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# NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

# BULLETIN

MESSAGE TO 1,000,000 FARMERS OF RURAL ELECTRIC CO-OPS

SECOND YEAR, NO. 5 | FEBRUARY 1944 | WASHINGTON 1, D. C.

## FORWARD!

TO RURAL ELECTRIC COOPERATIVES, PUBLIC POWER DISTRICTS AND PUBLIC UTILITY DISTRICTS:

**The National Rural Electric Cooperative Association will be exactly two years of age at the time of the National Convention. We hope you will agree that much has been done by NRECA during these past two important years. Seventy percent of the cooperatives, public power districts and public utilities districts are now members of the National and are bearing all the expense involved.**

**It is quite natural that a developing, progressive, important and young organization such as ours would require periodical changes in By-Laws. Many such changes, you will note, are to be considered at the forthcoming convention March 20 and 21 in Chicago. Wouldn't this be an excellent time for your cooperative, public power district or public utility district, if not already affiliated, to join the National Association in order to have full participation in voting on the important matters to be considered at the second annual convention?**

**Membership in the National Association should reach 100 percent during the third year of NRECA—a year which, we hope, will be marked by victorious conclusion of the war, at least in Europe, and the tremendous task of saving the liberated peoples from starvation.**

# Second Annual Convention Is Set For Chicago March 20-21

## Streamlined Program With Open Forums Now Being Planned

The second annual convention of the National Rural Electric Cooperative Association, postponed from January because of war emergency travel conditions, will be held Monday and Tuesday, March 20 and 21, at The Stevens in Chicago. Final decision as to time and place was made following communication by telephone and telegraph with members of the National Board.

### Program To Be Streamlined

The program will be streamlined with special emphasis placed on discussion of post-war plans by delegates. National leaders in rural electrification and public power have been invited as speakers.

### Plan Open Forum Series

The second day of the convention will be devoted to a series of open forums on topics of vital interest. The forums and committees appointed to consider the same subjects will have ample time to permit full discussion, draw conclusions and draft their recommendations. Consideration will be given post-war "blue-prints", employment of returning service man, availability of materials, acquisitions, legislation, safety and job training, pooling of insurance with subdivisions devoted to line protection and group life, health and accident coverage. The forums will be flexible to conform to ideas and wishes of delegates both as to topics and manner of procedure.

### Honor Congressman Rankin

John E. Rankin, known as the "father of rural electrification" and co-author with Senator Norris of the legislation creating TVA, will be honored at the convention by presentation of an appropriate award. Senator Norris was given a handsome plaque at the first convention.

### Make Reservations Direct

All convention sessions, open forums and committee meetings will be held at The Stevens. Accommodations will be available for all delegates and visitors, but in view of the exceptional demands being made on all hotels at this time, it is important that room reservations be made as soon as possible. These should be made direct

(*Continued on page 14*)

### *National Board To Meet February 6-7-8*

President Steve C. Tate has called a meeting of the National Board for February 6, 7 and 8 in Washington. Detailed plans for the national convention will be completed at the Board meeting.

# *Legislative Developments in 1943 Summarized in Annual REA Report*

A summary of legislative developments affecting the co-ops during 1943 is contained in the annual REA report, as follows:

A significant development in 1943 was the appearance in some states of statewide power district laws, Alabama provided the framework for organization of a quasi-public corporation with authority to engage in the business of generating, transmitting and distributing electricity. The creation of a People's Power Commission was authorized in Nebraska. Both enactments provided for private financing through issuance of revenue bonds. . . .

Vermont became the 27th state to adopt legislation for the organization and operation of electric cooperatives patterned after the REA Model Act.

Missouri enacted a measure, urged by REA cooperatives, which extended the life of the cooperatives from 25 to 50 years.

South Dakota created in its Department of Agriculture a devision of cooperatives, which may prove helpful in the extension of rural electrification.

The Louisiana electorate in November, 1942, ratified a constitutional amendment granting to REA financed cooperatives complete tax exemption on transmission and distribution lines for a 25-year period.

The Wyoming legislature extended the present property tax exemption of REA cooperatives for a 6-year period. A 2 per cent gross revenue tax was substituted for all other property taxes in Oklahoma, and in Oregon a 2 per cent gross earnings tax was substituted for property taxes on transmission and distribution lines. The Utah legislature exempted REA cooperatives from the state sales tax, while the Washington legislature exempted cooperatives from the obligation to pay annual corporation license fees.

Applicability of the Georgia constitutional amendment of 1941 (which granted a 20-year tax exemption to rural electric cooperatives) to the property tax for that year was upheld by the Georgia Supreme Court.

In Iowa a suit by REA cooperatives to enjoin the State Tax Commission from assessing their properties on the same basis as public utilities was successful in the District Court.

In a suit against REA cooperatives in Illinois to collect property taxes, an Illinois county court upheld the contention of the cooperatives that assessments on their property had been excessive and reduced such assessments, ranking from $198 to $1,124 per mile, to $50 per mile.

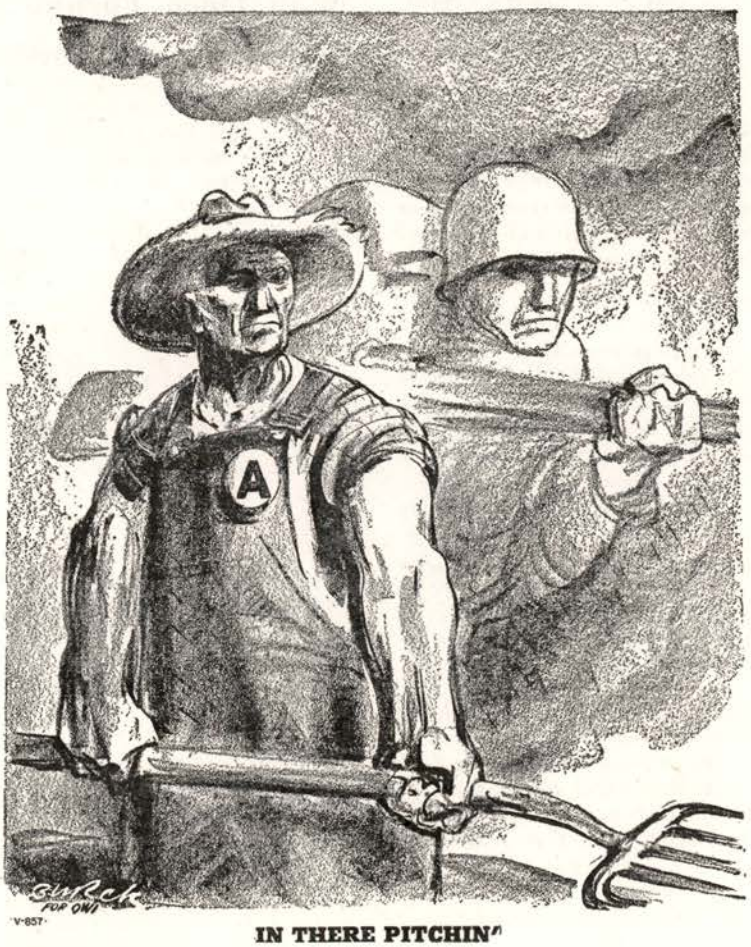
After an Oklahoma district court had sustained the constitutionality of a statute exempting electric cooperatives from the state sales tax, the State Tax Commission, which had attacked the validity of the provision, refunded to the cooperatives about $18,000 in taxes paid under protest.

In Kentucky, however, the Court of Appeals held that the provisions of the Kentucky Rural Electric Cooperative Act which purported to exempt REA cooperatives in that state from property taxes was invalid as in conflict with the State Constitution.

Hearings before administrative tax bodies during the last year again revolved principally around the assessment of property of REA cooperatives for tax purposes. Attempts to increase assessments on such property were widespread. In a significant number of states, however, tax commissions and local assessors have begun, or have continued, to apply formulas which take into account the fact that the cooperatives are operated on a nonprofit basis and that their property is located in sparsely settled areas of low consumer density. Thus, in Alabama, Arkansas, Indiana, Maryland, Ohio, Tennessee and Texas, cooperatives succeeded in obtaining substantial reductions or in thwarting proposed increases in whole or in part.

Other favorable administrative rulings included that of the Mississippi Tax Commission, which nullified an attorney general's opinion which had limited a statutory tax exemption to property directly used in the generation, transmission and distribution of energy and that of the Wisconsin attorney general which held the gross receipts tax inapplicable to out-of-state sales.

NEWS ITEM: In 1943 American farmers produced the most food in U.S. history.




**IN THERE PITCHIN'**

# Traditionally, A Policyholders' Company

## Employers Mutual Liability Insurance Co. of Wis.
## Employers Mutual Fire Insurance Co.
## Wausau, Wisconsin

By W. C. SAMPSON
Vice President and Sales Manager

Mr. Sampson

Employers Mutual was organized by, and from its inception has been operated for, its policyholders. It was this fact which, more than any other point, influenced the National Rural Electric Cooperative Association to endorse this company as its insurance carrier for the various lines which we are writing under the pooling arrangement now in effect.

A little history may be interesting. This company was organized by a group of employers to provide workmen's compensation insurance under the first constitutional workmen's compensation law enacted in the United States. Employers Mutual issued the first workmen's compensation insurance policy in the United States. That policy, incidentally, has been regularly renewed every year since (total saving $130,000). There were many stock companies in the field at the time, willing to write compensation insurance under the new law, but at their own rates—rates which seemed calculated to force employers to reject the new law and thus continue their employers' liability coverage; a move which would have defeated the purpose of the new compensation law. Thus, Employers Mutual was organized as a protest against high rates. It has been thus protesting ever since, and doing something about it, too, as a total of more than $40,000,000 saved for policyholders to date will attest.

