects of war developments produced major changes in the trends which had hitherto prevailed. Most notable among these changes were the almost complete end to the transfer and sale of foreign gold reserves to the United States and the beginning of a substantial outflow of American capital abroad, thus reversing the heavy movement of previous years toward this country.

Gold imports prior to the outbreak of the war in

Table 27.—Exports (Including Reexports) and General Imports, Showing Share of British Empire, Latin America, Continental Europe, and Other Areas

[Value in millions of dollars]

Period	British Empire and Egypt		Latin America ¹		Continental Europe ²		Other areas		Total value
	Value	Percent of total	Value	Percent of total	Value	Percent of total	Value	Percent of total	
EXPORTS, INCLUDING REEXPORTS									
Year:									
1938.....	1,306.4	42.2	564.1	18.2	776.3	25.1	447.6	14.5	3,094.4
1939.....	1,293.2	40.7	633.2	19.9	772.7	24.3	478.0	15.0	3,177.2
1940.....	2,113.5	52.6	776.8	19.3	623.6	15.5	507.2	12.6	4,021.1
Jan.-Sept.:									
1939.....	919.5	42.1	422.5	19.3	515.7	23.6	327.0	15.0	2,184.7
1940.....	1,486.9	49.1	579.6	19.1	580.5	19.2	380.4	12.6	3,027.4
1941.....	2,227.6	67.1	661.5	19.9	117.5	3.5	311.0	9.4	3,317.6
GENERAL IMPORTS									
Year:									
1938.....	641.8	32.7	485.3	24.8	446.0	22.8	387.3	19.8	1,960.4
1939.....	836.3	36.1	548.6	23.7	463.5	20.0	469.7	20.3	2,318.1
1940.....	1,137.7	43.3	651.4	24.8	227.4	8.7	608.9	23.2	2,625.4
Jan.-Sept.:									
1939.....	576.0	35.5	389.5	24.0	337.3	20.8	317.7	19.6	1,620.5
1940.....	830.2	42.8	489.5	25.2	193.7	10.0	428.5	22.1	1,941.8
1941.....	1,090.9	45.1	767.8	31.8	105.7	4.4	452.8	18.7	2,417.3

¹ Including the American Republics, the Canal Zone, and the European colonies in the Latin American area.

² Including U. S. S. R. in Asia, but excluding Turkey in Europe, Gibraltar, United Kingdom, Ireland, Iceland, Azores and Madeira Islands, and Malta, Gozo, and Cyprus Islands.

Europe in September 1939 were utilized in part to offset the excess of merchandise exports from the United States but served in far greater measure as a medium for the transfer of capital, chiefly private funds, to this country.⁷ The movement became particularly heavy after the Czechoslovak crisis in 1938. During the ensuing 13 months up to the beginning of the war, net gold imports into the United States amounted to more than \$4,200,000,000, while the net inflow of capital as reported by banks and security dealers to the Treasury Department totaled more than \$1,800,000,000.

After the conflict in Europe started, the flow of gold to the United States continued in even heavier volume, net imports aggregating \$5,759,000,000 during the 16 months up to the end of 1940. This tremendous movement was largely occasioned by heavy transfers of government and central bank assets to the United States—mainly for purposes of war financing in the case of the United Kingdom and France, and for safe-keeping in the case of other European countries. Particularly in the early months of the war, however, a substantial portion—possibly the major part—of the gold flow represented the continued flight of private capital. The net capital inflow during the first 16 months of the war, including both official and private funds, amounted to about \$800,000,000, according to the above-mentioned reports to the Treasury. In addition, capital assistance and advance payments on war orders by the United Kingdom to American firms—which may be regarded as a special type of capital transaction—were outstanding in the amount of \$720,000,000 at the end of 1940.⁸

As the war progressed, however, the conditions under which gold and capital had been transferred in such vast amounts underwent fundamental changes. Net gold imports into this country in 1941 fell to \$982,000,000, dropping below the level of current world production for the first time since 1934, while the inflow of capital which had been so largely responsible for the gold shipments gave way to a substantial outward movement.

The reversal in the capital movement in 1941 is partly indicated by the Treasury figures for the period January 1 to October 1, which indicate a net outflow of \$217,300,000. The size of the movement is not fully measured by these banking and security transactions data, however, since they do not reflect the large volume of financial assistance extended by the United States Government to foreign countries during the year. On the other hand, part of the outflow shown by the bank-

ing data is more apparent than real, inasmuch as during this period several foreign countries converted part of their dollar balances into gold earmarked for their account in the United States.⁹

The spread of German conquest over the greater part of Western Europe in 1940 cut off some of the major sources from which gold and capital movements to the United States had hitherto originated. The opportunity and incentive for such transfers were further reduced by the action of the United States Government in blocking the dollar assets of the occupied countries and, ultimately, of all the rest of Continental Europe. As a result of these developments, gold and capital movements on Continental European account have been relatively small since the middle of 1940. During 1941, from January 1 to October 1, the recorded data show a net capital outflow of \$85,600,000, resulting mainly from a decline in Swiss balances, while gold imports from Continental Europe (excluding Russia) dropped to negligible proportions.

Drain on British Gold and Dollar Resources.

The United Kingdom's gold stocks—another major source of earlier gold shipments to the United States—had already been heavily reduced by the flight of capital before the outbreak of the war and thereafter were further drawn upon to cover war orders in this country and other dollar requirements. By the end of 1940 British gold reserves stood at only \$292,000,000 against \$2,038,000,000 16 months earlier. These reserves were further reduced to \$151,000,000 by September 1, 1941. The main source of gold shipments to the United States during the year, however, was new gold production in the British Empire, although lesser amounts also came from Latin America and Russia.

In addition to the virtually complete liquidation of its gold reserves, the United Kingdom has also drawn heavily upon its investments in the United States for purposes of war financing. During 1940 this withdrawal was offset by the heavy capital inflow from other countries as well as by the temporary accumulation of British assets in the form of advance payments to American manufacturers on war orders, as referred to above. During 1941, however, the decline in the outstanding amount of such advance payments, as deliveries on orders were consummated, together with the continued liquidation of British investments, added to the outflow of capital on other accounts.

The volume of British-owned dollar securities disposed of in this market in 1941 is partly indicated by the security transactions data reported to the Treasury, which show net sales of \$222,000,000 for the account of the United Kingdom during the first 9 months of the year. According to the same source, the volume

⁷ A large part of the gold inflow in recent years, however, has gone into—or been offset by—earmarked gold held in this country for foreign account. The amount of gold under earmark on various selected dates was as follows: December 31, 1934, \$9,017,000; July 31, 1938, \$406,608,000; August 31, 1939, \$1,135,418,000; December 31, 1939, \$1,163,004,000; December 31, 1940, \$1,807,673,000; December 31, 1941, \$2,215,351,000.

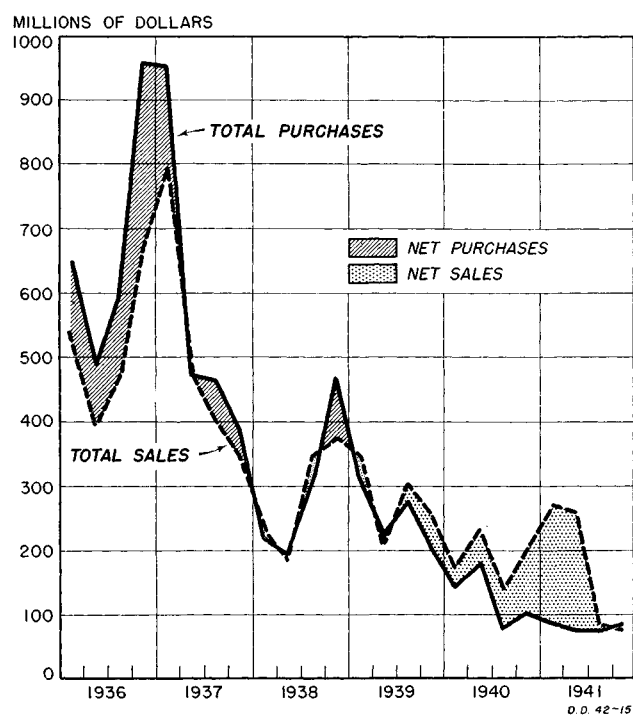
⁸ These figures are believed to have been greatly exceeded, however, by unreported capital transfers of which there is no direct statistical measure. See discussion on pp. 45 and 48 of the Balance of International Payments of the United States in 1940, U. S. Department of Commerce, 1941.

⁹ Such earmarking operations in conjunction with the reduced rate of gold imports and other factors actually produced a slight decline in the monetary gold stock of the United States in the last 2 months of the year for the first time since January 1938.

of net sales of such securities during the first 16 months of the war up to the end of 1940 had amounted to \$276,000,000.¹⁰

While gold reserves and security holdings were the first to be mobilized for meeting its dollar exchange requirements, the United Kingdom has also found it necessary to realize on its direct investments in the United States. Early in 1941 the American subsidiary of a large British company was sold outright to the public in this country, yielding a net return of some \$54,000,000. Later a new procedure was adopted under

Figure 31.—Foreign Purchases and Sales, and Net Purchases or Sales of United States Domestic Securities



NOTE.—Data include transactions executed in the United States for foreign account, executed abroad for domestic account, and transactions in joint foreign arbitrage accounts as reported by banks, brokers, and dealers in the United States. Quarterly data in this chart are totals of weekly transactions.

Source: U. S. Treasury Department.

which British investments, instead of being sold, were pledged as security for loans from the R. F. C. This method was employed on a large scale in July, when the R. F. C. announced a loan of \$425,000,000 backed by a large volume of British-owned dollar securities and direct investments.

In the meantime, the depletion of the United Kingdom's dollar availabilities, which threatened a drastic curtailment in the British war potential, led to the adoption of a more direct and extensive form of assistance by the United States Government—the lend-lease arrangement. The amount of such aid furnished to foreign countries between passage of the Act on March 11, 1941, and the end of November is valued at approxi-

mately \$1,200,000,000. This total includes not only actual exports, as previously discussed, and ship repairs and other services rendered, but also construction of plant facilities in the United States and goods in process of manufacture or awaiting shipment. In general, nevertheless, lend-lease aid may be regarded as a particular type of "capital outflow" additional to the reduction in British assets and other capital transfers. The special character of such "transactions" is emphasized, however, by the provisions of the Lend-Lease Act, which states that "the terms and conditions upon which any such foreign government receives any aid authorized * * * shall be those which the President deems satisfactory, and the benefit to the United States may be payment or repayment in kind or property, or any other direct or indirect benefit which the President deems satisfactory."

Economic and Financial Aid to Other Countries.

While the British were the principal beneficiaries of lend-lease aid in 1941, lend-lease equipment and services have also been supplied to various other countries. In all, some 32 countries outside the British Empire have been declared eligible for lend-lease assistance, although some of them had not actually begun to receive such aid by the end of the year.

China was among the first countries declared eligible for lend-lease aid, and has already received a substantial volume of material and technical assistance, including the improvement of transport facilities over the Burma Road. In addition, the United States Stabilization Fund announced on April 25, 1941, a \$50,000,000 credit to be used, along with certain British and Chinese resources, in supporting the yuan. China also continued to benefit in 1941 from credits totaling \$95,000,000 opened by the Export-Import Bank in the previous year.

The so-called Hyde Park agreement of April 20, 1941, between the United States and Canada, which laid down a program for mobilizing the resources and coordinating the production programs of the two countries, provided among other things that Canada's purchases in the United States of materials and goods to be used in equipment which Canada is producing for the United Kingdom would be supplied under lend-lease. As one development of this program, the Metals Reserve Company, one of the R. F. C. subsidiaries, under the stockpile program, announced on July 2, 1941, an agreement to advance \$50,000,000 for power and plant expansion in Canada in connection with the purchase of 340,000 tons of aluminum.

A lend-lease agreement with Russia providing for \$1,000,000,000 of aid by June 1942 was announced on November 6, and deliveries were started shortly thereafter. Prior to this agreement the Defense Supplies Corporation, another R. F. C. subsidiary, had contracted with Amtorg Trading Corporation for the

¹⁰ For a more detailed discussion of the mobilization of British dollar assets see pp. 69-71 of the Balance of International Payments of the United States in 1940, U. S. Department of Commerce, 1941, and the article on "Gold and Dollar Resources of the United Kingdom" in the Federal Reserve Bulletin for December 1941.

purchase of \$100,000,000 of materials from Russia and had agreed to pay half of this amount in advance to provide the Soviet Government with funds for the purchase of war supplies in the United States. The United States Treasury had also made two advances of \$10,000,000 and \$30,000,000, respectively, against gold to be delivered by Russia to the United States.¹¹

Lend-lease aid to the Netherlands, including the Netherlands Indies, has not entailed any financial aid or "capital outflow" from the United States. Under an agreement made early in August, the Netherlands Government has undertaken to make advance payment on the so-called "cash reimbursement" basis for all lend-lease articles. The Netherlands foreign exchange position had been well maintained by the heavy volume of United States imports from the Netherlands Indies, as evidenced in part by an increase from \$88,000,000 on August 31, 1939, to \$201,000,000 on September 30, 1941, in the gold reserves reported by the Bank of Java.

The lend-lease agreement with Iceland, announced November 21, 1941, also provides for payments on a cash reimbursement basis, but supplementary arrangements were made whereby the United States supplies Iceland with the necessary dollar exchange. Under these arrangements the United States undertakes to purchase Iceland's fish and fish oil for dollars. The dollars are to be used by Iceland to pay for its vital requirements here, while the fish and fish oil are transferred by the United States to the United Kingdom as defense aid.

All of the other American republics have been declared eligible for lend-lease assistance, and lend-lease agreements have been concluded or are in process of negotiation with a number of them. The agreements made thus far provide that some part of the cost of the defense articles transferred shall be borne by the country receiving aid, the proportion varying according to the economic position of the country concerned.

Various other agreements and arrangements providing for economic and financial collaboration with the other American republics were made in 1941. New loan authorizations during the year by the Export-Import Bank, totaling \$182,900,000, were largely for the Latin American area.

Included in the Export-Import Bank's loans was one of \$30,000,000 for Mexico, granted as part of a broad series of agreements, announced November 19, 1941, covering trade and financial relations with that country. These agreements also provided for the extension of a \$40,000,000 credit by the United States Stabilization Fund, to be used in stabilizing the exchange value of the peso, and for the continued purchase of newly

mined silver from the Mexican Government by the United States Treasury.

The financial assistance extended by the United States Government, in conjunction with the great increase in United States purchases of raw materials and other factors, has greatly alleviated the dollar exchange position of the other American countries, which had been subjected to considerable strain in the early months of the war. This improvement is reflected in the appreciation of some of the Latin American currencies in terms of the United States dollar. It may also account for the decline in gold shipments from the other American republics to the United States, which amounted to only 55,000,000 in the first 9 months of 1941 as compared with 108,000,000 in the same period of 1940. On the one hand, Argentina, having rectified its trade position with the United States by a sharp reduction in imports and an even sharper increase in exports, has not continued shipments out of its gold reserves since the end of 1940. On the other hand, at least two of the principal gold-producing countries—Mexico and Brazil—appear to be retaining part of their new production at home and adding it to their reserves.

Finance

Federal Finance

Growing expenditure for armaments dominated financial developments throughout the whole of 1941. Within the year the Federal financial statements came to reflect a substantial share of the Nation's economic activity, with expenditures of all sorts advancing by December to an annual rate of more than 30 billion dollars. For the year, aggregate budget outlays rose to 19 billion dollars, nearly double the 1940 volume and topping the previous peak of 18.5 billion in fiscal year 1919. Moreover, at the outset of the new year, the President announced the Nation's armaments goal: an outlay on war material in the second half of fiscal year 1942 of 17 billions, followed by an expenditure of 56 billions in fiscal year 1943. Thus, it became apparent that public spending would absorb all financial resources that could be made available.

In a small measure, the arms program helped finance itself, for tax yields were up sharply, a result in part of the higher national income produced directly and indirectly under stimulus from the arms expenditure. Of more importance in elevating tax yields, however, were the higher rates established under the two revenue acts of 1940. Of course, the Revenue Act of 1941 advanced tax rates considerably further. However, the increased tax liabilities incurred thereby are payable for the most part only in 1942; consequently, they were responsible for only a very small amount of the peak 8.8-billion-dollar net tax and miscellaneous revenue received by the Federal Government in 1941.

¹¹ On January 6, 1942, the Treasury announced the purchase of an additional \$20,000,000 of gold from the Soviet Union. At the same time it was stated that all of the gold against the \$10,000,000 advance and two-thirds of the gold against the \$30,000,000 advance had been delivered.

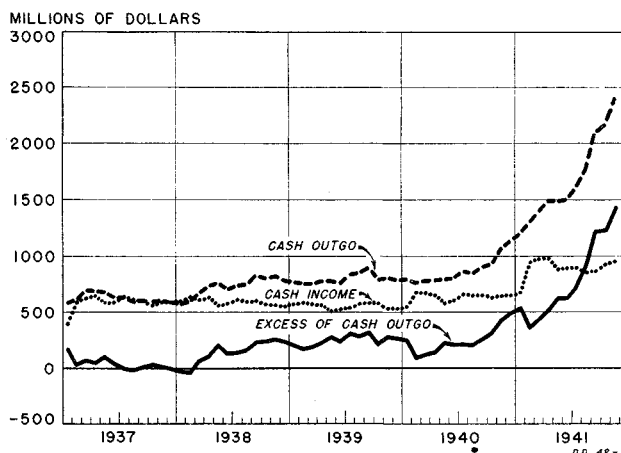
Despite the advance in tax receipts, the record expenditures necessitated a 13-billion-dollar increase in the public debt. In the main, this was financed through heavier investment on the part of private individuals, corporations, and Government trust accounts, but the banking system was again called upon to absorb a good share (one-fourth) of the increase.

Treasury Expenditures

That 1941 was a year of transition between the comparatively modest defense effort of 1940 and the all-out war production of 1942 is evident from the figures relating to Government expenditures. Expenditures of direct national-defense agencies advanced about 9.8 billion dollars, one-half billion more than the increase in total Treasury outlays. This difference was the result of reduced outlay for the agricultural, unemployment relief, and public-works programs, offset partially by higher interest payments and by larger transfers of funds to special trust accounts. As is explained in the introductory section of this review, war expenditures were accelerated throughout the year. In the final quarter such outlays had risen to 4.8 billions, or 74 percent of all Treasury expenditures, as compared with first-quarter defense spending of 1.9 billion, equivalent to 53 percent of the total. In December alone expenditures of agencies concerned with the military program (other than the Reconstruction Finance Corporation) amounted to 1.8 billion, less than a third under the total of such expenditures in 1940.

In 1941 the Treasury classified as defense expenditures only those arising from appropriations made directly for military purposes: Army, Navy, Maritime Commission, Lend-Lease, and the various directive agencies. To complete the picture of arms activity, it is necessary to take account not only of the activities of government corporations (discussed below), but also of the fact that during the year many of the functions of regular government agencies were reoriented to have

Figure 32.—Cash Income and Outgo of the Treasury, and Excess of Cash Outgo



NOTE.—Data are plotted on a 3-month moving average, centered at the second month. Basic figures for January 1942 were not available in time to compute the moving average figure for December 1941.

Source: U. S. Treasury Department.

a direct bearing on the war effort. For example, while Works Projects Administration expenditures were cut from 1.4 billion in 1940 to about one billion in 1941, the reduction in “nondefense spending” was much larger, for nearly 40 percent of the project cost chargeable to W. P. A. appropriations represented work which was mainly military in character. Similarly, the agricultural program was changed to encourage the production of agricultural products essential to the prosecution of the war, and the character of National Youth Administration and Civilian Conservation Corps programs was altered to emphasize defense training and defense projects.

However, it is significant that the only Treasury categories of expenditures higher in 1941 than in 1940 were—aside from direct armament outlays—interest payments and transfers to trust accounts. Notwithstanding a change in the composition of the public debt which effected a decrease in the computed interest rate, the substantially higher gross debt necessitated interest payments 70 million dollars greater than payments in 1940.

Table 28.—Budget Expenditures by Major Types, Calendar Years ¹

[Millions of dollars]

Major type	1938. total	1939. total	1940					1941				
			First quarter	Second quarter	Third quarter	Fourth quarter	Total	First quarter	Second quarter	Third quarter	Fourth quarter	Total
National defense.....	1,117	1,358	425	491	621	1,146	2,683	1,901	2,412	3,404	4,810	12,527
Agricultural adjustment program.....	586	967	347	173	192	303	1,014	272	110	103	243	728
Unemployment relief.....	2,383	2,181	473	493	432	438	1,837	442	428	346	320	1,536
Transfers to trust accounts.....	217	202	10	33	161	38	243	77	49	189	64	379
Interest on the public debt.....	919	971	202	384	188	303	1,076	196	424	203	323	1,145
Debt retirements.....	52	53	51	59	16	17	144	11	20	45	25	100
All other.....	2,874	3,210	744	742	689	630	2,805	697	561	756	723	2,737
Total.....	8,149	8,941	2,253	2,375	2,299	2,875	9,803	3,596	4,004	5,046	6,507	19,153
Total, excluding debt retirement.....	8,097	8,888	2,202	2,316	2,283	2,858	9,659	3,585	3,984	5,001	6,482	19,053

¹ General and special accounts, basis of the Daily Treasury Statement. Classifications are those currently published in the SURVEY OF CURRENT BUSINESS. For detailed notes, see page 24 of the November 1941 issue.

Source: Daily Statement and Bulletin of the Treasury Department.

Transfers to trust accounts were 379 million as compared with 243 million in 1940, largely because of funds provided for the Surplus Marketing Administration, whose operations recently were put on a trust account basis by the Treasury.¹²

Treasury Receipts

As a result of the combined effects of a higher national income and the higher tax rates established under the revenue acts of 1940 and 1941, total Treasury receipts (including about 800 million dollars directly transferred to the old-age and survivors insurance trust fund) increased nearly 50 percent over the corresponding 1940 figure to a record level of 9.6 billion dollars.

It must be remembered that income and excess profits tax collections, since such taxes are payable in the current year on income received in the previous year, reflected neither the 1941 level of activity nor the higher rates established under the Revenue Act of 1941. Hence the substantial advance in income tax receipts was due mainly to the rates provided by the 1940 revenue acts, although the income gain achieved in 1940 was also a relevant factor. Legislation in 1940 relating to personal income taxes had reduced exemptions 20 percent and increased effective surtax rates in certain brackets; the corporation income tax structure also had been modified both by an increase in tax rates and by the imposition of an excess profits tax. In addition, provision had been made for a special defense tax equal to 10 percent of the regular computed income tax.

Largely as a result of this legislation individual income tax collections increased to 1.6 billion dollars, as compared with the 1940 level of slightly more than one billion. An even larger advance was reported for

corporate income and other profits taxes, including 327 million dollars of excess profits taxes, for which there were no comparable 1940 collections. These receipts were doubled to a total of 2.6 billion dollars.

Miscellaneous internal revenue—mostly excise taxes—continued to be the largest single revenue category as receipts expanded to 3.4 billion from 2.6 billion in 1940. Part of this increase again was produced by higher tax rates. The expansion shown in table 29 for the final quarter, however, was the joint result of the new rates introduced by the Revenue Act of 1941 and the payment at that time of the bulk of the capital stock tax (256 million dollars out of a total of 279 million). Also included as part of miscellaneous revenue were the estate and gift taxes. These yielded 400 million in 1941.

Customs receipts likewise experienced a marked increase in keeping with the expansion of imports. Import of high-duty goods was particularly heavy (the metals and wool are outstanding illustrations); so total receipts advanced to 438 million dollars, about a third higher than the previous year. Part of this increase was illusory, however, for a substantial share of the revenue was received from imports of strategic and other materials made by the Government itself through such agencies as the Metals Reserve, Rubber Reserve, and Defense Supplies Corporations.

A final category of tax receipts includes those produced by the social-security and railroad-employment taxes. The expansion of business activity in 1941 elevated the aggregate of this revenue to 1,036 million dollars (the 1940 total was 873 million). Excluded from the Treasury's "net" receipts, but included in the above figures, is an amount equal to the collection of social security employment taxes (i. e., excluding the Federal share of unemployment insurance taxes) less reimbursements to the general fund for administrative expenses. These funds are automatically appropriated to the Federal old-age and survivors insurance trust fund, and hence are not available for financing regular government functions except insofar as the trust fund provides an internal market for public-debt issues.

Table 29.—Budget Receipts by Major Types, Calendar Years
[Millions of dollars]

Major type	1938, total	1939, total	1940					1941				
			First quarter	Second quarter	Third quarter	Fourth quarter	Total	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Corporation income and excess profits taxes ¹	1,376	977	354	325	317	336	1,330	606	706	602	630	2,634
Individual income taxes.....	1,244	873	420	230	198	188	1,036	679	351	314	277	1,622
Employment taxes.....	662	783	252	206	206	208	873	273	239	255	269	1,036
Miscellaneous internal revenue.....	2,208	2,306	522	570	796	717	2,606	676	766	812	1,122	3,376
Customs.....	309	333	90	81	71	87	330	105	128	197	97	438
Other receipts.....	180	210	63	94	52	54	263	173	236	61	63	533
Adjustment ²	14	3	-8	-17	3	1	-21	10	-6	-6	-25	-27
Total receipts.....	5,993	5,485	1,693	1,488	1,644	1,591	6,416	2,612	2,421	2,145	2,433	9,612
Less: Net appropriation to Federal old age and survivors insurance trust fund.....	343	566	135	135	156	156	582	165	185	201	212	763
Net receipts.....	5,650	4,919	1,558	1,353	1,488	1,435	5,834	2,448	2,235	1,944	2,222	8,849

¹ Includes miscellaneous profits taxes: unjust enrichment tax, declared value excess profits tax, and the limiting provisions of the Vinson Act.

² Internal revenue data represent collections, whereas other data (including totals) represent Treasury receipts. Due to slight time and coverage differences, there is a discrepancy between reported collections and reported receipts equal to the undistributable adjustment shown here.

Source, Daily Statement and Bulletin of the Treasury Department.

Nontax receipts, heavily influenced by the return of certain funds by government corporations, increased from 263 million in 1940 to 533 million in 1941.

The Revenue Act of 1941 and the 1943 Budget.

A financial development of considerable importance to which some reference already has been made was the passage of the Revenue Act of 1941. Originally this was designed to expand Federal tax receipts to two-thirds of the total anticipated expenditures. To this end, a combination of new taxes and upward rate revisions was installed to yield (at the income level expected to prevail in 1942) between 3.5 and 4 billion dollars in Treasury receipts. However, though the original estimates of yields are likely to be surpassed, the tremendous increase in war needs is more than doubling the volume of expenditure the Nation is preparing to undertake.

Under such circumstances further tax revisions are required, and the President requested, in his budget message at the outset of 1942, legislation to assure the addition of 7 billion dollars to tax receipts for fiscal year 1943. This would raise total receipts to approximately 23.5 billion in the fiscal year 1943. An additional request was made for 2 billion in pay-roll taxes, to be diverted directly into the social security trust fund. Even so, however, fulfillment of the expenditure goal would leave tax receipts at considerably less than half of the total government outlay.

Some idea of the evolution in the various sources of government funds may be gathered from figure 33, which presents actual total budget expenditures and net budget receipts by major types for the past 4 years, as well as estimates contained in the current budget for the fiscal years 1942 and 1943.

Table 30.—Estimated Change in Yields of Various Taxes Under Revenue Act of 1941¹

[Millions of dollars]

Item	Amount
Corporation income taxes:	
Normal tax.....	-493.3
Surtax.....	763.1
Excess profits tax.....	1,112.3
Total corporation income taxes.....	1,382.1
Individual income taxes.....	1,144.6
Total income taxes.....	2,526.7
Miscellaneous internal revenue:	
Capital stock tax.....	22.3
Estate tax.....	141.6
Gift tax.....	16.0
Manufacturers and retailers excise taxes ²	499.1
Miscellaneous taxes.....	347.7
Total miscellaneous internal revenue ²	1,026.7
Grand total ²	3,553.4

¹ Compiled by the U. S. Treasury Department, Division of Research and Statistics. All estimates show full year effects. Estimates for corporation and individual income taxes are based on levels of income estimated for calendar year 1941; all other estimates are based on income levels estimated for fiscal year 1942.

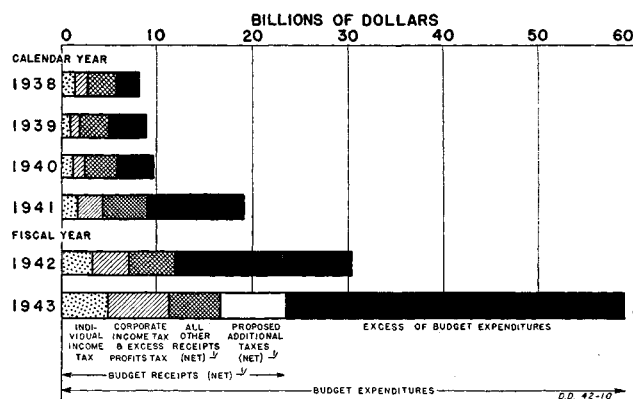
² Excluding 47.5 million dollars nonrecurring floor-stock taxes.

New tax legislation will undoubtedly modify the Federal tax structure in many important aspects. In this regard the President requested in his 1942 budget

message a continuance of the trend towards more progressive taxation. However, also to be considered were the anti-inflationary aspects of the tax system, these to supplement, but not supplant, revenue and equity considerations.

The Revenue Act of 1941 had followed progressive lines. In general, income taxes, both corporate and personal, had been sharply advanced, and heavy excise duties had been placed on a large number of commodities, particularly consumer durables. Besides lowering personal income exemptions (thus increasing the number of taxpayers), tax rates were raised relatively for the low and middle income groups, with surtaxes being increased and extended all along the line. Rates of the excess profits tax were also advanced, though changes were not marked. The

Figure 33.—Budget Receipts and Expenditures of the Federal Government



¹ Excludes employment taxes transferred directly to the old-age and survivors insurance trust fund.

Source: Data through 1941, U. S. Treasury Department; data for 1942 and 1943 from "The Budget of the United States Government," 1943.

net effect of these alterations on the revenue expected to be received in fiscal year 1942 is shown in table 30.¹³

The Rising Public Debt

The tremendous growth of arms expenditures made necessary a near-record addition to the public debt. By the end of the year, the debt outstanding had reached 58 billion dollars, an increase of nearly 13 billion. The regular budget deficit of about 10.2 billion was augmented by 1.1 billion in excess of expenditures in trust, checking, and miscellaneous accounts, and by an increase in the general fund balance of 1.6 billion. Table 31 shows a reconciliation of the budget deficit to the increase in the public debt for 1941, and estimated figures for the fiscal years 1942 and 1943 as given in the 1943 budget.

In addition, the volume of outstanding obligations guaranteed by the United States (exclusive of those owned by the Treasury) increased by 410 million. In October the financing of government corporations was

¹³ For more detailed discussion of the Revenue Act of 1941, see Survey of Current Business, October 1941, pp. 4-6.

integrated with general Federal financing. Whereas in the past the various corporations floated their obligations on the open market, the new procedure calls for Treasury purchase of all such new issues and refunding of matured issues with Treasury obligations. The effect of this will be to increase the proportion of the total public debt which is in the form of direct Federal obligations and to decrease correspondingly outstanding guaranteed issues. Only one such transaction occurred during the past year; on November 1, Treasury notes in the amount of 503 million were exchanged for an equivalent amount of maturing notes of the Reconstruction Finance Corporation and the Commodity Credit Corporation. The 1943 budget shows that purchases and refundings of securities of government corporations will amount to 3 billion in fiscal 1942 and 4.4 billion in fiscal 1943.

Table 31.—Factors of Increase in the Public Debt, Calendar Year 1941, Fiscal Years 1942 and 1943

Item	Calendar year 1941	Fiscal year	
		1942	1943
Budget expenditures, excluding debt retirement	19,053	30,576	58,928
Net receipts	8,848	11,944	23,487
Excess of budget expenditures	10,205	18,632	35,441
Trust accounts, etc., excess of expenditures ¹	1,078	3,027	4,355
Increase in general fund balance	1,630	-8	13
Increase in the public debt	12,913	21,651	39,809
Public debt, beginning of year	45,025	48,961	70,612
Public debt, end of year	57,938	70,612	110,421

¹ Reflects effects of financing government corporations through the Treasury Department.

Source: Daily Statement of the U. S. Treasury and 1943 Budget.

The increase in the public debt was of necessity largely financed by publicly offered securities. While the net investment of trust fund accounts—principally the two social security accounts—amounted to 1,612 million as compared with 1,138 million in the previous year, there still remained 11.4 billion to be raised from nongovernmental sources. Financing was facilitated somewhat by the issuance of a new series of tax anticipation notes, sales of which returned 2,471 million. These notes were first offered August 1, and by the end of that month sales had amounted to more than one billion dollars.

On May 1, the sale of United States savings bonds was discontinued, and in their place 3 series of defense bonds were offered. In addition to Series E, which is in effect a continuation of the old savings bonds, an offering was made of 2 entirely new series designed primarily for large investors. Net sales of these bonds, plus net sales of savings bonds prior to May 1, amounted to 2,945 million.

Subscriptions to special issues, tax anticipation notes, and savings bonds thus accounted for over 7 billion, or more than half the increase in outstanding debt. Bond and note sales through regular financial and banking channels accounted for the remainder. The increase

in publicly-held bonds other than savings bonds was 5,454 million. Special national defense notes—first issued in December 1940 and notable for their low interest rate ($\frac{3}{4}$ percent) in spite of the fact that the interest income is fully taxable—increased by 635 million.

Table 32.—Composition of the Public Debt as of December 31, 1940 and 1941

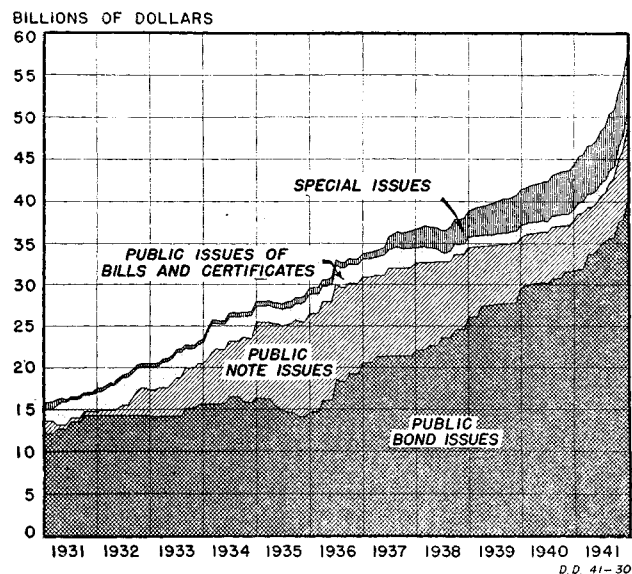
Item	[Millions of dollars]		
	Dec. 31, 1940	Dec. 31, 1941	Increase
Public issues:			
Bonds:			
United States savings bonds ¹	3,195	6,140	2,945
All other bonds	28,406	33,860	5,454
Notes:			
Regular series	5,647	4,831	-816
National defense series	531	1,166	635
Tax series		2,471	2,471
Bills	1,310	2,002	692
Special issues	5,370	6,981	1,611
Noninterest-bearing debt	566	487	-79
Total public debt	45,025	57,938	12,913

¹ Including series E, F, and G defense bonds after May 1, 1941.

Source: U. S. Treasury Department.

In addition there were 6 major bond issues which resulted in Treasury acquisition of 4.2 billion in new cash and in refunding of maturing bonds and notes amounting to 2.5 billion, with net retirement of regular Treasury notes amounting to 816 million. Toward

Figure 34.—Composition of United States Government Interest-Bearing Public Debt, End of Month



Source: U. S. Treasury Department.

the end of the year, weekly offerings of Treasury bills were made in excess of weekly maturities. Most of the 700-million-dollar increase in outstanding bills occurred after October 15.

Decline in Interest Rates.

The Government had little difficulty in satisfying its financial requirements in spite of the fact that its demands on the money market were the heaviest since

the World War. As a matter of fact, the yield on long-term Treasury bonds fell to a record low in November (see figure 38), with the 2½ percent 1967-72 bonds which had been issued in October being quoted at 103½ at the month's end. The market broke slightly immediately following our entrance into the war, however, and these bonds, as well as the 2-percent medium-term bonds issued during December, closed the year near par.

Financing was complicated somewhat by the Public Debt Act of 1941 which requires that interest on all Treasury obligations issued after March 1, 1941, be fully taxable. This provision necessitated a higher coupon with respect to new bond and note issues, and resulted in lower bids for bills. The discount rate on new Treasury bills issued after March 1 was about 0.1 percent, whereas bills had been sold in the recent past on a no-yield basis. By the end of the year, however, a substantial reduction in excess reserves at New York City combined with a continued pressure of demand for short-term funds had so tightened the market that discount rates on Treasury bills rose to approximately 0.3 percent.

With all issues except savings bonds being floated during the year at rates below the previous computed interest rate and with refunding operations resulting in the substitution of 2 and 2½ percent bonds for maturing issues bearing coupons of 3¼ and 3⅓ percent, the computed interest rate declined from 2.566 percent to 2.409 percent.

Government Corporations and Credit Agencies

A good share of the Federal Government's financed activity is carried on by Government corporations and credit agencies, only a part of whose financial transactions are reflected in the regular budget. Although their operations during 1941 were overshadowed by the unprecedented volume of regular budgeted spending, these agencies played an important role in economic developments during the year. This is particularly true of the so-called national-defense corporations, which, as subsidiaries of Reconstruction Finance Corporation, have the primary function of sponsoring essential projects which are not suited to private financing because of the risk involved or because of their necessary integration with the over-all defense program.