### Protection and Service

The purpose of Employers Mutual is primarily to furnish complete insurance protection to policyholders; secondly, to provide the very highest type of service in connection with such protection; and, thirdly, to conduct the affairs of the organization so that such protection and service can be furnished at the lowest net cost consistent therewith.

Complete protection involves not only security as to the financial condition of the organization and the conservative management of its various affairs, but also the greatest of care in the proper writing of any policy for the individual policyholder. To this end representatives are trained to determine the requirements of the policyholder and frame coverage accordingly.

Service to the policyholder is essential in this company. Its scope extends far beyond the mere payment of just claims and includes promptness, accuracy, and the best interests of the policyholder in claim settlements, the prevention of accidents, improvement of loss experience, and the consequent reduction of rates and premiums. Complete protection cannot be provided without efficient service departments.

### Saving of Premium

Saving of premium is the direct result of the foregoing, and the millions of dollars which have been paid to policyholders in cash dividends, or saved for them through rate reductions, are ample proof of the material saving effected.

Employers Mutual pioneered in accident prevention service. A complete program of engineering service is maintained to assist policyholders in the reduction of rates through the prevention of accidents and occupational diseases. A staff of safety engineers makes complete surveys of all risks to determine desirability, to offer suggestions for the elimination of accidents and occupational disease hazards, and to assist in the maintenance of a practical safety program for each policyholder. Recommendations for the elimination of or protection against hazards are made only after a detailed study to find the most practical solution. No program of accident prevention is attempted without the policyholder's cooperation which is necessary to obtain worthwhile results.

### Staff of Specialists

The safety engineers are assisted by a staff of specialists in certain fields of safety work. Registered nurses provide help on first-aid problems, physical examination programs, dermatitis, and industrial health programs. An industrial hygiene laboratory is maintained under the direction of experts on dust, gas, fume and chemical hazards. Construction work receives the attention of engineers who specialize in that field. Safety education of employees is carried on by means of a complete safety film service, plant safety talks, safety poster service, safety publications, job training booklets, and other safety literature.

Accident prevention service covers the fields of public, automobile, and fire hazards as well as workmen's compensation. An automobile fleet service safety program is available to fleet policyholders. This includes inspection of equipment, education of drivers, and safe driving awards. Complete surveys are made of fire insurance risks, and suggestions for the elimination of fire hazards and the proper installation of fire protective equipment are made.

### Safety Program Results

What are the results? Fortunately, some very accurate results are available for workmen's compensation insurance from figures compiled by the New York Insurance Department from nationwide experience in 1942 of companies licensed in that state as follows:

| | *Per cent of Earned Premium Spent for Accident Prevention* | *Percent of Earned Premium Incurred in Losses* |
|---|---|---|
| Employers Mutual | 4.6% | 49.5% |
| All Mutuals (including Employers Mutual) | 2.6 | 56.5 |
| All Stock Companies | 2.1 | 59.7 |

These briefly are the reasons why NRECA and Employers Mutual were able to get together on a pooling arrangement for the conservation of the insurance premiums of NRECA members. The plan is working—will work better as more and more members cooperate in it—will work best when all members get in.

The purpose of insurance is the conservation of created wealth—not the creation of new wealth. Therefore, money saved in buying insurance increases the wealth available for creative purposes.

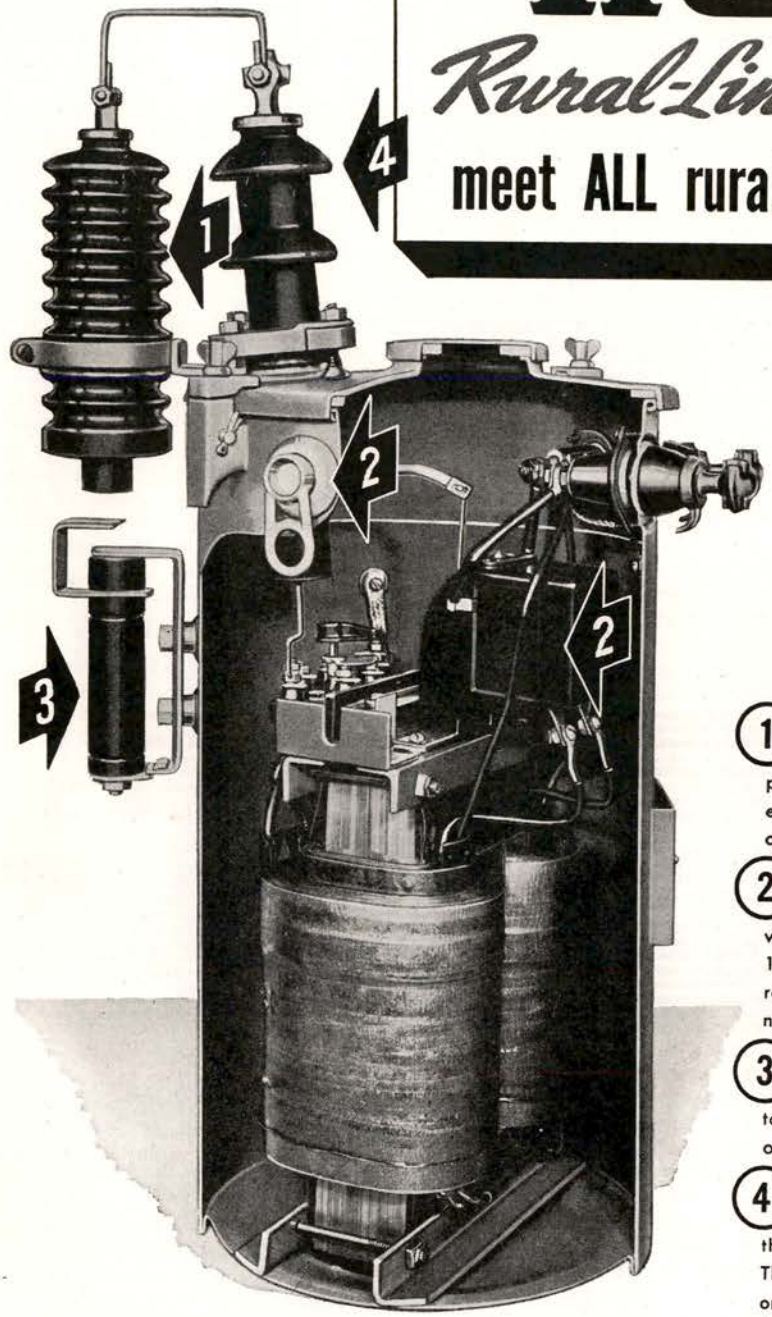
## Michigan Co-op Reports On Its Men in Service

"Between the Lines," the official publication of Top O' Michigan Rural Electric Co-op, Boyne City, Mich., lists the members' sons who are now in the armed forces and gives their mail addresses. Changes in rank and address also are given as they occur.

# Wagner

## *Rural-Line Transformers*

## meet ALL rural-service requirements




**The high standard of Wagner Rural-Line Transformers is the result of constant study, research, analysis of service reports on thousands of rural-line transformers in the field, and the use of only the highest-quality materials—plus exacting and exhaustive tests. One of the outstanding Wagner Rural-Line Transformers is the type HEBF-P with the following features to meet the requirements for surge and overload protection.**

(1) De-Ion Gap protects transformer against surges. It operates as follows: an arc passing through a slotted fiber tube produces a gas which de-ionizes the arc stream which aids in extinguishing the arc. The resulting gas escapes through an opening in the bottom of the gap.

(2) Secondary circuit-breaker protects transformer from secondary short-circuits and overloads. Circuit breaker and warning signal-light are furnished on 5-kva sizes and above. 1½ to 3-kva sizes are equipped with breaker only. Breaker reset handle is easily accessible. When furnished, warning signal-light is built into the reset handle.

(3) The De-Ion Gap is isolated from the ground series resistor by a gap. The external series resistor is furnished in order to limit the power-current which may flow after a surge has occurred.

(4) A protective fuse-link is provided inside the high-voltage bushing. Its function is to disconnect the transformer from the high line in case of a short-circuit in the transformer winding. The fuse is coordinated with the low-voltage circuit breaker and only blows in case the transformer windings are damaged.

## *SEND FOR BULLETIN TU-1C TODAY!*


The complete line of Wagner Rural-Line Transformers include types HEBF, HEBF-EP, and HEBF-P. All are illustrated and described in Bulletin TU-1C. Write for your copy today.

## WAGNER MOTORS

Wagner motors are standard equipment on many electrically-driven farm tools, machines, and household appliances. Bulletins MU-182 and MU-183 will be sent upon request.

T43-9

## Wagner Electric Corporation

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ELECTRICAL AND AUTOMOTIVE PRODUCTS

# Department of Interior Projects Produce Nearly Fifteen Billion KWH of Electricity

The major portion of power from Department of Interior projects is sold wholesale to war industries and military and naval establishments and to public and private distributing agencies. It is estimated that generators in the power plants of the Department produced and the agencies of the Department disposed of approximately 14,900,000,000 kilowatt hours of electrical energy in 1943, an increase of nearly 300 percent over 1940. This information is contained in the annual report of the Division of Power, Department of the Interior, and submitted to the Secretary of Interior by Arthur E. (Tex) Goldschmidt, Acting Director of the Power Division.

The most significant increases during the past year have been at Grand Coulee, where four 108,000 and two 75,000 kilowatt generators are now in service, and two more 108,000 kilowatt units are scheduled for operation shortly. The Green Mountain plant of the Bureau of Reclamation, first of the plants of the Colorado-Big Thompson project, also began operations with a capacity of over 20,000 kilowatts. The Parker Dam project on the Colorado River in Arizona and California with an installation of 120,000 kilowatts reached full production early in 1943. At the end of the fiscal year final tests were being completed at the Fort Peck Project, a United States Engineers' project on the Missouri River in Montana for which the Department has by Act of Congress been given the responsibility of marketing the power.

During the year an agreement was effected by the Bureau of Reclamation and the Indian Service to pool power on the Parker Dam transmission system in Arizona, utilizing power generated from the San Carlos project of the Indian Service and by several private utilities in the area, in order to guarantee adequate power for the magnesium plant in Las Vegas and other war loads in the area.

During the past year the Division has reviewed 90 contracts for the sale of power from the many projects of the Department to consumers or distributing agencies, public and private. Approximately one-half of these contracts involved the sale of power to war industries and naval and military establishments. In addition to the review of contracts, the Power Division has participated in the negotiation of several of the larger war contracts of both the Bureau of Reclamation and the Bonneville Power Administration.

Four major problems were active in the Division at the end of the year. Careful study was being given to the report of the Bureau of Reclamation upon the proposed Canyon Ferry irrigation and power project for the upper Missouri River near Helena, Montana. The reports and recommendations of the representatives of the Department engaged in working out the allocation of costs of the Grand Coulee Dam project between power, irrigation and other uses were almost ready for submission to the Commissioner of Reclamation, the Administrator of the Bonneville Power Administration and the Director of the Division in order to provide the Secretary with a basis for determining the final cost allocation. Members of the staff of the Division were also working with the Bureau of Reclamation on plans for the disposition of power from the Ft. Peck project in Montana and in North Dakota where the power can serve the Nation at war by replacing gas fuel and permitting increased irrigation for food production. Study was being given to the administrative and legal relationship between the Department and the Salt River Valley Water Users' Association in Arizona in cooperation with that Association.

## *Bonneville Forms Northwest Power Pool To Meet Huge Demands Of War Industry*

The keystone of war production in the Pacific Northwest was the Bonneville Power Administration which in the face of mounting material shortages and curtailment of construction was able to more than double its power deliveries to war industry during the past year. With this introduction the 1943 annual report of Bonneville Power Administration goes on to show that in addition to the tremendous volume of power delivered directly into war industry over the federal transmission system, the Bonneville Administration pumped nearly 1,000,000,000 kilowatt hours into the systems of 10 other major Northwest utilities, thus enabling them to meet their own war commitments. The development of the Northwest power pool in cooperation with these 10 utilities was the principal emergency operations measure undertaken by Bonneville during the year.

Much skepticism existed when the Bonneville-Grand Coulee projects in the State of Washington were first put under construction 10 years ago, but in the light of accomplishments since then, particularly in their contribution to the war program, there is wide agreement with the statement of Frank J. Taylor of the *Saturday Evening Post*, who said: "The $300,000,000 investment by the people of the United States in the Bonneville-Grand Coulee projects during the last 10 years has proven as gilt edged as any war bond, cheap at any price."

The Bonneville report shows that during 1943 its power flowed into Northwest war plants with a capacity sufficient to produce in one year: enough calcium carbine to make approximately 30,000,000 cubic feet of acetylene, sufficient to build 200 Liberty ships; enough ferrosilicon to deoxidize 2,500,000 tons of steel, sufficient for 150,000 medium tanks; enough additional ferrosilicon to produce 48,000,000 lbs. of magnesium metal, sufficient for 10,000,000 incendiary bombs; enough ferrochrome to produce 300,000 tons of armor plate, sufficient to protect 30,000 heavy tanks, and motive power and electric heat for the production of 208 ships.

Only through availability of power produced at Bonneville and Grand Coulee dams was it possible, the report shows, for Northwest plants to produce ferro-alloys for the armoring of thousands of tanks, aluminum for a myriad of airplanes, motive power and electric heat for the high speed production of merchant and naval vessels and for the manufacture of many other weapons.

Looking to the post war period the report shows the Bonneville Power Administration is prepared on demobilization day to call for bids on $26,000,000 worth of projects. This backlog represents about 45,000 man-months of labor and the expenditure of at least $15,000,000 for equipment and materials. The money for these projects was appropriated by the Congress prior to and during the early

(*Continued on page 9*)

## Coordinator in New Mexico Is Manager Of Co-op at Clovis

Oliver Kimbrough

Oliver Kimbrough, the National Association's Coordinator for New Mexico, claims to have "grown up" with his co-op, the Farmers Electric Cooperative at Clovis, of which he is now manager. The co-op was organized six years ago and now has more than 600 connected consumers.

Mr. Kimbrough is a native of Texas but moved to New Mexico 19 years ago, devoting his full time to farming until the co-op was formed. During World War I, he was a "mule-skinner" with the 142nd Infantry, 36th Division. His friends report he has long since discarded the renowned "mule-skinner" vocabulary.

## Steering Committee Is Named for Illinois Statewide Association

To serve as a Steering Committee for the Association of Illinois Electric Cooperatives and assist the statewide officers in coordinating the activities of Illinois REA co-ops, State President G. Wayne Welsh has appointed the following members: Everett Read, President of Jo-Carroll Electric Co-op at Elizabeth; A. C. Barnes of M.J.M. Electric Co-op at Carlinville; B. H. Tuttle of Tri-County Electric Co-op at Mt. Vernon and F. A. Tannahill of Wayne-White Electric Co-op at Fairfield.

Appointment of the committee was authorized at the last meeting of the Illinois Association officers.

## Congressman Frank Carlson Places Kansas Co-op News Letter in Record

Congressman Frank Carlson (Kans.) inserted in *The Congressional Record* January 3 a news letter issued by Jewell-Mitchell Cooperative of Ionia, Kansas, telling how electricity is serving a number of the co-op members. (Part of the data was published in our January Bulletin, page 12.)

# 1,500,000 lbs. Copper Distributed By War Food Administration For Agricultural Use in First Quarter

Out of an allotment of 1,500,000 lbs. of copper for agriculture during the first three months of 1944, War Food Administration has made the following distribution by states:

*North Central Division*—Illinois, 85,000 lbs.; Indiana, 105,000; Iowa, 160,000; Michigan, 50,000; Minnesota, 180,000; Missouri, 50,000; Nebraska, 90,000; Ohio, 80,000; South Dakota, 15,000 and Wisconsin, 160,000.

*Northeast Division* — Connecticut, 4,000 lbs.; Maine, 4,000; Massachusetts, 4,000; New Hampshire, 3,000; New Jersey, 5,000; New York, 90,000; Pennsylvania, 63,000; Rhode Island, 500 and Vermont, 10,000.

*Western Division*—Arizona, 1,000 lbs.; California, 20,000; Colorado, 20,000; Idaho, 8,000; Kansas, 30,000; Montana, 8,000; Nevada, 3,000; New Mexico, 3,000; North Dakota, 18,000; Oregon, 14,000; Utah, 2,000; Washington, 16,000 and Wyoming, 4,000.

*Southern Division*—Alabama, 3,000 lbs.; Arkansas, 7,000; Florida, 3,000; Georgia, 7,000; Louisiana, 3,000; Mississippi, 5,000; Oklahoma, 30,000; South Carolina, 2,000 and Texas, 50,000.

*East Central Division*—Delaware, 6,500 lbs.; Kentucky, 20,000; Maryland, 13,000; North Carolina, 11,000; Tennessee, 12,000; Virginia, 17,000 and West Virginia, 5,000.

State committees will make allotments to their county committees and they in turn will arrange for issuance of certificates.

### Basis of Certificates

*Purposes for which certificates may be issued.* The amount released to any one farm must be limited to the minimum that will take care of the most essential needs for the duration. The maximum amount which may be issued to a farm follows:

1. New Users. After a power line connection has been approved, each farm can be permitted the following amount of copper up to a maximum of 75 lbs. for all uses on any one farm:
   a. For the farmstead (including the dwelling) ... 50 lbs.
   b. For each animal unit in excess of 7 ... 5 lbs.
   c. For each unwired farm labor house ... 15 lbs.
2. Old Users. Where extensions are requested on farms already served with electricity, no additional farmstead wiring should be approved unless the farm has productive capacity qualifications equivalent to those required for new power line connections to new users. Where the farm qualifies for a farmstead wiring connection, a certificate may be issued for the following amounts of copper up to a maximum of 50 lbs.:
   a. For each livestock unit the extension serves ... 5 lbs.
   b. The farm dwelling ... 15 lbs.
   c. Each farm labor house ... 15 lbs.

For example, a farm extension to serve one building housing 150 laying hens (2 animal units) could be permitted a maximum of 10 lbs. of copper in conductors.

## Tennessee Association Reelects All Officers At Annual Meeting

At the annual meeting January 11 in Nashville, the Tennessee Rural Electric Cooperative Association reelected Dr. K. T. Hutchinson of Murfreesboro, President; A. A. Maysilles of Manchester, Vice President; W. S. Bates of Decatur, Secretary-Treasurer; Robert F. Southern of Rogersville, M. C. Northington of Clarksville, Floyd Jones of Trenton and Rev. C. B. Betts of Atoka, Trustees.

Concerned especially with the outlook for post war rural electrification in Tennessee the group forecast tremendous growth in the state's production of dairy and other food products, both through power-produced fertilizer and through greater efficiency of farms equipped with electrical labor-saving devices.