As of September 13, the latest date for which publishable figures are available, defense commitments by these corporations and by the Reconstruction Finance Corporation itself had been made involving 3,915 million dollars as follows:

	<i>Millions of dollars</i>
Rubber Reserve Corporation.....	210
Metals Reserve Corporation.....	970
Defense Supplies Corporation.....	207
Defense Plant Corporation.....	2,042
Defense Homes Corporation.....	12
Reconstruction Finance Defense Loans.....	474

The first 3 corporations are engaged primarily in importing strategic and critical materials. The Defense Plant Corporation, on the other hand, finances domestic industrial facilities upon the recommendation of defense agencies and leases them to private operators. While title is retained by the corporation, provision is often made for purchase at the end of the emergency at the option of the lessee. The Defense Homes Corporation finances residential construction in congested defense areas, while Reconstruction Finance Corporation defense loans are made on both short- and long-term bases to supplement private financing of business organizations engaged in national defense work.

Table 33 presents some salient balance sheet statistics for all Government corporations and credit agencies as of December 31, 1941. Excluding inter-agency transactions, total assets of these agencies increased by 2,160 million over a year earlier, while their liabilities, exclusive of obligations owned by other Government agencies and the Treasury, advanced by 239 million.

The greatest increases of assets were those of corporations and agencies directly concerned with the war program, and—in contrast to the normal situation—substantial holdings of tangibles were reported. Thus, assets of the 5 Reconstruction Finance Corporation subsidiaries listed above increased by 757 million as a result of their stockpiling and defense construction activities. Assets of the Maritime Commission, consisting for the greater part of ships building or contracted for, rose about 539 million, while expansion of power resources in the Tennessee Valley was largely responsible for an advance of 104 million in the property holdings of the Tennessee Valley Authority. Commodity Credit Corporation holdings of agricultural commodities, principally wheat, increased so greatly that a 47 million dollar decline in crop loans was more than offset, leaving a net increase in assets of 347 million.

On the other hand, with the exception of the Reconstruction Finance Corporation, lending agencies in general changed their asset position but little. In some instances—the Home Owners Loan Corporation, for example—holdings were actually curtailed.

Of the total increase in liabilities, only about 7 percent represented an increase in outstanding guaranteed obligations, the balance being accounted for mainly by reserve accounts or by liabilities on account of contractors' commitments for future performance. New fund requirements of the Commodity Credit Corporation and the Reconstruction Finance Corporation prior to October, required the issuance of new guaranteed obligations of about 1.2 billion. However, Home Owners Loan Corporation and United States Housing Authority issues amounting to 303 million were retired on maturity and other guaranteed obligations were replaced with Treasury notes in the amount of 503 million on November 1. Thus, there was a net increase

in outstanding debt guaranteed by the United States amounting to 411 million dollars, bringing the total of such debt to 6.4 billion.

Table 33.—Salient Balance Sheet Statistics, All Governmental Corporations and Credit Agencies, as of Dec. 31, 1940 and 1941

[Millions of dollars]

Item	Dec. 31, 1940	Dec. 31, 1941	Net change
Assets:			
Loans, cash, and investments.....	10,887	11,539	+652
Other assets.....	2,374	3,882	+1,508
Total assets.....	13,261	15,421	+2,160
Liabilities and reserves:			
Obligations guaranteed by the United States.....	5,948	6,359	+411
Other.....	3,339	4,167	+828
Total liabilities and reserves.....	9,287	10,526	+1,239
Proprietary interest:			
Owned by the United States.....	3,550	4,464	+905
Privately owned.....	415	431	+16
Total proprietary interest.....	3,974	4,895	+921

Source: Daily Statement of the United States Treasury.

Banking Developments

As was suggested above, the banks again absorbed a large part of the increased public debt during 1941. This was not the only manner in which the growth of the arms program influenced banking, however. Heavy inventory investment and sizable private capital formation, both of which were either directly incident to the military program or created as a result of conditions produced by it, led to a very substantial advance in business loans.

Moreover, these asset gains, in combination with an upward revision of reserve requirements, a smaller gold inflow, and increased money in circulation, all were instrumental in halving the volume of excess reserves. Nevertheless, at the year's end the banking system still held reserves exceeding 3 billion dollars, capable under existing requirements of supporting a further credit expansion of considerable size.

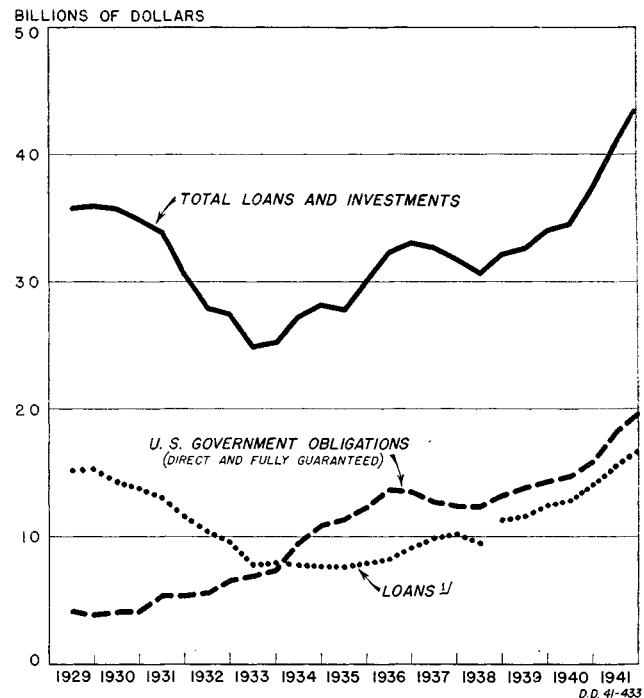
Growth of Loans and Investments.

Altogether, loans and investments of all Federal Reserve member banks increased approximately 6.2 billion dollars during 1941. Roughly half of this expansion consisted of additions to government bond portfolios; so that at the end of the year member banks held Federal issues totaling about 19.2 billions, or 46 percent of the marketable public debt. However, only about one-fourth of the additional debt created in 1941 was absorbed by the banks.

The balance of the increase in loans and investments consisted almost entirely of commercial and industrial loans. A survey made by the Federal Reserve Board in April showed that about two-fifths of all such loans subsequent to July 1940 had been made to industries engaged heavily in production related directly or indi-

rectly to the armament program, and there is evidence that approximately this same ratio held through the second and third quarters. However, the growing magnitude of the war program, plus priority restrictions which operate to curtail almost all nonessential investment, undoubtedly will increase the proportion of bank loans required to finance investment related

Figure 35.—Loans and Investments of All Member Banks on Call Dates, End of June and December



¹ Data prior to December 1938 exclude all loans on securities, regardless of purpose, and loans to banks; beginning with December 1938 only loans for purchasing or carrying securities and loans to banks are excluded. This change in classification is indicated by a break in the curve. "Total Loans and Investments" include all types of loans.

Source: Board of Governors of the Federal Reserve System.

to the armament program, even though the rate by which the aggregate of loans has been expanding should be curtailed.

Table 34.—Loans and Investments of Weekly Reporting Member Banks, 1940-41

[Millions of dollars]

Item	Dec. 31, 1940	Dec. 31, 1941	Net change
Commercial, industrial, and agricultural loans.....	5,018	6,728	+1,710
Loans for purchasing and carrying securities.....	1,049	959	-90
Other loans.....	3,323	3,663	+360
Total loans.....	9,390	11,370	+1,980
Investments in U. S. Government obligations.....	12,462	15,049	+2,587
Other investments.....	3,675	3,666	-9
Total investments.....	16,137	18,715	+2,578
Total loans and investments.....	25,527	30,085	+4,558

Source: Board of Governors of the Federal Reserve System.

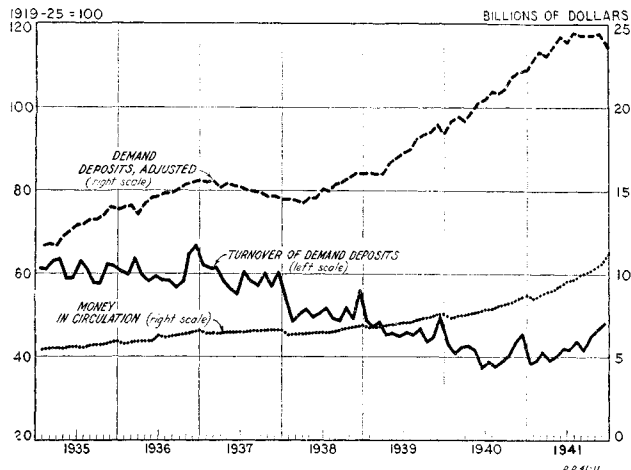
The rise in loans and investments was the dominant factor accounting for an expansion of deposits. Deposits in weekly reporting banks (including United States Government deposits) increased 2.4 billion dollars

during 1941, bringing the total of such deposits to over 25 billion at the close of the year. In conjunction with the larger amount of money in circulation, the expansion of demand deposits brought the volume of liquid funds to a level far higher than any previously attained.

Decline in Excess Reserves.

The expansion of deposits required an addition to reserves of more than 800 million dollars. Furthermore, reserve requirements themselves were raised to the maximum permitted under existing legislation: 26 percent for central reserve city banks, 20 percent for

Figure 36.—Demand Deposits, Adjusted, and Index of Annual Rate of Turn-Over of Demand Deposits, Adjusted for Seasonal Variations, in Reporting Member Banks in 101 Leading Cities, and Money in Circulation



NOTE.—Data for "Demand Deposits, Adjusted," represent deposits other than interbank deposits and United States Government deposits, less cash items reported as on hand or in process of collection; figures are for Wednesday nearest the end of each month. Data for "Annual Rate of Turn-Over of Demand Deposits" are based upon the relation between debits to individual accounts and demand deposits in reporting member banks in 101 leading cities; the base period for the index is a daily average for the years 1919 through 1925. Data for "Money in Circulation" are as of the end of each month.

Sources: Demand Deposits, Adjusted, Board of Governors of the Federal Reserve System; Annual Rate of Turn-Over of Demand Deposits, Federal Reserve Bank of New York; Money in Circulation, U. S. Treasury Department.

reserve city banks, and 14 percent at country banks. This action was made effective November 1 and increased required reserves by nearly 1.2 billion dollars.

Excess reserves were reduced further by an actual drain on reserve balances as a result largely of an unusually great demand for more circulating media which was not offset by new funds. Increased transactions incident to higher business activity was the main factor in expanding money in circulation by the record sum of 2.4 billion to an aggregate of 11.2 billion at the end of the year. In recent years new funds from additions to the monetary gold stock have been more than ample to take care of the steadily rising volume of money in circulation; however, for reasons set forth below in the section on international finance, monetary gold increased by only 741 million in 1941 as compared with 4.4 billion in 1940. Other factors affecting the level of excess reserves are shown in table 35.

New York city banks lost reserves to a somewhat greater degree than other banks, a circumstance which

contributed to a slight hardening of money rates toward the year end. However, reserves still were distributed widely and fairly evenly.

Table 35.—Factors Affecting Total and Excess Reserves of Member Banks, 1941

[Millions of dollars]

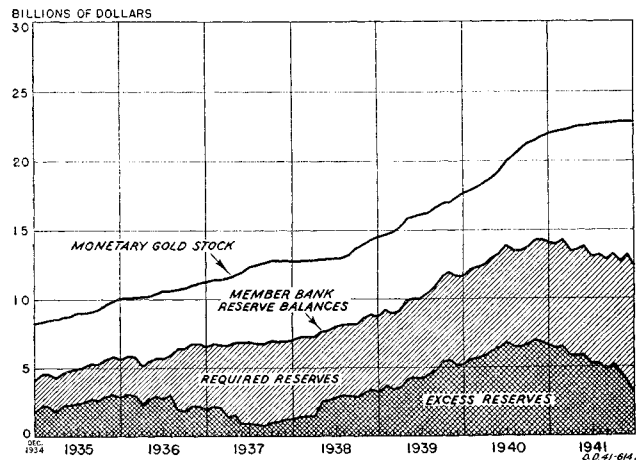
Item	Dec. 31, 1940	Dec. 31, 1941	Net change
Factors of increase:			
Monetary gold stock	21,995	22,737	+742
Treasury currency outstanding	3,087	3,248	+161
Federal Reserve bank credit outstanding	2,274	2,361	+87
Nonmember deposits and other Federal Reserve accounts	2,016	1,651	-365
Total			+625
Factors of decrease:			
Treasury cash	2,213	2,215	+2
Treasury deposits with Federal Reserve banks	368	867	+499
Money in circulation	8,732	11,160	+2,428
Total			+2,930
Reserve balances	14,026	12,450	-1,576
Required reserves	7,411	9,365	+1,954
Excess reserves	6,615	3,085	-3,530

Sources: Board of Governors of the Federal Reserve System.

Interest Rates and Security Markets.

One of the most significant financial developments of the year was the stability of interest rates. Even in the face of a record capital formation, the structure of rates did not change widely, and those advances which did occur were not of an important magnitude.

Figure 37.—Monetary Gold Stocks and Member Banks Reserves, End of Month



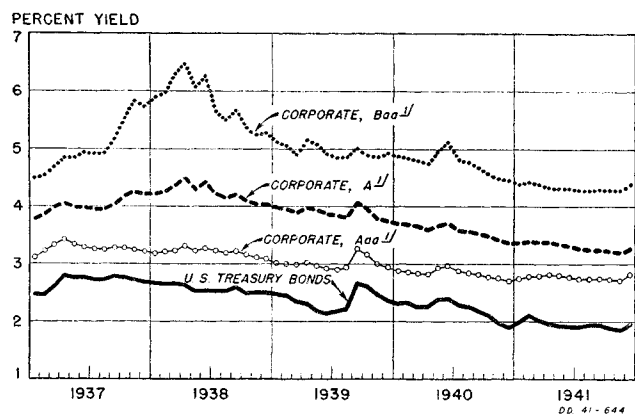
Sources: Monetary Gold Stocks, U. S. Treasury Department; Member Bank Reserves, Board of Governors of the Federal Reserve System.

The high grade bond market, for example, maintained its strong position throughout the year. After a small increase during the first few months, bond yields declined steadily through November. However, following the declaration of War on December 7, and again after the Treasury's heavy demands for new funds in the middle of that month, yields rose slightly and it appeared, as the year ended, that the low point of long-term interest rates had been reached. The minor break in the Government bond market after our entrance into the War was quickly arrested by Federal Reserve

purchases; it is interesting to note that these purchases amounted to only 59 million dollars as compared with purchases of over 400 million after the outbreak of the War in Europe in September 1939.

The spread between high- and low-grade bonds continued to narrow, with the position of municipals improving relative to partially tax-exempt Government bonds because of the higher surtax rates imposed by the 1941 Revenue Act.

Figure 38.—Yield of Corporate Bonds by Ratings and of U. S. Treasury Bonds



¹ In the rating classification followed by Moody's Investors Service, Aaa indicates bonds which are and may be expected to remain the most conservative type of investment. Such bonds will tend to fluctuate in price with fluctuations of the prevailing long-term interest rates. Bonds rated A have distinct investment qualities, but do not have the elements of strength which would necessarily prevent their intrinsic worth from being affected by some special development; while those rated Baa have definitely less of an investment and more of a speculative character. Each group includes a representative number of bonds.

Sources: Corporate Bonds, Moody's Investors Service; Government Bonds, U. S. Treasury Department.

Short-term commercial and financial rates remained steady. As has been mentioned, Treasury rates on new bills increased moderately in March because of new tax provisions, and rose rather sharply in November, as did the yield on notes.

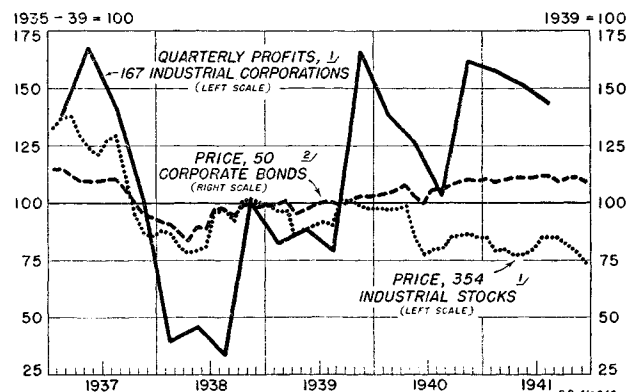
Lower Stock Prices.

One of the very few sectors of the economy which did not record some improvement during 1941 was the stock market. Notwithstanding one of the heaviest profit volumes in business history and the largest dividend payment since 1937, the average of all stock prices on the New York Stock Exchange actually was 15 percent lower in December 1941 than a year earlier. As compared with 1937, the December average had declined one-third, and it was down by two-thirds when contrasted with the average for the whole of 1929.

Traders and investors were more impressed with the uncertainties of the business future than with the current profit record, and only 170 million shares were transferred on the New York Stock Exchange, the lowest annual volume since 1918. The break in the market after our Declaration of War was only of minor significance in the general movement downward throughout the year. Falling stock prices and increasing dividend

payments combined to increase the average yield on 200 common stocks (as computed by Moody's) from 5.7 percent in December 1940, to 7.3 at the end of 1941.

Figure 39.—Indexes of Industrial Stock Prices, Corporate Bond Prices, and Quarterly Profits of Industrial Corporations



¹ Data do not include public utility or railroad companies. Data for corporate profits for the fourth quarter of 1941 were not available in time to include them in this chart.

² Data include industrial, public utility, and railroad companies.

Sources: Stock index and basic data from which bond index was computed, Standard and Poor's Corporation; basic data from which profits index was computed, Federal Reserve Bank of New York.

Relatively Small Volume of Corporate Issues.

The capital markets reflected the extensive role played by Government investment in the growth of capital during the past year. Corporate issues for new capital amounted to slightly more than 1 billion during the year. While this volume was high compared to flotations in the recent past, it was exceptionally low for a period of rapid expansion, failing to reach the levels attained in either 1936 or 1937. In addition to public financing of capital plant, business has relied to an increasing extent on internal financing made possible by the accumulation of idle balances during the past 6 or 7 years.

Railroads and public utilities continued among the heaviest borrowers from the organized corporate capital markets, accounting for over 60 percent of the new capital issues with a single offering in August—in excess of 200 million dollars—by American Telephone and Telegraph dominating the year.

In spite of declining bond yields, refunding operations were slightly lower in volume than in the preceding 2 years, aggregating a little more than 1.5 billion, with over two-thirds of the total taking place in the first 6 months. A large proportion of the long-term capital charges have by now been adjusted to the low interest rates which were provided in the past few years.

Municipal flotations dropped to 935 million, the lowest aggregate since 1937; furthermore, only 516 million of this represented new money, as many cities took advantage of the favorable position of municipal obligations in the bond market and reduced their interest costs through refunding.

Monthly Business Statistics

The data here are a continuation of the statistics published in the 1940 Supplement to the SURVEY OF CURRENT BUSINESS. That volume contains monthly data for the years 1936 to 1939, and monthly averages for earlier years back to 1913 insofar as available; it also provides a description of each series and references to sources of monthly figures prior to 1936. Series added or revised since publication of the 1940 Supplement are indicated by an asterisk (*) and a dagger (†), respectively, the accompanying footnote indicating where historical data and a descriptive note may be found. The term "unadjusted" and "adjusted" used to designate index numbers refer to adjustment of monthly figures for seasonal variations.

Data subsequent to December for selected series will be found in the Weekly Supplement to the Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

BUSINESS INDEXES

INCOME PAYMENTS†													
Indexes, adjusted.													
Total income payments..... 1935-39=100.....	148.3	119.0	121.3	123.1	124.0	125.1	128.6	131.5	133.1	136.7	139.1	140.9	143.0
Salaries and wages..... do.....	154.3	124.7	127.9	131.2	132.4	133.6	138.1	142.0	143.3	145.1	145.6	147.5	148.8
Total nonagricultural income..... do.....	143.8	119.7	122.2	124.6	125.6	130.0	133.2	134.4	135.9	136.5	138.0	138.0	139.6
Total..... mil. of dol.....	8,966	7,534	6,695	6,370	6,977	6,952	6,848	7,690	7,474	7,277	8,064	8,264	7,848
Salaries and wages:													
Total..... do.....	5,538	4,527	4,422	4,523	4,619	4,714	4,909	5,077	4,993	5,082	5,255	5,383	5,364
Commodity-producing industries..... do.....	2,451	1,805	1,779	1,868	1,923	1,960	2,243	2,277	2,277	2,347	2,400	2,451	2,421
Distributive industries..... do.....	1,248	1,046	974	984	999	1,034	1,049	1,083	1,088	1,096	1,114	1,127	1,133
Service industries..... do.....	952	913	905	907	913	920	925	930	937	942	947	947	949
Government..... do.....	801	635	633	639	658	679	695	717	605	617	715	776	782
Work-relief wages..... do.....	86	128	131	125	126	121	116	104	86	80	79	81	79
Direct and other relief..... do.....	92	93	96	96	98	96	93	90	90	90	89	90	90
Social-security benefits and other labor income..... mil. of dol.....	154	148	159	154	154	148	152	151	152	149	147	146	147
Dividends and interest..... do.....	1,491	1,508	790	432	913	793	453	1,094	890	444	898	833	530
Entrepreneurial income and net rents and royalties..... mil. of dol.....	1,691	1,258	1,228	1,165	1,193	1,201	1,241	1,275	1,349	1,512	1,675	1,812	1,717
Total nonagricultural income..... do.....	8,021	6,950	6,156	5,894	6,476	6,442	6,294	7,105	6,810	6,466	7,097	7,155	6,865
AGRICULTURAL INCOME													
Cash income from farm marketings:													
Crops and livestock, combined index:													
Unadjusted..... 1924-29=100.....	128.0	86.0	74.5	61.5	68.0	74.0	83.5	86.0	99.0	123.0	144.5	161.0	137.5
Adjusted..... do.....	134.0	85.5	86.5	84.0	88.5	93.0	96.5	96.0	98.5	102.0	110.0	111.5	112.5
Crops..... do.....	124.5	72.0	73.0	66.5	79.5	77.5	82.0	81.0	83.5	95.0	99.0	101.5	101.5
Livestock and products..... do.....	142.5	98.0	98.5	100.5	97.0	107.0	110.0	110.0	112.5	109.0	120.0	121.0	123.0
Dairy products..... do.....	129.5	104.0	99.5	102.0	97.5	108.5	108.5	107.5	107.5	112.5	122.5	124.5	131.5
Meat animals..... do.....	154.0	96.0	101.0	105.0	100.0	114.5	118.5	117.5	122.5	114.0	129.0	128.0	122.5
Poultry and eggs..... do.....	132.0	89.5	85.0	78.0	82.0	82.5	83.5	90.0	90.5	87.0	88.5	92.0	106.5
INDUSTRIAL PRODUCTION†													
(Federal Reserve)													
Unadjusted:													
Combined index†..... 1935-39=100.....	165	136	135	140	144	144	155	160	159	162	167	167	167
Manufactures†..... do.....	172	140	139	144	149	153	160	165	164	167	172	173	172
Durable manufactures†..... do.....	212	164	166	171	178	182	192	198	196	199	206	210	209
Iron and steel..... do.....	196	174	179	179	184	181	184	185	185	179	182	191	191
Lumber and products*..... do.....	127	121	116	119	123	130	134	140	144	151	148	145	134
Furniture*..... do.....	157	133	123	129	133	135	143	160	149	158	157	156	154
Lumber*..... do.....	112	114	113	115	118	128	130	135	142	148	144	138	124
Machinery*..... do.....	239	164	168	177	185	194	206	214	216	224	227	231	229
Nonferrous metals*†..... do.....	191	162	166	173	179	184	190	185	188	186	189	184	189
Stone, clay, and glass products*..... do.....	145	125	110	112	125	142	164	172	166	172	174	176	167
Cement..... do.....	153	124	100	102	117	139	163	174	177	181	184	185	171
Glass containers*..... do.....	154	111	110	120	130	135	159	163	160	172	166	173	170
Polished plate glass..... do.....	80	141	144	131	141	142	142	149	96	109	120	117	120
Transportation equipment*†..... do.....	275	188	193	207	214	206	229	244	229	221	244	269	280
Aircraft*†..... do.....	(1)	635	685	741	768	818	876	930	997	1,113	1,204	1,290	1,340
Automobile bodies, parts and assembly*..... 1935-39=100.....	122	138	138	148	150	136	152	161	135	120	134	146	142
Automobiles, factory sales*†..... do.....	85	152	151	161	160	139	164	164	134	47	74	110	123
Locomotives*..... do.....	(1)	175	189	204	216	237	256	280	307	306	319	335	338
Railroad cars*..... do.....	(1)	172	178	182	178	196	218	233	233	236	249	279	263
Shipbuilding (private yards)*..... do.....	(1)	263	282	307	335	353	381	428	467	485	560	634	639
Non-durable manufactures..... do.....	139	121	118	122	126	130	135	138	138	142	145	143	118
Alcoholic beverages*..... do.....	106	93	87	94	100	108	120	129	131	122	137	137	137
Chemicals*..... do.....	154	122	122	124	129	136	135	138	139	142	148	151	151
Leather and products..... do.....	120	99	104	117	122	118	120	119	125	129	128	126	123
Shoes*..... do.....	109	95	106	121	128	123	124	119	128	135	131	124	115
Manufactured food products*†..... do.....	131	115	104	104	107	112	119	128	137	152	158	142	139
Dairy products*†..... do.....	79	79	84	92	105	134	175	188	181	167	132	106	94
Meat packing..... do.....	161	159	133	122	122	119	132	121	119	116	119	134	152
Paper and products*..... do.....	123	123	126	131	136	137	141	143	141	146	149	151	158
Paper and pulp*..... do.....	124	128	133	137	137	140	145	147	145	150	151	155	134
Petroleum and coal products*..... do.....	119	119	120	120	119	120	126	128	129	131	134	135	133
Coke*..... do.....	149	150	152	154	133	148	154	154	154	152	152	153	133
Petroleum refining..... do.....	115	115	115	114	119	122	124	125	128	131	132	132	134
Printing and publishing*..... do.....	136	112	109	115	121	124	126	127	116	121	125	131	135
Rubber products*..... do.....	137	145	151	151	157	162	192	153	150	131	131	134	(1)
Textiles and products..... do.....	151	140	138	143	147	150	157	155	155	154	151	150	156
Cotton consumption*..... do.....	155	142	144	152	156	160	164	160	162	160	156	161	167
Rayon deliveries*†..... do.....	178	154	154	148	150	158	169	173	173	170	168	172	179
Silk deliveries*..... do.....	(1)	79	72	68	74	73	66	66	69	50	32	70	15
Wool textile production*..... do.....	169	145	136	149	152	152	165	163	157	166	169	164	166
Tobacco products..... do.....	110	98	108	108	110	113	121	128	123	122	132	133	134

* Revised. † Preliminary. ‡ Formerly designated as "automobiles." § Included in total and group indexes but not available for publication separately.
 † Revised series. For revised data on income payments beginning 1929, see table 21, pp. 16 to 18 of the July 1941 Survey. For industrial production series, see note marked with a "†" on p. S-2.
 * New series. See note marked with a "*" on p. S-2. † Revisions appear in the September 1941 Survey, see note marked with a "†" on p. S-2.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941		1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November
BUSINESS INDEXES—Continued													
INDUSTRIAL PRODUCTION†—Con.													
Unadjusted—Continued.													
Minerals†..... 1935-39=100	p 124	113	113	114	116	96	127	131	130	134	137	r 138	r 135
Fuels*..... do	p 128	116	117	118	121	87	118	123	121	125	129	r 131	r 130
Anthracite..... do	p 94	115	114	112	105	76	88	116	107	120	122	r 123	99
Bituminous coal..... do	p 138	127	130	134	143	18	126	132	128	135	144	r 142	r 143
Crude petroleum..... do	p 128	111	111	112	114	116	118	120	119	122	124	r 127	128
Metals*†..... do	p 100	98	95	93	92	148	181	184	187	182	r 180	r 180	r 164
Copper*..... do	(1)	146	145	155	151	156	159	152	147	152	152	r 156	r 157
Lead..... do	124	118	116	116	116	121	117	116	116	120	119	r 128	r 128
Zinc..... do	134	123	125	126	125	133	127	136	125	131	135	r 134	r 130
Adjusted:													
Combined index..... do	p 168	139	140	144	147	144	154	159	160	160	161	163	166
Manufactures†..... do	p 175	142	144	148	151	153	160	164	165	166	166	169	172
Durable manufactures..... do	p 215	164	171	176	180	180	190	195	199	199	203	r 207	r 209
Iron and steel..... do	p 196	174	179	179	184	181	184	184	185	185	192	r 191	191
Lumber and products*..... do	p 138	132	137	135	128	132	132	132	135	141	140	r 136	r 135
Furniture*..... do	p 151	128	132	129	132	139	152	155	156	151	152	r 149	r 148
Lumber*..... do	p 131	133	139	139	125	128	122	125	131	134	129	r 129	r 128
Machinery*..... do	p 239	164	168	177	185	194	206	214	216	224	227	r 231	r 229
Nonferrous metals*†..... do	p 191	162	167	173	179	183	189	184	188	186	190	r 184	r 189
Stone, clay, and glass products*..... do	p 166	140	154	158	150	142	141	150	151	154	156	r 158	161
Cement..... do	191	155	181	183	156	139	134	138	143	148	154	159	164
Glass containers*..... do	166	119	123	131	139	135	148	155	154	158	163	168	168
Polished plate glass..... do	67	117	137	138	135	142	142	142	152	146	133	120	105
Transportation equipment*†..... do	p 275	177	190	203	207	196	228	243	255	241	r 245	r 269	r 280
Aircraft*†..... do	(1)	635	685	741	768	818	876	930	997	1,113	1,204	1,290	r 1,340
Automobile bodies, parts and assembly*..... 1935-1939=100	p 122	125	134	143	142	124	152	161	168	141	134	146	r 142
Automobiles, factory sales*†..... do	85	129	144	152	143	122	151	148	154	93	74	110	123
Locomotives*..... do	(1)	175	189	204	216	237	256	280	307	306	r 319	r 335	r 338
Railroad cars*..... do	(1)	172	178	182	178	196	218	233	233	236	r 249	r 279	r 263
Shipbuilding (private yards)*..... do	(1)	263	282	307	335	353	381	428	467	485	r 500	634	r 639
Nondurable manufactures..... do..... p 142 124 123 126 123 131 135 139 138 139 137 138 r 143													
Alcoholic beverages*..... do..... 116 101 105 108 104 107 114 122 130 128 131 109 127 109													
Chemicals*..... do..... p 153 121 123 124 125 133 136 144 146 145 146 147 r 149													
Leather and products..... do..... p 131 109 107 108 114 114 123 130 129 121 120 124 124 r 133													
Shoes*..... do..... p 130 113 110 112 115 117 126 136 132 120 117 122 133													
Manufactured food products*†..... do..... p 139 121 117 120 121 123 123 127 126 132 129 131 r 140													
Dairy products*†..... do..... 125 131 127 125 135 129 124 126 127 130 133 137													
Meat packing..... do..... p 139 134 114 126 134 126 132 124 125 134 126 133 135													
Paper and products*..... do..... 130 129 128 132 134 142 145 147 147 144 r 146 152													
Paper and pulp*..... do..... 131 129 128 133 136 145 149 152 152 149 136 158													
Petroleum and coal products*..... do..... 120 122 122 123 121 125 127 128 130 132 133 135													
Coke*..... do..... 149 150 152 154 133 148 154 154 154 152 153 153													
Petroleum refining..... do..... 116 117 117 118 119 122 123 124 126 128 129 133													
Printing and publishing*..... do..... p 135 112 111 114 116 118 122 128 127 129 125 127 r 133													
Rubber products*..... do..... 144 141 153 155 158 162 192 153 130 131 134 (1)													
Textiles and products..... do..... p 151 140 138 143 146 150 157 156 155 154 151 150 r 156													
Cotton consumption*..... do..... 155 142 144 152 156 160 164 160 162 160 166 167													
Rayon deliveries*†..... do..... p 178 156 156 148 150 158 169 173 173 170 168 172 179													
Silk deliveries*..... do..... (1) 74 69 67 71 74 71 73 77 56 34 10 15													
Wool textile production*..... do..... p 169 145 136 149 152 152 165 163 157 166 169 164 r 166													
Tobacco products..... do..... 129 114 113 116 117 120 119 118 114 118 121 128 132													
Minerals†..... do..... p 130 118 119 118 125 95 126 132 131 132 131 130 r 131													
Fuels*..... do..... p 126 114 114 113 121 86 121 129 129 129 128 127 r 128													
Anthracite..... do..... p 88 108 98 102 102 71 80 126 137 162 127 116 97													
Bituminous coal..... do..... p 124 115 117 114 149 22 149 153 146 147 139 127 r 125													
Crude petroleum..... do..... p 131 114 114 113 112 113 114 120 119 119 124 128 132													
Metals*†..... do..... p 152 147 148 148 148 149 152 r 150 r 150 148 r 144 r 145 r 150													
Copper*†..... do..... (1) 145 148 153 148 152 159 155 156 155 154 151 152													
Lead..... do..... 122 116 116 116 118 119 115 117 114 116 120 119 127													
Zinc..... do..... p 134 123 125 126 125 133 127 136 125 131 135 134 r 130													
MANUFACTURERS' ORDERS, SHIPMENTS, AND INVENTORIES*													
New orders, total..... Jan. 1939=100..... 172 176 189 194 196 207 229 212 196 202 193 r 212													
Durable goods..... do..... 252 246 277 285 277 290 330 295 257 260 259 r 265													
Electrical machinery..... do..... 294 257 303 296 288 308 316 339 309 304 339 r 314													
Iron and steel and their products..... do..... 216 256 295 304 304 307 289 281 223 249 213 r 225													
Other machinery..... do..... 267 238 277 267 255 276 298 294 290 265 246 r 326													
Other durable goods..... do..... 282 231 237 263 247 269 429 301 265 258 227 r 258													
Nondurable goods..... do..... 120 132 132 136 144 154 161 159 157 165 163 r 178													
Shipments, total..... do..... 152 148 159 165 172 180 191 185 188 208 203 r 203													
Durable goods..... do..... 184 175 189 198 205 219 233 222 216 239 240 r 242													
Automobiles and equipment..... do..... 161 155 165 165 155 172 181 159 84 118 159 171													
Electrical machinery..... do..... 200 181 205 209 231 244 252 246 238 267 257 r 272													
Other machinery..... do..... 193 181 202 217 230 235 267 261 262 301 278 r 291													
Iron and steel and their products..... do..... 195 190 198 210 215 235 245 245 262 265 255 r 246													
Transportation equipment (except automobiles)..... do..... 336 268 325 370 439 443 478 452 513 649 695 r 714													
Other durable goods..... do..... 167 163 176 176 183 196 206 219 210 226 237 228 r 224													
Nondurable goods..... do..... 123 124 133 136 142 146 154 151 164 180 172 r 168													
Chemicals and allied products..... do..... 124 142 146 144 159 164 172 164 166 188 182 r 176													
Food and kindred products..... do..... 112 114 120 123 127 134 144 138 150 174 161 r 158													
Paper and allied products..... do..... 146 142 148 152 162 168 173 173 181 192 194 202													
Petroleum refining..... do..... 107 110 110 114 121 134 139 143 151 151 145 r 158													
Rubber products..... do..... 169 158 171 174 193 214 236 213 203 228 r 222 r 194													
Textile-mill products..... do..... 143 140 154 167 166 160 178 170 195 206 200 r 191													
Other nondurable goods..... do..... 123 114 134 147 142 129 125 137 164 167 162 r 149													

* Revised. † Preliminary. † See note 1, p. S-1. † Formerly designated as "automobiles." † See note marked with a "†".
 † Revised series. Revised indexes of industrial production for 1919-39 (1923-39 for industrial groups and industries), including the new series, are available on pp. 12-17 of the August 1940 Survey, except for subsequent revisions in the series marked with a "†" and data for all years for the new series on "automobile bodies, parts and assembly;" data for the latter series and revisions for the series marked "†" (with the exception of zinc and changes in the combined indexes for minerals and metals) are available in table 24, pp. 21 and 22 of the September 1941 Survey; the latter table includes also revisions of 1940 data for nondurable goods, petroleum and coal products, coke, rubber products, leather and products, shoes, textiles and products, wool textiles, fuels, anthracite and bituminous coal, and 1939 revisions for alcoholic beverages, and crude petroleum. Revisions for zinc and the combined indexes for minerals and metals will be shown in a later issue. No seasonal adjustments have been made for the following industries beginning with the month indicated, since recent conditions have obliterated seasonal movements: Aircraft, January 1939; machinery, October 1940; cotton consumption, and zinc (under minerals) November 1940; nonferrous metals, most components, November or December 1940; iron and steel, steel component, December 1940; railroad cars, locomotives, shipbuilding, rayon, wool textiles, and coke, December 1940; rubber consumption under rubber products, July 1941; silk, August 1941; the two automobile series, September 1940.
 * New series. For industrial production series, see note marked with "†". For indexes of manufacturers' orders and shipments beginning January 1939, see monthly Surveys beginning with the September 1940 issue (description of data and figures for January-June 1939 are available on pp. 7-13 of that issue except for revisions given in note marked with an "****" on p. 20 of the November 1940 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey

BUSINESS INDEXES—Continued

MANUFACTURERS' ORDERS, SHIPMENTS, AND INVENTORIES—Con.
Inventories, total... Average month 1939=100...
Durable goods... do...
Automobiles and equipment... do...
Electrical machinery... do...
Other machinery... do...
Iron and steel and their products... do...
Transportation equipment... do...
Nondurable goods... do...
Chemicals and allied products... do...
Food and kindred products... do...
Paper and allied products... do...
Petroleum refining... do...
Rubber products... do...
Textile-mill products... do...
Other nondurable goods... do...