Paul B. Dykes, Master of the Tennessee State Grange, was a guest speaker, pledging Grange cooperation in all REA projects. W. M. Landis, of the TVA agricultural relations division at Knoxville, brought the personal greetings of Dr. H. A. Morgan, Director of TVA, and Dr. W. E. Herring was official representative from the Rural Electrification Administration.

Avery C. Moore, Secretary-Treasurer of the National Association, was a guest of the meeting, taking the opportunity to confer with many of the Tennessee co-op leaders.

**Monthly Bulletin**

Published by

**NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION**

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Avery C. Moore, Editor
Stella B. LeRoux, Associate Editor

## Nebraska Power District Now "In the 400"

Madison County Rural Public Power District, Battle Creek, Nebraska, announces in its January Bulletin that it is now "in the 400", having over 400 connected consumers. We quote from the Bulletin:

". . . Last summer Albin Cerny, Elmer Buettner, Fred Thewke, Alfred Correll and S. D. Peterson made application for a U-1-c extension to bring electricity to their farms and the Peterson slaughter yards. To help the District get the job done, these men cut trees along the right-of-way and dug most of the pole holes and otherwise helped the construction crew build the two-mile extension.

"Most of the farmstead wiring was completed in advance of construction so that when the line was energized the farms were electrified. Four water systems are powered by electricity, the hens and milk cows are already responding with more eggs and milk and their owners are saving at least one hour a day in chore time."

# Letter To National Board:

**From J. C. Nichols, Director, Region 7.**

*(Editor's Note—We thought the subject of Mr. Nichols' letter to the Board would be of interest to all cooperatives and might guide them in the decisions to be made at the National Convention.)*

Here are my ideas as to what might be done to satisfy the various State groups in their relationships with the National. I agree with many of them that they should have direct representation on the Board.

I do not know exactly how each State representative should be designated. Possibly the name "Coordinator" or "State Director" would be satisfactory, in the latter case we would have both State and Regional Directors on the National Board. The Regional Directors would be the Executive Board.

There are some very strong state organizations and all of us agree that we should encourage their growth. The Regional Directors should be elected in their respective regions as at present. We do not recognize proxy voting at Region 7 meetings and this has resulted in our always having a good representation from most of the co-ops. Most of the regions are small enough to permit a very satisfactory attendance.

The cooperatives within a given State should get together and elect their State Director (or Coordinator) to the National. Each State has its own problems and there should be a very close working relationship with the State Director, the Regional Director and the National. The Regional Director should call his State Directors for meetings two or three times a year in addition to the required annual Regional Meeting. State Directors would be known as voting delegates at the National Convention. Voting delegates should be required to have proper credentials from each cooperative that they represent. The exact number of co-ops for whom they are voting must be clearly established. Most co-ops will want to have their own accredited delegate.

I think that five Regional Directors should be elected for a one-year term, and five for a two-year term. This could be determined by lot, possibly the directors from the odd numbered regions being given a two-year term and those from the even numbers a one-year term; or vice versa. In succeeding years all directors would be elected for a two-year term. By this provision there would be five directors holding over at each annual election as the nucleus for the new Board.

I find in going around the country that the co-ops are not sufficiently informed of the things we are trying to do for them in Washington. This is true despite the information contained in the Bulletin. Close contact with State Directors would enable us to keep the co-ops within a given State fully advised as to matters pertaining to that State.

I suggest that you contact the various State groups within your region about this matter so that all members will be fully informed at the time of the National Convention in March.

## Vice President Stoneman Scheduled To Address Three Illinois Meetings

E. J. Stoneman, Vice President of the National Association and President of the Dairyland, Wis., Electric Cooperative, is scheduled to address the annual meetings of three Illinois co-ops this month. The Illinois REA News announces Mr. Stoneman as speaker at the annual meeting of Corn Belt Electric Co-op, Bloomington, Feb. 23; Adams Electric Co-op, Camp Point, Feb. 24, and Menard Electric Co-op, Petersburg, Feb. 26.

BACK THE ATTACK
*Buy*
War Bonds

## Great Britain Debates National Power Policy

Debate over a national electric power policy is now going on actively in Great Britain, according to a recent report in the New York *Journal of Commerce*. Two conflicting programs have been advanced, it is stated, for the reorganization of the electric power industry in that country and a choice will probably be made soon. One proposal is to set up regional public boards to take over control of electric power facilities within each area along lines comparable to TVA, and the second plan is to merge smaller units.

# Production Increased but Less Manpower Used, Here Is Record of Six Prize Winning Families In Three States

## REA Awards Given Members of Co-ops In Three States

Six REA co-op families have received in recent weeks the REA Food Production award, a handsome plaque bearing the inscription "For Distinguished War Service In The Production Of The Nation's Food Through The Use Of Rural Electric Power".

### Harvey E. Croft

Four of the recipients are members of Grant Electric Cooperative, Lancaster, Wisconsin. Of this group, Harvey E. Croft, Lancaster, operates a 175-acre dairy farm, selling cream and engaged in general farming. A milking machine and pig brooder have been added to the farm equipment because of war food needs. The number of milk cows was increased during the last year and 20 pigs have been added, also there is a 20% increase in acreage under production so less feed will be bought in 1944. An increase of 10% has been made in production of feed crops because of time saved through greater application of electrical aids. The family has a good garden and canned a large supply of vegetables and is investing money regularly in war bonds.

### J. C. Russell

J. C. Russell, Platteville, Wis., has a 160-acre dairy farm and added poultry lights, chick brooder, poultry water heaters, two water pumps, refrigerator, fanning mill, work shop, corn sheller, lights in hog house as well as in corn-crib granary and machine shed, as a result of war food needs. Increased production is shown to be 26,000 eggs, 100 chickens, 50 hogs, double garden acreage. Raised two and one-half times as much garden produce by using crop rotation and treated seed potatoes. A total of 400 quarts of foodstuffs was canned. The amount of production maintained with less labor—100 hogs for market, milking 15 cows, 7 milk cows for market, 15 tons of seed oats and 15 tons of hay for market, 914 dozen eggs for hatchery, 1,340 dozen eggs for market and 100 capons for market. The family has one son in Hawaii and another son, just graduated from high school, is taking the hired man's place. He works in cheese factory on rainy days and puts this money into bonds. Time saved by use of electric refrigerator made it possible for Mrs. Russell to do all the gardening and poultry raising.

### Charles Finn

Charles Finn, Bridgeport, Wis., added 35 acres to his 193-acre farm last year, stepping up production of both corn and oats. At present 22 cows are being milked, four more than in the past, and since 1940 the butterfat output has grown from 4,100 lbs. to 7,500 lbs. It is believed the electric water system and drinking cups in the barn pay for themselves in a year through increased production and that the milking machine releases one man for at least 2½ hours a day.

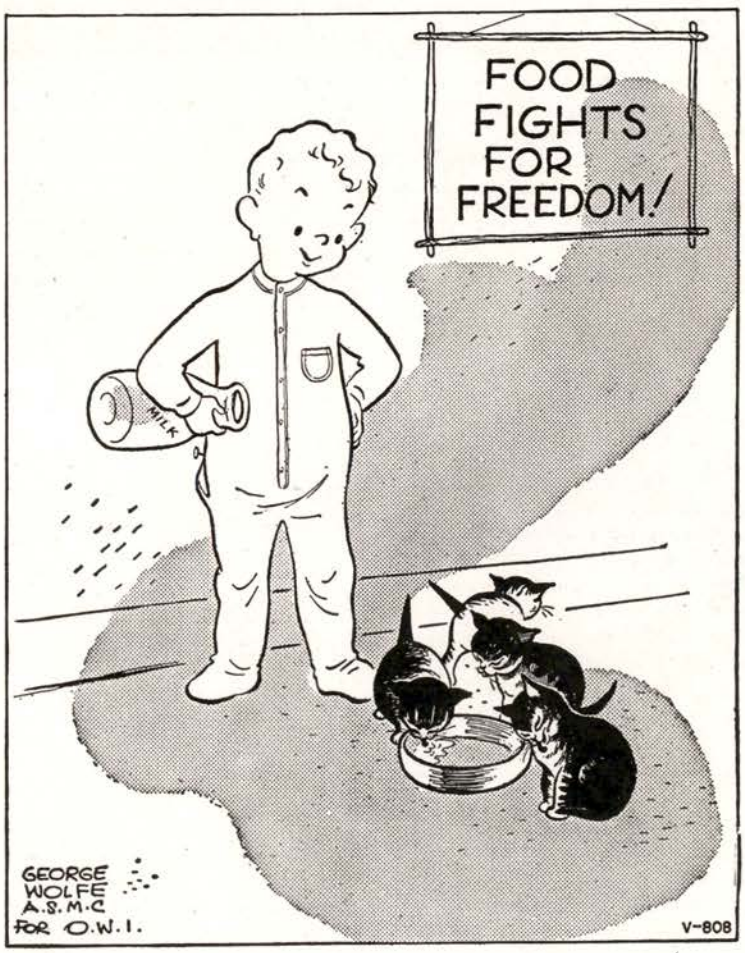
### Fred Rector

Fred Rector, Stitzer, Wis., has a 248-acre farm and has been able to increase his corn and oats acreage largely because more time was spent in the field with chores done under electric lights in the barn in the evening. The Rectors milk 50 cows. They have stepped up the production of pigs for market from 200 to between 400 and 500 and have increased their laying flock to 450 birds from about 200. The use of an electric water pump, cream separator and milker enables the family to spend more time soliciting for bond drives, Red Cross and other wartime campaigns, beside working for the county AAA.