COMMODITY PRICES

COST OF LIVING
National Industrial Conference Board:
Combined index... 1923=100...
Clothing... do...
Food... do...
Fuel and light... do...
Housing... do...
Sundries... do...
U. S. Department of Labor:
Combined index... 1935-39=100...
Clothing*... do...
Food†... do...
Fuel, electricity, and ice*... do...
Housefurnishings*... do...
Rent‡... do...
Miscellaneous*... do...
PRICES RECEIVED BY FARMERS
U. S. Department of Agriculture:
Combined index... 1909-14=100...
Chickens and eggs... do...
Cotton and cottonseed... do...
Dairy products... do...
Fruits... do...
Grains... do...
Meat animals... do...
Truck crops... do...
Miscellaneous... do...
RETAIL PRICES
U. S. Department of Labor indexes:
Anthracite... 1923-25=100...
Bituminous coal... do...
Food (see under cost of living above).
Fairchild's Index:
Combined index... Dec. 31, 1930=100...
Apparel:
Infants... do...
Men's... do...
Women's... do...
Home furnishings... do...
Piece goods... do...
WHOLESALE PRICES
U. S. Department of Labor indexes:
Combined index (889 quotations)*... 1926=100...
Economic classes:
Finished products... do...
Raw materials... do...
Semimanufactures... do...
Farm products... do...
Grains... do...
Livestock and poultry... do...
Commodities other than farm products*... 1926=100...
Foods... do...
Dairy products... do...
Fruits and vegetables... do...
Meats... do...
Commodities other than farm products and foods... 1926=100...
Building materials... do...
Brick and tile... do...
Cement... do...
Lumber†... do...
Chemicals and allied products†... do...
Chemicals‡... do...
Drugs and pharmaceuticals‡... do...
Fertilizer materials‡... do...

* Revised. † Preliminary. *Number of quotations increased to 889 in January 1941. ‡ For monthly data beginning 1933, see p. 18 of the April 1940 Survey.

§ Data for January 15, 1942: Total, 149; chickens and eggs, 147; cotton and cottonseed, 143; dairy products, 148; fruits, 102; grains, 119; meat animals, 166; truck crops, 204; miscellaneous, 167.

¶ Covers 37 cities.

† Revised series. National Industrial Conference Board's index of cost of living and food component and index of wholesale prices of lumber revised beginning 1935, see tables 5 and 7, respectively, p. 18 of the January 1941 Survey; since June 1941, the Board's food index is based on its own data collected in 56 cities, therefore, the food index was based on the Department of Labor's series. For the Department of Labor's revised index of retail food prices beginning 1931, see table 51, p. 18 of the November 1940 Survey. Data for chemicals and allied products and subgroups revised beginning 1926; see table 32, p. 18 of the August 1940 Survey.

* New series. For description of data on manufacturers' inventories, see pp. 7-13 of the September 1940 Survey and for revised figures beginning December 1938, see table 40, p. 22 of the January 1942 Survey. For data beginning 1913 for the Department of Labor's cost of living series, see table 19, p. 18, of the May 1941 Survey; or index of prices of commodities other than farm products beginning 1913, see table 36, p. 18, of the September 1940 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941		1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November
COMMODITY PRICES—Continued													
WHOLESALE PRICES—Continued													
U. S. Department of Labor indexes—Con.													
Commodities other than farm products and foods—Continued													
Fuel and lighting materials.....1926=100.....	78.4	71.7	72.1	72.1	72.0	72.9	75.6	77.9	78.5	79.0	79.2	79.6	78.8
Electricity.....do.....		73.4	72.5	72.5	72.0	69.2	67.7	67.2	66.8	66.4	66.7	66.2	67.5
Gas.....do.....		78.2	77.5	77.6	77.0	78.1	80.1	81.0	80.8	78.3	81.7	78.9	77.5
Petroleum products.....do.....	59.8	49.5	50.0	50.0	49.9	51.9	55.3	59.9	60.9	61.4	61.7	61.7	60.4
Hides and leather products.....do.....	114.8	102.3	102.4	101.6	102.6	103.9	106.4	107.8	109.4	110.2	111.3	112.6	114.1
Hides and skins.....do.....	115.9	99.3	99.1	94.8	99.1	104.7	110.3	112.4	112.5	112.2	112.1	113.1	114.0
Leather.....do.....	101.3	94.1	94.4	94.5	94.8	95.6	96.9	97.9	98.1	98.5	100.0	100.9	101.1
Shoes.....do.....	120.7	107.2	107.4	107.4	107.4	107.8	110.1	111.7	114.7	116.1	117.1	118.8	120.5
House-furnishing goods.....do.....	101.1	88.9	89.0	89.1	89.5	90.4	91.4	93.1	94.4	95.4	97.2	99.5	100.6
Furnishings.....do.....	105.6	95.1	95.2	95.3	95.8	97.1	98.0	99.0	99.7	100.7	102.1	104.4	105.2
Furniture.....do.....	96.6	82.2	82.6	82.6	82.9	83.4	84.3	87.0	88.9	89.9	92.2	94.4	95.8
Metals and metal products.....do.....	103.3	97.6	97.7	97.6	97.7	97.9	98.1	98.3	98.5	98.6	98.6	103.1	103.3
Iron and steel.....do.....	97.0	95.4	95.7	95.5	95.7	95.9	96.1	96.5	96.8	96.9	96.9	97.0	97.1
Metals, nonferrous.....do.....	84.8	83.4	83.6	84.0	84.3	84.3	84.4	84.5	84.7	84.4	84.4	84.6	84.8
Plumbing and heating equipment.....do.....	89.1	80.5	80.5	82.2	82.8	83.0	83.0	83.1	83.2	86.8	87.1	87.8	87.9
Textile products.....do.....	91.8	74.8	75.2	76.4	78.4	81.0	83.0	84.5	86.2	88.3	89.7	90.9	91.1
Clothing.....do.....	98.4	85.5	86.6	87.2	87.7	88.7	90.9	91.6	93.9	95.1	96.1	97.8	97.9
Cotton goods.....do.....	107.5	74.9	75.8	77.5	81.1	86.8	91.0	94.6	96.1	101.5	104.2	105.2	105.4
Hosiery and underwear.....do.....	67.0	60.7	59.9	60.3	60.4	61.1	61.3	61.9	62.9	63.8	64.4	66.6	67.0
Rayon*.....do.....	30.3	29.5	29.5	29.5	29.5	29.5	29.5	29.5	29.5	29.5	29.8	30.3	30.3
Silk*.....do.....	(1)	42.5	42.5	43.3	47.7	48.3	49.1	51.2	51.4	52.0	(1)	(1)	(1)
Woolen and worsted goods.....do.....	102.7	89.0	89.2	91.2	93.2	93.3	94.1	94.6	96.5	98.2	101.4	102.3	102.6
Miscellaneous.....do.....	87.6	77.3	77.1	76.9	77.6	78.6	79.6	80.6	82.0	83.7	85.1	86.4	87.3
Automobile tires and tubes.....do.....	67.4	58.3	58.2	58.2	58.4	58.8	58.8	58.8	58.8	60.8	60.8	65.5	67.4
Paper and pulp.....do.....	102.5	93.1	93.1	93.3	93.5	94.5	96.7	98.0	98.8	100.7	101.7	101.9	102.2
Wholesale prices, actual. (See under respective commodities.)													
PURCHASING POWER OF THE DOLLAR													
Wholesale prices.....1923-25=100.....	107.6	125.9	124.7	125.0	123.6	121.0	118.6	115.6	113.4	111.5	109.7	109.0	108.9
Retail food prices.....do.....	111.9	130.0	129.4	129.2	128.5	125.8	123.9	119.5	118.6	117.1	114.3	113.4	111.9
Prices received by farmers.....do.....	102.8	145.6	141.4	142.7	142.7	133.7	131.2	124.5	117.6	112.2	105.7	105.7	108.9
Cost of living.....do.....	108.9	118.3	118.2	118.1	117.8	117.1	116.4	114.9	114.4	113.8	112.0	110.5	109.5

CONSTRUCTION AND REAL ESTATE

CONTRACT AWARDS, PERMITS, AND DWELLING UNITS PROVIDED													
Value of contracts awarded (F. R. indexes):													
Total, unadjusted.....1923-25=100.....	106	93	84	86	94	117	121	135	153	159	162	137	122
Residential, unadjusted.....do.....	58	77	70	68	78	93	104	111	118	111	105	84	71
Total, adjusted.....do.....	133	115	103	99	94	103	101	117	139	152	161	145	138
Residential, adjusted.....do.....	68	90	84	76	74	80	88	101	117	112	105	87	74
F. W. Dodge Corporation (37 States):													
Total projects.....number.....	22,941	34,959	21,462	25,001	32,304	36,380	48,531	46,950	49,637	50,551	41,497	40,920	29,150
Total valuation.....thous. of dol.....	431,626	456,189	305,205	270,373	479,903	406,675	548,700	539,106	577,392	760,233	623,292	606,349	458,620
Public ownership.....do.....	287,722	257,693	124,314	104,801	268,556	184,009	267,454	313,650	348,495	520,430	403,495	371,345	297,865
Private, ownership.....do.....	143,904	198,496	180,891	165,572	211,347	222,666	281,246	225,456	228,897	239,803	219,797	235,004	160,755
Nonresidential buildings:													
Projects.....number.....	3,619	8,746	3,438	4,120	5,668	5,233	8,446	6,262	8,330	10,766	7,822	9,907	4,978
Floor area.....thous. of sq. ft.....	24,908	42,129	23,918	19,718	29,451	31,509	44,596	31,898	38,242	63,802	46,810	54,417	31,023
Valuation.....thous. of dol.....	171,016	182,618	118,757	90,058	201,458	143,304	202,492	200,456	220,612	286,741	218,288	269,553	192,936
Residential buildings, all types:													
Projects.....number.....	18,344	24,976	16,036	19,746	25,325	29,499	38,093	38,527	39,429	37,234	31,791	29,246	22,633
Floor area.....thous. of sq. ft.....	25,591	48,183	28,450	29,322	35,801	41,978	54,571	52,098	52,895	62,773	43,624	45,403	31,023
Valuation.....thous. of dol.....	104,276	159,275	111,306	116,459	147,859	166,462	201,274	205,634	205,049	231,529	175,713	171,722	116,468
Public works:													
Projects.....number.....	715	761	812	725	975	1,283	1,589	1,701	1,487	1,871	1,419	1,266	1,086
Valuation.....thous. of dol.....	105,989	73,447	59,622	42,242	84,592	71,426	96,501	99,631	101,074	134,054	131,123	94,563	88,436
Utilities:													
Projects.....number.....	263	476	276	410	336	365	403	460	382	680	465	501	453
Valuation.....thous. of dol.....	50,345	40,849	15,520	21,614	45,994	25,483	48,433	33,385	50,657	107,909	98,168	70,461	60,780
New dwelling units provided and permit valuation of building construction (based on bldg. permits), U. S. Dept. of Labor indexes:†													
Number of new dwelling units provided 1935-39=100.....	120.7	175.4	160.9	168.1	204.1	273.9	253.6	283.5	264.2	253.1	244.5	198.8	171.5
Permit valuation:													
Total building construction.....do.....	104.4	185.3	129.6	124.1	142.2	192.9	177.9	195.8	178.5	161.5	156.0	136.6	103.9
New residential buildings.....do.....	114.1	146.6	135.9	141.3	180.1	241.1	221.6	247.7	236.4	233.2	219.8	180.3	147.2
New nonresidential buildings.....do.....	93.1	271.1	139.3	120.3	114.9	168.4	147.7	162.3	135.9	100.0	104.1	89.7	66.0
Additions, alterations, and repairs.....do.....	81.6	79.5	87.5	87.4	108.7	125.6	135.4	140.5	131.9	125.8	112.6	130.9	83.6
Estimated number of new dwelling units provided in all urban areas (U. S. Dept. of Labor):†													
Total.....number.....	29,202	27,027	27,720	35,347	47,770	43,452	46,842	44,831	41,007	39,371	33,351	31,023	28,518
1-family dwellings.....do.....	21,265	18,698	20,752	27,223	37,602	34,590	37,610	36,239	34,166	33,351	33,351	31,023	28,518
2-family dwellings.....do.....	2,073	1,917	2,429	2,760	2,871	2,590	2,599	2,151	2,319	2,945	2,945	2,945	2,945
Multifamily dwellings.....do.....	5,864	6,412	4,539	5,364	7,297	6,272	6,633	6,441	4,522	3,075	3,075	3,075	3,075
Engineering construction:													
Contract awards (E. N. R.)...thous. of dol.....	269,689	398,704	584,549	424,269	452,430	381,563	409,371	589,221	958,663	529,561	514,251	406,332	348,800
HIGHWAY CONSTRUCTION													
Concrete pavement contract awards:													
Total.....thous. sq. yd.....	8,176	4,496	4,967	2,083	3,567	5,042	7,782	8,776	17,124	9,567	6,072	6,975	4,344
Airports*.....do.....	2,964	644	832	227	1,029	1,358	2,804	3,112	9,594	3,606	1,624	2,885	535
Roads.....do.....	3,197	2,262	2,814	819	1,531	2,087	3,425	3,878	4,825	3,910	2,635	2,460	2,570
Streets and alleys.....do.....	2,015	1,590	1,321	1,037	1,007	1,596	1,553	1,786	2,706	2,051	1,814	1,630	1,239

* Revised. † Preliminary. ‡ Data for January, May, July, and October 1941 are for 5 weeks; other months, 4 weeks. § No quotation.

* New series. For indexes of rayon and silk prices beginning 1926, see table 29, p. 18 of the May 1940 Survey. Earlier data for concrete pavement contract awards for airports and for the total revised to include airports will appear in a subsequent issue.

† Revised series. Indicated series on "Purchasing power of the dollar" revised beginning January 1935; see table 4, p. 18 of the January 1941 Survey. Revised data beginning September 1929 for indexes of new dwelling units provided and permit valuation of building construction will appear in a subsequent issue. For revision in total concrete pavement awards, see note marked with "§" Revised data on number of dwelling units provided for 1939 are shown in table 18, p. 17, of the May 1941 Survey. Estimates beginning January 1940 cover urban areas as defined by results of the 1940 Census; revised data for earlier months of 1940 are available on p. 22 of the June 1941 Survey, except for revisions in April figures as follows: all types, 38,324; multifamily, 7,013.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941		1940		1941								
	December	December	January	February	March	April	May	June	July	August	September	October	November
CONSTRUCTION AND REAL ESTATE—Continued													
HIGHWAY CONSTRUCTION—Continued													
Status of highway and grade crossing projects administered by Public Roads Admn.:													
Highways:													
Approved for construction:													
Mileage.....no. of miles.....	2,259	2,926	3,047	3,100	3,322	3,621	3,765	4,118	3,879	3,557	2,899	2,749	2,635
Federal funds.....thous. of dol.....	34,014	35,949	36,845	36,477	39,100	42,405	42,755	48,889	47,264	44,693	38,404	38,850	39,259
Under construction:													
Mileage.....no. of miles.....	7,417	7,536	7,315	7,413	7,773	8,334	8,777	8,921	9,054	8,840	8,615	8,176	7,809
Federal funds.....thous. of dol.....	121,384	113,922	113,671	115,932	121,029	126,387	134,641	139,401	141,569	138,675	136,512	131,914	128,351
Estimated cost.....do.....	239,336	228,840	227,763	232,054	241,877	246,119	261,530	270,967	276,100	272,079	268,926	260,555	253,703
Grade crossings:													
Approved for construction:													
Federal funds.....do.....	10,005	10,123	10,573	10,331	11,060	13,000	16,753	20,459	17,798	14,662	12,423	11,851	10,208
Estimated cost.....do.....	11,810	10,781	11,065	10,719	11,632	13,535	17,812	21,255	18,765	15,820	13,553	13,122	11,588
Under construction:													
Federal funds.....do.....	37,742	32,483	32,072	33,226	35,292	37,648	37,384	37,714	39,548	42,778	42,328	41,520	40,464
Estimated cost.....do.....	39,323	34,001	33,592	34,715	36,768	39,300	38,972	39,452	40,939	44,249	43,771	42,920	41,932
CONSTRUCTION COST INDEXES													
Aberthaw (industrial building).....1914=100.....	215	195			197			207			211		
American Appraisal Co.†													
Average, 30 cities.....1913=100.....	225	212	212	212	212	213	215	215	219	221	221	223	223
Atlanta.....do.....	222	202	208	209	209	213	214	214	216	218	218	219	219
New York.....do.....	238	230	231	231	231	230	231	231	233	234	235	235	235
San Francisco.....do.....	212	194	194	194	194	196	196	197	203	204	205	209	210
St. Louis.....do.....	226	217	216	216	216	216	218	219	223	223	223	224	224
Associated General Contractors (all types).....1913=100.....	203	193	193	193	194	195	195	196	198	198	200	202	203
E. H. Boeckh and Associates, Inc.‡													
Apartments, hotels, and office buildings:													
Brick and concrete:													
Atlanta.....U. S. av., 1926-29=100.....	100.2	98.3	98.7	98.7	98.5	99.8	99.7	99.2	99.6	100.5	100.7	100.7	100.7
New York.....do.....	136.0	133.5	133.8	133.8	133.9	134.0	134.0	134.9	135.3	136.1	136.3	136.3	136.3
San Francisco.....do.....	123.2	116.1	116.9	116.9	119.3	119.6	119.9	119.3	120.8	121.5	122.8	122.5	123.5
St. Louis.....do.....	122.5	120.5	120.8	120.8	120.6	121.0	121.1	120.3	120.7	121.3	121.5	121.5	122.6
Commercial and factory buildings:													
Brick and concrete:													
Atlanta.....do.....	102.1	99.3	99.6	99.6	99.7	101.7	101.7	101.3	101.6	102.2	102.4	102.4	102.4
New York.....do.....	137.7	136.3	136.5	136.5	136.6	136.6	136.6	137.1	137.1	137.7	137.9	137.9	137.9
San Francisco.....do.....	126.0	119.0	119.6	119.6	122.8	123.0	123.2	122.7	123.8	124.3	124.7	124.6	126.2
St. Louis.....do.....	123.4	121.0	121.2	121.2	121.2	121.3	121.4	120.8	121.1	121.5	121.7	121.7	123.4
Brick and steel:													
Atlanta.....do.....	101.3	99.0	99.4	99.4	99.2	100.8	100.7	100.3	100.9	101.8	102.0	102.1	102.1
New York.....do.....	135.3	132.9	133.2	133.2	133.4	133.7	133.7	134.3	134.8	135.5	135.7	135.8	135.8
San Francisco.....do.....	128.3	115.5	117.2	117.2	121.2	122.1	122.3	121.9	127.3	128.0	128.7	128.4	128.8
St. Louis.....do.....	123.1	120.9	121.1	121.1	121.6	122.1	122.2	121.5	122.0	122.6	122.8	122.8	123.2
Residences:													
Brick:													
Atlanta.....do.....	97.1	96.7	97.7	97.7	96.3	95.6	95.2	94.6	97.0	99.3	99.5	100.0	100.0
New York.....do.....	136.1	130.2	130.7	130.7	131.3	132.1	132.1	133.6	135.9	137.5	137.7	138.0	138.0
San Francisco.....do.....	117.6	109.9	112.5	112.5	114.3	114.5	114.6	115.0	117.3	118.9	120.4	119.0	119.5
St. Louis.....do.....	120.4	118.4	118.6	118.6	116.2	118.0	117.8	116.8	118.3	120.0	120.3	120.3	120.8
Frame:													
Atlanta.....do.....	95.1	96.2	97.5	97.5	95.2	93.7	93.1	92.1	95.2	98.1	98.3	98.8	98.8
New York.....do.....	137.2	129.7	130.3	130.3	131.0	131.9	131.9	134.2	137.1	139.1	139.3	139.7	139.7
San Francisco.....do.....	114.9	105.8	109.1	109.1	110.5	110.9	111.0	110.4	113.3	115.3	117.6	115.8	117.4
St. Louis.....do.....	119.8	117.5	117.7	117.7	114.7	117.0	116.6	115.5	117.3	119.5	119.9	119.9	120.3
Engineering News Record (all types)§.....1913=100.....	267.6	249.7	250.5	250.7	252.4	255.6	256.8	258.2	260.4	263.1	264.5	266.1	266.2
Federal Home Loan Bank Board:†													
Standard 6-room frame house:													
Combined index.....1935-1939=100.....	119.9	108.1	109.3	110.2	110.4	111.2	111.6	112.4	113.6	115.1	116.5	118.5	119.2
Materials.....do.....	117.7	105.9	106.6	107.8	108.0	108.7	108.8	109.2	110.7	112.6	114.4	116.0	116.9
Labor.....do.....	124.2	112.5	114.5	115.1	115.3	116.1	117.0	118.6	119.3	120.0	120.7	123.3	123.9
REAL ESTATE													
Fed. Hous. Admn., home mortgage insurance:													
Gross mortgages accepted for insurance‡													
.....thous. of dol.....	75,435	56,878	54,728	52,116	75,516	92,406	119,566	122,963	114,247	107,137	104,937	94,948	70,799
Premium-paying mortgages (cumulative).....thous. of dol.....	3,596,491	2,706,353	2,785,138	2,846,467	2,908,104	2,968,407	3,033,684	3,108,723	3,190,690	3,261,476	3,335,703	3,423,183	3,503,681
Estimated new mortgage loans by all savings and loan associations, total.....thous. of dol.....													
Classified according to purpose:	88,553	80,440	82,330	105,162	120,631	130,953	133,640	132,972	129,727	129,934	127,938	104,749	
Mortgage loans on homes:													
Construction.....do.....	30,032	26,662	26,483	33,250	38,686	40,975	44,207	44,918	42,987	40,782	37,722	30,103	
Home purchase.....do.....	31,465	27,809	30,283	41,784	48,311	54,781	55,993	55,682	55,973	58,052	59,874	48,816	
Refinancing.....do.....	14,575	13,645	14,204	16,903	16,905	18,506	17,891	16,816	15,785	15,871	16,283	13,340	
Repairs and reconditioning.....do.....	4,243	3,784	3,573	4,765	6,368	5,930	5,633	6,022	5,571	5,884	5,361	4,267	
Loans for all other purposes.....do.....	8,233	8,540	7,787	8,460	10,361	10,761	9,916	9,534	9,411	9,345	8,698	8,223	
Classified according to type of association:													
Federal.....thous. of dol.....	37,715	34,360	35,645	45,365	51,371	55,396	57,542	56,564	57,592	54,786	52,507	41,910	
State members.....do.....	36,729	33,947	35,301	43,947	50,956	54,495	54,857	55,676	54,542	54,303	54,530	46,890	
Nonmembers.....do.....	14,109	12,133	11,384	15,850	18,304	21,062	21,241	20,732	17,593	20,845	20,501	15,949	
Loans outstanding of agencies under the Federal Home Loan Bank Board:													
Federal Savings and Loan Ass'n's, estimated mortgages outstanding.....thous. of dol.....													
Fed. Home Loan Bks., outstanding advances to member institutions.....thous. of dol.....	201,492	170,849	156,899	145,959	141,828	145,273	169,897	168,145	172,628	178,191	184,311	187,084	
Home Owners' Loan Corporation, balance of loans outstanding.....thous. of dol.....	1,956,268	1,942,427	1,929,346	1,913,862	1,899,856	1,885,087	1,870,305	1,854,824	1,840,686	1,824,672	1,809,074	1,794,111	
Foreclosures, nonfarm u:†													
Index, adjusted.....1935-1939=100.....	32.4	42.2	44.0	42.1	42.5	41.1	38.3	36.7	37.3	33.5	32.9	34.2	31.9
Fire losses.....thous. of dol.....	31,261	28,617	26,470	26,102	31,471	29,330	25,637	24,943	23,698	24,122	24,668	30,833	23,822

† Revised.
 ‡ Beginning with the September 1940 issue of the Survey indexes computed as of the first of the month are shown as of the end of the preceding month. The Engineering News Record index is similarly shown in the 1940 Supplement as of the end of the preceding month.
 § Figures beginning April 1941 include mortgages insured under the defense housing insurance fund.
 ¶ Revised indexes of the American Appraisal Co. beginning 1913 are available in table 44, p. 13 of the November 1940 Survey. Data beginning 1936 for the Federal Home Loan Bank Board's revised index of construction costs and beginning 1926 for the index of nonfarm foreclosures are shown on p. 26 of the October 1941 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey

DOMESTIC TRADE

Table with columns for years (1941, 1940, 1939-1931) and months (January, February, March, April, May, June, July, August, September, October, November). Rows include Advertising, Goods in Warehouses, Postal Business, and Retail Trade.

Revised. Preliminary. Less than \$500. Includes data for radio advertising not available separately since November 1940. Revised series. Revised indexes of variety store sales beginning 1929 appear in table 30, p. 10 of the August 1940 Survey. H. L. Green Co. data revised beginning February 1939; for an explanation of the revision and revised data, see notes marked with a "+" on p. 24 of the September 1940 and December 1940 Survey. For revised data on value of new passenger-car sales beginning 1929, see p. 20 of the August 1941 Survey, and for an explanation of the revision, pp. 18 and 19 of that issue. *New series. For data on sales of all retail stores beginning 1935, see table 5, p. 24 of the October 1941 survey. For data on drug-store sales beginning July 1934, see table 1, p. 11 of the November 1940 Survey. †Seasonal factors have been revised beginning August 1941 to take into account the effect of restricted production.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey

	1941		1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November
DOMESTIC TRADE—Continued													
RETAIL TRADE—Continued													
Chain store sales and stores operated—Con.													
Variety chains—Con.													
McCrory Stores Corp.:													
Sales.....thous. of dol.	9,398	8,028	2,926	3,224	3,691	4,241	4,101	3,923	3,948	4,320	4,164	4,422	4,655
Stores operated.....number	202	204	199	199	199	199	200	200	201	201	201	201	201
G. C. Murphy Co.:													
Sales.....thous. of dol.	10,898	9,042	3,479	3,531	4,021	4,949	5,302	4,931	4,971	5,379	4,870	5,575	5,608
Stores operated.....number	207	204	204	204	204	204	204	204	204	204	204	204	205
F. W. Woolworth Co.:													
Sales.....thous. of dol.	62,498	54,571	22,008	23,666	26,436	29,494	29,778	27,653	28,398	30,713	30,097	32,614	33,776
Stores operated.....number	2,024	2,025	2,021	2,023	2,020	2,015	2,020	2,018	2,018	2,019	2,018	2,025	2,024
Other chains:													
W. T. Grant Co.:													
Sales.....thous. of dol.	23,532	20,030	6,655	6,771	8,439	9,805	10,576	9,537	8,731	10,069	10,063	11,863	12,170
Stores operated.....number	495	494	494	492	492	493	493	493	493	493	493	493	494
J. C. Penney Co.:													
Sales.....thous. of dol.	59,513	45,718	20,284	18,345	22,772	27,555	29,383	28,390	26,143	32,385	33,645	38,718	40,416
Stores operated.....number	1,606	1,586	1,586	1,587	1,589	1,591	1,591	1,593	1,593	1,596	1,598	1,603	1,605
Department stores:													
Collections and accounts receivable:													
Installment accounts:													
Index of receivables*..Dec. 31, 1939=100.....	109.0	103.6	101.2	99.4	101.7	103.3	102.6	101.2	107.6	110.5	110.4	110.4	102.5
Collection ratio.....percent	18.1	17.6	17.5	19.2	18.8	19.0	17.7	17.6	18.8	18.9	19.3	19.3	19.2
Open accounts:													
Index of receivables*..Dec. 31, 1939=100.....	105.3	84.8	74.9	74.5	80.1	81.1	79.4	71.0	78.0	90.6	92.5	92.5	85.7
Collection ratio.....percent	44.9	47.5	44.6	46.3	46.1	47.7	46.2	46.1	45.0	45.0	46.9	46.9	48.6
Sales, total U. S., unadjusted.....1923-25=100.....	197	179	79	82	93	106	105	100	79	106	125	112	132
Atlanta.....1935-39=100.....	245	223	93	110	125	137	136	114	102	144	158	138	169
Boston.....1923-25=100.....	162	145	69	63	74	86	89	82	63	82	100	98	103
Chicago.....1935-39=100.....	213	197	89	94	109	120	125	119	92	122	151	123	146
Cleveland.....1923-25=100.....	197	178	75	84	95	115	111	105	85	120	130	109	136
Dallas.....do.....	222	201	96	100	112	117	124	110	93	128	151	127	150
Kansas City.....1925=100.....	183	161	75	76	95	93	100	85	79	106	114	106	106
Minneapolis.....1935-39=100.....	198	173	92	79	108	122	122	114	93	127	142	140	123
New York.....1923-25=100.....	194	184	78	79	84	100	95	98	81	100	125	112	130
Philadelphia.....do.....	166	148	55	63	74	88	87	81	62	80	94	95	117
Richmond.....do.....	282	239	99	94	121	142	146	129	107	139	153	169	172
St. Louis.....do.....	190	167	80	81	97	111	105	92	82	106	128	119	133
San Francisco.....do.....	111	101	101	103	103	104	105	104	115	134	116	105	116
Sales, total U. S., adjusted.....1935-39=100.....	140	129	122	127	125	141	138	134	148	163	146	125	154
Atlanta.....do.....	126	117	113	112	116	118	124	123	131	154	137	117	133
Cleveland.....1923-25=100.....	115	104	100	107	108	105	103	107	117	145	124	105	127
Dallas.....do.....	128	116	126	118	118	118	124	123	132	166	136	113	134
Minneapolis.....1935-39=100.....	127	111	115	111	109	119	124	115	131	145	124	117	123
New York.....1923-25=100.....	107	102	99	97	98	103	99	102	114	134	120	98	109
Philadelphia.....do.....	91	81	77	82	82	87	87	83	91	107	94	82	97
St. Louis.....do.....	115	101	100	94	107	105	105	100	119	141	120	106	114
San Francisco.....do.....	109	109	108	111	112	112	112	112	112	112	112	112	112
Installment sales, New England dept. stores percent of total sales.....	6.3	7.0	11.7	12.7	11.7	10.7	10.8	9.5	11.8	17.4	12.0	10.8	8.9
Stocks, total U. S., end of month:													
Unadjusted.....1923-25=100.....	86	66	64	70	75	76	73	73	84	95	108	110	95
Adjusted.....do.....	92	71	71	73	74	74	74	77	82	87	92	97	95
Mail-order and store sales:													
Total sales, 2 companies.....thous. of dol. . . .	204,339	166,723	83,466	83,832	110,866	133,787	145,359	131,439	121,175	145,519	145,495	164,394	152,308
Montgomery Ward & Co.....do.....	85,269	70,850	33,495	33,841	44,485	58,068	60,520	52,872	48,305	57,803	59,780	68,138	63,345
Sears Roebuck & Co.....do.....	119,069	95,873	49,971	49,992	66,381	75,719	84,839	78,568	72,870	87,716	85,714	96,256	88,963
Rural sales of general merchandise:													
Total U. S., unadjusted.....1929-31=100.....	287.9	233.7	110.9	122.0	130.7	151.7	148.5	170.7	129.7	170.7	183.8	216.4	243.2
East.....do.....	317.5	256.2	112.3	128.0	138.5	163.4	158.2	163.2	151.1	186.0	181.9	221.8	269.1
South.....do.....	343.9	268.3	139.0	161.8	160.5	176.6	167.0	163.3	134.1	183.9	239.8	299.9	330.3
Middle West.....do.....	256.7	210.6	102.3	110.3	117.7	139.7	144.3	143.4	120.9	153.3	158.8	187.7	208.6
Far West.....do.....	314.7	245.2	110.5	111.1	138.4	146.7	132.9	143.6	131.6	194.7	221.2	223.0	235.7
Total U. S., adjusted.....do.....	180.1	146.1	145.7	150.8	148.9	165.1	161.8	163.2	177.7	208.7	173.9	166.6	183.9
East.....do.....	190.7	153.9	147.7	156.5	154.2	171.4	172.9	177.7	212.2	233.3	185.1	172.3	208.8
South.....do.....	228.9	178.7	175.7	177.4	177.8	200.5	196.9	203.1	197.5	255.0	217.2	202.4	246.6
Middle West.....do.....	164.5	135.0	133.7	138.7	132.8	149.6	152.4	151.9	163.9	185.8	154.9	147.8	159.9
Far West.....do.....	192.9	150.2	150.3	150.1	168.1	164.3	147.9	150.7	160.5	211.4	189.1	185.7	194.3

EMPLOYMENT CONDITIONS AND WAGES

EMPLOYMENT													
Employment estimates, unadjusted (U. S. Department of Labor):*													
Civil nonagricultural employment, total thousands.....													
	40,940	38,161	37,142	37,448	37,761	38,228	38,902	39,475	39,908	40,292	40,708	40,776	40,749
Employees in nonagricultural establishments, total.....thousands.....	34,797	32,018	30,999	31,305	31,618	32,085	32,759	33,332	33,765	34,149	34,565	34,633	34,606
Manufacturing.....do.....	12,703	11,127	11,075	11,273	11,457	11,684	11,886	12,154	12,391	12,595	12,775	12,798	12,756
Mining.....do.....	907	855	852	854	864	869	876	888	890	906	915	911	911
Construction.....do.....	1,820	1,720	1,623	1,678	1,631	1,775	1,782	1,816	1,821	1,921	1,936	1,900	1,961
Transportation and public utilities.....do.....	3,287	3,039	3,012	3,028	3,056	3,113	3,186	3,239	3,280	3,326	3,367	3,365	3,322
Trade.....do.....	7,503	7,247	6,487	6,491	6,578	6,792	6,753	6,861	6,837	6,897	7,008	7,070	7,146
Financial, service, and misc.....do.....	4,223	4,099	4,063	4,075	4,097	4,174	4,235	4,260	4,300	4,300	4,325	4,256	4,229
Government.....do.....	4,354	3,931	3,887	3,906	3,935	3,983	4,049	4,126	4,164	4,210	4,248	4,269	4,281
Military and naval forces.....do.....	(1)	884	958	1,145	1,343	1,546	1,662	1,740	1,857	1,944	1,992	2,014	2,071

* Revised. † Preliminary. § Indexes are in process of revision. ¶ Not available.
 † Revised series. Indexes of department-store sales in Atlanta and Minneapolis districts revised beginning 1919, and Chicago beginning 1923; for Atlanta, see table 53, p. 16 of the December 1940 Survey; for Minneapolis, table 20, p. 18 of the May 1941 Survey; revised Chicago data will appear in a subsequent issue. For revisions in adjusted index of United States department-store sales for 1935-39, see note marked with a "†" on p. 25 of the January 1941 Survey.
 * New series. Indexes of department-store sales are available only beginning January 1940; 1940 data not shown above are available on p. S-7 of the September 1941 Survey. Estimates of total civil nonagricultural employment, employees in nonagricultural establishments, manufacturing, and service industries (included in the miscellaneous group) have been revised beginning January 1929 and trade beginning January 1935, to adjust monthly estimates to the 1939 Census levels of employees in manufacturing concerns engaged in clerical, distribution, or construction activities, and retail trade employment and to figures shown by the 1930 Census of Occupations; the revised data will be published later. Data for mining, construction, transportation and public utilities, Government, and military and naval forces are correct as published in table 11, on pp. 17 and 18 of the March 1941 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November

EMPLOYMENT CONDITIONS AND WAGES—Continued

EMPLOYMENT—Continued													
Employment estimates, adjusted (Fed. Res.):*													
Civil nonagricultural employment, total													
	40,753	37,972	38,097	38,314	38,263	38,329	38,824	39,296	39,903	40,100	40,013	40,185	40,596
Employees in nonagricultural establishments, total..... thousands..	34,610	31,829	31,954	32,171	32,120	32,186	32,681	33,153	33,760	33,957	33,870	34,042	34,453
Manufacturing..... do.....	12,753	11,160	11,297	11,335	11,413	11,636	11,886	12,221	12,605	12,614	12,545	12,592	12,728
Mining..... do.....	891	837	849	846	855	877	889	914	923	908	892	892	892
Construction..... do.....	2,092	1,974	2,014	2,132	1,933	1,859	1,698	1,644	1,668	1,668	1,683	1,776	1,924
Transportation and public utilities..... do.....	3,313	3,064	3,077	3,087	3,105	3,133	3,192	3,220	3,264	3,302	3,303	3,292	3,310
Trade..... do.....	7,009	6,770	6,630	6,662	6,677	6,803	6,781	6,865	6,944	7,027	6,968	6,989	7,043
Manufacturing, unadjusted (U. S. Department of Labor)†..... 1923-25=100..	134.0	116.2	115.5	117.8	119.9	122.6	124.9	127.9	130.6	133.1	135.2	135.4	134.7
Durable goods†..... do.....	143.9	117.7	118.3	121.0	123.7	127.7	131.3	135.1	137.6	138.7	142.1	144.0	144.6
Iron and steel and their products, not including machinery..... 1923-25=100..	138.6	121.6	122.2	125.0	127.2	129.4	132.9	136.1	137.7	139.9	140.5	139.4	138.8
Blast furnaces, steel works, and rolling mills..... 1923-25=100..	148.9	129.5	131.3	133.3	135.0	137.4	140.6	144.0	147.2	149.1	148.9	147.9	147.8
Hardware..... do.....	115.2	112.5	112.8	114.9	117.1	116.6	116.7	118.3	102.8	113.2	116.0	115.2	113.4
Structural and ornamental metal work 1923-25=100..	106.0	90.4	93.5	95.9	97.2	99.1	102.3	105.5	107.4	110.0	109.5	109.3	107.6
Tin cans and other tinware..... do.....	131.2	98.9	101.8	104.1	107.1	109.5	120.5	132.0	138.8	145.3	145.0	130.1	135.0
Lumber and allied products..... do.....	76.8	73.7	71.3	72.0	72.6	73.8	74.7	76.8	79.5	81.0	80.4	79.7	77.8
Furniture..... do.....	106.6	97.4	93.7	95.8	96.7	97.6	100.1	103.8	105.6	108.4	107.6	107.4	108.4
Lumber, sawmills..... do.....	65.7	64.7	62.5	62.9	63.7	65.2	65.7	67.1	70.0	70.7	70.4	69.4	66.3
Machinery, excl. transp. equipment..... do.....	183.3	136.1	139.8	143.5	147.7	150.2	162.5	167.7	172.3	176.5	178.6	180.1	181.4
Agricultural implements (including tractors)..... 1923-25=100..	167.3	143.2	149.6	144.2	132.6	168.5	170.7	171.8	171.4	172.0	170.7	169.9	167.5
Electrical machinery, apparatus, and supplies..... 1923-25=100..	(1)	125.8	129.4	136.4	141.5	147.3	154.0	158.8	163.8	167.4	168.7	168.8	169.4
Engines, turbines, water wheels, and windmills..... 1923-25=100..	(1)	210.5	222.4	236.3	247.6	257.2	271.5	285.5	298.3	314.7	325.0	339.5	352.5
Foundry and machine-shop products..... do.....	150.2	114.1	117.4	120.0	123.6	130.0	134.9	139.1	142.6	145.6	147.0	147.8	148.8
Machine tools*..... do.....	(1)	276.0	285.8	297.2	307.1	316.7	327.4	338.5	346.0	351.5	356.8	361.5	366.9
Radios and phonographs..... do.....	218.7	158.5	147.5	144.8	149.1	158.5	173.7	180.7	188.7	202.4	212.5	217.9	217.8
Metals, nonferrous, and products..... do.....	145.0	131.2	131.1	134.7	137.0	138.7	139.9	141.9	143.1	145.5	146.2	147.3	145.7
Brass, bronze, and copper products..... do.....	(1)	168.1	171.6	176.0	180.5	182.6	184.3	189.3	189.7	192.9	193.5	193.4	191.3
Stone, clay, and glass products..... do.....	99.8	88.7	85.9	86.9	89.7	93.0	95.6	97.1	99.6	101.3	101.8	102.1	101.5
Brick, tile, and terra cotta..... do.....	74.0	65.2	64.8	64.1	65.4	69.2	72.7	74.7	77.6	79.4	79.1	77.7	76.2
Glass..... do.....	131.9	116.8	114.4	115.8	119.5	121.8	124.0	125.5	127.9	130.0	130.3	132.4	133.3
Transportation equipment†..... do.....	205.9	149.8	152.6	157.2	161.2	166.3	171.7	177.8	179.0	172.0	190.9	203.2	210.3
Aircraft*..... do.....	(1)	4,684.1	5,037.7	5,344.0	5,563.7	5,929.2	6,305.1	6,718.1	7,321.3	7,897.3	8,515.7	9,174.8	9,701.5
Automobiles..... do.....	115.9	130.2	128.5	130.1	131.5	132.4	134.1	134.8	126.9	110.9	124.1	128.9	129.7
Shipbuilding*..... do.....	(1)	221.0	240.3	256.6	272.4	295.8	310.7	338.6	375.3	388.3	442.5	494.6	532.2
Nondurable goods†..... do.....	124.6	114.8	112.7	114.7	116.3	117.8	118.8	121.1	123.9	127.7	128.7	127.1	125.3
Chemical, petroleum, and coal products 1923-25=100..	147.9	125.7	126.3	128.5	131.6	135.7	135.4	136.8	139.0	141.9	146.4	148.1	147.7
Chemicals..... do.....	186.5	149.9	152.0	155.1	159.3	162.4	166.8	172.2	175.9	180.1	182.4	183.4	184.9
Paints and varnishes..... do.....	142.3	126.0	126.3	128.6	132.9	137.4	141.4	144.8	145.5	144.8	143.9	144.0	142.7
Petroleum refining..... do.....	129.4	119.8	119.1	119.2	119.5	120.5	122.0	125.2	127.4	127.9	128.5	129.2	129.2
Rayon and allied products..... do.....	320.6	315.1	313.5	311.0	312.2	317.9	323.5	327.0	324.4	329.3	327.0	325.0	323.2
Food and kindred products..... do.....	140.8	130.5	121.4	119.1	120.3	123.6	127.4	135.2	144.8	159.3	162.7	152.4	145.7
Baking..... do.....	151.8	144.1	140.5	142.9	145.0	146.5	149.0	152.2	150.2	152.7	153.5	154.5	153.7
Slaughtering and meat packing..... do.....	138.1	125.0	116.3	110.6	110.7	112.0	116.8	120.3	123.1	122.4	123.6	125.9	129.7
Leather and its manufactures..... do.....	99.5	90.6	93.4	96.9	98.7	98.0	95.5	98.1	101.0	101.1	98.9	98.5	96.7
Boots and shoes..... do.....	95.6	88.0	91.4	95.0	97.0	95.8	93.0	94.9	98.1	98.3	95.2	94.7	92.3
Paper and printing..... do.....	128.3	119.5	116.7	117.1	118.1	119.4	120.8	121.6	123.0	123.9	124.9	126.5	126.6
Paper and pulp..... do.....	129.0	115.9	115.7	117.3	118.5	120.3	122.7	124.6	126.0	127.8	128.4	128.2	128.6
Rubber products..... do.....	110.4	97.5	98.8	100.7	102.8	105.0	106.4	110.7	111.4	111.8	111.5	111.8	111.5
Rubber tires and inner tubes..... do.....	85.3	76.9	77.9	78.6	80.0	82.3	83.3	86.3	87.4	86.7	86.5	86.2	86.5
Textiles and their products†..... do.....	112.7	107.0	106.4	110.1	111.6	112.1	112.5	112.6	113.2	115.4	115.5	114.7	113.2
Fabricst..... do.....	106.0	100.4	99.7	101.7	103.7	103.7	105.1	106.2	107.0	106.9	106.3	106.2	105.9
Wearing apparel..... do.....	122.7	117.2	116.8	124.2	127.2	126.2	124.2	121.9	122.2	129.6	131.3	129.0	124.8
Tobacco manufactures..... do.....	67.5	65.6	60.8	63.7	63.3	63.5	64.9	65.5	65.4	65.8	63.9	67.3	68.4
Manufacturing, adjusted (Fed. Res.)†..... do.....	134.6	116.6	118.3	118.6	119.4	122.0	124.9	128.7	133.3	133.3	132.3	132.7	134.3
Durable goods†..... do.....	144.0	117.5	121.1	122.1	123.0	126.3	129.5	134.0	140.2	141.5	141.2	142.3	143.7
Iron and steel and their products, not including machinery..... 1923-25=100..	139.5	122.4	124.8	125.5	126.2	128.3	132.0	136.0	139.1	140.2	139.7	138.2	138.3
Blast furnaces, steel works, and rolling mills..... 1923-25=100..	150	130	133	133	133	136	140	145	149	150	149	148	148
Hardware..... do.....	115	113	113	114	116	115	116	118	105	116	117	115	113
Structural and ornamental metal work 1923-25=100..	107	91	96	100	100	101	103	104	105	107	106	107	107
Tin cans and other tinware..... do.....	137	104	109	112	113	113	122	129	131	132	132	127	138
Lumber and allied products..... do.....	78.3	75.2	76.3	75.5	74.0	74.2	74.6	75.9	78.4	78.4	77.3	76.3	76.9
Furniture..... do.....	105	96	97	98	98	101	104	106	108	107	103	101	104
Lumber, sawmills..... do.....	68	67	68	67	65	65	64	65	68	68	68	67	67
Machinery, excl. transp. equipment..... do.....	183.3	136.0	141.2	144.2	148.1	155.8	161.6	167.3	173.0	177.7	177.7	179.3	181.2
Agricultural implements (including tractors)..... 1923-25=100..	167	143	147	140	126	158	166	170	175	182	181	180	172
Electrical machinery, apparatus, and supplies..... 1923-25=100..	(1)	126	131	137	142	147	153	159	164	168	168	168	169
Engines, turbines, water wheels, and windmills..... 1923-25=100..	(1)	218	237	239	243	245	259	275	293	314	323	347	371
Foundry and machine-shop products 1923-25=100..	150	114	118	120	124	129	134	139	143	146	147	148	149
Machine tools*..... do.....	(1)	275	286	296	304	315	326	337	349	366	355	360	365
Radios and phonographs..... do.....	206	150	155	165	178	189	197	184	191	187	183	179	194
Metals, nonferrous, and products..... do.....	143.2	129.4	133.3	135.1	136.2	138.9	140.7	144.1	147.8	147.9	145.1	143.1	141.8
Brass, bronze, and copper products..... do.....	(1)	168	173	176	179	181	183	191	193	195	194	191	191
Stone, clay, and glass products..... do.....	101.7	90.4	94.6	92.9	92.3	92.3	92.1	93.7	98.6	98.4	98.7	98.8	100.9
Brick, tile, and terra cotta..... do.....	77	68	75	74	71	70	69	69	73	74	74	73	76
Glass..... do.....	132	117	120	116	118								

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey

	1941	1940	1941									
	December	December	January	February	March	April	May	June	July	August	September	October	November

EMPLOYMENT CONDITIONS AND WAGES—Continued

EMPLOYMENT—Continued													
Manufacturing, adjusted (Fed. Res.)—Cont.†													
Nondurable goods† 1923-25=100...	125.7	115.7	115.6	115.2	115.9	118.0	120.5	123.7	126.3	125.5	123.8	123.6	125.4
Chemical, petroleum, and coal prod. do...	147.5	125.3	126.8	128.1	129.0	133.6	136.9	140.7	143.0	145.2	144.5	145.4	146.3
Chemicals do...	187	161	154	157	161	163	168	172	173	179	179	180	184
Paints and varnishes do...	144	128	130	130	134	135	136	140	145	148	145	144	144
Petroleum refining do...	129	120	120	120	121	121	123	125	127	127	127	129	129
Rayon and allied products do...	319	314	310	306	308	324	330	337	326	328	324	323	320
Food and kindred products do...	147.2	135.6	133.3	131.0	131.3	132.5	135.0	137.3	138.4	140.9	138.6	140.7	146.8
Baking do...	152	144	143	145	146	148	149	151	149	152	151	152	152
Slaughtering and meat packing do...	133	121	112	111	113	114	119	121	123	124	125	126	127
Leather and its manufactures do...	103.5	94.3	93.3	93.2	94.3	95.5	96.8	101.0	100.2	97.9	98.0	99.6	104.2
Boots and shoes do...	101	93	91	91	92	93	94	98	97	94	94	96	101
Paper and printing do...	126.0	117.3	117.1	117.2	118.5	119.8	121.2	122.9	124.8	125.1	124.4	124.9	124.7
Paper and pulp do...	129	116	116	117	119	120	123	125	126	128	128	128	129
Rubber products do...	109.7	96.8	99.0	100.4	102.0	103.9	106.1	111.7	113.0	113.3	111.6	110.2	110.3
Rubber tires and inner tubes do...	85	77	78	79	80	82	83	86	87	87	87	86	87
Textiles and their products† do...	112.9	107.2	107.3	107.1	107.6	109.8	112.9	116.1	120.0	117.1	114.7	112.7	113.1
Fabrics† do...	104.2	98.7	98.8	99.1	100.4	103.3	105.9	109.0	111.1	109.6	107.2	105.2	104.9
Wearing apparel do...	127.7	121.9	122.0	120.5	119.3	119.8	124.0	127.0	135.0	128.8	126.6	124.7	126.7
Tobacco manufactures do...	66.5	64.7	66.3	64.9	64.0	65.0	65.8	65.8	65.7	64.4	62.0	64.1	65.0
Manufacturing, unadj., by States and cities:													
State:													
Delaware 1923-25=100...	136.9	108.7	111.4	112.2	116.7	124.1	129.7	129.4	134.7	142.5	147.5	137.8	136.1
Illinois† 1935-39=100...	139.1	118.9	118.4	119.3	120.1	126.1	129.6	133.1	136.6	140.3	139.7	139.1	139.0
Iowa 1923-25=100...	162.8	151.1	144.8	144.4	146.7	149.6	152.3	154.9	156.6	159.1	160.1	161.5	161.7
Maryland 1929-31=100...	147.0	116.3	117.4	119.0	122.8	127.4	131.9	135.0	138.9	142.8	144.6	145.4	146.4
Massachusetts 1925-27=100...	100.4	87.6	87.0	90.7	92.9	94.9	96.1	97.6	99.1	99.1	99.5	100.2	100.1
New Jersey 1923-25=100...	145.6	120.5	120.0	123.1	126.5	129.2	132.3	135.3	137.6	136.4	145.3	144.4	145.3
New York 1925-27=100...	128.8	103.6	103.5	107.2	110.1	112.0	113.8	115.9	118.4	122.8	126.4	126.9	126.4
Ohio† 1935-39=100...	137.9	114.8	116.6	120.0	123.0	125.9	129.0	131.8	134.6	136.6	138.6	137.5	137.2
Pennsylvania 1923-25=100...	111.3	96.4	96.2	98.3	100.0	102.6	104.4	106.7	108.7	110.3	110.6	110.9	111.0
Wisconsin† 1925-27=100...	126.6	107.6	107.3	107.0	109.4	116.3	118.7	121.7	122.4	124.7	126.4	126.7	126.5
City or industrial area:													
Baltimore 1929-31=100...	146.9	113.1	113.5	116.4	121.1	125.1	129.9	132.9	137.3	141.7	143.7	144.8	146.2
Chicago† 1935-39=100...	140.6	119.3	118.7	117.6	116.8	124.5	128.1	130.8	135.8	138.1	138.4	139.4	140.2
Cleveland 1923-25=100...	130.3	110.0	112.4	114.1	117.4	121.7	125.3	128.5	130.1	132.7	134.1	134.2	134.3
Detroit do...	97.4	121.9	123.0	122.1	122.5	120.3	123.8	119.6	96.0	116.0	115.0	117.3	119.7
Milwaukee 1925-27=100...	135.8	113.7	115.3	119.0	120.9	125.3	128.3	131.3	130.2	135.4	136.9	135.9	134.9
New York do...	125.1	103.0	104.8	109.9	112.8	114.1	113.5	112.8	114.3	121.5	125.7	126.7	124.7
Philadelphia 1923-25=100...	118.6	97.1	96.7	99.4	101.3	103.6	106.7	109.1	110.5	111.8	114.3	116.3	118.1
Pittsburgh do...	119.2	100.1	101.6	103.9	104.9	108.3	109.9	112.9	115.6	117.1	117.1	118.0	118.4
Wilmington do...	125.7	99.6	102.3	103.4	107.1	113.5	116.5	117.1	120.0	120.9	122.4	122.4	125.5
Nonmf., unadj. (U. S. Dept. of Labor):													
Mining:													
Anthracite 1929=100...	49.1	50.8	50.3	50.6	50.2	48.7	48.6	49.2	49.3	50.0	50.0	50.3	50.2
Bituminous coal do...	95.4	90.1	90.2	90.6	91.1	28.5	87.9	88.1	90.3	92.6	94.2	95.3	95.5
Metalliferous do...	79.5	72.2	72.5	73.4	74.3	77.2	77.1	78.9	79.0	79.9	79.4	79.7	79.3
Crude petroleum producing do...	61.0	60.7	60.5	60.5	60.2	60.1	60.4	61.5	62.1	62.2	61.8	61.6	61.0
Quarrying and nonmetallic do...	50.8	45.4	41.7	42.4	44.2	48.2	51.0	51.9	62.7	53.9	54.2	54.1	52.8
Public utilities:													
Electric light and power† do...	93.3	91.3	90.5	90.1	90.3	91.3	92.2	93.5	94.6	95.2	94.9	94.1	93.5
Street railways and buses† do...	70.4	68.4	68.3	68.0	68.2	68.3	68.9	69.1	69.5	69.7	70.3	70.3	70.4
Telephone and telegraph† do...	89.6	79.7	80.4	80.9	81.8	83.2	84.6	86.3	88.3	89.6	90.3	90.6	90.0
Services:													
Dyeing and cleaning do...	113.1	103.3	101.0	101.4	104.4	117.2	120.6	122.7	121.7	118.9	121.5	121.2	117.2
Laundries do...	108.4	100.3	101.4	101.1	102.5	104.9	108.3	112.0	115.8	114.6	113.0	111.2	109.0
Year-round hotels do...	95.6	92.6	92.9	93.9	94.2	95.2	96.3	95.0	94.5	94.5	95.7	96.2	96.3
Trade:													
Retail, total do...	112.8	108.1	90.5	90.7	92.5	97.8	96.1	97.8	96.7	96.9	100.0	101.0	102.9
General merchandising† do...	161.0	152.2	94.0	92.9	96.6	108.7	102.5	105.1	100.9	103.0	111.7	116.4	124.5
Wholesale do...	96.5	92.5	91.2	91.4	91.8	92.4	92.2	93.8	94.2	95.8	95.6	96.3	96.6
Miscellaneous employment data:													
Construction, Ohio† 1935-39=100...	146.2	116.0	111.3	114.6	116.8	139.8	150.8	163.0	166.5	167.7	164.7	162.3	157.2
Federal and State highways, total, number	220,769	199,628	184,042	193,898	235,876	285,397	318,436	331,438	340,146	320,801	300,381	270,202	270,202
Construction (Federal and State) do...	74,280	55,455	47,693	92,363	87,038	127,634	142,185	162,691	158,744	149,800	135,622	111,755	111,755
Maintenance (State) do...	108,229	106,420	99,503	101,535	110,912	118,945	134,896	136,651	138,631	128,415	124,523	118,559	118,559
Federal civilian employees:													
United States do...	1,184,344	1,153,431	1,173,152	1,202,348	1,251,283	1,306,333	1,370,110	1,391,689	1,444,985	1,487,925	1,511,682	1,545,131	1,545,131
District of Columbia do...	155,914	158,610	161,862	167,081	172,876	177,328	184,236	185,182	186,931	191,588	194,265	199,283	199,283
Railway employees (class I steam railways):													
Total do...	1,048	1,039	1,051	1,074	1,104	1,148	1,179	1,211	1,231	1,235	1,243	1,243	1,227
Indexes: Unadjusted 1923-25=100...	66.3	57.4	57.0	57.6	58.8	60.5	63.0	64.7	66.5	67.6	67.8	68.2	67.3
Adjusted do...	68.0	58.8	60.4	59.9	60.5	61.0	62.3	63.3	64.8	66.0	66.5	66.3	66.8
LABOR CONDITIONS													
Average weekly hours per worker in factories:													
Natl. Ind. Con. Bd. (25 industries) do...	41.6	40.1	40.2	41.0	41.2	40.7	41.3	41.7	41.0	41.2	41.6	41.7	41.5
U. S. Dept. of Labor (90 industries) do...	39.8	39.0	39.0	40.0	40.4	40.0	40.8	41.3	40.3	41.0	40.9	41.1	40.3
Industrial disputes (strikes and lockouts):													
Beginning in month do...	175	147	232	253	338	395	450	340	413	430	423	405	300
In progress during month do...	350	277	341	377	485	577	646	544	592	637	609	598	540
Workers involved in strikes:													
Beginning in month do...	35	43	92	70	116	511	325	141	140	208	290	199	235
In progress during month do...	65	62	110	125	177	565	421	223	219	293	344	341	350
Man-days idle during month do...	500	458	659	1,130	1,554	7,106	2,183	1,469					

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941									
	December	December	January	February	March	April	May	June	July	August	September	October	November

EMPLOYMENT CONDITIONS AND WAGES—Continued

WAGES—Continued												
Factory average hourly earnings—Continued.												
U. S. Department of Labor—Continued.												
Durable goods—Continued.												
Stone, clay, and glass products.....dollars	0.680	0.682	0.685	0.689	0.695	0.710	0.717	0.721	0.721	0.736	0.744	0.749
Brick, tile, and terra cotta.....do	.582	.587	.589	.594	.606	.639	.642	.645	.648	.653	.655	.657
Glass.....do	.764	.772	.774	.778	.770	.769	.780	.782	.782	.812	.836	.843
Transportation equipment.....do	.900	.911	.918	.920	.923	.945	.976	.988	.988	1.003	1.019	1.042
Aircraft*.....do	.756	.776	.784	.783	.788	.794	.797	.812	.845	.845	.869	.901
Automobiles.....do	.954	.969	.975	.982	.983	1.014	1.063	1.066	1.055	1.079	1.091	1.116
Shipbuilding*†.....do	.895	.893	.900	.890	.907	.929	.954	1.013	1.039	1.043	1.050	1.076
Nondurable goods.....do	.617	.620	.621	.624	.629	.641	.650	.657	.658	.668	.680	.688
Chemical, petroleum, and coal products.....dollars	.766	.770	.770	.766	.773	.806	.824	.838	.837	.845	.850	.874
Chemicals†.....do	.816	.822	.826	.829	.839	.863	.866	.886	.885	.897	.925	.935
Paints and varnishes.....do	.741	.741	.746	.749	.755	.770	.780	.781	.784	.789	.809	.818
Petroleum refining.....do	.968	.970	.970	.967	.995	1.008	1.020	1.030	1.025	1.083	1.097	1.111
Rayon and allied products.....do	.694	.699	.702	.700	.706	.712	.722	.729	.728	.746	.773	.775
Food and kindred products.....do	.641	.649	.651	.655	.655	.670	.672	.662	.658	.657	.679	.695
Baking.....do	.644	.644	.644	.641	.647	.659	.665	.674	.672	.674	.675	.688
Slaughtering and meat packing.....do	.680	.681	.685	.685	.694	.731	.738	.737	.766	.780	.787	.793
Leather and its manufactures†.....do	.552	.555	.564	.572	.579	.590	.599	.609	.615	.630	.632	.641
Boots and shoes†.....do	.526	.530	.540	.549	.555	.567	.573	.584	.590	.601	.602	.610
Paper and printing.....do	.790	.802	.803	.807	.805	.811	.826	.825	.824	.830	.835	.843
Paper and pulp.....do	.660	.662	.661	.664	.666	.676	.716	.727	.725	.728	.731	.740
Rubber products.....do	.784	.788	.792	.799	.804	.816	.836	.845	.861	.859	.865	.878
Rubber tires and inner tubes.....do	.971	.975	.981	.994	.995	1.008	1.037	1.048	1.062	1.046	1.060	1.077
Textiles and their products.....do	.507	.512	.514	.517	.524	.530	.534	.550	.554	.569	.581	.579
Fabrics.....do	.488	.492	.492	.494	.509	.520	.522	.534	.533	.551	.566	.567
Wearing apparel.....do	.544	.557	.561	.561	.553	.550	.559	.582	.596	.602	.610	.602
Tobacco manufactures.....do	.490	.498	.495	.497	.506	.509	.517	.523	.520	.525	.527	.532
Factory average weekly earnings, by States:												
Delaware.....1923-25=100	128.3	104.0	98.1	107.9	106.2	107.2	112.1	116.2	114.5	114.7	113.6	118.7
Illinois†.....1935-39=100	135.5	116.8	115.6	117.5	119.2	121.0	125.1	128.9	125.4	127.7	132.3	130.3
Massachusetts.....1925-27=100	131.1	108.8	107.6	111.7	113.5	114.4	119.8	122.6	123.7	123.3	127.5	126.1
New Jersey.....1923-25=100	164.5	134.9	133.8	136.1	138.5	137.5	146.6	150.4	152.1	152.1	156.8	157.1
New York.....1925-27=100	124.1	104.4	104.5	106.0	108.2	109.4	113.3	115.8	116.1	119.2	120.7	119.4
Pennsylvania.....1923-25=100	142.6	120.9	117.5	121.4	124.3	127.7	132.7	135.8	132.1	136.3	134.4	139.4
Wisconsin†.....1925-27=100	136.6	119.0	117.6	121.1	123.3	122.6	127.2	131.1	126.3	131.4	130.2	136.7
Miscellaneous wage data:												
Construction wage rates (E. N. R.):‡												
Common labor.....dol. per hour	.769	.711	.711	.713	.716	.725	.741	.747	.753	.753	.761	.761
Skilled labor.....do	1.52	1.48	1.47	1.47	1.47	1.48	1.49	1.49	1.60	1.50	1.52	1.52
Farm wages without board (quarterly).....dol. per month			36.61			40.44			44.95			45.47
Railway wages (avg. class I).....dol. per hour		.746	.741	.758	.742	.732	.730	.733	.727	.727	.733	.727
Road-building wages, common labor:												
United States, average.....do	.49	.44	.43	.43	.43	.45	.48	.49	.50	.50	.49	.49
East North Central.....do	.67	.63	.68	.67	.65	.64	.62	.64	.66	.67	.65	.66
East South Central.....do	.37	.33	.33	.34	.34	.34	.34	.36	.35	.36	.37	.38
Middle Atlantic.....do	.59	.58	.59	.59	.58	.61	.56	.56	.55	.57	.57	.57
Mountain.....do	.61	.53	.51	.53	.52	.54	.57	.60	.60	.59	.62	.63
New England.....do	.59	.58	.55	.59	.58	.57	.53	.52	.55	.55	.55	.54
Pacific.....do	.81	.71	.70	.72	.70	.72	.73	.73	.75	.75	.79	.80
South Atlantic.....do	.35	.34	.34	.34	.34	.36	.36	.35	.36	.36	.36	.37
West North Central.....do	.50	.48	.47	.48	.47	.45	.49	.51	.51	.50	.50	.52
West South Central.....do	.41	.38	.38	.38	.39	.40	.40	.39	.39	.40	.42	.41
PUBLIC ASSISTANCE												
Total public assistance and earnings of persons employed under Federal work programs†.....mil. of dol.	218	222	215	216	209	199	188	167	161	159	161	160
Assistance to recipients:‡												
Special types of public assistance.....do	56	57	58	58	59	59	60	60	60	61	61	62
Old-age assistance*.....do	42	43	43	43	44	44	46	45	46	46	47	47
General relief.....do	30	31	29	29	23	23	21	20	20	19	19	18
Subsistence payments certified by the Farm Security Administration.....mil. of dol.	1	2	2	2	2	1	2	(e)	(e)	(e)	(e)	1
Earnings of persons employed under Federal work programs:												
Civilian Conservation Corps.....mil. of dol.	16	17	18	16	15	15	13	12	11	11	10	10
National Youth Administration:												
Student work program.....do	3	3	3	3	3	3	3	(e)	(e)	(e)	2	2
Out-of-school work program.....do	6	8	9	9	8	8	8	7	8	7	7	7
Work Projects Administration.....do	102	104	94	97	94	88	81	67	61	60	62	60
Other Federal agency projects financed from emergency funds†.....mil. of dol.	3	2	2	1	1	1	1	1	1	1	(e)	(e)
Earnings on regular Federal construction projects*.....mil. of dol.	86	103	114	111	116	106	110	119	130	137	157	16.9

FINANCE

BANKING												
Acceptances and com'l paper outstanding:												
Bankers' acceptances, total.....mil. of dol.	194	209	213	212	217	220	215	213	210	197	177	185
Held by accepting banks, total.....do	146	167	168	164	170	170	164	161	161	148	131	138
Own bills.....do	92	100	103	99	107	105	105	101	106	100	85	90
Bills bought.....do	54	67	65	63	66	66	60	59	55	47	46	51
Held by others*.....do	49	42	45	48	47	49	51	52	49	50	46	47
Commercial paper outstanding.....do	375	218	232	241	263	275	295	299	330	354	371	378

* Revised. * Less than \$500,000. * None held by Federal Reserve banks. * Preliminary.
 † Construction wage rates as of January 2, 1941: common labor, \$0.776; skilled labor, \$1.53.
 ‡ Figures for special types of public assistance and general relief exclude the cost of hospitalization and burial. The cost of medical care is also excluded beginning September 1940; this item is included in all earlier data on general relief and in figures for July 1937-August 1940 on special types of assistance.
 † Revised series. Indexes for Illinois revised to a 1935-39 base; for factors for converting indexes on a 1925-27 base beginning 1935, see p. 29 of the January 1941 Survey. Revised indexes for Wisconsin beginning 1925 will be shown in an early issue. Total public assistance and other Federal agency projects financed from emergency funds† revised to exclude earnings on regular Federal construction projects and also on projects financed from Reconstruction Finance Corporation funds; revised data beginning January 1933 will appear in a subsequent issue.
 * New series. Earlier data for aircraft and shipbuilding not shown on p. 29 of the March 1941 Survey are available upon request. For data beginning 1933 for old-age assistance, see table 56, p. 17 of the December 1940 Survey. Data on earnings on regular Federal construction projects beginning January 1933 will appear in a later issue.
 † Because of changes in the composition of the reporting sample (usually an enlargement of sample) data for the indicated series for a recent period are not strictly comparable with earlier data; for the month when the change in the sample occurred and the issue of the Survey in which the revised data were first published, see note marked with "†" on p. 29 of the July 1941 Survey and p. 8-12 of the August 1941 issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941									
	December	December	January	February	March	April	May	June	July	August	September	October	November

FINANCE—Continued

MONETARY STATISTICS													
Foreign exchange rates: Ⓞ													
Argentina..... dol. per paper peso	0.298	0.298	0.298	0.298	0.298	0.298	0.298	0.298	0.298	0.298	0.298	0.298	0.298
Brazil, official..... dol. per milreis	.061	.061	.061	.061	.061	.061	.061	.061	.061	.061	.061	.061	.061
British India..... dol. per rupee	.301	.302	.301	.301	.301	.301	.301	.301	.301	.301	.301	.301	.302
Canada..... dol. per Canadian dol.	.874	.866	.848	.837	.850	.877	.874	.882	.883	.890	.891	.888	.886
Chile..... dol. per peso	(²)	.052	.052	.052	.052	.052	1.052	(²)	(²)	(²)	(²)	(²)	(²)
Colombia..... do.	.570	.571	.571	.570	.570	.570	.570	.570	.570	.570	.570	.570	.570
Germany..... dol. per reichsmark	(²)	.400	.400	.400	.400	.400	.400	3.400	(²)	(²)	(²)	(²)	(²)
Italy..... dol. per lira	(²)	.050	.050	.050	.050	.050	.051	3.053	(²)	(²)	(²)	(²)	(²)
Japan..... dol. per yen	(²)	.234	.234	.234	.234	.234	.234	.234	1.234	(²)	(²)	(²)	(²)
Mexico..... dol. per peso	.206	.204	.205	.205	.205	.205	.205	.205	.205	.205	.205	.206	.205
Sweden..... dol. per krona	(²)	.238	.238	.238	.238	.238	.238	3.238	(²)	(²)	(²)	(²)	(²)
United Kingdom..... dol. per £	4.035	4.035	4.034	4.030	4.032	4.025	4.031	4.032	4.032	4.032	4.033	4.033	4.034
Gold:													
Monetary stock, U. S..... mil. of dol.	22,737	21,995	22,116	22,232	22,367	22,506	22,575	22,624	22,675	22,719	22,761	22,800	22,785
Movement, foreign:													
Net release from earmark Ⓞ..... thous. of dol.	-99,705	7,417	-52,812	-46,153	213	-10,494	-3,846	-3,980	-27,728	-31,202	-46,786	-32,231	-60,913
Exports..... do.	3	4	6	6	3	2	5	7	13	6	5	3	(²)
Imports..... do.	137,178	234,246	108,615	118,569	171,994	34,835	30,719	37,055	36,979	65,707	40,444	(²)	(²)
Production, estimated world total, outside U. S. R..... thous. of dol.	107,800	106,015	100,450	106,365	105,525	105,140	105,875	109,970	108,780	93,150	93,958	92,648	92,648
Reported monthly, total..... do.	92,384	90,964	84,564	90,018	89,039	88,599	89,382	93,238	92,144	47,102	47,024	46,770	46,770
Africa..... do.	46,289	47,279	44,411	47,089	46,292	47,686	46,154	48,027	47,402	15,780	15,780	15,499	15,499
Canada..... do.	15,780	15,199	14,446	15,629	15,384	15,721	15,890	15,983	16,353	20,881	18,855	18,855	18,855
United States..... do.	19,694	16,646	15,408	16,023	16,413	16,022	16,468	18,537	17,487				
Receipts at mint, domestic (unrefined) fine ounces..... mil. of dol.	278,210	338,066	296,624	233,065	275,091	292,251	254,137	255,262	358,603	322,506	385,350	338,233	324,135
Currency in circulation, total..... mil. of dol.	11,160	8,732	8,593	8,781	8,924	9,071	9,357	9,612	9,732	9,995	10,163	10,364	10,640
Silver:													
Exports..... thous. of dol.	123	319	817	1,048	1,212	615	210	353	207	348	70	(²)	(²)
Imports..... do.	4,690	4,576	3,292	4,489	4,346	3,347	4,099	4,686	3,561	3,356	4,221	(²)	(²)
Price at New York..... dol. per fine oz.	.351	.348	.348	.348	.348	.348	.348	.348	.348	.348	.348	.348	.348
Production, world..... thous. of fine oz.	20,645	24,329	23,208	22,774	22,394	20,359	23,214	22,763	22,265				
Canada..... do.	1,642	1,557	1,357	1,802	1,484	1,902	2,058	1,852	1,660	1,625	1,640		
Mexico..... do.	4,568	8,750	7,792	6,339	7,152	3,769	8,062	6,726	6,556				
United States..... do.	6,499	5,733	6,009	6,445	5,843	6,465	5,047	6,310	6,277	5,620	5,087	4,631	4,631
Stocks, refinery, end of month:													
United States..... do.	1,730	1,792	1,340	2,382	1,619	2,181	2,324	2,235	2,803	1,231	1,036	2,739	2,739
CORPORATION PROFITS (Quarterly)													
Federal Reserve Bank of New York:													
Industrial corporations, total (167 cos.) [†] mil. of dol.	288.7			280.8			270.3			255.2			
Autos, parts, and accessories (28 cos.) do.	87.2			88.5			81.5			64.8			
Chemicals (13 cos.) do.	31.1			34.5			35.1			34.4			
Food and beverages (19 cos.) do.	25.9			18.9			21.5			19.9			
Machinery and machine manufacturing (17 cos.) mil. of dol.	12.0			10.9			12.5			13.4			
Metals and mining (12 cos.) do.	8.6			6.4			5.5			5.9			
Petroleum (13 cos.) do.	9.2			13.3			15.9			19.9			
Steel (1 cos.) do.	65.2			66.1			49.7			56.5			
Miscellaneous (54 cos.) [†] do.	49.5			42.2			48.6			40.4			
Public utilities, except steam railways and telephone companies (net income) (52 cos.) mil. of dol.	54.4			61.3			53.6			39.8			
Federal Communications Commission:													
Telephones (net op. income) (91 cos.) do.	62.9			59.7			61.8			58.6			
Interstate Commerce Commission:													
Railways, class I (net income) do.	124.5			69.9			103.2			188.4			
Standard and Poor's Corporation (earnings): Δ													
Combined index, unadjusted ●..... 1926=100	116.2	111.6		107.7			108.3			107.9			
Industrials (119 cos.) do.	121.1	114.1		113.5			113.5			106.3			
Railroads (class I) ● do.	83.0	71.2		40.9			59.9			116.2			
Utilities (13 cos.) do.	126.2	140.0		149.3			139.6			109.5			
PUBLIC FINANCE (FEDERAL)													
Debt, gross, end of month..... mil. of dol.	57,938	45,039	45,890	46,117	47,176	47,236	47,737	48,979	49,540	50,936	51,371	53,584	55,040
Public issues:													
Interest bearing..... do.	50,469	39,102	39,908	40,028	40,901	40,972	41,342	42,285	42,669	43,916	44,157	46,377	47,729
Noninterest bearing..... do.	487	568	557	554	593	557	561	574	548	550	556	544	504
Special issues to government agencies and trust funds..... mil. of dol.	6,982	5,370	5,426	5,534	5,683	5,707	5,834	6,120	6,324	6,470	6,658	6,664	6,806
Obligations fully guaranteed by U. S. Gov't.: Total amount outstanding Ⓞ [†] mil. of dol.	6,314	5,901	5,901	5,901	5,905	6,550	6,359	6,360	6,930	6,928	6,929	6,930	6,316
By agencies: Ⓞ													
Federal Farm Mortgage Corp..... do.	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269
Home Owners' Loan Corporation do.	2,409	2,600	2,600	2,600	2,600	2,600	2,409	2,409	2,409	2,409	2,409	2,409	2,409
Reconstruction Finance Corp..... do.	1,802	1,097	1,097	1,097	1,097	1,741	1,741	1,741	2,101	2,101	2,101	2,101	1,802
Expenditures, total [†] thous. of dol.	2,557,103	1,187,277	1,117,844	1,077,438	1,400,675	1,316,452	1,142,207	1,545,602	1,600,253	1,563,712	1,882,011	2,089,336	1,860,445
National defense*..... do.	1,846,555	470,072	568,693	584,040	748,345	763,061	836,881	811,995	959,880	1,124,095	1,319,955	1,527,001	1,436,699
Agricultural adjustment program*..... do.	112,840	104,596	94,912	87,106	89,814	80,866	27,295	22,025	44,232	26,764	32,456	57,865	71,820
Unemployment relief*..... do.	114,805	155,299	145,630	137,740	159,068	147,843	145,432	134,776	132,075	105,707	108,493	109,414	95,347
Transfers to trust account [†] do.	8,750	4,986	25,775	28,625	22,550	28,075	11,580	9,565	168,554	14,311	6,200	45,010	9,750
Interest on debt*..... do.	232,446	218,934	25,109	20,507	150,211	73,335	11,503	339,431	24,828	8,556	169,359	74,604	15,490
Debt retirements..... do.	15,553	15,223	7,214	2,122	1,539	1,171	1,335	17,128	2,654	34,223	7,951	6,710	2,740
All other*..... do.	226,154	218,167	250,512	217,299	229,148	242,100	108,181	210,681	268,029	250,054	237,599	268,731	228,600