### John Larson

The John Larson family, members of the Steele-Waseca Electric Cooperative, Owatonna, Minnesota, received

(*Continued on page 11*)




CHARTER MEMBERS OF THE "CLEAN YOUR PLATE CLUB."

# *William J. Neal Presents Awards To 4-H Club Winners; Frank Watts Tells How "Reddy Kilowatt" Serves Farm*

"Would you carry the 37 tons of water used each year in the average farm home, for 30 cents?"

"Would you milk 20 cows twice a day, for 10 cents?"

These were the challenging questions used by Frank Watts, of *Farm Journal*, in addressing the state winners of the Westinghouse 4-H Club rural electrification contest, guests of honor at the 22nd National 4-H Club Congress in Chicago. William J. Neal, Deputy Administrator, Rural Electrification Administration, presented the awards.

Mr. Watts told his audience that as a result of rural electrification the cost of delivering 37 tons of water each year to the average farm home is approximately 30 cents and that 20 cows are being milked twice a day for about 10 cents. Using the term "Reddy Kilowatt" to personify electric power on the farm, Mr. Watts said:

"These are typical wages Reddy Kilowatt charges for his work. His savings in labor will pay for the cost of an electric water system in approximately six months. A milking machine with 10 cows to milk will pay for itself in two years with labor at 20 cents an hour—much less time at present wages.

**Electricity and Agriculture**

"In application of power to agriculture I believe electricity is destined to play the leading part. Fortunate indeed is the farm when electric service is installed. The little Reddy Kilowatt immediately becomes a willing servant when he starts to work for you. He knows no hours and is ready for any job at the flick of a switch. He preserves your food, he cooks your meals better with less waste and keeps the kitchen cool. He heats water, washes and irons clothes, cleans the house, washes the dishes, makes coffee and toast, and does a hundred other things with less labor and no complaints. Not only does he perform all these tasks but he brings you the latest news and entertainment. Soon you will be able not only to hear but to see ball games, theatrical plays, operas, and many other events as they occur. But for all that our Reddy Kilowatt does, he is continually charging you less money. Since the war began nearly everything we buy has gone up in price as we well know. Not so with Reddy Kilowatt—his cost has been reduced by ten per cent in this same period. There is another thing you should understand about him, the more of his brothers you use, the less they will cost. In fact, they become the cheapest help employed on a farm.

"It is not in labor saving alone that electricity pays such big dividends but in increased production as a resulting by-product. For instance, it has been definitely proved that milk production is increased from 10 to 25% by the installation of an electric water system. There is also a substantial increase in butter fat. It is also proved that by automatic water warming, lighting, the use of ultra-violet and sterile lamps, hens lay more eggs, are healthier, and chick losses are greatly reduced."

## *Rock County Co-op Serves Wisconsin Farms Totaling 161,000 Acres*

A recent survey by the Rock County Electric Cooperative Association, Janesville, Wis., shows electricity is being provided by the co-op for 1,374 rural families residing on farms having a total of 161,000 acres. On this acreage are now raised 16,700 milk cows whose total milk production in 1943 exceeded 103,000,000 pounds of milk.

Electric power is provided to operate more than 800 milking machines, 900 motors, 104 electric ranges and refrigeration totaling nearly 9,000 cubic feet.

In addition to the fine milk production, these Rock County farms market beef, veal, pork, mutton, poultry and eggs. Indirect food stuffs produced include corn, wheat, oats, rye, barley, soy beans and peas. More than 4,000 acres of hemp was raised the past year in the southern part of the co-op's territory and the center of the nation's tobacco industry is located in the northern section, according to Manager C. H. Foster.

## Cooperates With WPB

Jewell-Mitchell Cooperative Electric Co., Ionia, Kansas, devoted a full page of its December Bulletin to a questionnaire on the members' electrical equipment requirements in 1944. The information was compiled at the request of WPB and is another evidence that the co-ops really cooperate.

## Michigan Coordinator Has Served 25 Years In Electrical Field

Harold S. Lees

Harold S. Lees, Coordinator for NRECA in Michigan, has managed and operated electric light properties for 25 years. Since 1940 he has been manager of Top O' Michigan Rural Electric Company, Boyne City, and says "I have never been so engrossed with my work as I have been since joining the ranks of the REA." Top O' Michigan now has close to 2500 connected consumers and has plans under way for an extensive post war program.

Mr. Lees has been a member of the AIEE since 1927, at which time he owned and operated the Wheaton, Minn., Electric Light Company. He is serving his third term as State Chairman of the Safety and Job Training Committee and also is serving his third term as a member of the Charlevoix County USDA War Board.

## Bonneville Power Pool Formed to Meet War Industry Demands

(*Continued from Page 5*)

months of the war, being held in reserve for continuance of the agency's peacetime program.

Dr. Paul J. Raver, Bonneville Power Administrator, has proven a staunch friend of rural electrification and works in close cooperation with the Public Utility Districts and REA cooperatives of the Northwest. He was guest speaker at the annual meeting of Region 9 in Lewiston, Idaho, Nov. 15. (See December Bulletin, Page 14.)

## Schedules Annual Meeting

Tipmont Rural Electric Membership Corporation, Linden, Ind., has scheduled its annual meeting for Monday, Feb. 21, in the Linden school auditorium. Announcement of the date and place of the meeting was made by President Jesse P. Graves in the December issue of "Tips of the Month".

# World Making Progress Toward Electric Age, Rankin Points Out in Hydro-Electric Survey

In support of his statement that the world is progressing toward the electric age and showing the development of hydro power on every continent, Congressman John E. Rankin (Miss.) in a recent Extension of Remarks in *The Congressional Record* summarized conditions in Europe, Africa and Asia and told in considerable detail of South America's plans for the future. On the basis of Government reports and scientific publications he showed the potential hydro supply of the world totals about 775,000,000 horsepower, distributed by continents as follows: Africa, 40.5%; Asia, 22.5%; Europe, 11%; North America, 11.5%; South America, 11.4% and Oceania, 3.1%. Of this potential power, Mr. Rankin points out only about 9% has been developed and utilized up to 1942 and that two-thirds of the developed power has been constructed since the end of the First World War.

We quote excerpts from the article:

"The great strides made in the last 20 years indicate how the world is progressing toward the electric age, toward the light metal, power economy, which is the foundation of modern air power. This progress was taking place before the symptoms were generally recognized in this country. Two-thirds of the world's presently installed hydroelectric capacity is located in seven countries, with the United States leading with 18,000,000 installed horsepower. Canada ranks second with an installed capacity of 9,300,000 horsepower. In round numbers this country has only developed about four-tenths of its first-class potential water power.

### African Hydro-Power

"Although 40 percent of the world's potential hydro-electric power is found in Africa, this large amount is concentrated in a comparatively small and inaccessible area. Three-quarters of Africa's potential power is located in the Belgian and French Congos and the French Cameroons. This is to be expected from the largeness of the central African plateau and its proximity to the Equator, with high precipitation rates. The Congo River is said to have the greatest amount of potential power of any stream in the world.

### Europe and Asia

"The heavy industrial European countries, like Great Britain, France, Sweden, Switzerland, and Germany have developed hydro power up to the potential limit. The only large fields for further European hydro development exist in Russia, Norway, Finland, and Spain.

"Asiatic power, which comprises 22 percent of the world's potential supply is found principally in Russia, the Chinese Republic, India, and Ceylon. Nearly half of the Asiatic power is located in Russian territory. China with extensive areas has small amounts of potential power. Its total potential power is only two-thirds of the amount existing in this country. India's potential power is about the same as that in this country.

"From such a quick survey of world potentialities it is evident that the next field of development, outside of Russia, will take place in South America.

### Depends on Power

"Modern civilization depends on power. The advance of civilization from slavery to comparative comfort can be gaged by the advance of mechanical and electrical inventions. England did not become a first-class power until Watt's invention of the steam engines. England's greatest strides occurred in the first half of the nineteenth century, when her industrial framework changed from manual to mechanical operation.

"Lloyd George, while he guided the destiny of the British Empire, over 20 years ago, sensed what was coming, and as a result, recommended the complete revamping of English industry. Russia came to the same conclusion a few years earlier and Japan started her industrial reorganization 3 years after the Lloyd George report.

### Controls Living Scale

"Lloyd George, in his report, pointed out at the end of World War No. 1, the United States was utilizing two and a half times England's per capita ration of power, and that the actual wages of American workers had this same relation to English wages. In concluding his report, Lloyd George pointed out that the greater the amount of power made available to a workman, greater will be his output, higher the pay level, and lower the cost and market price of his product. That was my contention when striving for the creation of the T. V. A. and the development of rural electrification.

### South American Power

"With one-seventh of the world's land area, South America has about one-tenth of the world's potential power. This continent has 87,000,000 potential horsepower and a population of 90,000,000 people. Less than 2 percent of the South American power is developed. Its potential power per 1,000 population is three times as great as this country. One-half of the South American power is located in Brazil.

"Because of the continuous rainfall resulting from close proximity to the equator and very favorable power sites, with ample low-cost storage and high falls, South America is in a position to produce large amounts of exceptionally low-cost power. The cheapest potential power in the world exists in South America.

### Developments

"Most of the South American countries have only limited commercial coal deposits and in the past have depended on British and American coal importations. War shipping restrictions have caused fuel shortages. These conditions have caused the Latin-American countries to prepare long-range plans for large hydro developments. These countries are now being assisted by our Inter-American Development Commission and the Coordinator of Inter-American Affairs.