[†] Preliminary. ² Publication of data discontinued. ³ Revised. ⁴ Average for May 1-20. ⁵ No quotation. ⁶ Average for June 1-14. ⁷ Average for July 1-25. ⁸ No quotation for Belgium, France, and the Netherlands since June 1940. ⁹ The total includes guaranteed debentures of certain agencies not shown separately. ¹⁰ Or increase in earmarked gold (-). ¹¹ Number of companies varies slightly. ¹² Formerly Standard Statistics Co., Inc. ¹³ New series. Earlier data on new items under Federal expenditures are shown in table 31, p. 23 of the November 1941 Survey. ¹⁴ Revised series. Beginning July 1940 social security employment taxes are appropriated directly to the old-age and survivors insurance trust funds and do not appear as transfers under expenditures, as formerly; earlier data on total expenditures and transfers to trust accounts have, therefore, been revised to exclude transfers to this fund (net receipts on p. S-16 similarly exclude amounts transferred to this fund); for revised data beginning January 1937, see table 31, p. 23 of the November 1941 Survey. ¹⁵ Data for total obligations guaranteed by the United States and for the Home Owners' Loan Corporation have been revised beginning September 1939 to exclude matured debt funds for payment of which have been deposited with the Treasury; earlier data shown in the Survey similarly exclude matured debt. ¹⁶ The reduction of one company from the number shown in the 1940 Supplement was due to a merger during the second quarter of 1940. ¹⁷ Data reported by the Canadian Government; see note marked "§" on p. 33 of the June 1941 Survey. ¹⁸ Beginning with April 1940, where direct reports from foreign countries are lacking, available reports of the American Bureau of Metal Statistics are used. When no current reports are available at the time of compilation, the last reported figure is carried forward. The comparability of the data has been affected by these substitutions. Data for Belgian Congo and Sierra Leone, formerly included in figures for Africa and total reported monthly, are excluded beginning May 1940 and April 1941, respectively, as reports are not available. During recent years, the reported figures for Belgian Congo amounted to between 1½ and 2 percent of the total reported for Africa; production for Sierra Leone is of minor importance. The total reported monthly has been revised to include exports of gold from Nicaragua, representing approximately 90 percent of the total production of that country.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November

FINANCE—Continued

PUBLIC FINANCE (FEDERAL)—Con.													
Receipts, total.....thous. of dol.	1,214,417	740,929	371,605	673,690	1,566,871	602,443	541,159	1,277,092	455,556	553,833	1,136,079	488,758	730,198
Receipts, net*	1,212,303	740,226	339,778	541,352	1,566,408	565,418	393,683	1,276,009	412,942	396,510	1,134,914	445,293	563,949
Customs.....do	32,926	29,733	33,257	31,630	39,950	49,197	41,060	38,217	36,743	34,511	36,114	34,040	29,967
Internal revenue, total.....do	1,159,387	692,937	319,169	502,046	1,513,017	362,005	482,858	1,211,087	399,783	500,132	1,076,506	431,294	682,682
Income taxes†.....do	767,098	428,722	62,759	104,408	1,207,513	74,881	63,271	916,170	83,668	58,674	779,917	68,308	66,229
Social security taxes.....do	41,376	34,498	46,613	193,379	34,131	43,053	165,204	31,817	47,926	172,666	37,197	48,910	180,561
Taxes from:													
Admissions to theaters, etc.⊗.....do	2,208	1,881	1,910	2,098	1,744	1,730	1,690	2,222	2,246	2,107	2,312	-----	-----
Capital stock transfers, etc.⊗.....do	1,306	1,271	1,025	801	842	770	754	787	927	691	1,044	-----	-----
Government corporations and credit agencies:													
Assets, except interagency, total.....mil. of dol.	12,500	12,645	12,676	12,909	13,282	13,108	13,277	13,853	13,882	14,076	14,452	14,580	
Loans and preferred stock, total.....do	8,682	8,639	8,614	8,681	8,796	8,800	8,804	8,756	8,826	8,864	9,033	9,001	
Loans to financial institutions (incl. preferred stock).....mil. of dol.	1,221	1,174	1,136	1,115	1,103	1,099	1,115	1,101	1,076	1,075	1,074	1,072	
Loans to railroads.....do	516	523	518	523	523	505	505	497	497	497	484	483	
Home and housing mortgage loans.....do	2,390	2,424	2,395	2,406	2,427	2,436	2,445	2,413	2,413	2,427	2,413	2,401	
Farm mortgage and other agricultural loans.....mil. of dol.	3,257	3,208	3,212	3,251	3,334	3,288	3,227	3,191	3,152	3,128	3,105	3,112	
All other.....do	1,298	1,309	1,352	1,386	1,409	1,472	1,511	1,553	1,690	1,738	1,957	1,933	
U. S. obligations, direct and fully guaranteed.....mil. of dol.	829	850	863	880	897	905	925	947	967	968	1,015	1,021	
Business property.....do	593	599	600	602	608	623	636	653	664	671	689	698	
Property held for sale.....do	1,141	1,190	1,206	1,245	1,297	1,392	1,497	1,567	1,625	1,710	1,805	1,879	
All other assets.....do	1,257	1,367	1,392	1,501	1,685	1,389	1,415	1,930	1,800	1,862	1,911	1,980	
Liabilities, other than interagency, total.....mil. of dol.	8,526	8,599	8,592	8,606	9,377	9,297	9,417	10,142	10,123	10,231	10,306	9,690	
Bonds, notes, and debentures:													
Guaranteed by the U. S.....do	5,917	5,915	5,914	5,916	6,560	6,371	6,370	6,939	6,937	6,937	6,938	6,324	
Other.....do	1,395	1,389	1,386	1,390	1,385	1,434	1,443	1,442	1,445	1,434	1,416	1,393	
Other liabilities, including reserves.....do	1,214	1,294	1,292	1,301	1,432	1,492	1,604	1,761	1,741	1,859	1,952	1,974	
Privately owned interests.....do	415	417	418	421	422	423	424	425	426	427	428	430	
Proprietary interests of the U. S. Government.....mil. of dol.	3,559	3,629	3,666	3,792	3,484	3,388	3,436	3,286	3,333	3,418	3,718	4,459	
Reconstruction Finance Corporation, loans outstanding, end of month:†													
Grand total.....thous. of dol.	2,938,413	1,712,635	1,801,249	1,939,886	1,982,357	2,019,992	2,088,763	2,152,711	2,230,358	2,363,687	2,541,142	2,820,257	2,880,470
Section 5 as amended, total.....do	734,171	763,653	770,730	768,580	773,899	771,727	752,300	751,305	740,224	737,864	738,058	725,550	723,604
Banks and trust companies, including receivers.....thous. of dol.	79,887	115,028	112,026	108,771	105,808	102,702	99,304	96,702	92,938	59,787	85,088	85,310	82,896
Building and loan associations.....do	3,161	4,268	3,998	4,262	4,368	4,813	4,594	4,356	3,918	3,574	3,370	3,266	3,161
Insurance companies.....do	830	1,998	1,906	1,790	1,742	1,722	1,696	1,669	1,628	1,551	1,532	1,389	1,365
Mortgage loan companies.....do	186,483	165,118	168,044	169,027	172,452	173,118	174,640	176,579	177,864	180,517	182,787	186,389	187,185
Railroads, including receivers.....do	462,496	473,881	481,961	481,977	486,877	486,938	469,658	469,634	461,567	460,953	460,813	447,771	447,510
All other under Section 5.....do	1,315	3,360	2,795	2,753	2,652	2,435	2,408	2,365	2,308	1,482	1,469	1,425	1,398
Emerg. Rel. and Constr. Act, as amended: Self-liquidating projects (including financing repairs).....thous. of dol.	17,578	19,511	19,486	19,443	18,644	18,615	18,550	18,490	18,291	18,124	18,085	17,737	17,671
Financing of exports of agricultural surpluses.....thous. of dol.	0	47	47	47	47	47	47	47	47	47	47	47	0
Financing of agricultural commodities and livestock.....thous. of dol.	434	443	443	443	443	443	429	439	437	437	436	434	434
Loans to business enterprises (including participations).....thous. of dol.	152,385	121,678	110,061	117,464	115,827	114,478	154,305	151,733	150,462	149,603	147,422	142,618	145,654
National defense under the Act of June 25, 1940*.....thous. of dol.	784,396	51,387	71,249	93,912	137,171	188,244	239,194	306,243	355,741	409,626	567,097	604,087	785,226
Total, Bank Conservation Act, as amended.....thous. of dol.	426,741	556,711	649,195	468,553	463,248	460,313	458,471	455,198	451,429	435,828	433,288	431,335	429,898
Drainage, levee, irrigation, etc.....do	72,814	83,460	83,231	82,897	83,161	75,859	74,497	78,622	78,626	77,243	76,343	74,343	74,044
Other loans and authorizations†.....do	749,896	115,875	90,936	288,378	389,260	300,389	391,090	390,766	435,102	534,915	559,797	734,106	703,940
CAPITAL FLOTATIONS													
Security Registrations†													
(Securities and Exchange Commission)													
Total securities effective under the Securities Act of 1933.....thous. of dol.	121,862	322,618	415,699	183,098	162,828	186,996	272,521	163,584	648,401	108,230	176,042	154,477	193,416
Substitute securities*.....do	25	0	0	0	2,397	0	665	216	374	0	60	212	1,257
Registered for account of others.....do	9,581	4,859	25,150	3,514	0	32,048	76,515	11,838	29,481	10,748	31,885	4,105	3,744
Registered for account of issuers, exclusive of substitute securities.....thous. of dol.	112,256	317,760	390,549	179,584	160,431	154,948	195,341	151,530	618,545	97,482	144,068	150,159	188,415
Not proposed for sale.....do	51,010	25,594	24,620	18,242	33,033	62,174	30,861	2,297	327,760	6,397	2,536	5,305	2,349
Proposed for sale:													
Cost of flotation:													
Compensation to underwriters, agents, etc.....thous. of dol.	1,810	6,882	10,677	1,174	4,267	2,384	3,983	2,726	1,272	1,595	954	1,724	2,703
Expenses.....do	348	1,626	1,261	874	720	551	727	1,055	1,749	493	619	863	776
Net proceeds, total.....do	59,088	283,658	353,990	159,294	122,411	89,839	159,770	145,452	287,765	88,998	139,988	142,207	182,587
To be used for:													
New money.....do	22,502	33,863	18,147	13,069	46,800	20,182	12,642	17,493	148,024	18,923	28,433	83,233	71,976
Purchase of:													
Securities for investment.....do	10,005	4,612	152,842	0	23,493	11,339	2,256	4,853	2,211	9,630	3,728	552	9,663
Securities for affiliation.....do	5,347	249	0	1,372	0	0	100	0	0	0	0	0	0
Other assets.....do	0	173	0	0	133	1,564	0	700	20	0	0	4,832	0
Repayment of funded debt.....do	6,052	223,900	154,049	128,973	46,038	54,650	144,390	113,247	130,033	58,520	104,708	43,754	22,401
Repayment of other debt.....do	11,634	1,934	2,093	13,000	540	1,802	206	2,546	7,476	0	1,213	9,071	12,591
Retirement of preferred stock.....do	3,458	18,256	25,711	2,268	5,069	175	101	6,598	0	1,897	1,823	813	485
Organization expense.....do	0	0	0	(*)	0	0	6	0	0	0	0	0	0
Miscellaneous.....do	90	672	1,148	613	337	120	69	15	2	28	83	13	65,471

* Revised. * Less than \$500. † Includes repayments unallocated, pending advices, at end of month.
 † Revised series. For revised data on income taxes beginning September 1936, see table 50, p. 18 of the November 1940 Survey. Data on total loans of the Reconstruction Finance Corporation and "other loans and authorizations" revised beginning January 1937 to exclude a loan of \$146,500,000 to the Rural Electrification Administration, advanced in varying amounts during 1937-39, now classified under allocations; this loan has been excluded from data shown in the Survey beginning with the October 1940 issue. Certain other comparatively small revisions have been made in the grand total; currently such revisions are not carried into the detail. Data on security registrations revised beginning January 1938, see table 47, p. 15 of the November 1940 Survey.
 † New series. The new item of "net receipts" excludes social security employment taxes appropriated directly to the Federal old-age and survivors insurance trust fund; for data beginning January 1937, see table 50, p. 18 of the November 1940 Survey. For data beginning 1938 for substitute securities, see table 47, p. 15 of the November 1940 issue. National defense data include loans, participations and purchases of capital stock in corporations created by the Reconstruction Finance Corporation to aid in national defense.
 ⊗ Because of changes in the tax rate under the Revenue Act of 1941, the series on collections from admissions to theaters and stock transfers which were included for the purpose of showing trends in the volume of business in these fields of industry, rather than from a revenue standpoint, have been discontinued in the Survey. Data shown above exclude collections from national defense taxes under the Revenue Act of 1940.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November

FINANCE—Continued

CAPITAL FLOTATIONS—Continued													
Security Registrations†—Continued (Securities and Exchange Commission)													
Gross amount of securities less securities reserved for conversion or substitution, total thous. of dol.													
Type of security:	116,737	318,856	393,713	182,543	157,514	182,325	269,620	161,071	413,842	108,038	174,849	149,559	190,790
Secured bonds.....do.....	50,983	147,045	135,365	133,159	82,670	89,770	88,434	111,480	0	34,326	18,249	44,128	47,085
Unsecured bonds.....do.....	7,179	107,318	60,037	2,983	0	33,288	49,500	1,000	268,286	46,088	91,658	10,000	50,750
Preferred stock.....do.....	15,312	48,907	6,537	37,565	48,422	10,570	75,181	21,980	23,094	4,434	14,978	13,138	6,600
Common stock.....do.....	35,262	15,552	31,826	8,832	2,151	44,010	56,404	21,111	94,336	18,027	46,213	80,723	75,829
Certificates of participation, etc.....do.....	8,000	35	5,598	5	24,270	4,687	100	5,499	28,126	363	3,750	991	10,526
Type of registrant:													
Extractive industries.....do.....	0	250	0	0	0	571	250	1,687	0	0	121	0	15,480
Manufacturing industries.....do.....	30,340	115,944	114,377	24,097	41,013	65,136	123,499	15,605	17,166	57,245	24,800	80,229	38,102
Financial and investment.....do.....	10,703	19,353	162,693	2,983	25,976	3,301	3,301	5,260	4,190	11,223	3,750	10,579	11,170
Transportation and communications.....do.....	22,539	209	69,488	0	2,468	6,074	8,171	16,690	354,273	0	104,689	1,848	68,563
Electric light, power, heat, gas and water thous. of dol.	52,242	171,360	43,668	151,341	87,729	37,061	133,644	121,829	18,094	34,326	22,737	48,760	55,018
Other.....do.....	913	11,740	3,487	4,122	329	1,263	755	0	20,119	5,244	18,751	8,143	2,458
Securities Issued‡ (Commercial and Financial Chronicle)													
Securities issued, by type of security, total (new capital and refunding).....thous. of dol.													
New capital, total.....do.....	216,428	613,610	420,835	334,037	394,428	920,916	405,839	881,131	612,092	470,728	273,400	299,302	237,815
Domestic, total.....do.....	121,001	189,761	95,461	77,056	182,311	746,178	106,750	519,255	296,024	360,284	64,856	132,066	110,379
Corporate, total.....do.....	121,001	189,761	95,461	77,056	182,311	745,328	106,750	519,005	295,624	360,284	64,856	132,066	110,379
Bonds and notes:	59,466	62,199	52,929	31,550	86,634	39,470	63,874	90,467	43,569	327,403	34,265	103,261	89,427
Long term.....do.....	41,052	44,850	50,348	24,851	55,972	28,437	60,945	74,636	30,377	323,825	22,140	49,626	82,399
Short term.....do.....	5,000	1,000	330	637	0	641	55	2,010	0	0	0	0	575
Preferred stocks.....do.....	13,360	9,703	1,154	3,752	29,468	7,324	0	10,387	9,825	1,603	8,458	2,700	2,645
Common stocks.....do.....	54	6,645	1,096	2,310	1,195	3,068	2,875	3,434	3,367	1,975	3,667	50,935	3,809
Farm loan and other Government agencies.....thous. of dol.	19,520	0	2,200	8,125	9,440	645,442	5,440	369,741	212,212	0	0	0	0
Municipal, State, etc.....do.....	42,015	127,563	40,332	37,381	86,237	60,416	37,436	58,797	39,843	32,881	30,591	28,805	20,952
Foreign, total.....do.....	0	0	0	0	0	850	0	250	0	0	0	0	0
Corporate.....do.....	0	0	0	0	0	0	0	0	0	0	0	0	0
Government.....do.....	0	0	0	0	0	0	0	0	0	0	0	0	0
United States possessions.....do.....	0	0	0	0	0	850	0	250	0	0	0	0	0
Refunding, total.....do.....	95,427	423,849	325,374	256,981	212,117	174,738	299,089	361,876	316,068	110,444	208,544	167,236	127,436
Domestic, total.....do.....	95,427	423,849	325,374	256,981	212,117	174,738	299,089	361,876	316,068	110,444	208,544	167,236	127,436
Corporate, total.....do.....	52,055	334,580	271,388	227,012	115,288	107,181	197,102	113,390	86,468	74,427	161,391	97,050	42,384
Bonds and notes:													
Long term.....do.....	50,321	292,017	251,892	208,911	83,680	106,472	161,757	108,087	75,793	72,530	155,881	96,250	29,336
Short term.....do.....	0	0	16,670	703	0	709	0	0	0	0	0	0	0
Preferred stocks.....do.....	1,734	38,702	2,286	17,398	31,607	0	35,345	5,303	10,525	1,897	5,398	800	13,049
Common stocks.....do.....	0	3,861	540	0	0	0	0	0	150	0	112	0	0
Farm loan and other government agencies.....thous. of dol.	25,100	14,300	30,800	17,425	4,000	27,725	28,300	222,860	215,553	25,420	26,955	34,822	31,675
Municipal, State, etc.....do.....	18,273	74,969	23,186	12,544	92,829	39,833	73,687	25,626	14,047	10,597	20,198	35,304	53,377
Foreign, total.....do.....	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate.....do.....	0	0	0	0	0	0	0	0	0	0	0	0	0
Government.....do.....	0	0	0	0	0	0	0	0	0	0	0	0	0
United States possessions.....do.....	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate securities issued by type of borrower, total.....thous. of dol.	111,520	396,778	324,316	258,562	201,922	146,650	260,976	203,857	130,038	401,830	195,656	200,311	131,811
New capital, total.....do.....	59,466	62,199	52,929	31,550	86,634	39,470	63,874	90,467	43,569	327,403	34,265	103,261	89,427
Industrial.....do.....	24,018	19,057	10,243	6,311	20,612	8,781	19,459	29,454	4,068	52,018	11,552	63,178	43,578
Investment trusts, trading, and holding companies, etc.....thous. of dol.	0	0	0	0	0	0	0	0	0	0	0	0	0
Land, buildings, etc.....do.....	0	0	155	65	106	47	0	386	0	0	230	214	0
Public utilities.....do.....	7,203	5,336	10,715	6,527	39,661	18,401	3,775	7,584	10,559	238,085	7,922	5,840	40,687
Railroads.....do.....	27,745	12,030	30,395	18,010	3,120	9,100	36,715	51,235	22,852	23,300	7,060	21,329	1,210
Shipping and miscellaneous.....do.....	500	25,776	1,421	637	17,136	3,141	3,925	1,808	6,090	14,000	7,500	12,700	3,952
Refunding, total.....do.....	52,055	334,580	271,388	227,012	115,288	107,181	197,102	113,390	86,468	74,427	161,391	97,050	42,384
Industrial.....do.....	16,880	33,575	29,066	1,107	41,500	37,007	51,170	21,886	34,875	2,497	22,782	16,336	16,800
Investment trusts, trading, and holding companies, etc.....thous. of dol.	0	4,000	0	0	0	0	0	0	0	0	0	0	0
Land, buildings, etc.....do.....	3,835	1,202	3,837	11,250	2,876	1,929	2,875	328	0	245	1,674	2,056	3,654
Public utilities.....do.....	31,339	221,274	134,940	161,424	67,602	39,186	138,882	83,317	45,593	71,625	102,098	74,658	21,841
Railroads.....do.....	0	0	9,790	50,718	3,000	4,000	0	6,860	0	0	34,837	4,000	0
Shipping and miscellaneous.....do.....	0	74,529	23,415	2,513	309	25,059	4,175	1,000	6,000	60	0	0	0
Domestic issues for productive uses (Moody's):* Total.....mil. of dol.	139	80	51	102	75	89	113	67	303	47	63	61	61
Corporate.....do.....	28	47	27	53	23	54	63	38	281	25	53	43	43
Municipal, State, etc.....do.....	111	33	24	49	52	35	50	29	22	22	10	18	18
(Bond Buyer)													
State and municipal issues:													
Permanent (long term).....thous. of dol.	67,225	202,402	77,938	190,249	104,216	101,656	115,987	144,806	151,610	48,317	65,150	78,761	63,582
Temporary (short term).....do.....	81,508	96,146	175,389	177,957	63,074	89,394	138,683	81,995	150,913	169,942	53,669	93,123	113,655
COMMODITY MARKETS													
Volume of trading in grain futures:													
Wheat.....mil. of bu.	294	283	228	277	439	432	548	504	457	531	500	454	282
Corn.....do.....	89	68	47	44	58	57	77	53	37	77	103	93	74
SECURITY MARKETS													
Brokers' Balances (N. Y. S. E. members carrying margin accounts)													
Customers' debit balances (net).....mil. of dol.	600	677	661	634	633	606	622	616	628	628	633	628	625
Cash on hand and in banks.....do.....	211	204	207	199	199	199	185	186	189	189	196	186	195
Money borrowed.....do.....	368	427	399	375	387	368	403	395	388	460	396	414	409
Customers' free credit balances.....do.....	289	281	275	267	268	265	262	255	266	262	260	255	264

* Revised.
 † The indicated totals include face amount certificates not included in the break-down by type of security as follows: January, \$154,350,000; August, \$4,800,000; October, \$579,000.
 ‡ For revisions in 1939 data from Commercial and Financial Chronicle, see notes marked "†" on p. 34 of the September 1940 and on p. 35 of the March 1941 Survey.
 * New series. For data on domestic issues for productive uses beginning 1921, see table 34, p. 17 of the September 1940 Survey.
 † Revised series. Data on security registrations revised beginning January 1938; see table 47, p. 15 of the November 1940 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November

CHEMICALS AND ALLIED PRODUCTS—Continued

OILS, FATS, AND BYPRODUCTS—Con.													
Linseed cake and meal:													
Exports [§]thous. of lb.		2	1,512	34	2	1,201	813	392	907	914	1,740	(*)	
Shipments from Minneapolis.....do.	53,760	42,920	44,400	30,760	27,800	30,680	20,240	22,360	20,280	32,120	45,840	37,400	34,360
Linseed oil:													
Consumption, factory (quarterly) [¶]do.		100,338			106,787			143,100			141,913		
Price, wholesale (N. Y.).....dol. per lb.	.108	.088	.095	.095	.099	.107	.108		.113	.112	.114	.108	.101
Production (quarterly).....thous. of lb.		192,185			196,281			183,309			236,744		
Shipments from Minneapolis.....do.	17,950	10,850	14,350	14,950	18,900	21,600	20,300		24,300	21,500	21,900	21,350	15,750
Stocks at factory, end of quarter [†]do.		153,804			192,850			150,936			161,255		
Oleomargarine:													
Consumption (tax-paid withdrawals) [⊕]do.		31,118	33,835	27,869	34,328	30,579	26,853	25,583	25,909	25,174	33,095	33,932	32,147
Price, wholesale, standard, uncolored (Chicago).....dol. per lb.	.145	.115	.118	.120	.125	.130	.130	.133	.140	.140	.140	.140	.140
Production [⊕]thous. of lb.		32,457	34,030	28,103	33,880	32,179	27,693	25,083	27,365	24,803	33,124	34,060	32,503
Vegetable shortenings:													
Price, wholesale, tierces (Chi.).....dol. per lb.	.156	.088	.094	.094	.097	.111	.124	.133	.143	.145	.153	.156	.153
PAINT SALES													
Calcimines, plastic and cold-water paints:													
Calcimines.....thous. of dol.		150	208	182	301	342	233	202	178	183	195	171	161
Plastic paints.....do.		44	35	43	43	55	60	53	51	57	67	69	40
Cold-water paints:													
In dry form.....do.		138	146	150	202	266	289	262	246	224	279	253	210
In paste form.....do.		259	294	279	376	483	513	392	389	359	462	471	278
Paint, varnish, lacquer, and fillers:													
Total.....do.		27,326	33,408	32,538	38,541	50,029	56,055	52,112	46,809	46,807	48,354	49,103	39,789
Classified, total.....do.		20,472	24,609	24,013	28,245	35,160	40,636	37,395	33,705	33,575	33,981	34,786	28,779
Industrial.....do.		10,785	12,206	12,177	13,752	15,246	16,337	16,688	15,872	15,868	15,071	16,823	14,914
Trade.....do.		9,686	12,403	11,837	14,493	19,914	24,299	20,707	17,833	17,707	18,910	17,962	13,865
Unclassified.....do.		6,854	8,799	8,525	10,296	14,869	15,419	14,717	13,104	13,233	14,373	14,317	11,010
CELLULOSE PLASTIC PRODUCTS													
Nitro-cellulose, sheets, rods, and tubes:													
Consumption.....thous. of lb.	269	183	185	230	249	217	215	242	229	243	284	252	268
Production.....do.	1,485	1,109	1,167	1,132	1,308	1,420	1,372	1,387	1,309	1,437	1,479	1,521	1,483
Shipments [⊕]do.	1,658	1,068	1,112	1,145	1,233	1,267	1,315	1,475	1,353	1,510	1,565	1,630	1,569
Cellulose-acetate:													
Sheets, rods, and tubes:⊖													
Consumption.....thous. of lb.	23	8	7	3	10	12	14	18	14	17	19	21	22
Production.....do.	501	867	617	344	465	402	524	513	507	573	585	630	558
Shipments [⊕]do.	534	733	675	335	373	408	472	523	541	580	622	712	609
Moulding composition:													
Production.....do.	3,397	1,435	1,632	1,879	2,232	2,255	2,319	2,457	2,467	2,670	2,991	3,439	2,979
Shipments [†]do.	3,165	1,317	1,584	1,642	1,991	2,102	2,146	2,264	2,346	2,506	2,813	3,453	2,777
ROOFING													
Asphalt prepared roofing, shipments:													
Total.....thous. of squares		2,163	2,249	2,515	3,105	3,141	3,753	3,570	4,062	3,981	4,146	4,737	3,825
Grit roll.....do.		769	888	811	801	806	987	981	1,178	1,157	1,227	1,345	1,070
Shingles (all types).....do.		570	533	690	1,038	1,255	1,564	1,436	1,549	1,543	1,535	1,724	1,315
Smooth roll.....do.		824	828	1,014	1,266	1,080	1,202	1,153	1,334	1,281	1,385	1,668	1,441

ELECTRIC POWER AND GAS

ELECTRIC POWER													
Production, total [•]mil. of kw.-hr.	15,635	13,456	13,641	12,293	13,095	12,885	13,616	13,671	14,226	14,540	14,348	15,236	14,481
By source:													
Fuel.....do.	11,135	9,057	9,054	8,381	8,706	8,051	9,363	9,614	9,838	10,610	10,351	11,034	10,395
Water power.....do.	4,500	4,399	4,587	3,912	4,388	4,834	4,253	4,056	4,388	3,930	3,997	4,202	4,086
By type of producer:													
Privately and municipally owned electric utilities.....mil. of kw.-hr.	14,215	12,119	12,311	11,027	12,061	11,575	12,105	12,173	12,742	13,037	12,874	13,678	13,050
Other producers.....do.	1,420	1,337	1,330	1,266	1,034	1,309	1,511	1,498	1,484	1,503	1,473	1,558	1,431
Sales to ultimate customers, total [†] (Edison Electric Institute).....mil. of kw.-hr.													
Residential or domestic.....do.	10,895	11,382	10,801	10,895	10,809	11,080	11,385	11,629	12,081	12,122	12,362	12,663	12,363
Rural (distinct rural rates).....do.	2,222	2,396	2,185	2,060	1,990	1,904	1,909	1,927	1,969	2,032	2,092	2,092	2,092
Commercial and industrial:													
Small light and power.....do.	2,034	2,126	2,009	1,924	1,927	1,914	1,980	2,045	2,131	2,120	2,100	2,100	2,100
Large light and power.....do.	5,448	5,616	5,456	5,750	5,821	6,194	6,385	6,474	6,724	6,747	6,934	6,934	6,934
Street and highway lighting.....do.	217	215	185	179	160	146	138	140	154	170	195	195	195
Other public authorities.....do.	248	254	251	248	241	243	240	247	259	250	275	275	275
Railways and railroads.....do.	551	580	519	553	485	482	461	472	473	467	501	501	501
Interdepartmental.....do.	67	65	63	64	54	50	40	41	40	39	42	42	42
Revenue from sales to ultimate customers [†] (Edison Electric Institute).....thous. of dol.	219,913	228,159	217,629	212,603	210,078	209,707	215,010	217,685	223,561	225,751	228,833	228,833	228,833
GAS													
Manufactured gas: †													
Customers, total.....thousands	10,156	10,106	10,149	10,119	10,142	10,404	10,253	10,284	10,309	10,390	10,405	10,405	10,405
Domestic.....do.	9,394	9,350	9,383	9,354	9,362	9,620	9,481	9,522	9,544	9,608	9,606	9,606	9,606
House heating.....do.	304	282	294	280	295	304	292	283	283	307	332	332	332
Industrial and commercial.....do.	448	465	463	473	473	468	469	468	470	466	456	456	456
Sales to consumers, total.....mil. of cu. ft.	37,946	37,950	38,046	38,025	35,347	32,666	30,290	27,672	26,896	29,022	31,622	31,622	31,622
Domestic.....do.	15,892	17,312	16,997	16,836	16,297	16,615	16,887	15,510	15,008	16,633	17,332	17,332	17,332
House heating.....do.	10,801	9,608	10,095	9,453	6,981	4,256	2,149	1,341	1,101	1,198	2,385	2,385	2,385
Industrial and commercial.....do.	11,000	10,791	10,704	11,457	11,857	11,596	11,085	10,628	10,631	11,009	11,671	11,671	11,671
Revenue from sales to consumers, total													
thous. of dol.	34,904	35,157	35,166	34,489	32,651	31,974	30,573	28,260	27,740	29,835	31,796	31,796	31,796
Domestic.....do.	21,629	21,988	21,247	20,851	20,993	22,398	22,174	20,697	20,319	21,967	22,653	22,653	22,653
House heating.....do.	6,136	6,107	6,784	6,419	4,399	2,507	1,632	1,078	920	1,114	1,937	1,937	1,937
Industrial and commercial.....do.	6,992	6,918	6,987	7,055	7,111	6,941	6,665	6,392	6,391	6,644	7,066	7,066	7,066

• Revised. ¶Revisions for quarters of 1940 not shown in the December 1941 Survey will be shown in a subsequent issue. * See note "(*)" on p. S-22.
 §Data revised for 1939; see table 14, p. 17, of the April 1941 Survey. ⊕Data revised beginning July 1939; see note marked with a "†" on p. 40 of the April 1941 Survey.
 ⊕Includes consumption in reporting company plants. †Excludes consumption in reporting company plants.
 •Monthly data for 1920-39, corresponding to averages shown on p. 97 of the 1940 Supplement, appear in table 28, pp. 17 and 18 of the December 1940 Survey; revised data for all months of 1940 are shown on p. 41 of the June 1941 Survey.
 ⊖Beginning with February 1941, data do not include production or shipments of cellulose acetate safety glass sheets.
 †Revised series. Manufactured gas revised beginning January 1929; earlier data will appear in a subsequent issue. Revised electric-power sales and revenue from sales beginning 1937 will be shown in a subsequent issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941		1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November

ELECTRIC POWER AND GAS—Continued

GAS—Continued												
Natural gas:†												
Customers, total..... thousands.....		7,804	7,764	7,773	7,824	7,810	7,829	7,802	7,848	7,862	7,922	7,991
Domestic..... do.....		7,194	7,170	7,182	7,223	7,216	7,250	7,252	7,293	7,316	7,374	7,425
Industrial and commercial..... do.....		608	591	589	599	592	578	548	552	544	546	564
Sales to consumers, total..... mil. of cu. ft.....		147,071	151,963	157,611	156,230	141,480	120,558	110,983	110,694	111,583	115,945	127,795
Domestic..... do.....		49,515	54,973	56,914	54,887	43,680	28,971	21,124	18,357	16,876	17,894	22,515
Ind'l, com'l, and elec. generation..... do.....		95,516	95,184	98,440	85,084	96,716	89,459	87,481	90,226	91,802	95,357	102,575
Revenue from sales to consumers, total..... thous. of dol.....		51,838	56,464	57,356	56,232	48,911	39,030	33,761	32,025	31,480	32,231	36,844
Domestic..... do.....		30,975	34,885	35,086	33,907	28,328	20,649	16,372	14,504	13,573	13,865	16,934
Ind'l, com'l, and elec. generation..... do.....		20,583	21,321	21,920	21,960	20,424	18,101	17,113	17,174	17,564	18,045	19,583

FOODSTUFFS AND TOBACCO

ALCOHOLIC BEVERAGES													
Fermented malt liquors:													
Production..... thous. of bbl.....	4,421	3,612	3,903	3,697	4,466	5,170	5,844	6,126	6,554	5,913	5,291	4,989	3,842
Tax-paid withdrawals..... do.....	4,521	3,779	3,240	3,218	3,814	4,557	5,385	5,678	6,268	6,055	5,240	4,920	4,074
Stocks..... do.....	7,446	6,994	7,487	7,801	8,262	8,645	8,848	9,038	9,026	8,605	8,384	8,207	7,783
Distilled spirits:													
Production..... thous. of tax gal.....	18,777	15,760	15,702	15,135	15,514	14,726	14,732	12,521	11,075	9,881	21,201	30,667	20,768
Tax-paid withdrawals..... do.....	8,586	8,950	6,040	6,963	8,450	8,027	9,722	9,281	8,992	10,092	11,969	10,505	11,108
Imports..... thous. of proof gal.....		1,386	576	630	879	1,052	1,535	860	727	855	1,549	(e)	
Stocks..... thous. of tax gal.....	567,403	522,723	530,863	536,917	541,931	547,018	549,979	551,424	551,435	549,275	547,678	555,462	558,967
Whisky:													
Production..... do.....	13,632	12,316	13,220	12,658	12,643	11,860	12,025	9,560	7,764	6,571	9,424	13,834	11,828
Tax-paid withdrawals..... do.....	6,832	7,323	5,017	5,823	6,619	6,147	7,531	7,210	6,606	7,104	9,212	7,602	8,143
Imports..... thous. of proof gal.....		1,270	510	568	812	991	1,448	788	653	777	1,423	(e)	
Stocks..... thous. of tax gal.....	511,211	479,102	486,132	491,301	495,735	500,097	503,040	504,081	503,567	501,587	499,503	504,041	505,557
Rectified spirits and wines, production, total													
Whisky..... thous. of proof gal.....	4,583	4,593	3,119	3,387	4,211	4,399	5,195	5,393	5,415	5,789	5,871	6,330	5,943
Other spirits..... do.....	3,772	3,769	2,535	2,838	3,380	3,417	4,224	4,348	4,321	4,807	4,715	5,167	5,040
Indicated consumption for beverage purposes:													
All spirits..... thous. of proof gal.....		12,293	8,056	9,116	11,345	10,909	13,500	12,686	12,248	13,028	15,549		
Whisky..... do.....		10,894	7,068	8,108	9,547	9,209	11,632	10,726	10,084	11,017	13,561		
Still wines:													
Production..... thous. of wine gal.....	10,151	2,087	1,667	857	7,109	1,365	1,636	2,663	9,375	95,884			
Tax-paid withdrawals..... do.....	10,253	6,683	6,984	7,933	8,051	7,270	7,843	7,580	7,018	10,123			
Imports..... do.....		257	120	107	141	134	158	125	169	90		(e)	
Stocks..... do.....	163,757	157,706	150,753	143,154	135,310	128,003	117,887	111,570	106,377	136,457			
Sparkling wines:													
Production..... do.....	84	62	63	50	141	151	119	95	68	77			
Tax-paid withdrawals..... do.....	164	39	34	35	40	52	59	61	71	112			
Imports..... do.....		45	10	7	6	7	6	5	4	11		(e)	
Stocks..... do.....		492	512	539	551	647	744	794	811	761			

DAIRY PRODUCTS													
Butter:													
Consumption, apparent†..... thous. of lb.....	152,795	147,631	143,712	157,594	155,316	179,199	149,586	138,530	150,700	147,007			
Price, wholesale, 92-score (N. Y.) dol. per lb.....	35	31	31	32	33	36	36	35	36	37		36	
Production, creamery (factory)†..... thous. of lb.....	117,865	126,588	135,895	130,635	150,180	164,250	217,985	213,030	196,955	172,500	149,715	136,405	115,160
Receipts, 5 markets..... do.....	48,149	49,659	56,582	53,126	59,565	62,342	74,366	78,217	73,993	60,942	55,666	53,025	43,433
Stocks, cold storage, creamery, end of month..... thous. of lb.....	114,611	41,497	29,715	16,462	8,983	17,795	56,792	120,246	178,493	200,228	202,957	186,635	152,484
Cheese:													
Consumption, apparent†..... do.....	60,056	55,676	58,055	72,224	74,250	82,568	70,289	57,130	66,496	66,765			
Imports..... do.....	2,073	1,922	2,290	1,544	1,871	2,114	1,437	2,094	1,758	1,464	(e)		
Price, wholesale, No. 1 American (N. Y.) dol. per lb.....	26	19	17	17	19	21	22	24	24	26		26	
Production, total (factory)†..... thous. of lb.....	69,340	50,345	49,720	50,120	61,460	71,070	98,210	105,610	95,100	87,510	82,500	78,300	67,650
American whole milk†..... do.....	52,945	35,160	36,910	37,120	46,070	55,265	78,860	86,165	77,895	71,520	66,900	62,240	51,660
Receipts, 5 markets..... do.....	13,542	12,913	11,894	10,894	15,122	15,166	16,139	21,551	22,212	15,634	18,097	15,784	13,648
Stocks, cold storage, end of month..... do.....	201,685	129,536	125,308	119,381	109,893	108,335	119,718	142,369	168,420	184,840	188,337	188,727	189,002
American whole milk..... do.....	164,428	113,074	109,820	105,153	97,496	94,602	102,869	121,064	139,568	151,906	156,746	157,468	158,238
Condensed and evaporated milk:													
Exports:†													
Condensed (sweetened)..... do.....	3,294	3,637	4,235	5,020	7,822	8,292	7,333	7,111	8,865	6,300	(e)		
Evaporated (unsweetened)..... do.....	4,434	4,162	7,178	8,743	7,773	19,366	43,383	60,153	40,687	45,875	(e)		
Prices, wholesale (N. Y.):													
Condensed (sweetened)..... dol. per case.....	5.90	5.00	5.00	5.00	5.00	5.00	5.00	5.40	5.48	5.80	5.56	5.40	5.90
Evaporated (unsweetened)..... do.....	3.85	3.20	3.20	3.20	3.23	3.43	3.45	3.60	3.70	3.85	3.85	3.85	3.85
Production, case goods:†													
Condensed (sweetened)..... thous. of lb.....	7,086	6,384	6,998	6,530	9,355	8,601	10,130	9,745	9,923	9,793	8,017	7,999	8,126
Evaporated (unsweetened)..... do.....	286,899	148,607	170,879	167,714	205,322	252,692	350,513	331,337	298,120	292,597	282,309	269,320	258,203
Stocks, manufacturers', case goods, end of mo.:													
Condensed (sweetened)..... thous. of lb.....	12,024	8,047	7,810	7,274	7,340	7,228	10,327	10,009	9,783	10,494	10,062	11,245	11,906
Evaporated (unsweetened)..... do.....	328,393	187,652	189,246	176,624	136,073	126,160	173,838	189,711	261,559	289,904	339,716	382,605	417,643
Fluid milk:													
Consumption in oleomargarine..... do.....		6,033	6,227	5,348	6,414	6,016	5,101	4,627	4,919	4,582	6,044	6,049	5,764
Price dealers', standard grade.dol. per 100 lb.....	2.70	2.24	2.26	2.26	2.26	2.27	2.27	2.27	2.32	2.40	2.49	2.60	2.66
Production (Minneapolis and St. Paul)..... thous. of lb.....	35,194	35,951	40,605	39,248	44,972	44,477	49,501	42,475	35,932	30,658	25,972	27,159	29,018
Receipts:													
Boston..... thous. of qt.....	21,162	20,255	20,348	18,754	21,598	21,353	22,480	22,179	22,769	22,027	21,895	21,802	20,842
Greater New York..... do.....	130,314	127,792	128,272	115,883	131,558	127,288	132,704	132,294	131,958	127,050	132,725	135,906	126,453
Powdered milk:													
Exports..... thous. of lb.....		1,961	1,390	1,770	1,415	1,631	2,277	7,005	6,336	2,760	4,155	(e)	
Production..... do.....	25,171	31,618	26,375	25,770	32,475	37,282	49,212	43,867	35,231	30,059	27,345	24,394	21,564
Stocks, manufacturers', end of month..... do.....	20,156	34,175	33,351	35,927	36,831	36,036	36,676	37,231	34,108	31,705	26,975	21,470	18,732

* Revised. †Data for 1939 revised; for exports, see table 14, p. 17, and for imports, table 15, p. 18, of the April 1941 Survey.
 † The publication of detailed foreign trade statistics has been discontinued for the duration of the war.
 † Data on natural gas revised beginning 1929; earlier data will appear in a subsequent issue. Data for the indicated series on dairy products revised for 1939 and 1940; for revised 1939 data on production of condensed and evaporated milk, see note marked "†" on p. 42 of the January 1941 Survey; revised 1939 data for butter and cheese production and consumption, superseding figures shown in the January 1941 Survey, appear in table 26, p. 26 of the September 1941 Survey; for revised 1940 data, see note marked "†" on p. S-24 of the December 1941 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941		1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November

FOODSTUFFS AND TOBACCO—Continued

FRUITS AND VEGETABLES													
Apples:													
Production (crop estimate)†.....thous. of bu.	1126,076	1114,391											
Shipments, carlot.....no. of carloads	4,936	4,367	4,219	4,284	4,218	2,720	2,718	936	676	480	5,058	10,811	6,216
Stocks, cold storage, end of mo.....thous. of bu.	25,712	28,639	23,014	17,070	10,529	5,999	2,316	0	0	0	10,351	31,321	31,181
Citrus fruits, carlot shipments.....no. of carloads	16,964	16,598	20,050	15,604	18,541	16,937	19,869	14,956	12,219	10,307	6,953	10,316	23,835
Onions, carlot shipments.....do.	1,857	1,386	1,867	1,569	1,763	920	2,762	2,089	1,013	1,671	3,679	3,506	2,445
Potatoes, white:													
Price, wholesale (N. Y.).....dol. per 100 lb.	2.330	1.420	1.481	1.531	1.488	1.590	1.700	2.363	1.970	1.806	1.845	1.944	2.163
Production (crop estimate).....thous. of bu.	1357,783	1378,103											
Shipments, carlot.....no. of carloads	13,803	11,576	17,552	17,676	25,762	18,442	22,655	19,546	13,820	8,273	11,087	16,515	13,996
GRAINS AND GRAIN PRODUCTS													
Exports, principal grains, including flour and meal§.....thous. of bu.													
	2,559	2,812	3,279	4,244	5,291	5,983	3,330	4,042	5,037	9,116	(a)		
Barley:													
Exports, including malt§.....do.	173	109	166	162	123	263	232	178	574	284	(a)		
Prices, wholesale (Minneapolis):													
No. 2, malting.....dol. per bu.	.82	.52	.54	.50	.51	.55	.58	.57	.51	.55	.69	.69	.77
No. 3, straight.....do.	.67	.51	.53	.51	.51	.52	.54	.52	.45	.51	.60	.55	.68
Production (crop estimate).....thous. of bu.	1358,709	1310,108											
Receipts, principal markets.....do.	12,190	7,877	6,496	6,357	6,510	5,442	9,598	7,838	6,028	10,468	14,111	9,116	13,239
Stocks, commercial, end of month.....do.	10,002	9,640	8,195	7,335	6,561	5,157	4,726	4,931	5,471	5,514	6,977	7,757	8,739
Oorn:													
Exports, including meal§.....do.	103	786	558	40	175	1,016	295	1,370	1,211	2,834	(a)		
Grindings.....do.	8,579	6,633	8,079	7,219	8,811	9,549	9,194	9,421	8,736	9,514	9,676	9,256	8,653
Prices, wholesale:													
No. 3, yellow (Chicago)†.....dol. per bu.	.76	.62	.64	.62	.66	.69	.72	.74	.74	.75	.75	.70	.71
No. 3, white (Chicago).....do.	.83	.67	.69	.66	.70	.72	.78	.82	.85	.84	.81	.75	.78
Weighted avg., 5 markets, all grades.....do.	.72	.58	.59	.58	.62	.67	.69	.71	.71	.74	.73	.67	.66
Production (crop estimate).....thous. of bu.	12,672,541	12,460,624											
Receipts, principal markets.....do.	28,107	20,205	16,433	13,862	18,628	17,403	24,846	19,244	22,123	18,776	27,496	24,041	24,354
Shipments, principal markets.....do.	13,193	10,433	9,050	7,091	9,280	14,012	22,133	19,098	22,712	15,124	20,555	17,099	15,847
Stocks, commercial, end of month.....do.	47,946	70,067	70,278	70,142	71,290	65,463	60,959	53,106	43,701	40,090	39,137	40,135	39,835
Oats:													
Exports, including oatmeal§.....do.	75	53	70	274	138	131	92	82	113	224	(a)		
Price, wholesale, No. 3, white (Chicago).....dol. per bu.	.53	.38	.38	.37	.39	.39	.37	.37	.36	.37	.46	.44	.48
Production (crop estimate).....thous. of bu.	11,176,107	11,246,050											
Receipts, principal markets.....do.	7,947	5,337	3,543	3,050	4,567	4,539	3,854	3,396	10,575	14,607	10,414	6,720	7,052
Stocks, commercial, end of month.....do.	9,473	6,592	5,664	4,273	4,077	4,473	4,571	3,906	7,328	11,771	13,427	11,562	11,030
Rice:													
Exports§.....pockets (100 lb.)	358,185	350,908	423,116	377,894	440,030	382,981	320,939	212,497	262,096	224,709	(a)		
Imports.....do.	16,228	8,421	7,933	7,282	17,970	23,168	9,173	25,095	23,418	4,709	(a)		
Price, wholesale, head, clean (New Orleans).....dol. per lb.	.064	.035	.039	.040	.042	.048	.049	.048	.047	.044	.041	.043	.049
Production (crop estimate).....thous. of bu.	54,028	54,433											
Southern States (La., Tex., Ark., and Tenn.):													
Receipts, rough, at mills.....thous. of bbl. (162 lb.)	2,099	1,519	1,288	763	722	415	171	99	72	312	650	2,191	2,321
Shipments from mills, milled rice.....thous. of pockets (100 lb.)	1,772	1,300	1,431	1,135	1,182	1,131	837	703	463	548	822	1,278	1,425
Stocks, domestic, rough and cleaned (in terms of cleaned rice), end of month.....thous. of pockets (100 lb.)	3,007	4,684	4,035	3,699	3,307	2,675	2,050	1,457	1,086	861	712	1,683	2,627
California:													
Receipts, domestic, rough.....bags (100 lb.)	378,554	259,627	264,783	342,635	447,277	468,937	538,282	306,280	245,555	294,815	114,059	263,460	316,495
Shipment from mills, milled rice.....do.	260,941	211,149	81,855	226,943	213,216	269,425	395,017	112,137	73,348	76,762	70,463	131,856	290,089
Stocks, rough and cleaned (in terms of cleaned rice), end of mo.....bags (100 lb.)	210,534	380,200	431,886	378,074	378,179	400,577	290,223	294,262	316,791	374,789	334,340	354,827	247,542
Rye:													
Exports, including flour.....thous. of bu.	2	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	2	8	(a)	
Price, wholesale, No. 2 (Mpls.).....dol. per bu.	.68	.50	.53	.50	.52	.57	.58	.57	.55	.62	.68	.60	.64
Production (crop estimate).....thous. of bu.	45,191	41,149	609	337	792	961	3,282	2,490	3,758	6,944	4,944	2,603	2,150
Receipts, principal markets.....do.	2,475	713	609	337	792	961	3,282	2,490	3,758	6,944	4,944	2,603	2,150
Stocks, commercial, end of month.....do.	17,471	6,640	6,223	5,462	5,269	4,951	5,486	5,639	11,077	14,637	17,243	17,504	17,645
Wheat:													
Disappearance.....do.	149,649	2,206			179,554			158,968			191,679		
Exports, wheat, including flour§.....do.	2,206	1,864	2,484	3,768	4,855	4,572	2,711	5,767	2,413	3,137	5,767	(a)	
Wheat only.....do.	301	46	56	1,998	1,246	1,414	106	30	769	3,771	(a)		
Prices, wholesale:													
No. 1, Dark Northern Spring (Minneapolis).....dol. per bu.	1.23	.88	.90	.85	.90	.95	.98	1.01	1.00	1.06	1.14	1.10	1.14
No. 2, Red Winter (St. Louis).....do.	1.27	.91	.92	.86	.90	.93	.97	1.02	1.03	1.08	1.16	1.13	1.17
No. 2, Hard Winter (K. C.).....do.	1.20	.85	.85	.78	.85	.87	.90	.97	.98	1.07	1.14	1.12	1.13
Weighted av., 6 markets, all grades.....do.	1.15	.85	.88	.81	.89	.90	.94	.98	.99	1.05	1.12	1.02	1.06
Production (crop est.), total.....thous. of bu.	945,937	812,374											
Spring wheat.....do.	274,644	223,572											
Winter wheat.....do.	671,293	588,802											
Shipments, principal markets.....do.	14,579	9,652	10,025	8,085	9,432	11,716	17,114	26,611	30,987	17,637	14,086	16,394	14,752
Stocks, end of month:													
Canada (Canadian wheat).....do.	471,492	440,293	445,153	442,408	438,973	439,533	428,235	429,565	432,504	438,088	452,018	476,307	473,995
United States, total.....do.	987,607	719,490			545,574			408,115			1,156,121		
Commercial.....do.	270,835	169,776	161,088	152,598	141,897	139,119	139,513	151,896	246,702	274,600	284,920	280,588	276,260
Country mills and elevators.....do.	207,351	162,571			131,247			73,240			223,975		
Merchant mills.....do.	135,601	106,303			76,675			93,882			154,902		
On farms.....do.	373,820	280,840			195,755			89,097			492,324		
Wheat flour:													
Disappearance (Rus'l-Pearsall).....thous. of bbl.	9,022	9,061	8,063	8,866	8,531	8,843	8,386	9,765	8,293	10,545	(a)		
Exports§.....do.	405	387	517	377	768	672	554	507	504	425			
Grindings of wheat.....thous. of bu.	37,078	40,000	36,575	39,792	40,899	39,045	38,819	40,625	39,123	43,247	44,251	37,560	
Prices, wholesale:													
Standard patents (Mpls.).....dol. per bbl.	6.30	4.52	4.70	4.54	4.85	5.01	5.32	5.42	5.42	5.76	6.00	5.75	5.88
Winter, straights (Kansas City).....do.	5.74	4.16	4.09	3.58	3.71	3.93	4.32	4.77	5.06	5.36	5.63	5.48	5.44
Production:													
Flour, actual (Census).....thous. of bbl.	8,166	8,818	8,063	8,764	9,002	8,596	8,552	8,918	8,592	9,495	9,693	8,216	
Operations, percent of capacity.....do.	55.6	58.0	60.3	57.9	59.5	56.8	58.9	57.2	57.2	65.8	62.2	59.6	
Flour (Russell-Pearsall).....thous. of bbl.	9,495	9,248	8,505	9,043	9,374	9,470	9,090	10,332	9,047	11,170	10,553	9,313	
Ofal (Census).....thous. of lb.	639,306	690,728	630,124	686,551	706,944	675,411	669,141	703,201	674,351	745,899	766,313	650,110	
Stocks, total, end of month (Russell-Pearsall)													
thous. of bbl.	5,700	5,500	5,425	5,900	5,225	5,250	5,400	5,450	5,700	5,900	6,000		
Held by mills (Census).....do.	3,961	4,409			3,923			4,001		4,586			

† Revised. † December 1 estimate. ‡ Revised estimate. § For domestic consumption only, excluding grindings for export.
 † Less than 500 bushels. † See note "a" on page 8-26. † Data for 1939 revised; see table 14, p. 17 of the April 1941 Survey.
 † Production in "commercial areas." Some quantities unharvested on account of market conditions are included.
 † For monthly data beginning 1913, corresponding to monthly averages shown on p. 105 of the 1940 Supplement, see table 20, p. 18 of the April 1940 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data. may be found in the 1940 Supplement to the Survey	1941		1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November
FOODSTUFFS AND TOBACCO—Continued													
LIVESTOCK													
Cattle and calves:													
Receipts, principal markets, thous. of animals..	1,964	1,604	1,600	1,313	1,503	1,593	1,647	1,624	1,697	1,728	2,200	2,453	2,023
Disposition:													
Local slaughter.....do.....	1,129	976	964	828	923	955	1,013	1,025	1,079	1,032	1,198	1,209	1,054
Shipments, total.....do.....	816	624	623	475	544	637	624	574	605	680	956	1,196	961
Stocker and feeder.....do.....	443	290	266	220	251	302	282	228	235	328	514	699	580
Prices, wholesale (Chicago):													
Beef steers.....dol. per 100 lb.....	12.57	11.85	11.90	11.27	10.81	10.67	10.23	10.62	11.24	11.73	11.73	11.55	11.40
Steers, corn fed.....do.....	12.75	12.61	13.08	12.55	12.46	12.31	11.97	11.88	12.01	11.93	11.71	11.44	11.06
Calves, vealers.....do.....	12.60	10.58	11.94	12.50	11.28	11.34	11.34	11.13	11.94	12.38	13.50	13.38	12.00
Hogs:													
Receipts, principal markets, thous. of animals..	3,639	3,787	3,039	2,513	2,649	2,610	2,564	2,305	2,036	1,895	2,004	2,542	2,832
Disposition:													
Local slaughter.....do.....	2,692	2,823	2,148	1,817	1,941	1,981	1,974	1,707	1,473	1,361	1,488	1,905	2,098
Shipments, total.....do.....	935	960	881	696	700	623	587	582	560	529	504	616	727
Stocker and feeder.....do.....	63	40	58	48	48	54	53	51	54	43	37	42	45
Prices:													
Wholesale, heavy (Chi.).....dol. per 100 lb.....	10.51	6.42	7.69	7.60	7.53	8.42	8.97	9.88	10.94	10.88	11.42	10.71	10.31
Hog-corn ratio.....	15.3	10.3	13.0	12.8	12.4	12.9	12.4	13.1	14.7	14.8	15.7	15.5	15.2
bu. of corn per cwt. of live hogs.....													
Sheep and lambs:													
Receipts, principal markets, thous. of animals..	1,719	1,597	1,721	1,416	1,520	1,618	1,928	1,779	1,885	2,023	2,465	2,833	1,818
Disposition:													
Local slaughter.....do.....	1,016	917	997	850	890	972	1,079	933	971	922	1,004	1,018	905
Shipments, total.....do.....	699	688	718	568	632	648	853	834	924	1,104	1,406	1,820	945
Stocker and feeder.....do.....	199	154	148	128	131	113	154	150	241	377	592	523	379
Prices, wholesale (Chicago):													
Ewes.....dol. per 100 lb.....	6.06	4.10	5.22	5.63	6.27	6.75	4.81	4.10	4.41	4.84	5.14	5.22	5.44
Lambs.....do.....	11.20	9.06	9.78	10.09	10.29	9.88	10.44	11.13	10.75	10.88	10.98	10.63	10.57
MEATS													
Total meats:													
Consumption, apparent.....mil. of lb.....	1,200	1,250	1,069	1,221	1,186	1,286	1,239	1,275	1,290	1,292	1,418	1,245	
Exports.....do.....	18	18	21	30	28	18	67	106	91	97	(*)		
Production (inspected slaughter).....do.....	1,684	1,550	1,356	1,139	1,216	1,215	1,190	1,222	1,168	1,178	1,435	1,394	
Stocks, cold storage, end of month.....do.....	903	1,164	1,258	1,310	1,282	1,294	1,329	1,233	1,102	916	730	649	720
Miscellaneous meats.....do.....	105	102	98	89	83	80	77	75	73	72	64	64	73
Beef and veal:													
Consumption, apparent.....thous. of lb.....	439,048	602,771	429,195	464,920	486,031	558,783	525,989	569,054	563,986	592,169	635,550	524,974	
Exports.....do.....	1,181	1,003	1,079	1,512	1,548	1,195	978	5,473	4,029	3,181	(*)		
Price, wholesale, beef, fresh, native steers (Chicago).....dol. per lb.....	.191	.193	.193	.180	.170	.175	.175	.171	.176	.176	.173	.173	
Production (inspected slaughter).....thous. of lb.....	575,794	469,265	496,850	410,821	449,098	473,364	538,542	512,112	565,041	557,536	580,536	642,731	535,884
Stocks, beef, cold storage, end of mo.....do.....	135,813	106,990	108,622	98,444	90,373	85,563	76,231	65,442	65,708	67,489	73,366	89,793	114,330
Lamb and mutton:													
Consumption, apparent.....do.....	58,314	70,327	60,991	62,355	61,833	65,301	54,915	62,238	60,244	62,276	66,453	55,572	
Production (inspected slaughter).....do.....	65,816	59,026	69,936	60,800	62,328	62,214	64,752	64,458	61,853	60,364	63,094	67,206	57,244
Stocks, cold storage, end of month.....do.....	7,951	5,119	4,699	4,448	4,378	4,718	4,130	3,638	3,211	3,306	4,093	4,783	6,432
Pork (including lard):													
Consumption, apparent.....do.....	702,972	677,365	579,230	693,909	637,891	662,123	658,549	643,730	665,384	637,395	716,262	664,354	
Exports, total.....do.....	15,034	15,941	17,603	26,747	25,305	14,213	51,439	80,005	70,508	97,285	(*)		
Lard.....do.....	12,302	13,666	14,830	24,329	22,375	10,697	20,101	53,819	44,634	46,976	(*)		
Prices, wholesale:													
Hams, smoked (Chicago).....dol. per lb.....	.271	.183	.200	.218	.218	.238	.248	.256	.275	.285	.296	.272	.265
Lard, in tiers:													
Prime, contract (N. Y.).....do.....	.106	.050	.057	.062	.070	.083	.095	.101	.104	.103	.111	.104	.104
Refined (Chicago).....do.....	.127	.068	.075	.075	.081	.097	.106	.112	.114	.118	.128	.121	.120
Production (inspected slaughter), total.....thous. of lb.....	1,042,675	1,021,219	788,844	666,956	704,487	679,746	723,277	623,078	594,970	549,836	534,503	725,158	800,819
Lard.....do.....	190,337	181,917	138,836	117,714	130,029	125,746	139,714	115,719	108,395	98,086	92,231	127,469	141,579
Stocks, cold storage, end of month.....do.....	654,601	950,238	1,046,817	1,118,552	1,104,072	1,123,574	1,172,305	1,086,399	959,146	773,182	589,322	490,694	526,735
Fresh and cured.....do.....	469,056	656,169	739,927	791,910	785,387	795,876	798,455	703,893	618,866	485,108	371,362	313,268	350,270
Lard.....do.....	185,445	294,069	306,890	326,642	318,685	327,698	373,850	382,506	340,280	288,074	217,960	177,426	176,465
POULTRY AND EGGS													
Poultry:													
Receipts, 5 markets.....thous. of lb.....	84,224	88,005	27,933	19,159	19,324	19,863	30,353	28,188	28,723	33,368	35,220	49,351	77,720
Stocks, cold storage, end of month.....do.....	218,374	208,365	191,410	163,321	126,904	101,129	87,433	85,573	81,206	85,363	96,701	127,981	172,913
Eggs:													
Receipts, 5 markets.....thous. of cases..	892	734	1,065	1,110	1,520	2,073	1,972	1,508	1,337	876	833	701	587
Stocks, cold storage, end of month:													
Shell.....thous. of cases..	551	614	297	307	1,090	3,031	5,375	6,427	6,641	6,131	5,441	3,857	1,670
Frozen.....thous. of lb.....	95,561	73,326	53,828	45,239	63,428	99,531	142,065	178,594	195,097	194,006	178,438	153,843	129,533
TROPICAL PRODUCTS													
Cocoa:													
Imports.....long tons.....	40,548	33,795	27,615	32,218	31,304	36,028	34,395	25,218	16,841	24,257	(*)		
Price, spot, Accra (N. Y.).....dol. per lb.....	.0935	.0534	.0520	.0578	.0718	.0731	.0795	.0799	.0782	.0787	.0814	.0820	.0878
Coffee:													
Clearances from Brazil, total.....thous. of bags..	1,008	1,306	1,455	1,136	1,576	1,110	1,141	627	454	518	847	706	882
To United States.....do.....	970	1,149	1,214	975	1,428	945	968	513	296	376	744	624	768
Imports into United States.....do.....	1,605	2,010	2,260	2,012	2,135	1,731	1,215	591	444	72	(*)		
Price, wholesale, Rio No. 7 (N. Y.).....dol. per lb.....	.093	.053	.053	.057	.063	.068	.075	.082	.087	.093	.094	.091	.093
Visible supply, United States.....thous. of bags..	1,327	1,157	1,300	1,600	1,709	1,968	2,151	2,224	2,064	1,879	1,780	1,580	1,393
Sugar:													
Raw sugar:													
Cuban stocks, end of month.....thous. of Spanish tons..	213	1,181	1,037	1,258	2,421	2,460	2,195	1,942	1,654	1,422	1,149	789	477
United States:													
Meltings, 8 ports.....long tons.....	318,644	305,978	307,619	323,430	415,675	442,264	426,159	405,219	402,948	417,387	459,297	404,252	331,299
Price, wholesale, 96° centrifugal (N. Y.).....dol. per lb.....	.035	.029	.029	.030	.033	.034	.034	.035	.035	.037	.036	.035	.035
Receipts: From Hawaii and Puerto Rico.....long tons.....	118,252	34,554	95,057	143,375	180,098	191,473	195,169	166,355	136,027	126,173	(*)		
Imports, total.....do.....	113,186	236,098	276,810	278,863	380,881	322,567	239,305	211,202	210,190	167,040	(*)		
From Cuba.....do.....	51,607	148,938	164,919	222,179	266,675	199,483	147,705	127,864	143,198	110,468	(*)		
From Philippine Islands.....do.....	45,955	83,458	106,397	54,357	85,001	117,032	78,326	63,673	16,769	13,072	(*)		
Stocks at refineries, end of month.....do.....	350,074	277,946	276,034	296,796	312,053	460,549	608,701	654,105	653,041	506,133	398,901	355,071	352,584

* Revised.

† Data for exports and imports revised for 1939; see table 14, p. 17, and table 15, p. 18, respectively, of the April 1941 Survey.

‡ The publication of detailed foreign trade statistics has been discontinued for the duration of the war.

§ Revised series; revisions beginning January 1937 appear in table 8, p. 18, of the January 1941 Survey; see also note marked "¶" which applies to both production and stocks.

¶ Includes fats rendered from hog carcasses now reported as "lard" and "rendered pork fat." Figures are comparable with data reported prior to November 1940.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941									
	December	December	January	February	March	April	May	June	July	August	September	October	November

FOODSTUFFS AND TOBACCO—Continued

TROPICAL PRODUCTS—Continued													
Sugar—Continued.													
Refined sugar (United States):													
Exports..... long tons.....	2,996	6,720	993	4,560	1,897	2,360	3,175	2,482	7,232	10,253	(e)	-----	
Price, retail, gran. (N. Y.)..... dol. per lb.....	.050	.050	.050	.052	.055	.056	.056	.056	.057	.058	.059	.059	
Price, wholesale, gran. (N. Y.)..... do.....	.052	.043	.044	.048	.050	.050	.049	.050	.052	.052	.052	.052	
Receipts:													
From Hawaii and Puerto Rico long tons.....	2,054	2,366	22,737	29,442	20,612	14,051	6,257	5,412	4,946	1,116	(e)	-----	
Imports, total..... do.....	904	12,976	23,361	47,461	58,108	53,264	54,551	27,707	19,025	13,220	(e)	-----	
From Cuba..... do.....	241	7,477	20,251	41,532	52,918	48,993	49,144	19,477	16,036	10,640	-----	-----	
From Philippine Islands..... do.....	479	5,207	2,857	5,911	4,224	3,990	5,365	7,926	446	1,962	-----	-----	
Tea, imports..... thous. of lb.....	9,385	7,838	8,863	6,197	7,793	11,190	9,752	10,679	7,766	6,915	(e)	-----	
MISCELLANEOUS FOOD PRODUCTS													
Candy, sales by manufacturers..... thous. of dol.....	29,705	22,709	19,076	20,411	21,227	18,467	15,512	14,736	13,999	17,219	27,034	31,900	30,624
Fish:													
Landings, fresh fish, prin. ports..... thous. of lb.....		31,833	22,027	29,189	37,224	47,033	54,580	54,555	51,123	54,159	59,355	49,521	42,215
Salmon, canned, shipments..... cases.....	(3)	728,566	530,784	421,338	277,998	204,808	156,185	(2)	(3)	(3)	(3)	(3)	(3)
Stocks, cold storage, 15th of mo..... thous. of lb.....	117,273	100,088	86,880	71,458	49,805	35,757	41,878	55,117	73,432	90,885	102,191	107,574	115,432
Gelatin, edible:													
Monthly report for 7 companies:													
Production..... do.....	2,081	1,856	1,806	1,686	1,850	1,847	2,028	1,973	1,661	1,435	1,774	2,155	2,271
Shipments..... do.....	2,121	1,775	1,617	1,513	2,545	2,205	2,055	2,025	2,248	2,006	2,051	2,303	2,060
Stocks..... do.....	3,382	5,574	5,763	5,935	5,240	4,882	4,856	4,803	4,216	3,644	3,367	3,220	3,431
Quarterly report for 11 companies:													
Production..... do.....		6,364			6,977			7,492			6,329		
Stocks..... do.....		8,421			7,804			6,563			4,720		
TOBACCO													
Leaf:													
Exports, incl. scrap and stems..... thous. of lb.....	18,947	14,844	14,930	19,404	14,030	22,699	14,916	26,793	20,975	23,380	(e)	-----	
Imports, incl. scrap and stems..... do.....	7,091	6,268	4,898	7,087	5,927	6,526	6,630	6,042	5,725	7,451	(e)	-----	
Production (crop estimate)..... mil. of lb.....	1,280	1,456											
Stocks, dealers and manufacturers, total, end of quarter..... mil. of lb.....		3,437			3,594			3,349		3,369			
Domestic:													
Cigar leaf..... do.....		322			396			404		368			
Fire-cured and dark air-cured..... do.....		202			299			283		258			
Flue-cured and light air-cured..... do.....		2,789			2,778			2,527		2,618			
Miscellaneous domestic..... do.....		4			3			4		4			
Foreign grown:													
Cigar leaf..... do.....		18			19			22		21			
Cigarette tobacco..... do.....		102			99			109		99			
Manufactured products:													
Consumption (tax-paid withdrawals):													
Small cigarettes..... millions.....	16,201	13,815	16,287	14,465	15,529	15,854	17,858	18,523	18,404	17,777	18,761	19,632	17,141
Large cigars..... thousands.....	474,913	349,780	403,166	385,349	430,326	490,585	475,067	478,802	487,033	491,028	506,071	621,990	542,906
Mfd. tobacco and snuff..... thous. of lb.....	24,265	24,758	28,958	25,202	28,253	29,127	29,232	27,660	28,835	27,462	29,756	32,179	27,376
Exports, cigarettes..... thousands.....		597,390	626,129	584,281	685,139	685,513	926,183	549,338	521,326	843,686	433,690	(e)	-----
Prices, wholesale (list price, destination):													
Cigarettes, composite price..... dol. per 1,000.....	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760
Cigars, composite price..... do.....	46,056	46,056	46,056	46,056	46,056	46,056	46,056	46,056	46,056	46,056	46,056	46,056	46,056
Production, manufactured tobacco:													
Total..... thous. of lb.....		22,941	25,153	22,630	24,766	26,246	25,462	25,346	25,732	24,535	27,166	29,047	24,547
Fine cut chewing..... do.....		380	426	355	339	402	427	441	458	505	467	467	396
Plug..... do.....		3,681	3,882	3,748	4,065	4,406	4,288	4,229	4,560	4,204	4,476	4,710	3,810
Scrap chewing..... do.....		3,196	3,636	3,347	3,385	3,745	3,524	3,910	3,884	4,064	3,962	4,016	3,279
Smoking..... do.....		15,227	16,752	14,719	16,458	17,209	16,847	16,288	16,348	15,200	17,758	19,341	16,631
Twist..... do.....		456	457	461	468	483	376	478	483	501	503	514	430

FUELS AND BYPRODUCTS

COAL													
Anthracite:													
Exports..... thous. of long tons.....	153	146	159	180	97	309	335	223	304	404	(e)	-----	
Prices, composite, chestnut:													
Retail..... dol. per short ton.....	12.43	11.59	11.67	11.66	11.66	11.67	11.64	11.57	11.88	12.17	12.41	12.46	12.42
Wholesale..... do.....	10,288	9,793	9,823	9,826	9,805	9,799	9,779	9,807	9,939	10,073	10,209	10,301	10,301
Production..... thous. of short tons.....	4,106	4,834	4,977	4,432	4,595	3,198	3,858	4,891	4,681	5,246	5,143	5,380	3,832
Stocks, end of month:													
In producers' storage yards..... do.....		939	704	531	331	197	169	205	268	414	708	1,177	1,393
In selected retail dealers' yards..... do.....		45	33	26	23	43	53	29	32	48	59	96	108
Bituminous:													
Exports..... thous. of long tons.....	518	454	488	658	528	1,511	2,071	1,973	2,325	2,353	(e)	-----	
Industrial consumption, total:													
thous. of short tons.....	37,216	32,637	33,588	31,161	34,041	29,023	31,199	30,881	31,510	32,400	31,928	34,978	34,555
Beehive coke ovens..... do.....	1,021	736	817	789	931	148	886	901	908	959	901	968	835
Byproduct coke ovens..... do.....	7,352	6,999	7,061	6,445	7,157	6,404	6,871	6,855	7,107	7,108	6,814	7,050	6,848
Cement mills..... do.....	588	507	407	370	470	489	596	615	660	658	630	676	628
Coal-gas retorts..... do.....	149	171	152	139	150	136	134	127	128	132	126	143	143
Electric power utilities..... do.....	5,916	4,737	4,782	4,446	4,729	4,164	4,916	5,135	5,215	5,643	5,552	5,913	5,532
Railways (class D)..... do.....	9,226	8,072	8,176	7,666	8,600	7,006	7,755	7,576	7,799	8,038	8,053	8,742	8,747
Steel and rolling mills..... do.....	984	975	1,043	966	1,024	946	837	827	833	842	802	856	912
Other industrial..... do.....	11,980	10,440	11,150	10,340	10,980	9,730	9,240	8,860	8,860	9,020	9,050	10,600	10,910
Other consumption:													
Vessels (bunker)..... thous. of long tons.....		80	98	78	77	80	124	113	129	137	164	(e)	-----
Coal mine fuel..... thous. of short tons.....	334	296	315	298	345	43	307	306	311	329	335	362	313
Prices:													
Retail, composite..... dol. per short ton.....	9.50	8.87	8.87	8.87	8.88	8.86	8.85	8.89	9.06	9.24	9.34	9.42	9.47
Wholesale:													
Mine run, composite..... do.....	4,704	4,393	4,368	4,367	4,367	4,375	4,547	4,570	4,618	4,658	4,677	4,703	4,713
Prepared sizes, composite..... do.....	4,925	4,618	4,616	4,615	4,615	4,533	4,618	4,663	4,724	4,823	4,883	4,922	4,930
Production..... thous. of short tons.....	46,667	41,400	44,070	41,695	45,250	5,975	43,400	42,774	43,300	45,650	46,880	49,800	43,770

* Revised. † December 1 estimate. ‡ Revised estimate. § Comparable data are not available.
 • The publication of detailed foreign trade statistics has been discontinued for the duration of the war.
 † Data for 1938 revised. See p. 45 of the August 1940 Survey.
 ‡ Composite price for 35 cities.
 § Data for 1939 revised; for exports, see table 14, p. 17, and for imports, table 15, p. 18 of the April 1941 issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941									
	December	December	January	February	March	April	May	June	July	August	September	October	November

LEATHER AND PRODUCTS

HIDES AND SKINS													
Imports total hides and skins\$.. thous. of lb	42,542	41,284	35,411	39,540	50,665	56,267	53,572	50,686	61,899	48,944	(*)	-----	
Calf and kip skins\$.. do	1,489	2,828	1,795	1,859	2,316	1,940	2,150	1,205	2,083	1,815	-----	-----	
Cattle hides .. do	26,925	24,638	16,544	24,182	28,548	35,327	34,025	32,471	38,419	34,023	-----	-----	
Goatskins\$.. do	4,990	4,792	6,446	5,895	5,403	7,203	8,577	6,072	6,092	5,463	-----	-----	
Sheep and lamb skins\$.. do	5,357	6,249	8,550	5,254	10,981	8,789	7,004	9,180	12,761	5,096	-----	-----	
Livestock (federally inspected slaughter):													
Calves .. thous. of animals	457	437	411	384	444	507	501	440	445	414	447	536	476
Cattle .. do	1,004	858	891	717	766	792	908	867	968	1,004	1,004	1,119	941
Hogs .. do	5,767	6,063	4,517	3,725	3,004	3,807	4,023	3,336	3,006	2,796	2,920	4,157	4,561
Sheep and lambs .. do	1,571	1,416	1,625	1,391	1,408	1,436	1,551	1,378	1,569	1,522	1,567	1,682	1,424
Prices, wholesale (Chicago):													
Hides, packers', heavy, native steers .. dol. per lb.	.155	.133	.133	.124	.120	.137	.147	.153	.150	.150	.153	.155	.155
Calfskins, packers', 8 to 15 lb .. do	.218	.213	.216	.216	.225	.240	.245	.234	.218	.218	.218	.218	.218
LEATHER													
Exports:													
Sole leather\$.. thous. of lb	2,200	435	1,278	2,799	14	14	77	11	24	1,368	(*)	-----	
Upper leather\$.. thous. of sq. ft.	2,776	2,679	3,416	3,781	3,871	4,321	2,268	4,363	4,889	3,346	(*)	-----	
Production:													
Calf and kip .. thous. of skins	1,041	964	994	1,014	1,151	1,102	1,033	1,098	1,170	1,181	1,084	1,209	1,002
Cattle hides .. thous. of hides	2,054	2,182	2,120	2,155	2,208	2,266	2,232	2,373	2,373	2,389	2,375	2,389	2,423
Goat and kid .. thous. of skins	4,390	3,098	2,953	3,064	3,417	3,677	3,653	3,997	4,269	3,365	4,107	4,588	3,836
Sheep and lamb\$.. do	3,320	3,494	3,797	3,724	4,077	4,632	4,368	4,568	4,741	4,577	4,841	4,430	4,430
Prices, wholesale:													
Sole, oak, scoured backs (Boston) .. dol. per lb.	.415	.345	.355	.355	.367	.375	.370	.415	.415	.415	.415	.415	.415
Chrome, calf, B grade, black, composite .. dol. per sq. ft.	.529	.478	.481	.480	.486	.495	.503	.518	.508	.510	.516	.522	.525
Stocks of cattle hides and leather, end of month:													
Total .. thous. of equiv. hides	13,998	14,063	13,656	13,221	13,009	13,184	13,479	13,387	13,497	13,496	13,998	14,216	
In process and finished .. do	9,544	9,588	9,370	8,958	8,685	8,603	8,659	8,509	8,459	8,374	8,490	8,704	
Raw .. do	4,454	4,475	4,286	4,263	4,324	4,581	4,820	4,878	5,038	5,122	5,508	5,512	
LEATHER MANUFACTURERS													
Gloves and mittens:													
Production (out), total .. dozen pairs	194,068	(1)	196,519	204,313	235,700	243,889	266,236	249,638	258,435	292,122	246,104	283,391	242,529
Dress and semidress .. do	106,349	(1)	118,020	127,698	146,597	149,529	158,949	147,823	155,805	179,332	161,399	173,020	144,299
Work .. do	87,719	(1)	78,499	76,615	89,103	94,360	107,287	101,815	102,630	112,790	84,705	110,371	98,230
Boots, shoes, and slippers:													
Exports\$.. thous. of pairs		108	101	219	241	237	221	158	148	309	198	(*)	-----
Prices, wholesale, factory:													
Men's black calf blucher .. dol. per pair	6.40	6.00	6.00	6.00	6.00	6.00	6.15	6.15	6.23	6.25	6.25	6.36	6.40
Men's black calf oxford, corded tip .. do	4.40	4.25	4.25	4.25	4.25	4.27	4.35	4.35	4.35	4.35	4.35	4.35	4.39
Women's colored, elk blucher .. do	3.55	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.45	3.55	3.55	3.55	3.55
Production, boots, shoes, and slippers:													
Total .. thous. of pairs	38,151	31,624	36,803	38,288	42,663	42,841	41,174	39,780	44,794	44,985	43,568	45,655	34,768
Athletic .. do	439	469	380	324	401	416	437	471	506	513	509	555	478
All fabric (satin, canvas, etc.) .. do	338	349	414	493	453	582	563	289	258	225	273	271	231
Part fabric and part leather .. do	1,041	1,013	1,586	1,645	1,400	1,153	910	854	684	816	1,017	1,004	845
High and low cut, leather, total .. do	32,460	25,430	32,215	32,868	36,427	35,912	34,263	32,720	37,850	37,459	35,360	36,862	27,627
Boys' and youths' .. do	1,616	1,312	1,359	1,266	1,461	1,555	1,664	1,683	1,825	1,696	1,812	1,915	1,399
Infants' .. do	2,275	1,801	2,148	1,947	2,256	2,166	2,188	2,461	2,508	2,468	2,384	2,557	2,153
Misses' and children's .. do	3,912	3,287	3,909	3,954	4,217	3,973	3,817	3,870	4,256	4,048	4,022	4,378	3,505
Men's\$.. do	11,993	8,788	10,254	9,998	10,666	11,198	11,325	10,937	11,493	11,577	11,788	13,396	10,769
Women's .. do	12,664	10,151	14,544	15,704	17,826	17,019	15,268	13,768	17,769	17,671	15,354	14,615	9,801
Slippers and moccasins for housewear .. thous. of pairs	3,416	4,120	1,713	2,343	2,993	3,760	3,937	4,427	4,824	5,538	5,975	6,511	5,136
All other footwear .. do	457	243	496	615	990	1,019	1,063	1,020	674	433	433	452	452