### Chile

"The largest attempted project on the South American continent is that proposed for the complete electrification of Chile. This proposal calls for an ultimate expenditure of around $100,000,000.

"The project contemplates harnessing the west-slope rivers for the entire 2,600-mile length of Chilean territory. This work will be developed by stages and the financial set-up of the first step calls for a capitalization of 500,000,000 Chilean pesos, which is equivalent to about $20,000,000 in our currency.

### Uruguay

"The *Foreign Commerce Weekly* of March 6, 1943, states that the Government of Uruguay has completed arrangements with the United States for the completion of the Rio Negro power projects.

### Brazil

"The immediate Brazilian plans include the harnessing of the San Fran-

(*Continued on page 12*)

# REA Awards Given Members of Co-ops In Three States

(*Continued from page 8*)

the REA award at a banquet program in Owatonna. The family has two boys in the service and the third son, Stanley, is a victim of infantile paralysis. With the help of a hired man, however, they operate a 320-acre farm, handle a dairy herd of from 25 to 30 cows, keep 500 hens and feed from 10 to 15 head of cattle. Last year they increased their brood sows to 13, raising two litters to the sow. The family has running water in the house and barn, lights in the yard and buildings and an electric tank heater as well as various household appliances. The milker enables Stanley to perform the milking job. More than 50 tires on the farm machinery are kept inflated by a portable air compressor operated by an electric motor. The compressor also operates a pressure grease gun. A motor also is used to power an elevator in emptying and filling the bins in the 10,000 bushel granary.

### Harry King

The Harry King family of Fairfax, Vermont, receiving electric service from Vermont Electric Cooperative, Johnston, won the award in that state. The King dairy herd has been increased from 30 cows to 75, of which about 55 are milked. An electric milker, electric cooler and dairy water heater have been installed.

Although production is down because of cold weather, Mr. King obtained 1,050 pounds of milk recently in a single day. On a yearly basis, production at this rate would amount to more than 190 tons. The milk is pasteurized at a neighborhood creamery and shipped to the Boston market.

An electric water system supplies automatic stanchion cups for the dairy herd and fills household needs. The usual home appliances speed housework.

Mr. and Mrs. King, Rita and a son deferred for agricultural work, operate the farm without hired help. As an additional productive activity, Mr. King tapped 3,500 sugar trees last spring and obtained 1,210 gallons of high grade maple syrup.

The 400-acre farm, of which 280 acres are mountain and pasture land, with the remainder producing hay, corn and oats for the Guernseys, has been in the King family for more than 100 years.

# MEMBERSHIP

| *State* | *No. Co-ops* | *Co-op Members* | *Consumer Members* |
|---|---|---|---|
| REGION I | | | |
| Maine | 4 | .. | ..... |
| Vermont | 3 | 2 | 2,363 |
| New Hampshire | 1 | 1 | 2,620 |
| New York | 6 | 6 | 6 |
| New Jersey | 2 | 2 | 1,372 |
| Pennsylvania | 13 | 10 | 24,358 |
| Delaware | 1 | .. | ..... |
| Maryland | 2 | 1 | 1,477 |
| Virginia | 16 | 16 | 22,749 |
| North Carolina | 28 | 26 | 26,506 |
| Totals | 76 | 64 | 81,451 |
| REGION II | | | |
| South Carolina | 24 | 14 | 21,000 |
| Georgia | 43 | 32 | 45,686 |
| Florida | 13 | 5 | 3,152 |
| Totals | 80 | 51 | 69,838 |
| REGION III | | | |
| Kentucky | 25 | 20 | 32,659 |
| Tennessee | 21 | 3 | 8,577 |
| Mississippi | 25 | 13 | 27,244 |
| Alabama | 20 | 11 | 16,978 |
| Totals | 91 | 47 | 85,458 |
| REGION IV | | | |
| Michigan | 13 | 2 | 4,800 |
| Indiana | 43 | 29 | 44,803 |
| Ohio | 28 | 20 | 38,412 |
| West Virginia | 2 | 1 | 982 |
| Totals | 86 | 52 | 88,997 |
| REGION V | | | |
| Wisconsin | 31 | 26 | 28,142 |
| Iowa | 51 | 29 | 29,542 |
| Illinois | 28 | 20 | 37,317 |
| Totals | 110 | 75 | 95,001 |
| REGION VI | | | |
| North Dakota | 8 | 8 | 4,453 |
| South Dakota | 10 | 6 | 3,449 |
| Minnesota | 51 | 36 | 35,418 |
| Totals | 69 | 50 | 43,320 |
| REGION VII | | | |
| Wyoming | 11 | 6 | 2,663 |
| Nebraska | 20 | 20 | 17,422 |
| Colorado | 18 | 16 | 11,217 |
| Kansas | 25 | 18 | 14,027 |
| Totals | 74 | 60 | 45,329 |
| REGION VIII | | | |
| Oklahoma | 24 | 17 | 16,013 |
| Missouri | 36 | 34 | 35,476 |
| Arkansas | 18 | 14 | 18,579 |
| Louisiana | 13 | 10 | 13,055 |
| Totals | 91 | 75 | 83,123 |
| REGION IX | | | |
| Washington | 19 | 11 | 8,073 |
| Montana | 14 | 7 | 4,280 |
| Idaho | 9 | 8 | 5,225 |
| Oregon | 12 | 8 | 3,762 |
| Nevada | 2 | .. | ..... |
| Utah | 3 | 1 | 890 |
| Totals | 59 | 35 | 22,230 |
| REGION X | | | |
| California | 4 | .. | ..... |
| Arizona | 2 | 1 | 626 |
| New Mexico | 5 | 3 | 1,583 |
| Texas | 73 | 53 | 51,910 |
| Totals | 84 | 57 | 54,119 |
| Grand Totals | 820 | 566 | 668,866 |

# Senate Votes to Require Filing of Returns

## Clark Amendment To Kill Section Calling For Income Returns Defeated 43 to 34

By a vote of 43 to 34 the Senate on Jan. 18 defeated the amendment of Senator Bennett Champ Clark (Mo.) to kill Sec. 112 of the Revenue Bill which requires cooperatives and other organizations heretofore exempt from taxation, to file income tax returns. Here is the record of the vote:

AYES (in support of the amendment to strike out Sec. 112):

| | |
|---|---|
| Aiken (Vt.) | McFarland (Ariz.) |
| Barkley (Ky.) | McKellar (Tenn.) |
| Bone (Wash.) | Mead (N.Y.) |
| Clark (Mo.) | Murdock (Utah) |
| Danaher (Conn.) | Murray (Mont.) |
| Downey (Calif.) | Nye (N.D.) |
| Ellender (La.) | Shipstead (Minn.) |
| Gerry (R.I.) | Taft (Ohio) |
| Green (R.I.) | Thomas (Okla.) |
| Guffy (Pa.) | Thomas (Utah) |
| Hayden (Ariz.) | Tobey (N.H.) |
| Hill (Ala.) | Truman (Mo.) |
| Johnson (Col.) | Tunnell (Del.) |
| Kilgore (West Va.) | Wagner (N.Y.) |
| La Follette (Wis.) | Wallgren (Wash.) |
| Langer (N.D.) | Walsh (Mass.) |
| McCarran (Nev.) | Wheeler (Mont.) |

NAYS (against the amendment and in support of the provision requiring the filing of income returns by the co-ops):

| | |
|---|---|
| Andrews (Fla.) | McClellan (Ark.) |
| Austin (Vt.) | Maloney (Conn.) |
| Bailey (N.C.) | Maybank (S.C.) |
| Ball (Minn.) | Millikin (Col.) |
| Bilbo (Miss.) | Moore (Okla.) |
| Brewster (Maine) | O'Daniel (Texas) |
| Buck (Del.) | Overton (La.) |
| Burton (Ohio) | Radcliffe (Md.) |
| Bushfield (S.D.) | Reed (Kans.) |
| Butler (Nebr.) | Revercomb (West Va.) |
| Byrd (Va.) | Reynolds (N.C.) |
| Capper (Kans.) | Robertson (Wyo.) |
| Caraway (Ark.) | Russell (Ga.) |
| Chavez (N.M.) | Stewart (Tenn.) |
| Connally (Texas) | Tydings (Md.) |
| Eastland (Miss.) | Vandenburg (Mich.) |
| Ferguson (Mich.) | Van Nuys (Ind.) |
| George (Ga.) | Walsh (N.J.) |
| Gillette (Iowa) | White (Maine) |
| Gurney (S.D.) | Wiley (Wis.) |
| Holman (Ore.) | Willis (Ind.) |
| Lodge (Mass.) | |

Among the announcements as to pairs and with reference to Senators necessarily absent, it was stated Senator Davis (Pa.) would have voted "yea"; Senator Wherry (Nebr.) "nay"; Senator Bankhead (Ala.) "yea"; Senator Smith (S.C.) "nay"; Senator Lucas (Ill.) "yea"; Senator Hawkes (N.J.) "nay"; Senator Pepper (Fla.) "yea"; Senator Wilson (Iowa) "nay".

Senator Clark, in a statement in support of his amendment, said:

**". . . It seems inconceivable to me that the Congress would be willing seriously to consider a proposal for taxing the income of farm cooperatives, which are mere agencies for trying to apply the principle of collective bargaining to the farmer, both as to his purchases and as to his sales, and which are sufficient in extent only to be a brake on the extortions of some of the corporations which had been in the habit in previous times of preying upon the farmers of the United States. The cooperatives have no profits which are kept for the organizations themselves, because the profits are all immediately distributed to the members of the cooperatives, and are taxable as personal income of the members."**

Senator Aiken (Vt.) stated:

**". . . So far I do not know of any farm cooperative or farm organization that is for Sec. 112. I shall support the motion of the Senator from Missouri."**

Senator La Follette (Wis.) spoke in support of the amendment:

**". . . In one fell swoop, with certain exceptions, it (the provision) wipes out the exempt organizations which have been built up over the years under Sec. 101 of the Internal Revenue Code. So far as I know, as a member of the Committee on Finance, it is done without any statistical or detailed information being presented to justify it . . ."**

Senator Barkley (Ky.) commented:

**"I do not favor the section which is now in the bill . . . I intend to vote to strike out the section . . . I do not believe any good purpose would be served by requiring all these organizations in the 18 categories, with the three exceptions, to file returns with the Commissioner of Internal Revenue, to be held by him in secret unless some committee of Congress should ask him for them as information in connection with some future tax bill."**

Senator Vandenberg (Mich.) proposed an amendment to restrict to the current year the requirement for informational returns, but it was defeated by a vote of 50 to 27.

Much of the debate on the Senate floor pertained to labor organizations, they, too, being included in the scope of Sec. 112 and required by it to file returns.

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The following day, Jan. 19, Senator Aiken (Vt.) offered an amendment exempting farm cooperatives from the necessity of filing returns to the Collector of Internal Revenue, but it was defeated by a 44 to 26 vote.

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## Lists Appliance Purchases

Two electric brooders, two flood lights, a water pump, electric stove and fence charger are among the recent appliance purchases by co-op members listed in the January issue of *The Transformer*, official publication of Erath Co. Electric Cooperative Ass'n., Stephenville, Texas. The connection of 10 additional consumers also is announced.

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## World Is Progressing Toward Electric Age Rankin Survey Shows

(*Continued from Page 10*)

cisco River with multiple dams. The Paulo Affonso cataracts, with a fall of 265 feet, are located just below Itaparica, which is 140 miles from the mouth of this river. The projected Affonso project will develop 600,000 horsepower and immediately above another project contemplates 200,000 horsepower additional."

### Peru

"The Peruvian Government is also starting a large hydroelectric development at Canyon del Pato with funds furnished by our Export-Import Bank. The work on the Del Pato project, which is located on the Santa River, was initiated last year and calls for the installation of five generators of 25,000 kilowatts each. According to the releases of the Peruvian Government, the Del Pato installation will initially produce current at an overall cost in United States currency, of 1 mill per kilowatt-hour. When the additional units are installed that Government estimates the over-all production cost will be reduced to three-fourths of a mill per kilowatt-hour. The construction schedule calls for the completion of the first installation by the end of 1945."

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## Electrifies Wind Mill

"Around the Project," the official publication of Vermont Electric Cooperative, Johnson, Vermont, states that Elmer Todd, of Brownington, has electrified the old wind mill on his property by installing an electric pumping unit and new pipe line. The new water supply will be of great assistance in watering the Todd dairy herd.

# Three-Fourths of TVA Power Goes to War Work; Battlefields Feel Full Impact of Program

## Residential Consumers Get 50% More Energy For 18% Less Money Than Other Sections Pay

More than 75 percent of the 9 billion kilowatt hours of electricity produced by TVA last year went directly into the manufacture of war materials or into other war time uses. The annual report of Tennessee Valley Authority shows that in 1943 the world battlefronts felt the full impact of 10 years of unified resource development in the Tennessee Valley.

TVA, the report states, in the 12 months:

**Provided 9,056,000,000 kilowatt hours of electric energy, or more than half as much as it had produced in the previous nine years, thus raising TVA from fifth to second rank among the power producing systems of the nation.**

Produced large quantities of ammonia. ammonium nitrate and phosphorus for munitions and calcium carbine for synthetic rubber.

Made possible greatly increased water transportation, much of it war materials, on the improved Tennessee River channel.

**Aided farmers to produce more food without additional manpower.**

Supplied thousands of tons of concentrated phosphatic fertilizers for the food production program of Great Britain.

Mapped thousands of square miles of strategic areas for the War Department.

Designed electric generating plants for the Russian Government at the request of the Lend Lease Administration.

Constructed new electric generating plants at a rate which kept power supply ahead of expanding war needs.

Supplied substantial stand-by power for neighboring utility systems.

Trained Army medical officers in malaria control methods.

Provided training in resource development administration for engineers and technicians from South American countries and China.

**Developed equipment and techniques for preserving foods by quick freezing and by dehydration.**

Made available to industry surveys of new sources of critical raw materials urgently needed in the war effort.

Returned $13,148,000 of net income to the U. S. Treasury out of a gross power revenue of $31,670,000.

Recruited and trained workers to help replace the 10,000 TVA employees who had gone into the armed forces.

Supplied trained and experienced scientists, engineers, technicians and administrators to new war agencies.

Developed new mobile housing construction methods.

### Private Consumption Grows

In addition to the huge war industry program, the use of TVA power by private consumers increased greatly during 1943. The average consumption per residential customer served at TVA rates climbed to 1,598 kilowatt hours, as compared with the national average of 1,044 kilowatt hours. At the same time, the average cost per kilowatt hour declined to 1.96 cents, as compared with 3.66 cents per kilowatt hour for residential service in other parts of the country.

### More Energy, Lower Cost

The average annual bill for TVA residential consumers was $31.35, or nearly $7 less than the $38.21 average residential bill for the country at large. **In other words, the average residential consumer of TVA power received 50 percent more energy during 1943 for 18 percent less money.**

# Victory of REA Co-Ops In Texas Is Reviewed By Farm Publication

Declaring the year 1943 a hectic one on the Texas home front, with reactionary forces engaged in all-out effort to sabotage all the gains farmers had made during the past 10 years, *Texas Agriculture*, the official publication of Texas Farm Bureau Federation, in its January issue reviewed the victory of the REA co-ops in the Texas legislature. We quote the article:

"The Texas legislature convened on January 12, 1943, and the vested interests, descending upon Austin like locusts, started in to cripple the REA, saddle the blame for the food shortage on the AAA, make farmers pay a highway tax on gas burned in their tractors, legislate independent truckers out of business, and in various other ways hamstring the general welfare.

"That their efforts largely failed was a tribute to the growing power of organized agriculture in this state.

**"Legislative highlight of the session, as far as agriculture was concerned, came on the night of April 20, when the REA co-ops and the Texas Farm Bureau delivered a stunning backset to the power companies' plans to check cooperative rural electric expansion in this state.**

### Power Lobby Works Quietly

"Quietly and unobstrusively, the utilities had slipped a bill through the Texas Senate which they hoped would ultimately give them control of Possum Kingdom dam on the Brazos river. This great hydroelectric project already serves many REA co-ops with cheap power, and is expected to serve many more when transmission lines can be built after the war.

"Possum Kingdom would be a juicy plum for the power companies and they have been trying desperately to get their hands on it ever since it was built (despite their vigorous opposition) in 1941.

"Hotel lobbies were buzzing on the morning of the 21st with accounts of

(*Continued on page 15*)

## Electrical Manufacturers Expect Production Increase

Electrical manufacturers will produce from 500,000 to 1,000,000 refrigerators for civilian use during 1944, according to Charles G. Pyle, managing director of the National Electrical Wholesalers Association, quoted in a recent story in the *New York Times*. Mr. Pyle also predicted that a like number of electric washing machines will be placed on the market before the end of the year and said it was probable there will be at least 88,000 electric ranges manufactured instead of the 64,000 called for in previous plans.

# Second Annual Convention of NRECA Scheduled For Chicago March 20-21

(*Continued from page 1*)

with the hotel. The rates are $3.25 and up for single room and bath; $4.75 and up for double room with bath, and $6.00 a day and up for room with twin beds and bath.

### Coordinators Meet Early

Although the convention will not formally open until 10 o'clock Monday morning, the 20th, a pre-convention meeting of all State Coordinators and Resolutions Committee members will be held Sunday, the preceding day. It is important they attend this meeting. The complete list of coordinators and resolutions committee members should be filed at once with the National office. A few have been added since the partial list was published in the January Bulletin, but our list is not complete.

### Consider By-Law Changes

Several proposed changes to the National Association By-Laws will be acted upon at this convention. Among these is a proposal for each state to have a member on the National Board. This has strong support in some regions.

### Elect Director-at-Large

In accordance with the By-Laws, a Director-at-Large will be elected at the convention. The 10 regional Directors were elected at the annual regional meetings in November.

### Non-Members Invited

Accredited delegates from member cooperatives, public power districts and public utility districts are eligible to vote. Non-members are urged to attend so they can take home first-hand reports of the program of the National Association.

### Large Attendance Important

A large representation from all sections of the country is highly desirable in view of the many problems and opportunities ahead of us in rural electrification. Full and free discussion will be encouraged. This will be a convention conducted by members.

# National Makes Survey Of Co-ops' Line Losses

Line losses suffered by the co-ops, public power districts and public utility districts have been test-checked by sending out questionnaires to determine the loss trend on a nationwide basis. The information obtained would indicate that rates for this coverage should be much lower than insurance companies have anticipated.

A total of 100 questionnaires was sent out from the National office about two weeks ago, the coverage including all states where co-ops are in operation. Seventy-five replies have been received from co-ops with 41,338 miles of energized lines. They represent a total investment of $47,524,-896, and the losses within the last five years are reported as $44,272.94. The questionnaire requested information on losses in excess of $500.00 due to any one catastrophe such as sleet, flood, tornado or fire damage. The inclusion of losses under $500.00 would, of course, considerably increase the total loss reported.