LUMBER AND MANUFACTURES

LUMBER—ALL TYPES													
Exports, total sawmill products .. M bd. ft.	61,960	79,865	60,921	50,968	65,828	53,308	51,977	84,272	61,793	51,163	(*)	-----	
Sawed timber\$.. do	6,443	14,907	7,755	2,541	7,916	4,399	7,404	7,557	11,371	7,250	-----	-----	
Boards, planks, scantlings, etc.\$.. do	36,434	46,449	42,140	35,284	39,838	40,108	37,422	67,635	46,586	34,090	-----	-----	
Imports, total sawmill products .. do	71,202	62,349	67,504	83,861	79,734	95,057	115,745	135,018	178,887	152,190	(*)	-----	
National Lumber Mfrs. Assn.†													
Production, total .. mil. bd. ft.	2,227	2,298	2,177	2,395	2,568	2,609	2,581	2,734	2,895	2,716	2,755	2,315	
Hardwoods .. do	357	360	325	327	381	372	370	375	380	377	377	364	
Softwoods .. do	1,870	1,938	1,853	2,068	2,187	2,238	2,211	2,359	2,516	2,339	2,361	1,951	
Shipments, total .. do	2,405	2,480	2,292	2,391	2,512	2,610	2,676	2,907	3,022	2,784	2,786	2,257	
Hardwoods .. do	383	393	359	369	387	405	410	423	412	418	432	373	
Softwoods .. do	2,022	2,087	1,933	2,022	2,125	2,205	2,266	2,484	2,610	2,366	2,354	1,884	
Stocks, gross, end of month, total .. do	6,552	6,384	6,329	6,332	6,406	6,462	6,393	6,355	6,220	6,154	6,130	6,169	
Hardwoods .. do	1,487	1,455	1,421	1,380	1,374	1,342	1,303	1,332	1,299	1,280	1,243	1,234	
Softwoods .. do	5,065	4,929	4,908	4,953	5,031	5,120	5,090	5,023	4,921	4,874	4,887	4,935	
FLOORING													
Maple, beech, and birch:													
Orders, new .. M bd. ft.	7,225	5,750	8,075	8,225	7,900	8,075	9,300	10,350	12,800	9,050	7,000	7,650	5,050
Orders, unfilled, end of month .. do	9,050	10,100	10,950	11,600	11,350	11,175	11,175	11,450	13,925	13,175	11,500	10,900	8,900
Production .. do	8,075	7,600	8,550	6,650	7,800	8,275	9,000	8,750	8,200	8,950	7,600	8,900	7,500
Shipments .. do	7,350	8,600	7,275	7,650	8,300	8,325	9,000	10,125	10,325	9,800	8,500	8,300	7,150
Stocks, end of month .. do	13,625	17,500	19,300	18,350	18,350	18,200	17,750	16,675	14,800	13,425	12,200	12,850	13,100
Oak:													
Orders, new .. do	34,286	25,942	35,903	45,981	45,931	58,267	54,442	53,489	60,524	44,781	36,363	40,080	28,102
Orders, unfilled, end of month .. do	42,035	46,695	44,681	54,985	62,250	74,089	78,173	79,516	81,988	74,305	60,460	52,446	42,549
Production .. do	42,697	44,254	46,656	38,409	40,369	43,227	46,761	48,686	51,865	49,925	47,432	49,227	40,910
Shipments .. do	35,100	36,684	37,941	35,777	40,666	46,428	50,358	52,146	57,150	53,464	48,939	48,094	38,104
Stocks, end of month .. do	55,875	62,788	71,503	74,235	73,938	70,737	65,333	61,580	51,038	44,962	41,955	43,088	48,278

* Revised. † Data not available. ‡ Data beginning January 1940 include fashers and exclude skivers.
 § The publication of detailed foreign trade statistics has been discontinued for the duration of the war.
 ¶ Data for 1939 revised; for exports see table 14, p. 17, and for imports, table 15, p. 18 of the April 1941 Survey.
 † Revised data for 1939 and January and February 1940 appear in table 17, p. 17 of the May 1941 Survey.
 ‡ Beginning January 1941, data include a small number of pairs of shoes other than men's leather (nurses, athletic, etc.) made for Government contract.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November
LUMBER AND MANUFACTURES—Continued													
SOFTWOODS													
Douglas fir:													
Exports, total sawmill products\$. . . M bd. ft.		14,285	27,896	24,347	12,651	17,517	13,435	19,901	18,743	28,069	19,970	(*)	
Sawed timber\$. . . do		4,157	12,620	6,555	1,365	4,893	3,563	5,940	6,615	7,915	5,580		
Boards, planks, scantlings, etc.\$. . . do		10,128	15,276	17,792	11,286	12,624	9,872	13,961	12,128	20,154	14,390		
Prices, wholesale:													
Dimension, No. 1, common* dol. per M bd. ft.	29.498	25.970	25.970	24.990	24.990	24.990	24.990	24.990	25.970	25.970	27.146	28.665	28.910
Flooring, "B" and better, F. G., 1 x 4, R. L.* dol. per M bd. ft.	42.336	36.260	36.260	35.280	35.280	35.280	35.280	35.280	36.260	36.260	38.808	41.160	41.160
Southern pine:													
Exports, total sawmill products . . . M bd. ft.		11,293	11,691	8,991	7,761	15,911	12,573	12,679	45,111	16,941	10,486	(*)	
Sawed timber . . . do		1,868	1,747	750	746	2,612	259	1,159	586	3,104	1,471		
Boards, planks, scantlings, etc. . . do		9,425	9,944	8,241	7,015	13,299	12,314	11,520	44,525	13,837	9,015		
Orders, new† . . . mil. bd. ft.		640	773	674	642	685	767	896	1,019	692	695	671	597
Orders, unfilled, end of month . . . do		498	511	542	553	580	646	824	952	762	715	633	603
Price, wholesale, flooring . . . dol. per M bd. ft.	52.830	50.868	50.750	49.943	48.785	48.570	48.213	49.143	51.446	54.393	51.704	50.788	51.165
Production† . . . mil. bd. ft.		718	763	676	734	753	759	670	734	748	708	706	650
Shipments† . . . do		692	760	643	631	658	701	718	891	882	742	753	627
Stocks, end of month . . . do		1,503	1,506	1,539	1,642	1,737	1,795	1,747	1,590	1,456	1,422	1,375	1,398
Western pine:													
Orders, new† . . . do		397	425	380	480	502	560	637	607	518	541	454	387
Orders, unfilled, end of month† . . . do		380	394	400	466	490	535	628	642	554	479	401	345
Price, wholesale, Ponderosa pine, 1 x 8, No. 2, common (f. o. b. mills) . . . dol. per M bd. ft.	35.62	33.58	33.99	33.47	33.37	33.68	33.22	33.31	33.52	33.87	35.37	36.69	35.69
Production† . . . mil. bd. ft.		344	262	265	343	468	570	614	673	684	661	641	436
Shipments† . . . do		446	411	374	414	478	516	543	593	611	619	588	443
Stocks, end of month . . . do		1,812	1,663	1,551	1,479	1,469	1,523	1,593	1,685	1,754	1,775	1,828	1,779
West coast woods:													
Orders, new† . . . do		642	666	660	799	749	797	771	776	705	679	671	590
Orders, unfilled, end of month . . . do		693	676	701	746	735	787	814	883	772	699	607	587
Production† . . . do		618	675	669	752	743	664	695	692	813	733	778	670
Shipments† . . . do		677	681	634	756	759	744	750	715	826	734	752	613
Stocks, end of month . . . do		851	855	889	885	888	867	838	831	819	821	854	929
Redwood, California:													
Orders, new . . . M bd. ft.		40,469	33,131	29,343	38,756	38,959	47,132	43,576	43,685	30,856	28,089	32,023	27,191
Orders, unfilled, end of month . . . do		51,877	52,859	48,415	50,930	52,724	58,493	64,769	65,422	55,204	44,532	37,142	34,860
Production . . . do		29,761	35,279	33,700	31,622	34,058	39,835	40,148	42,646	47,272	43,703	45,658	38,671
Shipments . . . do		31,476	31,455	32,738	33,233	37,105	40,461	37,595	40,810	42,221	39,068	38,318	29,910
Stocks, end of month . . . do		270,158	269,424	267,276	262,805	265,390	249,358	246,625	246,431	244,169	242,763	243,225	248,440
FURNITURE													
All districts:													
Plant operations . . . percent of normal	82.0	74.0	70.0	73.0	75.0	76.0	75.0	82.0	82.0	87.0	88.0	90.0	87.5
Grand Rapids district:													
Orders:													
Canceled . . . percent of new orders	15.0	8.0	3.0	6.0	5.0	6.0	4.0	4.0	3.0	3.0	3.0	4.0	5.0
New . . . no. of days' production	15	17	28	22	22	20	32	26	35	27	33	30	33
Unfilled, end of month . . . do	69	33	42	42	42	40	64	62	70	72	76	75	75
Plant operations . . . percent of normal	86.0	75.0	72.0	73.0	74.0	74.0	74.0	78.0	77.0	82.0	84.0	88.0	88.0
Shipments . . . no. of days' production	28	20	20	21	21	19	20	20	25	28	32	32	27
Prices, wholesale:													
Beds, wooden 1926=100	101.2	77.9	83.5	83.5	83.5	85.1	87.2	92.9	95.0	93.5	96.1	96.3	98.0
Dining-room chairs, set of 6 . . . do	115.0	102.3	100.9	100.9	100.9	102.5	103.9	103.9	105.5	108.2	111.6	111.6	113.6
Kitchen cabinets . . . do		88.1	89.4	89.4	89.4	90.7	93.3	93.3	97.4	97.4	99.3	102.0	102.0
Living-room davenports . . . do	104.2	87.2	87.2	87.2	87.2	87.2	87.2	93.3	93.3	93.3	98.9	104.2	104.2
Steel furniture (see Iron and Steel Section).													

METALS AND MANUFACTURES

IRON AND STEEL													
Foreign trade:													
Exports (domestic), total . . . long tons		805,158	698,853	600,240	567,227	635,809	472,734	457,685	537,921	697,732	706,580	(*)	
Scrap . . . do		69,980	45,055	74,378	54,383	120,152	62,894	59,018	59,905	80,255	65,486		
Imports, total . . . do		4,064	423	796	6,273	2,620	5,633	10,190	11,049	18,380	8,489	(*)	
Scrap . . . do		48	17	150	5,401	1,094	3,758	6,473	9,418	16,405	4,259		
Price, wholesale, iron and steel, composite . . . dol. per long ton	38.15	38.30	38.38	38.22	38.27	38.15	38.15	38.15	38.15	38.15	38.15	38.15	38.15
Ore													
Iron ore:													
Lake Superior district:													
Consumption by furnaces . . . thousand of long tons		7,062	6,173	6,331	5,673	6,412	5,802	6,232	6,231	6,497	6,534	6,448	6,612
Shipments from upper lake ports . . . do		823	9	0	0	0	6,919	11,007	10,731	11,331	11,430	10,243	9,564
Stocks, end of month, total . . . do		40,457	36,073	29,794	24,195	17,761	16,937	21,817	26,630	31,597	36,469	40,770	43,946
At furnaces . . . do		35,563	31,792	26,167	21,100	15,407	15,002	19,551	23,919	28,257	32,457	36,106	38,852
On Lake Erie docks . . . do		4,894	4,281	3,627	3,096	2,353	1,935	2,266	2,710	3,341	4,012	4,664	5,094
Imports, total . . . do			174	155	178	182	185	180	225	196	223	206	(*)
Manganese ore, imports (manganese content)§ . . . thousand of long tons			59	45	31	49	15	53	50	33	65	62	(*)
Pig Iron and Iron Manufactures													
Castings, malleable:													
Orders, new . . . short tons		66,665	81,089	76,055	86,293	84,751	83,218	75,075	77,312	68,945	64,283	70,528	60,745
Production . . . do		60,155	68,742	63,331	66,208	76,170	70,278	71,209	67,010	68,750	69,175	84,296	66,738
Shipments . . . do		60,127	65,884	62,066	67,415	73,066	71,740	70,179	68,310	64,250	67,532	82,004	68,983
Pig iron:													
Furnaces in blast, end of month:													
Capacity . . . short tons per day	162,140	146,770	152,040	148,555	152,750	140,310	151,000	153,600	153,190	155,020	157,165	156,265	156,855
Number . . . do	216	202	205	202	205	195	206	211	211	213	216	214	215

§Data for 1939 revised; for exports see table 14, p. 17 and imports see table 15, p. 18 of the April 1941 issue.

†Revised series. Revisions for 1939 and January and February 1940 for southern pine, western pine, and west coast woods, and also revisions for 1938 for the latter group, appear in table 17, p. 17 of the May 1941 issue.

*New series. These prices replace series shown in the Survey through the February 1941 issue; data beginning 1922 appear in table 16, p. 17 of the May 1941 Survey.

• The publication of detailed foreign trade statistics has been discontinued for the duration of the war.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November

METALS AND MANUFACTURES—Continued

IRON AND STEEL—Continued														
Pig Iron and Iron Manufactures—Con.														
Pig iron—Continued.														
Prices, wholesale:														
Basic (valley furnace)..... dol. per long ton.....	23.50	22.90	23.50	23.50	23.50	23.50	23.50	23.50	23.50	23.50	23.50	23.50	23.50	23.50
Composite..... do.....	24.15	23.15	23.95	23.95	24.00	24.15	24.15	24.15	24.15	24.15	24.15	24.15	24.15	24.15
Foundry, No. 2, northern (Pitts)..... do.....	25.89	25.29	25.89	25.89	25.89	25.89	25.89	25.89	25.89	25.89	25.89	25.89	25.89	25.89
Production†..... thous. of short tons.....	5,012	4,548	4,664	4,198	4,704	4,334	4,600	4,553	4,771	4,791	4,717	4,856	4,703	
Boilers and radiators, cast-iron:														
Boilers, round:														
Production..... thous. of lb.....	1,934	2,071	1,920	2,252	2,214	1,826	1,741	1,863	1,936	2,148	2,091	1,133	1,133	
Shipments..... do.....	1,884	1,608	1,222	1,092	1,358	1,167	1,474	2,003	2,669	2,741	3,483	1,922	1,922	
Stocks, end of month..... do.....	11,021	11,087	12,391	13,256	14,107	14,834	15,096	14,951	14,024	13,405	11,912	11,108	11,108	
Boilers, square:														
Production..... do.....	18,964	23,443	22,579	22,647	23,525	25,254	25,319	21,514	26,505	27,591	29,461	21,104	21,104	
Shipments..... do.....	18,547	14,437	13,086	13,489	13,360	10,861	20,382	26,426	38,894	34,899	37,360	24,502	24,502	
Stocks, end of month..... do.....	80,564	89,300	99,040	106,958	117,058	125,448	130,359	125,376	113,130	105,759	97,896	93,609	93,609	
Radiators, ordinary type:														
Production..... thous. of sq. ft. heating surface.....	6,245	7,244	6,744	6,871	6,967	7,385	7,133	6,151	7,098	7,675	8,267	5,787	5,787	
Shipments..... do.....	6,537	5,839	4,891	4,371	4,495	5,621	6,453	8,671	11,696	10,901	10,494	7,695	7,695	
Stocks, end of month..... do.....	21,831	23,461	25,393	27,890	30,375	32,140	32,817	30,263	25,584	22,394	20,154	18,271	18,271	
Boilers, range, galvanized:														
Orders, new, net..... number of boilers.....	41,343	70,989	89,748	80,583	94,992	69,433	89,159	105,076	85,077	68,854	80,046	74,381	52,605	
Orders, unfilled, end of month..... do.....	80,844	38,795	45,615	50,777	60,419	46,448	52,966	72,258	77,809	86,451	101,016	101,609	93,966	
Production..... do.....	55,856	72,245	80,705	74,113	82,820	86,459	81,495	80,023	72,970	63,729	58,635	69,972	58,810	
Shipments..... do.....	54,465	67,414	82,928	75,421	85,350	83,404	82,641	85,784	79,526	60,212	65,481	73,988	60,248	
Stocks, end of month..... do.....	17,785	41,447	39,224	37,916	35,386	38,441	37,295	31,534	24,978	28,495	21,615	17,599	16,411	
Steel, Crude and Semimanufactured														
Castings, steel:														
Orders, new, total..... short tons.....	115,343	110,579	105,125	126,140	152,007	153,143	161,512	175,892	147,316	115,066	117,516	83,339	83,339	
Percent of capacity..... do.....	98.6	94.5	89.8	107.8	129.9	130.8	138.0	150.3	125.9	98.3	100.4	71.2	71.2	
Railway specialties..... short tons.....	45,154	34,887	29,103	47,408	59,551	70,191	80,065	77,669	52,207	32,882	32,935	16,549	16,549	
Production, total..... do.....	85,810	94,409	85,492	95,185	101,977	104,971	113,988	112,364	117,703	118,543	135,272	103,963	103,963	
Percent of capacity..... do.....	73.3	80.7	73.0	81.3	87.1	89.7	97.4	96.0	100.6	101.3	115.6	88.8	88.8	
Railway specialties..... short tons.....	33,932	35,397	28,692	30,733	34,204	37,192	45,073	43,320	44,290	43,995	49,891	33,383	33,383	
Steel ingots and steel for castings: †														
Production..... thous. of short tons.....	7,164	6,495	6,928	6,238	7,132	6,757	7,053	6,801	6,822	7,001	6,820	7,243	6,970	
Percent of capacity‡..... do.....	98	94	97	100	98	99	98	95	96	96	99	98	98	
Prices, wholesale:														
Composite, finished steel..... dol. per lb.....	.0265	.0265	.0265	.0265	.0265	.0265	.0265	.0265	.0265	.0265	.0265	.0265	.0265	
Steel billets, rerolling (Pittsburgh)..... do.....	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	
Structural steel (Pittsburgh)..... dol. per lb.....	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	
Steel scrap (Chicago)..... dol. per long ton.....	18.75	20.60	20.00	19.25	19.88	18.95	18.75	18.75	18.75	18.75	18.75	18.75	18.75	
U. S. Steel Corp., shipments of rolled and finished steel products§..... thous. of short tons.....	1,846	1,545	1,682	1,548	1,720	1,688	1,745	1,669	1,667	1,754	1,664	1,851	1,624	
Steel, Manufactured Products														
Barrels and drums, steel, heavy types:														
Orders, unfilled, end of month..... thousands.....	486	370	276	315	428	890	1,214	1,317	1,497	1,492	1,850	1,762	1,762	
Production..... do.....	1,452	1,454	1,035	1,072	1,463	1,584	1,584	1,558	1,590	1,713	1,781	1,586	1,586	
Percent of capacity..... do.....	77.8	76.7	54.6	56.6	77.2	83.6	79.0	76.0	77.6	83.5	86.9	77.3	77.3	
Shipments..... thousands.....	1,442	1,444	1,046	1,077	1,474	1,582	1,619	1,649	1,600	1,711	1,777	1,604	1,604	
Stocks, end of month..... do.....	52	43	52	47	37	39	39	48	37	40	43	20	20	
Boilers, steel, new orders:														
Area..... thous. of sq. ft.....	1,929	1,563	2,210	1,500	3,522	2,339	2,560	1,586	2,270	1,411	1,747	1,341	3,755	
Quantity..... number.....	997	835	994	845	1,294	1,336	1,372	1,415	1,601	1,246	1,131	957	1,310	
Furniture, steel:														
Office furniture:														
Orders, new..... thous. of dol.....	4,357	3,787	3,852	5,050	3,889	4,667	5,851	4,981	4,598	3,932	3,896	3,422	3,422	
Orders, unfilled, end of month..... do.....	2,083	3,618	4,102	5,330	5,210	5,579	7,335	7,939	8,085	7,786	7,329	6,840	6,840	
Shipments..... do.....	3,583	3,152	3,368	3,821	4,010	4,298	4,095	4,349	4,452	4,314	4,352	3,912	3,912	
Shelving:														
Orders, new..... do.....	844	924	940	1,204	1,346	1,278	1,525	1,182	999	1,284	987	858	858	
Orders, unfilled, end of month..... do.....	658	779	829	1,103	1,383	1,454	1,850	1,932	1,765	2,022	1,837	1,678	1,678	
Shipments..... do.....	790	804	890	929	1,066	1,207	1,130	1,082	1,166	1,027	1,173	1,016	1,016	
Porcelain enameled products, shipments†														
Spring washers, shipments*..... do.....	299	4,256	4,496	4,393	5,310	5,456	5,491	5,511	5,608	5,807	5,802	6,208	5,371	
Steel products, production for sale: ‡		248	281	303	320	331	355	375	366	338	348	321	276	
Total..... thous. of short tons.....	5,144	4,619	4,863	4,587	5,046	4,942	5,085	4,754	4,919	5,234	5,059	5,471	4,909	
Merchant bars..... do.....	490	437	519	455	463	470	471	439	443	447	431	503	456	
Pipe and tube..... do.....	484	384	409	384	436	453	461	449	480	485	464	531	415	
Plates..... do.....	629	443	431	416	454	445	479	466	482	532	519	587	564	
Percent of capacity*..... do.....	132.6	86.8	82.6	88.1	87.0	88.0	91.9	92.2	90.6	99.7	112.2	124.1	122.8	
Rails..... thous. of short tons.....	144	131	156	154	177	194	185	168	151	146	127	161	135	
Sheets, total..... do.....	889	1,050	1,122	1,074	1,177	1,148	1,140	999	991	1,018	954	1,053	945	
Percent of capacity..... do.....	80.1	95.1	101.0	107.3	107.3	107.8	103.9	93.8	90.4	92.4	88.5	94.1	87.5	
Strip:														
Cold rolled..... thous. of short tons.....	106	89	95	91	102	104	107	102	99	106	104	110	101	
Hot rolled..... do.....	135	139	153	139	155	144	160	154	137	130	134	136	140	
Structural shapes, heavy..... do.....	369	331	363	322	374	383	406	373	366	391	372	407	381	
Tin plate..... do.....	367	203	209	205	252	265	287	292	332	360	325	342	323	
Wire and wire products..... do.....	398	374	409	379	431	412	434	417	404	434	420	432	396	
Track work, shipments..... short tons.....	12,247	7,151	6,835	7,973	10,225	11,751	11,012	11,210	10,642	10,236	10,439	12,403	11,711	

* Revised. • Data are for 7 manufacturers beginning January 1940.
 † Monthly data beginning 1929, corresponding to the monthly averages on p. 132 of the 1940 Supplement, appear on p. 18 of the April 1940 Survey.
 ‡ Beginning July 1941, percent of capacity is calculated on annual capacity as of June 30, 1941, of 86,144,900 tons of open-hearth, Bessemer, and electric steel ingots and steel for castings.
 § Revised series. Data on pig-iron production converted from a long to a short tonnage basis; data beginning 1913 are shown in table 38, p. 14, of the October 1940 issue. Steel production and percent of capacity revised completely; for revision through 1939 see table 9, p. 16 of the March 1941 issue; for revisions in 1940 data see p. 49 of the June 1941 issue. Porcelain-enameled products revised beginning 1939 to include data for 99 manufacturers; for 1939 data, see p. 49 of the March 1941 issue. Steel products, production for sale, have been converted to a short tonnage basis; see table 45, p. 14 of the November 1940 issue.
 *New series. Earlier monthly data will be shown in a subsequent issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941	1940	1941									
	December	December	January	February	March	April	May	June	July	August	September	October	November

METALS AND MANUFACTURES—Continued

MACHINERY AND APPARATUS—Con.													
Fuel equipment and heating apparatus—Con.													
Unit heaters, new orders..... thous. of dol.		6,086			3,772				4,424			6,482	
Warm-air furnaces, winter air-conditioning systems, and equipment, new orders..... thous. of dol.		15,168			8,651				10,857			18,973	
Pumps and water systems, domestic, shipments: Pitcher, other hand, and windmill pumps..... units.	20,813	44,832	41,504	41,318	43,601	40,884	36,475	46,572	45,682	39,527	41,390	36,741	
Power pumps, horizontal type..... do.	969	887	849	917	1,483	993	975	1,176	1,200	1,295	1,376	1,407	
Water systems, including pumps..... do.	11,511	17,666	16,703	18,748	20,953	23,889	24,453	25,907	24,612	24,459	24,899	19,927	
Pumps, steam, power, centrifugal, and rotary: Orders, new..... thous. of dol.	4,042	5,648	4,482	4,820	3,923	5,298	2,613	3,113	3,692	2,459	2,304	2,368	
ELECTRICAL EQUIPMENT													
Battery shipments (automotive replacement only):													
Unadjusted..... 1934-36=100.....	185	160	102	81	81	82	95	137	167	228	246	253	182
Twelve-month moving total..... do.....	163	138	131	130	132	133	135	139	142	145	149	152	151
Domestic appliances, sales billed: Combined index, excluding refrigerators:*													
Unadjusted index..... 1936=100.....	88.4	144.3	157.7	192.1	206.4	203.9	202.7	199.6	158.6	193.2	157.7	118.4	
Adjusted index..... do.....	128.5	181.3	169.0	145.6	158.5	161.5	183.9	204.5	162.0	193.3	167.8	167.1	
Ranges, household..... units.	23,191	20,986	20,492	17,166	21,789	21,767	20,283	21,246	18,478	14,545	15,916	10,352	
Refrigerators..... do.	48,705	50,516	51,790	61,647	65,692	65,359	68,629	64,476	50,759	66,206	51,730	38,350	
Vacuum cleaners, floor type..... do.	98,671	376,214	358,402	423,010	482,587	438,670	378,054	339,421	270,543	164,521	132,972	92,034	
Vacuum cleaners, hand type..... do.	125,037	117,408	129,302	178,045	165,672	156,816	146,889	155,843	150,620	182,550	127,100	110,618	
Washers, household..... do.	36,274	30,177	34,696	46,284	44,602	42,394	35,783	31,977	27,686	33,239	21,730	20,367	
Electrical products:													
Industrial materials, sales billed..... 1936=100.....	164.8	187.4	194.5	223.3	234.4	251.7	237.1	240.8	243.0	254.5	272.8	238.1	
Motors and generators, new orders..... do.	262.0	220.6	275.9	342.3	263.2	429.7	406.5	444.1	307.0	370.0	332.8	329.7	
Transmission and distribution equipment, new orders..... 1936=100.....	219.8	273.0	355.8	250.9	329.7	303.0	289.1	335.9	288.8	360.4	384.7	354.5	
Furnaces, electric, industrial, sales: Unit..... kilowatts	31,866	10,516	21,508	31,595	13,774	9,689	11,626	11,644	18,312	22,291	12,924	8,617	
Valve..... thous. of dol.	1,766	924	1,719	1,402	997	646	945	976	1,522	1,733	1,060	646	
Electrical goods, new orders (quarterly)..... thous. of dol.	514,816	2,123	2,330	554,115	2,606	2,659	2,896	581,675	2,822	2,803	629,028	3,102	
Laminated fiber products, shipments..... do.	3,049	2,023	2,330	2,606	2,659	2,896	2,791	2,822	2,803	3,102	3,363	2,997	
Motors (1-200 hp.):													
Polyphase induction, billings..... do.	4,358	4,121	4,353	4,679	5,044	5,583	5,455	5,983	5,765	6,016	6,298	5,388	
Polyphase induction, new orders..... do.	6,397	4,655	5,829	7,523	6,195	7,351	7,750	6,200	5,825	6,560	6,903	5,410	
Direct current, billings..... do.	1,412	1,399	1,381	1,762	1,369	1,793	1,725	1,867	1,761	1,843	2,314	2,074	
Direct current, new orders..... do.	2,065	1,862	2,738	2,882	2,060	3,595	4,257	4,512	3,395	3,057	2,903	2,860	
Power cable, paper insulated, shipments: Unit..... thous. of ft.	1,054	998	1,083	1,284	1,209	1,373	1,370	1,321	1,510	1,418	1,244	1,487	
Value..... thous. of dol.	1,694	1,167	1,172	1,457	1,253	1,595	1,751	1,655	1,860	1,729	1,807	2,052	
Rigid steel conduit and fittings, shipments*..... short tons	19,262	18,291	19,468	20,791	22,633	24,310	26,838	26,540	27,681	28,879	26,412	24,817	
Vulcanized fiber: Consumption of fiber paper..... thous. of lb.	3,738	2,981	3,088	3,012	3,448	3,471	3,635	3,762	3,595	3,683	3,785	3,958	
Shipments..... thous. of dol.	1,107	805	926	838	1,029	1,158	1,177	1,100	1,178	1,302	1,183	1,031	

PAPER AND PRINTING

WOOD PULP													
Consumption and shipments: * §													
Total, all grades..... short tons	724,000	769,700	721,200	811,700	818,200	851,400	813,500	809,900	844,400	805,300	876,700	863,800	
Chemical:													
Sulphate, total..... do.	322,700	342,400	320,500	362,200	364,900	387,000	369,800	362,400	387,700	367,400	396,100	384,300	
Unbleached..... do.	272,900	288,200	267,000	303,900	306,800	326,900	309,800	304,300	327,200	313,000	339,000	328,700	
Sulphite, total..... do.	214,400	223,700	214,000	242,600	242,100	248,000	241,400	247,000	252,400	240,600	262,000	257,100	
Bleached..... do.	127,300	131,600	124,500	146,000	146,600	148,700	143,800	148,500	151,400	140,500	155,600	144,600	
Soda..... do.	47,300	49,400	45,400	51,000	50,700	52,500	52,700	52,500	54,300	51,400	55,300	58,700	
Groundwood..... do.	139,600	154,200	141,300	155,900	160,400	163,900	149,600	148,000	150,000	145,800	163,300	163,600	
Exports, total, all grades*..... do.	36,627	23,501	24,870	37,999	48,738	24,175	14,174	35,387	19,378	13,828	(*)		
Imports, total, all grades*..... do.	70,686	72,493	69,821	84,967	85,136	95,175	105,031	90,501	109,831	98,027	(*)		
Chemical:													
Sulphate, total*..... do.	14,438	15,671	13,659	16,287	14,431	15,194	16,447	11,858	15,255	14,530			
Unbleached..... do.	8,414	10,465	8,001	10,268	9,845	9,942	11,903	7,799	10,552	9,757			
Sulphite, total*..... do.	44,520	45,907	45,554	55,699	53,184	61,300	70,598	57,369	75,111	65,158			
Bleached*..... do.	23,603	25,859	28,227	30,156	30,575	33,692	35,219	28,930	38,055	32,524			
Unbleached*..... do.	20,917	20,048	17,327	25,543	22,609	27,608	35,379	28,439	37,056	32,634			
Groundwood... do.	11,030	10,199	9,495	11,731	16,394	17,629	16,732	20,149	17,626	16,804			
Production: §													
Total, all grades..... do.	730,039	790,314	717,077	806,901	811,718	846,416	805,978	777,045	820,838	791,658	869,839	869,526	
Chemical:													
Sulphate, total..... do.	325,338	355,713	323,258	360,073	353,677	377,850	366,582	355,782	384,432	366,362	396,929	383,678	
Unbleached..... do.	276,415	299,429	270,902	301,654	295,010	317,245	307,094	298,831	323,509	312,395	338,740	328,623	
Sulphite, total..... do.	207,370	225,486	203,113	237,479	238,546	244,139	239,636	235,400	247,231	240,272	263,129	256,464	
Bleached..... do.	121,677	135,873	120,598	146,900	143,227	146,712	145,247	140,525	147,235	141,729	155,239	142,832	
Soda..... do.	47,844	48,304	44,547	51,024	50,319	53,152	52,160	50,913	54,775	50,295	54,518	58,084	
Groundwood..... do.	149,487	160,811	146,159	158,325	169,176	171,275	147,600	134,950	134,400	134,279	155,263	171,300	
Stocks, end of month: §													
Total, all grades..... do.	176,700	197,500	193,300	188,500	182,000	177,000	169,500	136,700	113,100	99,400	92,600	98,500	
Chemical:													
Sulphate, total..... do.	35,000	48,400	51,100	49,000	37,800	28,600	25,400	18,900	15,500	14,500	15,300	14,800	
Unbleached..... do.	31,100	42,400	46,300	44,100	32,360	22,600	19,900	14,400	10,700	10,100	9,900	9,900	
Sulphite, total..... do.	78,200	80,100	69,200	64,000	60,400	56,600	54,800	43,100	38,000	37,600	38,700	38,000	
Bleached..... do.	42,900	47,200	43,300	38,200	34,800	32,900	34,400	26,300	22,100	23,100	22,700	20,900	
Soda..... do.	9,400	8,200	7,400	7,500	7,000	7,700	7,200	5,600	6,100	4,900	4,200	3,600	
Groundwood..... do.	54,100	60,800	65,600	68,000	76,800	84,100	82,100	69,100	53,500	42,400	34,400	42,100	
Price, sulphite, unbleached..... dol. per 100 lb.		3.46	3.46	3.46	3.46	3.46	3.46	3.46	3.46	3.53	3.71	3.71	

* Revised. § Preliminary. ¶ See note "a," p. 30. Ⓚ Domestic pulp used in producing mills and shipments to market.

Ⓛ Shown in 1940 Supplement and monthly issues through February 1941 as A. C. motors. Ⓛ Data revised for 1939; see table 15, p. 18 of the April 1941 issue.

Ⓜ New series. For data beginning 1931 on unit sales of electric ranges, see table 52, p. 18 of the November 1940 issue (for revision in note regarding coverage of the data, see note marked with an "*" on p. S-33 of the October 1941 Survey). Data beginning 1937 for shipments of rigid steel conduit and fittings are shown in table 34, p. 26, of the November 1941 Survey. Earlier monthly data for the indexes of domestic appliances are shown in table 38, p. 22, of the January 1942 issue. Data beginning 1913 for wood pulp are shown on p. 13 of the October 1940 issue.

Ⓝ Data on consumption, production, and stocks have been revised for 1939 and 1940 to adjust monthly figures to annual census data on production. The revised data will be published in a subsequent issue.

Ⓞ Revised series. This series replaces the adjusted index; earlier data will appear in a subsequent issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941											
	December	December	January	February	March	April	May	June	July	August	September	October	November

RUBBER AND PRODUCTS—Continued

TIRES AND TUBES													
Pneumatic casings:													
Production.....thousands.....	2,967	4,968	5,486	5,161	5,686	5,839	6,091	6,379	5,578	4,983	4,563	4,834	3,964
Shipments, total.....do.....	2,604	4,991	4,850	4,896	5,517	5,999	7,076	7,602	6,450	5,394	5,259	5,867	4,048
Original equipment.....do.....	1,289	2,624	2,291	2,546	2,638	2,334	2,700	2,757	1,998	1,122	1,469	1,994	1,804
Replacement equipment.....do.....	1,315	2,367	2,559	2,350	2,879	3,665	4,376	4,845	4,452	4,272	3,790	3,873	2,244
Exports.....do.....	118	128	153	158	178	160	136	143	140	129	(*)	-----	-----
Stocks, end of month.....do.....	4,417	9,127	9,797	10,029	10,149	9,958	8,373	7,088	6,235	5,834	5,154	4,123	4,043
Inner tubes:													
Production.....do.....	2,729	4,656	5,113	4,887	5,349	5,481	5,839	6,264	5,278	4,435	4,143	4,137	3,725
Shipments, total.....do.....	2,390	4,644	4,474	4,610	5,181	5,358	6,310	6,908	5,917	4,780	4,792	5,143	3,825
Exports.....do.....	87	96	102	137	127	109	104	89	105	90	(*)	-----	-----
Stocks, end of month.....do.....	4,678	7,017	7,633	7,924	8,069	8,143	7,686	7,010	6,357	6,071	5,431	4,448	4,377
Raw material consumed:													
Crude rubber. (See Crude rubber.)													
Fabrics (quarterly).....thous. of lb.....	75,475	-----	-----	-----	83,649	-----	-----	88,614	-----	-----	78,638	-----	-----
RUBBER AND CANVAS FOOTWEAR													
Production, total.....thous. of pairs.....	6,532	5,369	5,939	5,543	5,827	6,628	6,084	6,278	4,789	5,543	5,844	6,848	6,362
Shipments, total.....do.....	6,086	6,118	6,614	5,166	5,359	5,555	5,134	5,668	6,366	6,990	7,422	7,433	6,287
Stocks, total, end of month.....do.....	9,170	11,129	10,377	10,754	11,222	12,272	13,223	13,834	12,256	10,809	9,228	8,650	8,725

STONE, CLAY, AND GLASS PRODUCTS

PORTLAND CEMENT													
Production.....thous. of bbl.....	13,810	11,195	9,021	8,345	10,596	12,196	14,732	15,223	16,000	16,345	16,115	16,688	14,931
Percent of capacity.....do.....	64.8	51.2	42.4	43.4	49.8	59.3	69.4	74.0	74.9	76.5	78.3	78.6	72.7
Shipments.....thous. of bbl.....	11,511	8,192	7,984	7,456	9,915	14,132	16,048	16,109	16,687	17,825	18,284	17,833	13,724
Stocks, finished, end of month.....do.....	19,937	23,379	24,416	25,307	25,988	24,056	22,745	21,865	21,178	19,732	17,561	16,417	17,638
Stocks, clinker, end of month.....do.....	4,583	4,886	5,092	5,520	6,276	6,207	6,005	5,757	5,522	5,219	4,804	4,192	4,250
CLAY PRODUCTS													
Common brick, price, wholesale, composite, f. o. b. plant.....dol. per thous.....	12.690	12.195	12.201	12.242	12.328	12.323	12.404	12.483	12.604	12.723	12.832	12.886	12.921
Floor and wall tile, shipments:													
Quantity.....thous. of sq. ft.....	4,724	4,565	4,368	5,597	5,219	6,172	6,340	7,192	6,701	6,330	6,831	5,289	
Value.....thous. of dol.....	1,249	1,195	1,117	1,387	1,363	1,629	1,694	1,929	1,890	1,816	1,932	1,501	
Vitrified paving brick:													
Shipments.....thous. of brick.....	2,516	1,801	1,015	1,088	2,640	3,612	3,384	4,056	3,906	5,683	4,551	-----	
Stocks, end of month.....do.....	30,288	30,580	30,442	30,402	30,293	28,622	28,778	28,711	27,813	24,270	24,694	-----	
GLASS PRODUCTS													
Glass containers:													
Production.....thous. of gross.....	6,050	4,198	4,517	4,368	5,128	5,325	6,246	6,166	6,291	6,791	6,286	7,094	6,179
Percent of capacity.....do.....	90.5	65.5	65.0	70.8	76.7	79.7	93.5	96.0	94.1	101.6	97.8	102.2	100.2
Shipments, total.....thous. of gross.....	4,903	3,526	4,178	4,273	5,117	5,573	6,402	6,865	6,363	6,801	6,902	6,315	5,281
Narrow neck, food*.....do.....	210	138	189	205	240	289	326	358	489	830	970	386	240
Wide mouth, food*.....do.....	873	682	961	909	1,038	1,113	1,212	1,447	1,306	1,300	1,249	1,268	979
Pressed food ware*.....do.....	39	33	41	37	42	35	49	47	44	39	45	55	42
Pressure and non-pressure*.....do.....	332	189	224	275	412	633	779	763	691	480	333	312	317
Beer bottles*.....do.....	398	154	140	167	368	418	548	605	495	430	396	428	264
Liquor ware*.....do.....	834	803	589	676	843	991	1,028	834	922	1,071	1,043	1,040	
Medicine and toilet*.....do.....	1,580	1,040	1,468	1,433	1,493	1,522	1,609	1,695	1,603	1,826	1,898	2,038	1,758
General purpose*.....do.....	372	267	337	351	434	405	453	477	398	410	410	472	380
Milk bottles*.....do.....	245	198	206	199	213	229	272	262	301	342	285	243	
Fruit jars and jelly glasses*.....do.....	4	3	9	8	13	41	136	165	200	239	158	10	43
Stocks, end of month.....do.....	9,633	9,988	10,109	10,097	9,979	9,612	9,244	8,397	8,176	8,052	7,321	7,948	8,711
Other glassware, machine-made*:													
Tumblers:													
Production.....thous. of doz.....	3,199	3,200	3,694	4,200	3,838	5,548	4,857	4,541	4,879	4,407	4,837	4,634	
Shipments.....do.....	2,876	2,641	4,004	4,424	4,387	5,055	4,863	4,382	4,826	4,998	4,937	3,584	
Stocks.....do.....	8,455	8,775	8,419	8,115	7,499	7,896	7,820	7,899	7,872	7,208	6,975	7,903	
Table, kitchen, and householdware, shipments.....thous. of doz.....	2,456	2,316	2,905	3,400	3,922	3,372	3,069	2,903	3,857	3,427	4,082	3,279	
Plate glass, polished, production.....thous. of sq. ft.....	10,311	17,491	19,350	15,664	18,266	18,344	18,394	18,534	12,463	14,126	14,906	15,769	14,277
Window glass, production.....thous. of boxes.....	1,696	1,458	1,561	1,397	1,417	1,400	1,282	1,304	1,281	1,267	1,123	1,524	1,300
Percent of capacity.....do.....	104.5	89.8	96.2	86.1	87.3	86.3	78.9	80.3	78.9	78.1	69.2	93.9	80.1
GYPSUM AND PRODUCTS													
Crude:													
Imports.....short tons.....	387,969	-----	-----	-----	175,467	-----	-----	326,248	-----	-----	366,519	-----	-----
Production.....do.....	1,033,403	-----	-----	-----	811,500	-----	-----	1,197,689	-----	-----	1,335,905	-----	-----
Calcined, production.....do.....	888,078	-----	-----	-----	764,500	-----	-----	1,026,987	-----	-----	1,099,244	-----	-----
Gypsum products sold or used:													
Uncalcined.....do.....	244,975	-----	-----	-----	200,630	-----	-----	370,482	-----	-----	377,807	-----	-----
Calcined:													
Building plasters.....do.....	430,090	-----	-----	-----	373,503	-----	-----	523,218	-----	-----	577,840	-----	-----
For mfg. and industrial uses.....do.....	33,358	-----	-----	-----	36,027	-----	-----	38,222	-----	-----	41,569	-----	-----
Keene's cement.....do.....	6,447	-----	-----	-----	6,450	-----	-----	7,672	-----	-----	8,854	-----	-----
Board and tile, total.....thous. of sq. ft.....	621,768	-----	-----	-----	539,000	-----	-----	709,282	-----	-----	718,415	-----	-----
Lath.....do.....	388,230	-----	-----	-----	322,700	-----	-----	472,696	-----	-----	479,794	-----	-----
Tile.....do.....	6,816	-----	-----	-----	7,100	-----	-----	11,267	-----	-----	9,133	-----	-----
Wallboard.....do.....	226,722	-----	-----	-----	209,200	-----	-----	225,319	-----	-----	229,488	-----	-----

TEXTILE PRODUCTS

CLOTHING													
Hosiery:													
Production.....thous. of dozen pairs.....	12,555	11,279	12,747	11,558	12,105	12,871	12,621	12,531	12,897	11,495	11,969	14,101	12,494
Shipments.....do.....	11,938	11,536	11,822	11,673	12,495	12,737	11,750	11,933	12,888	13,783	13,766	14,971	12,576
Stocks, end of month.....do.....	21,773	23,511	24,527	24,603	24,304	24,530	25,493	26,183	26,192	23,904	22,107	21,238	21,156

* Revised. * The publication of detailed foreign trade statistics has been discontinued for the duration of the war.
 * New series. Data for glass containers for the period January 1934-December 1939 are shown in table 49, pp. 16 and 17, of the November 1940 issue; minor revisions for 1940 for wide-mouth food containers and liquor ware not shown on p. S-35 of the September 1941 issue are available on request; earlier data on glassware other than containers are shown in table 2, p. 17, of the January 1941 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941		1941									
	December	December	January	February	March	April	May	June	July	August	September	October	November

TEXTILE PRODUCTS—Continued

WOOL—Continued													
Receipts at Boston, total.....thous. of lb.		49,597	50,365	51,809	49,410	76,210	80,360	82,827	81,232	61,336	39,704	26,253	37,571
Domestic.....do.....	9,658	6,298	4,633	4,129	7,151	13,655	29,177	32,837	42,780	26,570	9,661	11,735	17,281
Foreign.....do.....	(^c)	43,299	45,732	47,680	42,259	62,555	51,184	49,990	38,452	34,765	30,043	14,518	20,290
Stocks, scoured basis, end of quarter, total†													
thous. of lb.	190,780	142,152			164,331			208,345			191,556		
Woolen wools, total.....do.....	71,971	48,388			50,886			62,213			65,508		
Domestic.....do.....	35,862	27,651			26,333			31,790			35,304		
Foreign.....do.....	36,109	20,737			24,553			30,423			30,204		
Worsted wools, total.....do.....	118,539	93,764			113,445			145,970			125,652		
Domestic.....do.....	41,680	29,009			17,933			53,930			57,334		
Foreign.....do.....	76,859	64,755			95,512			92,040			68,318		
MISCELLANEOUS PRODUCTS													
Fur, sales by dealers.....thous. of dol.	† 217	2,901	5,779	6,064	4,666	6,142	5,964	5,323	4,779	† 5,340	† 4,297	† 1,436	695
Pyroxylin-coated textiles (cotton fabrics):													
Orders, unfilled, end of mo. linear yd.	7,825	3,694	3,896	4,443	5,520	5,588	6,137	9,558	8,070	10,038	8,747	9,009	† 8,206
Pyroxylin spread.....thous. of lb.	6,637	5,463	5,993	6,262	6,759	7,165	7,351	7,464	6,473	7,142	7,097	7,488	† 6,698
Shipments, billed.....thous. linear yd.	7,398	5,718	5,881	6,499	7,100	7,550	† 7,950	† 7,479	† 7,543	7,703	8,017	7,819	† 7,097

TRANSPORTATION EQUIPMENT

AIRPLANES													
Production, domestic civil aircraft.....number		509	645	574	597	503	(^b)						
Exports§.....do.....		367	467	344	481	571	511	352	360	533	(^c)		
AUTOMOBILES													
Exports:													
Canada:													
Assembled, total.....number	5,981	13,276	8,796	8,574	11,177	9,405	14,457	13,000	22,486	16,932	8,849	11,144	11,798
Passenger cars.....do.....	658	611	608	1,036	797	312	496	378	2,099	3,263	619	1,052	997
United States:													
Assembled, total.....do.....	18,017	15,912	17,252	21,064	18,536	21,969	13,481	12,975	20,616	15,678	(^c)		
Passenger cars.....do.....	7,782	7,246	6,943	8,834	8,574	9,012	4,056	6,958	6,706	2,279			
Trucks.....do.....	10,235	8,666	10,309	12,230	9,962	12,957	9,425	6,017	13,910	13,399			
Financing:													
Retail purchasers, total.....thous. of dol.	160,956	147,186	158,693	202,793	236,800	248,314	238,040	210,628	172,801	104,079	106,680	94,902	
New cars.....do.....	93,350	80,739	89,541	118,369	136,464	141,024	129,877	110,625	83,518	43,427	50,074	44,426	
Used cars.....do.....	67,065	66,939	68,574	83,815	99,582	106,602	107,445	99,362	88,724	60,370	56,303	50,140	
Unclassified.....do.....	541	509	579	608	754	787	718	642	558	281	303	336	
Wholesale (mfrs. to dealers).....do.....	253,778	236,871	248,288	270,487	243,103	251,490	231,323	202,022	91,773	89,333	198,874	194,258	
Retail automobile receivables outstanding, end of month*.....mil. of dol.	1,166	1,181	1,209	1,255	1,341	1,433	1,500	1,543	1,560	1,494	1,435	1,379	
Production:													
Automobiles:													
Canada, total.....number	20,313	23,364	23,195	23,710	26,044	27,584	26,585	25,753	24,654	17,192	14,496	19,360	21,545
Passenger cars.....do.....	6,651	11,653	11,990	10,647	12,093	12,091	9,840	8,538	3,849	3,160	2,548	5,635	7,003
United States (factory sales), total.....do.....	282,205	483,567	500,878	485,622	507,834	462,272	518,770	520,525	444,243	147,601	234,255	382,009	352,347
Passenger cars.....do.....	174,962	396,531	411,233	394,613	410,196	374,979	417,698	418,983	343,748	78,529	167,790	295,568	256,101
Trucks.....do.....	107,243	87,036	89,645	91,109	97,638	87,293	101,072	101,542	100,495	69,072	66,465	86,441	96,246
Automobile rims.....thous. of rims		1,790	2,032	2,131	2,666	2,682	2,408	2,309	2,061	1,532	1,811	2,024	1,864
Registrations:†													
New passenger cars.....number	334,073	299,179	300,466	420,058	489,074	515,034	443,470	391,795	246,595	125,298	165,485	163,126	
New commercial cars.....do.....	51,095	61,712	55,900	67,798	70,269	72,170	62,265	67,412	56,191	43,892	41,352	35,985	
Sales (General Motors Corporation):													
World sales:													
By U. S. and Canadian plants.....do.....	223,611	235,422	226,609	247,683	255,887	235,679	240,748	224,517	29,268	89,300	179,120	171,412	
United States sales:													
To dealers.....do.....	204,473	218,578	208,214	226,592	233,735	217,120	224,119	204,695	19,600	81,169	162,543	153,904	
To consumers.....do.....	174,610	168,168	187,252	253,282	272,853	265,750	235,817	195,475	84,969	52,829	103,854	126,281	
Accessories and parts, shipments:													
Combined index.....Jan. 1925=100	179	207	214	210	240	252	258	242	246	282	286	270	
Original equipment to vehicle manufacturers.....Jan. 1925=100	228	245	244	232	278	282	279	248	258	271	280	271	
Accessories to wholesalers.....do.....	122	115	115	128	132	136	140	154	160	170	174	173	
Service parts to wholesalers.....do.....	180	170	174	168	218	215	231	253	242	298	302	267	
Service equipment to wholesalers.....do.....	143	162	182	214	199	208	229	221	216	290	287	288	
RAILWAY EQUIPMENT													
Association of American Railroads:													
Freight cars, end of month:													
Number owned.....thousands	1,694	1,644	1,642	1,641	1,644	1,647	1,656	1,661	1,666	1,671	1,676	1,682	† 1,689
Undergoing or awaiting classified repairs.....thousands	62	109	108	107	101	96	94	85	79	78	73	68	68
Percent of total on line.....do.....	3.7	6.8	6.7	6.6	6.3	5.9	5.8	5.2	4.8	4.7	4.4	4.1	4.1
Orders, unfilled.....cars	73,697	34,202	40,030	37,981	41,091	55,404	64,027	91,416	88,266	89,917	86,943	78,974	75,559
Equipment manufacturers.....do.....	50,661	25,866	26,427	23,787	27,756	42,162	49,108	69,140	66,641	65,814	63,607	57,584	52,563
Railroad shops.....do.....	23,036	8,336	13,603	14,194	13,335	13,242	14,919	22,276	21,625	24,103	23,336	21,390	22,996
Locomotives, steam, end of month:													
Undergoing or awaiting classified repairs.....number	3,370	5,914	5,853	5,812	5,704	5,535	5,181	4,862	4,607	4,208	4,022	3,778	3,634
Percent of total on line.....do.....	8.6	14.9	14.7	14.7	14.4	14.0	13.1	12.3	11.7	10.7	10.2	9.6	9.2
Orders, unfilled.....number	258	115	120	132	166	211	231	265	300	317	309	284	281
Equipment manufacturers.....do.....	237	102	107	113	148	189	201	234	266	269	263	240	256
Railroad shops.....do.....	21	13	13	19	18	22	30	31	34	48	46	44	25
U. S. Bureau of the Census:													
Locomotives, railroad:													
Orders, unfilled, end of mo., total.....do.....	1,213	354	460	515	645	622	734	876	942	964	917	921	1,022
Steam.....do.....	526	144	157	186	219	203	205	255	297	285	268	268	364
Other.....do.....	687	210	303	329	426	419	529	621	645	677	632	653	658
Shipments, total†.....do.....	96	70	64	44	82	74	87	79	87	87	79	102	89
Steam.....do.....	22	24	16	5	17	18	22	9	11	8	12	27	15
Other.....do.....	74	46	48	39	65	56	65	70	76	79	67	75	74

† Revised. ‡ Preliminary. § The publication of detailed foreign trade statistics has been discontinued for the duration of the war. ¶ Discontinued. ¶ Does not include Australian wool held by the Defense Supplies Corporation. The total includes for June, September and December 1941 a comparatively small amount of certificated wool in licensed warehouses not included in the detailed figures. § Data revised for 1939. See table 14, p. 17, of the April 1941 Survey. Data on exports of airplanes have also been revised, beginning January 1940, to include exports of "landplanes minus engines." Prior to 1940, these were not reported separately. For revisions for all months of 1940 see note marked "§" on page S-37 of the November 1941 Survey. Beginning September 1941 data on exports of airplanes are not available. * New series. Data beginning 1936 are shown in table 33, p. 26 of the November, 1941 Survey. † Since publication of foreign trade statistics has been suspended for the duration of the war, the Bureau of the Census has ceased publishing foreign and domestic data separately. The series, therefore, have been revised to include both foreign and domestic data. Comparable earlier figures are available on request. ‡ Data beginning June 1941 exclude Federal Government deliveries and are therefore not comparable with earlier data. See note "†", p. S-37, of December 1941 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1941		1941										
	December	December	January	February	March	April	May	June	July	August	September	October	November
TRANSPORTATION EQUIPMENT—Continued													
RAILWAY EQUIPMENT—Continued													
U. S. Bureau of the Census—Continued.													
Locomotives, mining and industrial:													
Shipments (quarterly), total*..... number		132			150			242			173		
Electric, totals..... do		55			58			97			79		
For mining use..... do		52			57			94			73		
Other*..... do		77			92			145			94		
American Railway Car Institute:													
Shipments:													
Freight cars, total..... do	7,183	4,624	*5,009	4,122	5,022	*5,449	*5,225	5,136	5,537	*3,936	5,168	*7,617	*6,378
Domestic..... do	7,181	4,301	*4,993	4,057	4,987	*5,301	*4,681	5,130	5,467	*3,856	5,044	*6,626	*6,073
Passenger cars, total..... do	35	54	0	2	21	18	47	12	37	32	38	28	42
Domestic..... do	29	54	0	2	21	18	47	12	37	32	30	28	42
Exports of locomotives, total..... do		4	12	17	11	24	42	25	28	22	25	(*)	
Electric..... do		3	8	12	6	17	19	10	21	15	14	(*)	
Steam..... do		1	4	5	5	7	23	15	7	7	11	(*)	
INDUSTRIAL ELECTRIC TRUCKS AND TRACTORS:													
Shipments, total..... number		202	206	242	266	263	217	266	232	247	260	323	298
Domestic..... do		165	173	216	214	255	180	238	225	236	253	306	280
Exports..... do		37	33	26	52	8	37	28	7	11	7	17	18

CANADIAN STATISTICS

Physical volume of business, adjusted:†													
Combined index..... 1935-39=100	128.3	130.5	126.1	*124.0	127.9	132.0	135.3	138.5	141.2	140.7	139.4	131.7	
Industrial production:													
Combined index..... do	140.6	145.1	138.3	133.5	139.5	143.3	149.3	150.2	156.1	171.2	156.9	143.3	
Construction..... do	187.4	244.3	223.8	139.0	181.5	182.0	292.3	133.2	147.0	169.5	148.8	132.1	
Electric power..... do	111.4	116.7	115.7	115.8	126.1	129.1	123.3	130.8	126.1	136.2	137.4	137.5	
Manufacturing..... do	142.3	141.9	134.0	137.3	140.3	140.8	141.1	155.1	163.7	185.9	167.9	149.4	
Forestry..... do	117.2	126.2	121.3	125.6	118.4	114.0	117.0	131.0	129.8	145.6	132.6	123.2	
Mining..... do	123.5	122.7	125.0	122.8	121.8	140.8	125.6	146.3	140.9	126.0	123.6	125.6	
Distribution:													
Combined index..... do	107.1	105.4	105.1	*107.6	108.1	112.6	111.3	118.4	115.6	113.0	109.5	111.8	
Carloadings..... do	125.1	123.3	118.8	122.9	127.2	136.5	130.0	141.7	130.6	125.0	121.1	126.6	
Exports (volume)..... do	119.9	130.5	148.2	147.4	169.2	196.3	182.1	212.7	189.7	169.2	139.5	163.2	
Imports (volume)..... do	171.6	171.0	152.7	153.6	150.0	145.9	143.9	167.3	184.1	185.6	170.3	159.3	
Trade employment..... do	116.8	115.3	115.8	117.9	120.5	121.6	121.8	121.2	122.0	123.2	123.9		
Agricultural marketings, adjusted:†													
Combined index..... do	146.4	146.9	59.7	50.8	113.6	227.7	145.9	179.2	182.9	98.9	116.0	164.8	
Grain..... do	162.9	168.7	44.3	33.5	117.8	284.3	163.6	204.1	217.4	90.5	122.9	190.1	
Livestock..... do	107.0	94.9	97.8	93.4	105.4	94.3	105.3	122.0	102.2	120.8	101.3	106.1	
Commodity prices:													
Cost of living†..... do	108.0	108.3	108.2	108.2	108.6	109.4	110.5	111.9	113.7	114.7	115.5	116.3	
Wholesale prices..... 1926=100	84.2	84.6	85.2	85.9	86.6	88.5	90.0	91.1	91.8	93.2	93.8	94.0	
Employment (first of month, unadjusted):													
Combined index..... do	139.1	134.2	135.2	135.3	141.3	145.5	152.9	157.4	160.6	162.7	165.8		
Construction and maintenance..... do	105.9	83.0	82.5	83.0	100.2	120.0	139.5	149.9	160.7	153.9	155.4		
Manufacturing..... do	144.7	142.5	147.4	150.8	158.2	162.3	168.0	172.5	176.9	181.5	185.0		
Mining..... do	172.6	167.6	169.1	168.7	174.1	174.8	177.2	176.8	178.1	181.6	182.3		
Service..... do	147.8	149.5	148.6	150.2	158.3	165.6	170.9	179.8	184.0	183.9	175.7		
Trade..... do	154.4	160.8	147.0	145.7	149.1	154.5	156.8	158.5	156.8	157.5	160.9		
Transportation..... do	92.5	88.7	89.4	90.5	94.3	99.2	99.2	103.7	105.0	105.9	104.2		
Finance:													
Bank debits..... mil. of dol.		3,208	2,941	2,540	2,838	2,984	3,266	4,241	3,242	3,150	3,301	3,627	3,427
Commercial failures..... number	78	95	79	105	90	67	84	72	58	67	45	57	80
Life-insurance sales, new paid for ordinary†..... thous. of dol.	47,172	33,727	28,326	31,500	33,700	35,398	36,172	33,670	32,681	29,597	33,975	41,740	44,984
Security issues and prices:													
New bond issues, total†..... do	91,277	330,167	84,235	115,271	42,524	78,830	115,119	876,920	111,290	83,497	62,521	341,680	94,851
Bond yields†..... 1935-39=100		97.0	96.3	96.1	95.8	95.9	95.9	96.4	95.8	95.4	95.2	94.9	93.6
Common stock prices†..... do		70.3	71.3	66.5	66.8	65.8	63.9	64.0	67.5	67.8	71.0	69.1	68.8
Foreign trade:													
Exports, total..... thous. of dol.	152,091	98,711	88,953	100,582	102,995	118,425	162,663	146,822	170,901	150,496	142,897	139,678	164,079
Wheat..... thous. of bu.	18,271	11,762	4,880	9,460	11,623	20,322	29,623	23,114	19,346	14,721	11,341	11,841	22,105
Wheat flour..... thous. of bbl.		346	355	607	559	850	1,341	1,751	1,922	1,437	661	411	587
Imports..... thous. of dol.	125,779	102,302	98,382	89,632	107,982	106,268	128,096	114,924	127,707	137,913	136,991	140,819	134,191
Railways:													
Carloadings..... thous. of cars		231	229	218	250	252	276	271	277	279	294	313	286
Financial results:													
Operating revenues..... thous. of dol.		40,221	36,113	34,620	40,613	41,887	46,595	44,817	45,442	46,524	47,215	51,239	
Operating expenses..... do		28,602	29,224	28,558	30,941	30,180	32,257	32,122	35,248	35,988	35,861	37,304	
Operating income..... do		9,944	5,095	4,318	7,313	9,123	11,068	9,976	7,262	7,393	8,973	11,483	
Operating results:													
Revenue freight carried 1 mile..... mil. of tons		3,772	3,131	3,127	4,001	3,818	4,387	4,381	4,257	4,323	4,447	4,796	
Passengers carried 1 mile..... mil. of pass.		278	201	217	218	225	230	248	318	354	286	262	
Production:													
Electric power, central stations..... mil. of kw.-hr.		2,584	2,635	2,407	2,632	2,693	2,805	2,688	2,661	2,640	2,867	3,140	3,184
Pig iron..... thous. of long tons	148	110	103	91	102	103	114	112	102	106	112	137	134
Steel ingots and castings..... do	219	185	186	173	195	201	206	187	197	203	201	223	221
Wheat flour..... thous. of bbl.		1,076	1,177	1,462	1,477	1,661	2,121	2,118	2,117	1,852	1,648	1,596	1,665

* Revised. * The publication of detailed foreign trade statistics has been discontinued for the duration of the war.

†Data on life-insurance sales revised beginning September 1936; for revisions see p. 56 of the September 1940 Survey. For revisions of new bond issues for 1939 see p. 56 of the March 1941 Survey. All Canadian index numbers to which this note is attached have been revised to a 1935-39 base; earlier cost of living data appear in table 35, p. 19 of the January 1942 issue. Common stock price and bond yield indexes have been converted to the new base by multiplying the old series by a constant. The production and distribution indexes have been completely revised and no comparable data prior to January 1940 are available at this time. Complete 1940 data for production and distribution indexes are shown on p. 56 of the April 1941 Survey.

‡Beginning with July 1940, data are reported by the *Industrial Truck Statistical Association* and cover reports of 8 companies. They are approximately comparable with previous data which were compiled by the Bureau of the Census.

§Includes straight electric types only (trolley or third-rail and storage battery); data for 1939 and earlier years, published in the Survey, include some units of only partial United States manufacture and are not comparable with data here shown.

*New series. Comparable data on total shipments are available only beginning January 1940. "Other" includes Diesel-electric, Diesel-mechanical, and gasoline or steam locomotives; these are largely industrial; for data beginning with the first quarter of 1939, see p. 55 of the May 1941 Survey.

INDEX TO MONTHLY BUSINESS STATISTICS, Pages S1-S38

CLASSIFICATION, BY SECTIONS

Monthly business statistics:	Page
Business indexes	S-1
Commodity prices	S-3
Construction and real estate	S-4
Domestic trade	S-6
Employment conditions and wages	S-7
Finance	S-13
Foreign trade	S-19
Transportation and communications	S-20
Statistics on individual industries:	
Chemicals and allied products	S-21
Electric power and gas	S-23
Foodstuffs and tobacco	S-24
Fuels and byproducts	S-27
Leather and products	S-29
Lumber and manufactures	S-29
Metals and manufactures:	
Iron and steel	S-30
Nonferrous metals and products	S-32
Machinery and apparatus	S-32
Paper and printing	S-33
Rubber and products	S-34
Stone, clay, and glass products	S-35
Textile products	S-35
Transportation equipment	S-37
Canadian statistics	S-38

CLASSIFICATION, BY INDIVIDUAL SERIES

	Pages marked S
Abrasive paper and cloth (coated)	34
Acceptances, bankers'	12
Advertising	6
Agricultural cash income	1
Agricultural products, foreign trade	19
Agricultural wages, loans	12, 13
Air mail and air-line operations	6, 21
Aircraft	1, 2, 8, 10, 11, 12, 37
Alcohol, denatured, ethyl, methanol	21
Aluminum	32
Animal fats, greases	22
Anthracite	2, 3, 9, 10, 27
Apparel, wearing	3, 4, 6, 8, 9, 10, 11, 36
Asphalt	28
Automobiles	1, 2, 3, 6, 8, 10, 11, 12, 19, 37
Automobile accessories and parts	37
Banking	12, 13, 14
Barley	25
Bearing metal	32
Beef and veal	26
Beverages, alcoholic	24
Bituminous coal	2, 3, 9, 10, 27, 28
Boilers	31
Bonds, issues, prices, sales, yields	16, 17, 18
Book publication	34
Brass and bronze	32
Brick	35
Brokers' loans	13, 17
Building contracts awarded	4
Building costs	5
Building expenditures (indexes)	4
Building-material prices	3
Butter	24
Canadian statistics	15, 19, 37, 38
Canal traffic	20
Candy	27
Capital flotations	16, 17
For productive uses	17
Carloadings	20
Cattle and calves	25
Cellulose plastic products	23
Cement	1, 2, 3, 35
Chain-store sales	6, 7
Cheese	24
Chemicals	1, 2, 3, 8, 9, 10, 11, 12, 14, 15, 21
Cigars and cigarettes	27
Civil-service employees	9
Clay products	1, 2, 8, 10, 11, 14, 35
Clothing (see also hosiery)	3, 4, 6, 8, 10, 11
Coal	2, 3, 9, 10, 27, 28
Cocoa	26
Coffee	26
Coke	28
Commercial failures	14
Commercial paper	12, 13
Construction:	
Contracts awarded	4
Costs	5
Highways and grade crossings	4, 5
Wage rates	12
Copper	32
Copra and coconut oil	22
Corn	25
Cost-of-living index	3
Cotton, raw, and manufactures	2, 3, 4, 19, 36
Cottonseed, cake and meal, oil	22
Crops	1, 22, 25, 27, 36
Currency in circulation	15
Dairy products	24
Debits, bank	13
Debt, United States Government	15
Delaware, employment, pay rolls, wages	9, 10, 12

	Pages marked S
Department stores: Sales, stocks, collections	7
Deposits, bank	13
Disputes, industrial	9
Dividend declaration payments and rates	1, 18
Earnings, factory, average weekly and hourly	11, 12
Eggs and chickens	1, 3, 26
Electrical equipment	2, 3, 6, 8, 10, 11, 33
Electric power production, sales, revenues	23
Employment, estimated nonagricultural	7
Employment indexes:	
Factory, by cities and States	9
Factory, by industries	8, 9
Nonmanufacturing	9
Employment, security operations	9
Emigration and immigration	21
Engineering construction	4
Exchange rates, foreign	15
Expenditures, United States Government	15
Explosives	21
Exports	19
Factory employment, pay rolls, wages	7
Fairchild's retail price index	8, 9, 10, 11, 12
Farm wages	12
Farm prices, index	3
Federal Government, finances	15, 16
Federal-aid highways and grade crossings	5
Federal Reserve banks, condition of	13
Federal Reserve reporting member banks	13
Fertilizers	21, 22
Fire losses	5
Fish oils and fish	22, 27
Flaxseed	22
Flooring	29
Flour, wheat	25
Food products	1, 2, 3, 4, 6, 8, 9, 10, 11, 12, 14, 15, 19, 24, 25, 26, 27
Footwear	1, 2, 4, 8, 9, 10, 11, 29
Foreclosures, real estate	5
Foundry equipment	32
Freight cars (equipment)	37
Freight carloadings, cars, indexes	20
Freight-car surplus	20
Fruits and vegetables	3, 25
Fuel equipment and heating apparatus	32, 33
Fuels	2, 3, 14, 27, 28
Furniture	30, 31
Gas, customers, sales, revenues	23, 24
Gas and fuel oils	3, 28
Gasoline	19, 28
Gelatin, edible	27
General Motors sales	37
Glass and glassware	1, 2, 8, 10, 11, 12, 35
Gloves and mittens	29
Gold	15
Goods in warehouses	6
Grains	3, 17, 25
Gypsum	35
Hides and skins	29
Hogs	26
Home-loan banks, loans outstanding	5
Home mortgages	5
Hosiery	35
Hotels	21
Housing	3, 4
Illinois, employment, pay rolls, wages	9, 10, 12
Immigration and emigration	21
Imports	19, 20
Income payments	1
Income-tax receipts	16
Incorporations, business, new	6
Industrial production, indexes	1, 2
Installment loans	13
Installment sales, department stores	7
Insurance, life	14
Interest and money rates	13, 14
Inventories, manufacturers'	3
Iron and steel, crude, manufactures	1
	2, 3, 4, 8, 10, 11, 14, 15, 30, 31
Ironers, household	33
Kerosene	28
Labor, turn-over, disputes	9, 10
Lamb and mutton	26
Lard	26
Lead	2, 32
Leather	1, 2, 4, 8, 9, 10, 11, 12, 14, 29
Linseed oil, cake, and meal	23
Livestock	26
Loans, real-estate, agricultural, brokers'	5, 13, 17
Locomotives	37, 38
Looms, woollen, activity	36
Lubricants	28
Lumber	1, 2, 3, 8, 10, 11, 29, 30
Machine activity, cotton, wool	36
Machine tools	8, 10, 11
Machinery	1, 2, 3, 8, 10, 11, 14, 15, 19, 32, 33
Magazine advertising	6
Manufacturers' orders, shipments, inventories	2, 3
Manufacturing indexes	1, 2
Maryland, employment, pay rolls	9, 10
Massachusetts, employment, pay rolls, wages	9, 10, 12
Meats and meat packing	1
	2, 3, 8, 9, 10, 11, 12, 19, 26
Metals	1, 2, 4, 8, 9, 10, 11, 15, 30
Methanol	21
Mexico, silver production	15
Milk	24
Minerals	2, 9, 10
Naval stores	22
New Jersey, employment, pay rolls, wages	9, 10, 12

	Pages marked S
Newsprint	34
New York, employment, pay rolls, wages	9, 10, 12
New York canal traffic	20
New York Stock Exchange	17, 18
Oats	25
Ohio, employment	9
Oils and fats	22
Oleomargarine	23
Orders and shipments, manufacturers'	2
Paint sales	23
Paper and pulp	1, 2, 3, 4, 8, 9, 10, 11, 12, 33, 34
Passenger-car sales index	6
Passports issued	21
Pay rolls:	
Factory, by cities and States	10
Factory, by industries	10
Nonmanufacturing industries	10, 11
Pennsylvania, employment, pay rolls, wages	9, 10, 12
Petroleum and products	1
	2, 3, 8, 9, 10, 11, 12, 15, 28
Pig iron	30, 31
Porcelain enameled products	31
Pork	26
Postal business	6
Postal savings	14
Poultry and eggs	1, 3, 26
Prices (see also individual commodities):	
Retail indexes	3
Wholesale indexes	3, 4
Printing	1, 2, 8, 9, 10, 11, 12
Profits, corporation	15
Public relief	12
Public utilities	4, 9, 10, 15, 17, 18, 19
Pullman Co.	20
Pumps	33
Purchasing power of the dollar	4
Radiators	31
Radio, advertising	6
Railways, operations, equipment, financial statistics, employment, wages	1
	2, 9, 10, 12, 16, 17, 18, 20, 37, 38
Railways, street (see street railways, etc.)	33
Ranges, electric	2, 4, 36
Rayon	16
Reconstruction Finance Corporation, loans	16
Refrigerators, electric, household	33
Registrations, automobiles	37
Rents (housing), index	3
Retail trade:	
Automobiles, new passenger	6
Chain stores, variety (5-and-10), grocery, and other	6, 7
Department stores	7
Mail order	7
Rural general merchandise	7
Rice	25
River traffic	20
Roofing asphalt	23
Rubber, crude, scrap, footwear, tires and tubes	1, 2, 3, 4, 8, 9, 10, 11, 34, 35
Savings deposits	14
Sheep and lambs	26
Shipbuilding	1, 2, 8, 10, 11, 12
Shoes	1, 2, 4, 8, 9, 10, 11, 12, 29
Silk	2, 4, 36
Silver	15
Skins	29
Slaughtering and meat packing	1, 2, 8, 10, 11, 26
Spindle activity, cotton, wool	36
Steel and iron (see iron and steel)	30
Steel, scrap, exports and imports	30
Stockholders	19
Stocks, department-store (see also manufacturers' inventories)	7
Stocks, issues, prices, sales, yields	17, 18, 19
Stone, clay, and glass products	1
	2, 8, 10, 11, 12, 14, 35
Street railways and busses	9, 10
Sugar	26, 27
Sulphur	21
Sulphuric acid	21
Superphosphate	22
Tea	27
Telephone, telegraph, cable, and radio-telegraph carriers	9, 10, 15, 21
Textiles	2, 4, 8, 9, 10, 11, 12, 14, 35, 36, 37
Tile	35
Tin	32
Tobacco	2, 8, 9, 10, 11, 12, 27
Tools, machine	8, 10, 11
Travel	21
Trucks and tractors, industrial, electric	38
United States Government bonds	17
United States Government, finances	15, 16
United States Steel Corporation	19, 31
Utilities	4, 9, 10, 14, 15, 16, 17, 18, 19
Vacuum cleaners	33
Variety-store sales index	6
Vegetable oils	22
Vegetables and fruits	3, 25
Wages, factory, and miscellaneous	10, 11, 12
Warehouses, space occupied	6
Washers, household	33
Waterway traffic	20, 21
Wheat and wheat flour	19, 25
Wholesale price indexes	3, 4
Wire cloth	32
Wisconsin, factory employment, pay rolls, and wages	9, 10, 12
Wood pulp	33
Wool	2, 4, 36, 37
Zinc	32

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