The importance of line insurance will be among the topics discussed at the national convention open forums.

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# PLAN TO ATTEND

*Second Annual Convention*

## National Rural Electric Cooperative Association

## MARCH 20-21, 1944

## CHICAGO

Headquarters
**THE STEVENS**
Michigan Blvd.

**WRITE HOTEL DIRECT FOR RESERVATIONS**
(See News Story for Rates)

## Keen Rivalry Among Regions in Number Of Co-ops Insured

### REGION 5 TOPS LIST

Keen rivalry exists among the 10 regions as to the number of co-ops clearing insurance through the National Association pool. Region 5 is now at the head of the list with 20 co-ops, and Regions 6, 7 and 8, each with 18, are tied for second place. Fifteen Minnesota co-ops have taken policies through the pool, making Minnesota the leader among individual states. Georgia with 12 insured co-ops is in second place.

An average of two policies each working day in January cleared through the National pool, the monthly report showing a total of 56 policies. This brings the aggregate to 448 policies from 134 co-ops.

## Victory of REA Co-ops In Texas Reviewed

(*Continued from Page 13*)

what had happened up at the capital the evening before. In a tense and crowded House chamber, farmers from all parts of the Lone Star state had gotten up and told the House committee on reclamation and conservation just what they thought of the utilities' scheme to cripple REA, and at the conclusion of the hearing the committee voted 9 to 0 to report the measure unfavorably, which effectively killed it for the session.

#### Convincing Demonstration

"Old timers at the capital said it was the most convincing demonstration of what organized Texas farmers can do when they become aroused that had been seen in Austin since the fight to increase the truck load limit several years ago. In plain language, the private power companies had taken an old-fashioned country licking at the hands of Texas farmers and practically everybody except the untilities was happy about it."

## McPhail Named Director

Harvey F. McPhail has been named director of the Bureau of Reclamation's Branch of Power Utilization. He has been with the Bureau of Reclamation for nearly 25 years and for the last 15 years has been assistant chief electrical engineer in the Denver office.

## Report On Audit Will Be Given To Delegates At National Convention

An audit of the books of the National Rural Electric Cooperative Association as of December 31, 1943 has been made by Snyder, Farr and Company, certified public accountants. A detailed report of this audit will be made to the members at the annual convention in Chicago March 20 and 21, but we show here a Statement of Assets and Liabilities as of December 31, 1943, as prepared by the auditors.

We would be glad to receive specific inquiries from the members on the fiscal condition of the Association.

FINANCIAL STATEMENT
of
NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION
December 31, 1943

*Assets*

| | |
|---|---|
| Cash | $ 9,745.21 |
| Accounts Receivable, advertising and dues, net after reserve for doubtful accounts | 9,837.63 |
| Deposit with Postmaster | 150.00 |
| Furniture and fixtures, net after reserve for depreciation | 2,662.66 |
| | $22,395.50 |

*Liabilities*

| | |
|---|---|
| Vouchers payable | $ 5,726.06 |
| Accrued federal old age benefit taxes | 33.28 |
| TOTAL LIABILITIES | $ 5,759.34 |
| SURPLUS | 16,636.16 |
| | $22,395.50 |

**Buy WAR BONDS**

## Idaho Coordinator Was State President Of REA Co-ops In 1943

Walter H. Bratt

State President of REA co-ops in 1943, a member of the state board the preceding year, and superintendent of Fall River Rural Electric Cooperative at Ashton since construction was begun in April, 1939, is the five year record of REA activity of Walter H. Bratt, Coordinator for Idaho.

Mr. Bratt was born in Liverpool, England, and has been a resident of Idaho since 1912. For five years before that he had served an apprenticeship in electrical engineering. He is married and has three sons, the youngest now being in the service and the two older boys operate their Idaho farm, served by REA power.

### Attends Regional Meeting

Regional Director J. C. Nichols attended the ninth annual meeting of the Nebraska Association of Rural Public Power Districts, held at Columbus, Nebr., January 11.

# COMPILATION OF REPLIES *to* ELECTRICAL APPLIANCE QUESTIONNAIRE

Estimates received from 262 REA cooperatives, public power districts and public utility districts, approximately one-third of entire number in operation in the United States. This information was requested by National Rural Electric Cooperative Association at the suggestion of War Production Board and War Food Administration for use in planning the 1944 production program.

| *Appliance* | *No. members without appliance* | *No. who would buy in 1944 if available* | *Average man hours saved each year by appliance* |
|---|---|---|---|
| Electric Refrigerator | 189,880 | 96,015 | 206 |
| Electric Range | 300,681 | 50,587 | 634 |
| Electric Washing Machine | 166,237 | 78,294 | 230 |
| Electric Iron | 93,810 | 74,845 | 169 |

Replies also showed 62,849 new consumers would be connected with electricity in 1944 if twice the materials are available as in 1943.

# Farmers Asked To Plant 380,000,000 Acres in 1944; Increase Most Needed Crops

To meet both military and civilian demands and help feed the liberated nations, the Government is asking the farmers of this country to plant 380 million acres this year. This 1944 goal, 16 million acres more than in 1943 and more than in any previous year in our history, is announced in the annual report of the Secretary of Agriculture. Also, the report shows, increased emphasis will be placed on growing the right amounts of the right things in the right places. Farmers will convert more of their land to production of the most needed crops. More acreage will be in crops such as dry beans, peas, soybeans, potatoes and peanuts. Feed crops will be increased wherever they will produce more food or feed per acre than any alternative crop.

### Where We Now Stand

We quote excerpts from the Secretary's report in reference to what has been accomplished in 1943:

This year, for the seventh year in succession, our farmers will set a new high record in food production (crops plus livestock). Nevertheless we do not have food enough to satisfy all needs, at home and abroad, not to mention all desires.

Our total food production may be about 5 per cent greater than that of 1942 and 32 per cent above the average for the period 1935-39. The increase will be in livestock and livestock products, the total of which may run as much as 10 per cent above 1942. Output of food crops may be 9 per cent smaller than in 1942 owing to a decrease not in acreage but in the yields. The food crop acreage is 3 per cent above 1942.

As 1942 will long be remembered as the year of big crops, so 1943 will be remembered as a year of phenomenal livestock production. By January 1, 1944, the number of hogs on farms will be close to 88 million, or nearly 30 per cent of the total number in the world. The increase in cattle for the year may nearly equal the 4 per cent increase reported last year. In sheep some decline took place. Chicks less than 3 months old on farms September 1 totaled 225 million, as compared with 156 million on the same date in 1942 and turkey production remained well above the level of earlier years. Though the peak of milk production may be past for the present, the number of milk cows continues to increase. Chicken production may reach the record total of 4 billion pound and egg production will probably exceed 5 billion dozen.

### Military Claim on Food

Pointing out that one of the Government's policies is to make our armed forces the best fed fighters in the world, the Secretary's report stated each soldier or sailor is provided with almost the equivalent of 1½ civilian rations per day.

The average soldier or sailor eats approximately 5¼ pounds of food as purchased per day, as compared with approximately 3¾ pounds consumed by the average civilian. So that the right food will always be available the Army and Navy require at least a 9-day reserve supply for men quartered in this country, or approximately the same reserve supply required by wholesalers and retailers for the regular civilian trade. The overseas reserve is a 9-month (273 days) supply.

### Lend-Lease Call

With reference to Lend-Lease, we quote:

Food has been an important item in lend-lease shipments from the beginning. In 1941 the lend-lease food shipment amounted to about 2 per cent of our food production; in 1942 to about 6 per cent. This year it will approximate 10 per cent. Food shortages in Russia and the essential needs of liberated people in North Africa, Sicily and Italy are important factors. This year we may send more food to Russia than to Great Britain, whereas in 1942 Great Britain was by far the largest recipient. In the period March 1941 through March 1943 our British allies received about 3½ times as much lend-lease food as did the Russians; but in the first five months of 1943, because of the invasion of the Ukraine, the USSR received one-third of our lend-lease food shipment. Lend-lease shipments provided a major source of supply for Montgomery's African army.

### Production in Two Wars

Production of food in World War I and World War II are compared:

Our food production in World War II has increased considerably more than it did in the corresponding years of World War I. On a per capita basis the output was about the same in the first year of both world wars; namely, about 5 per cent above the average for the base period—1935-39. In 1915 the production rose 3 per cent but in 1916 and 1917 it declined because of crop failures. In 1918, however, the per capita food production increased 9 per cent over that of the previous year, and established a record that lasted until 1941. In World War II the food-production story is much more striking. From the 1939 level it increased on a per capita basis 4 per cent in 1940, 3 per cent in 1941, and another 8 per cent in 1942. It is expected to show a further increase of 3 per cent in 1943.

### Post War Planning

Much emphasis is placed on the post war planning program. We quote briefly:

It was necessary a year ago to recognize that the United Nations were still fighting a defensive war—that our backs were still uncomfortably close to the wall. Though even then the tide was turning, we were only just getting to a place where we could risk a head-on-blow encounter with the Axis war machine.

This year our armies, in one theater after another, have taken matters into their own hands. We have won important victories on every major front. That does not mean that the war has been won. Our most difficult days are still ahead. We are going into the bloodiest phase of the battle, and relaxing even for a single moment will cost lives. But we can foresee the final decision.

Therefore, it is not too soon to begin thinking our way through some of the problems that will follow the conflict, and this thinking and planning will be difficult. Agriculture's share of the task will be large.

**BACK THE ATTACK**

**—Fourth War Loan**